

**SPECIAL MEETING OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
AVALON COMMUNITY IMPROVEMENT AGENCY
WEDNESDAY, SEPTEMBER 16, 2015– 12:25 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

1. Minutes from the February 18, 2015 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: Anni Marshall, Chris Blehm, Eric Huart, Julie Moore, and Gabrielle Morones.
Recommended Action
Adopt a resolution approving minutes from the February 18, 2015 Oversight Board Meeting.
2. City Loan to the Successor Agency to the Avalon Community Improvement Agency
The City of Avalon and the Successor Agency desire to enter into a loan agreement and place it on the ROPS for repayment. The City may loan funds to the Successor Agency as authorized by Health and Safety Code Section 34173(h). The City loan will be placed on the ROPS 15-16B and subsequent ROPS as necessary until it is fully repaid.
Recommended Action
Adopt resolution approving agreement for repayment of loan from the City of Avalon.
3. Recognized Obligation Payment Schedule ROPS 15/16B
Health and Safety Code Section 34177 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
Adopt a resolution approving the Recognized Obligation Payment Schedule 15-16B for the Six-Month Fiscal Period Beginning January 1, 2016 and Ending June 30, 2016.

**OVERSIGHT BOARD MEETING
SEPTEMBER 16, 2015
PAGE 2**

ADJOURN

NOTICE OF POSTING

I, Denise Radde, declare that the Oversight Board Agenda for the September 16, 2015 special meeting was posted on Friday, September 11, 2015, on the City of Avalon's website 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: September 16, 2015

AGENDA ITEM: 1

ORIGINATING DEPARTMENT: Successor Agency

CITY MANAGER: BA

PREPARED BY: Denise Radde

SUBJECT: Oversight Board Meeting Minutes

RECOMMENDED ACTION

That the Oversight Board adopt the resolution approving minutes from the Oversight Board Meeting on February 18, 2015.

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 18, 2015.

OVERSIGHT BOARD RESOLUTION NO. _____

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED AVALON COMMUNITY IMPROVEMENT AGENCY, APPROVING MINUTES FROM THE OVERSIGHT BOARD MEETING ON FEBRUARY 18, 2015

WHEREAS, pursuant to Health and Safety Code section 34173(d), the City of Avalon ("Successor Agency") is the successor agency to the dissolved Avalon Community Improvement Agency ("Agency"),

WHEREAS, pursuant to Health and Safety Code section 34179(a), the Oversight Board is the Successor Agency's oversight board; and

WHEREAS, pursuant to Health and Safety Code section 34179(e), the Oversight Board is deemed to be a local entity for purposes of the Ralph M. Brown Act (Gov. Code, § 54950 et seq.); and

WHEREAS, Exhibit A, pursuant to Government Code section 54954(a), the Oversight Board desires to provide, by resolution, the minutes from the February 18, 2015 meeting.

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. Actions. Minutes from the February 18, 2015 meeting.

Section 3. 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 4. 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 three (3) business days, pending a request for review by the State of California Department of Finance.

PASSED AND ADOPTED at a special meeting of the Oversight Board on the 16th day of September, 2015 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Ann H. Marshall, Chairperson

ATTEST:

Denise A. Radde, Oversight Board Secretary/City Clerk

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
AVALON COMMUNITY IMPROVEMENT AGENCY
MINUTES OF FEBRUARY 18, 2015**

CALL TO ORDER: 12:41 p.m.

ROLL CALL: Present - Oversight Board members Anni Marshall, Eric Huart, Julie Moore, Gabrielle Morones and Chris Blehm (arrived late). Absent: James Novak and John Thompson. Also present- City Clerk/Oversight Board Secretary Denise Radde, and Scott Campbell Oversight Board Counsel.

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

CONSENT CALENDAR- None

GENERAL BUSINESS

1. Minutes from the September 17, 2014 Oversight Board Meeting
Adopted Resolution 15-01 approving minutes from the September 17, 2014 Oversight Board Meeting. Motion to adopt by Eric Huart, seconded by Gabby Morones. (4 Ayes-Huart, Morones, Marshall and Blehm, 1 Abstain- Moore, 2 Absent- Thompson and Novak)

2. ROPS 15/16A and Successor Agency Administrative Budget
Adopted Resolution 15-02 approving the Recognized Obligation Payment Schedule 15-16A and Successor Agency Administrative Budget for Fiscal Year 2015-2016. Motion to adopt by Eric Huart, seconded by Julie Moore. (5 Ayes-Huart, Moore, Marshall, Morones and Blehm, 2 Absent-Novak and Thompson)

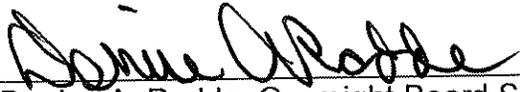
3. Resolution of the Oversight Board of the Successor Agency to the Avalon Community Improvement Agency approving Agreement for Repayment of loan from Low and Moderate Income Housing Fund to make 2009-10 SERAF Payment
Adopted Resolution 15-03 approving repayment of a loan from the Low and Moderate Income Housing Fund of the former Avalon Community Improvement Agency for legally required SERAF Payment. Motion to adopt by Gabby Morones, seconded by Eric Huart. (5 Ayes-Morones, Huart, Marshall, Moore and Blehm, 2 Absent-Thompson and Novak)

4. Tax Allocation Bonds Refinancing
Adopted Resolution 15-04 approving the issuance of refunding bonds, making certain determinations with respect to the refunding bonds and providing other matters relating thereto. Motion to adopt by Chris Blehm, seconded by Gabby Morones. (5 Ayes-Blehm, Morones, Marshall, Moore and Huart, 2 Absent-Thompson and Novak)

**OVERSIGHT BOARD MINUTES
FEBRUARY 18, 2015
PAGE 2**

Chairman Marshall adjourned the meeting at 12:49 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 February 18, 2015, is the official record of that Oversight Board Meeting and is on file and maintained in City Hall.



Denise A. Radde, Oversight Board Secretary/City Clerk

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

MEETING DATE: September 16, 2015

AGENDA ITEM: 2

ORIGINATING DEPT: Successor Agency

CITY MANAGER: BA

PREPARED BY: Tara Matthews, Consultant, RSG Inc.
Suzy Kim, Consultant, RSG Inc.

SUBJECT: City Loan to the Successor Agency to the Avalon Community
Improvement Agency

RECOMMENDED ACTION

That the Oversight Board adopt the resolution Approving Agreement for Repayment of Loan from the City of Avalon.

BACKGROUND

The Successor Agency to the Avalon Community Improvement Agency ("Successor Agency") is required to prepare a Recognized Obligation Payment Schedule ("ROPS") every six-month period in order to request Redevelopment Property Tax Trust Funds ("RPTTF") to fund enforceable obligations. The ROPS is submitted to and reviewed by the California Department of Finance ("DOF"). The ROPS includes a Report of Cash Balances documenting the Successor Agency's cash balances from various funding sources.

When the Successor Agency submitted the ROPS for the July to December 2015 period ("ROPS 15-16A"), it informed DOF that prior reports of cash balances were inaccurate due to inter-fund transfers that were not reconciled until Fiscal Year 2014-15. Successor Agency staff and consultants had audited its funds and determined that the wrong funds had been used to pay for eligible Successor Agency expenditures, and that RPTTF was used to pay for non-Successor Agency expenditures. Inter-fund transfers were made to repay and true-up expenditures made from incorrect funds.

DOF initiated a special review of Successor Agency cash balances in June 2015. The review was part of a state-wide task force reviewing multiple successor agencies throughout California. DOF Analyst Kelly Wyatt determined that the Successor Agency had a negative cash balance of -\$188,616 as of January 1, 2015. This is comprised of an "Other Funds" balance of -\$348,851 and a RPTTF balance of \$160,235. The "Other Funds" balance is negative due to inter-fund transfers made to repay the City for funds mistakenly advanced by the City to pay for Successor Agency obligations that should have been paid from RPTTF. The payments made by the City were never reported on the ROPS. Those expenses represent eligible but unfunded administrative expenses.

After reviewing Successor Agency cash balances, revenues, expenditures, and inter-fund transfers made since January 1, 2012, DOF has determined that the Successor Agency had \$138,663 in eligible administrative costs that were unfunded in the July to December 2012 (ROPS 2) period. DOF has advised the Successor Agency to establish a City loan to the Successor Agency to recoup this cost as a mechanism to provide additional cash to the Successor Agency and thereby reduce the Successor Agency's cash deficit.

The City of Avalon and the Successor Agency desire to enter into a loan agreement and place it on the ROPS for repayment. The City may loan funds to the Successor Agency as authorized by Health and Safety Code Section 34173(h). The City loan will be placed on the ROPS 15-16B and subsequent ROPS as necessary until it is fully repaid.

FISCAL IMPACT

Approval of the City Loan is necessary to repay the City for Successor Agency expenditures that should have been funded by RPTTF through the ROPS.

ATTACHMENT

Oversight Board Resolution Approving Repayment of Loan from the City of Avalon

OVERSIGHT BOARD RESOLUTION NO. _____

**RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR
AGENCY TO THE AVALON COMMUNITY IMPROVEMENT AGENCY
APPROVING AGREEMENT FOR REPAYMENT OF LOAN FROM THE
CITY OF AVALON**

WHEREAS, pursuant to Assembly Bill x1 26, enacted on June 28, 2011, and Assembly Bill 1484, enacted on June 27, 2012 (collectively the "Dissolution Act"), the Avalon Community Improvement Agency ("Redevelopment Agency") was dissolved on February 1, 2012; and

WHEREAS, pursuant to Assembly Bill x1 26, the City Council of the City of Avalon is the "Successor Agency" to the Avalon Community Improvement Agency; and

WHEREAS, the Oversight Board to the Successor Agency was established under the Dissolution Act to direct and oversee the Successor Agency's action in winding down the affairs of the Redevelopment Agency and to perform other related functions; and

WHEREAS, Health and Safety Code ("HSC") Section 34177(l) requires the Successor Agency to prepare a Recognized Obligation Payment Schedule ("ROPS") before each six-month fiscal period that lists its enforceable obligations; and

WHEREAS, the ROPS for the July to December 2012 ("ROPS 2") period was unfunded due to a shortfall in available Redevelopment Property Tax Trust Funds ("RPTTF"); and

WHEREAS, the Department of Finance ("DOF") conducted a special review of Successor Agency cash balances in 2015 and determined that the Successor Agency incurred \$138,663 of eligible administrative expenditures in the ROPS 2 period that were unfunded and eligible to be repaid through a City loan; and

WHEREAS, HSC Section 34173(h) provides that the City may loan funds to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, and that the loan must be reflected on the Successor Agency's ROPS, which is subject to the approval of the Successor Agency's Oversight Board; and

WHEREAS, the City and Successor Agency desire to enter into a loan agreement and have transmitted it to the Oversight Board for its approval.

NOW, THEREFORE BE IT RESOLVED, the Oversight Board hereby finds and resolves as follows:

Section 1. The foregoing recitals are true and correct and incorporated herein.

Section 2. The Agreement to Repay Loan from the City of Avalon, a copy of which is attached hereto as Exhibit A and incorporated herein by reference, is hereby approved.

Section 3. All legal prerequisites to the adoption of this Resolution have been satisfied.

Section 4. The Executive Director of the Successor Agency or designee is hereby authorized to take such actions as are necessary and appropriate to implement this decision of the Oversight Board, including, but not limited to, listing the Agreement to Loan from the City of Avalon on the Successor Agency's ROPS as an enforceable obligation.

Section 5. This Resolution shall become effective in accordance with Health and Safety Code section 34179(h), which authorizes the Department of Finance to review all actions taken by the Oversight Board.

PASSED AND ADOPTED this 16th day of September 2015 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Ann H. Marshall, Chairperson

Denise A. Radde, Oversight Board Secretary

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

MEETING DATE: September 16, 2015

AGENDA ITEM: 3

ORIGINATING DEPT: Successor Agency

CITY MANAGER: BH

PREPARED BY: Tara Matthews, Consultant, RSG Inc.
Suzy Kim, Consultant, RSG Inc.

SUBJECT: Recognized Obligation Payment Schedule (ROPS) 15-16B

RECOMMENDED ACTION

That the Oversight Board adopt the resolution: (1) Approving the Recognized Obligation Payment Schedule for the Six-Month Fiscal Period Beginning January 1, 2016 and Ending June 30, 2016.

BACKGROUND

ROPS 15-16B

Health and Safety Code ("HSC") Section 34177(l) 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. An Oversight Board-approved ROPS covering the period of January 1, 2016 to June 30, 2016 ("ROPS 15-16B") is required to be submitted to DOF by no later than October 3, 2015. 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 in 2012 as a result of AB 1484 (Chapter 26, Statutes of 2012).

Enforceable Obligations

The majority of the enforceable obligations on the ROPS remain unchanged from prior periods. ROPS 15-16B items requiring funding include debt service payments on the 2015 Tax Allocation Refunding Bonds (formerly the 2003 Tax Allocation Bonds), bond fiscal agent fees, legal services related to project implementation, a contract for Pebbly Beach road and slope improvements (to be paid out of bond proceeds), SERAF loan repayment, and administrative cost allowances. One new item has been added to reimburse the Catalina Island Museum Society for stairway construction pursuant to an agreement with the former ACIA. A second new item establishes a City loan to the Successor Agency, which is described in further detail below.

Bond Projects

The Successor Agency has funded several projects on the ROPS using proceeds from the 2003 Tax Allocation Bonds, which were recently refunded and are now the 2015

Tax Allocation Refunding Bonds. Two projects proposed to be funded with bond proceeds remains on the ROPS. The Successor Agency has budgeted \$156,517 to fund remaining road/slope improvements on Pebbly Beach Road. The Successor Agency has requested an additional \$843,483 of funding for Pebbly Beach Road from Redevelopment Property Tax Trust Funds ("RPTTF") for a total project cost of \$1 million. There are not enough bond proceeds remaining to fund the entire project, however the former ACIA entered into a contract to fund this project prior to dissolution that did not limit funding to bond proceeds. The Avalon Housing Authority has also requested \$500,000 in housing bond proceeds to fund a Low and Moderate Income Down Payment Assistance Program.

SERAF Loan Repayment

The Successor Agency received a Finding of Completion (aka the "Golden Ticket") on July 16, 2013. This enabled the Successor Agency to begin repaying a \$1 million loan to the former ACIA from its Low and Moderate Income Housing Fund ("LMIHF") to make payments to the State's Supplemental Educational Revenue Augmentation Fund ("SERAF"). The Oversight Board approved a proposed repayment schedule on February 26, 2015. The ROPS 15-16B requests \$68,861 to repay the SERAF loan.

Cash Balance Reconciliation & City Loan

When the Successor Agency submitted the last ROPS for the July to December 2015 period (ROPS 15-16A), it informed DOF that prior reports of cash balances were inaccurate due to inter-fund transfers that were not reconciled until Fiscal Year 2014-15. DOF initiated a special review of Successor Agency cash balances in June 2015. It determined that the Successor Agency had a negative cash balance of -\$188,616 as of January 1, 2015. This is comprised of an "Other Funds" balance of -\$348,851 and a RPTTF balance of \$160,235. The negative Other Funds balance is the result of inter-fund transfers made to the City to repay funds mistakenly advanced by the City to pay for Successor Agency obligations that should have been paid from RPTTF. The payments made by the City were never reported on the ROPS. Those expenditures were for eligible but unfunded administrative costs.

After reviewing Successor Agency cash balances, revenues, expenditures, and inter-fund transfers made since January 1, 2012, DOF has determined that the Successor Agency had \$138,663 in eligible administrative costs that were unfunded in the July to December 2012 (ROPS 2) period. DOF has advised the Successor Agency to establish a City loan to the Successor Agency to recoup this cost as a mechanism to provide additional cash to the Successor Agency and thereby reduce the Successor Agency's cash deficit.

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 included in this ROPS is January to June 2015 (ROPS 14-15B). The prior period payment "true-up" process compares estimated versus actual payments. The Successor Agency spent

\$35,138 less than it estimated. The County Auditor-Controller will typically adjust down the distribution of RPTTF to the Successor Agency in the 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 on 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 RPTTF distribution date for ROPS 15-16B is January 2, 2016.

FISCAL IMPACT

Approval of the ROPS 15-16B 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, 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 by October 3, 2015 will also result in a \$10,000 per day penalty assessed against the City for each day the ROPS is late.

ATTACHMENT

Oversight Board Resolution Approving the ROPS 15-16B

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 15-16B**

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 January 1, 2016 and ending June 30, 2016 ("ROPS 15-16B"), in a manner consistent with that prescribed by DOF; and

WHEREAS, on July 16, 2013, DOF issued a Finding of Completion letter to the Successor Agency pursuant to Health and Safety Code Section 34179.7; and

WHEREAS, pursuant to Health and Safety Code Section 34191.4(c), the Successor Agency has separately listed an obligation for excess bond proceeds on the ROPS 15-16B to fund the "Pebble Beach Road Construction" project, in an amount not to exceed \$156,517, which is a proposed expenditure for capital improvements that is consistent with the bond covenants for the 2015 Tax Allocation Refunding Bond Series A, and for which sufficient funding is available.

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 15-16B 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 15-16B. The Oversight Board hereby approves the Recognized Obligation Payment Schedule for the six-month fiscal period beginning January 1, 2016 and ending June 30, 2016 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. Successor Agency staff is hereby authorized to make technical revisions to the ROPS 15-16B as necessary for DOF approval.

Section 4. Excess Bond Proceeds Obligation for Capital Improvements. The Oversight Board hereby determines that, pursuant to Health and Safety Code Section 34191.4(c), the proposed obligation for excess bond proceeds on the ROPS 15-16B to fund the "Pebble Beach Road Construction" project, in an amount not to exceed \$156,517, is a proposed expenditure for capital improvements that is consistent with the bond covenants for the 2015 Tax Allocation Refunding Bond Series A.

Section 5. 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 for review, and to post the ROPS on the Successor Agency's Internet Web site.

Section 6. 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 7. 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 8. 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 16th day of September, 2015 by the following vote:

Ayes:
Noes:
Absent:
Abstain:

Ann H. Marshall
Oversight Board Chairperson

ATTEST:

Denise A. Radde
Oversight Board Secretary

EXHIBIT A

RECOGNIZED OBLIGATION PAYMENT SCHEDULE 15-16B
JANUARY 1, 2016 TO JUNE 30, 2016

Recognized Obligation Payment Schedule (ROPS 15-16B) - Summary

Filed for the January 1, 2016 through June 30, 2016 Period

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

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding		
A	Sources (B+C+D):	\$ 656,655
B	Bond Proceeds Funding (ROPS Detail)	656,655
C	Reserve Balance Funding (ROPS Detail)	-
D	Other Funding (ROPS Detail)	-
E	Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 2,040,934
F	Non-Administrative Costs (ROPS Detail)	1,765,934
G	Administrative Costs (ROPS Detail)	275,000
H	Total Current Period Enforceable Obligations (A+E):	\$ 2,697,589

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I	Enforceable Obligations funded with RPTTF (E):	2,040,934
J	Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(35,138)
K	Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 2,005,796

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L	Enforceable Obligations funded with RPTTF (E):	2,040,934
M	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N	Adjusted Current Period RPTTF Requested Funding (L-M)	2,040,934

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
 /s/ _____
 Signature

 Date

Avaton Recognized Obligation Payment Schedule (ROPS 15-16B) - Report of Cash Balances
(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	Fund Sources				Comments		
									Bond Proceeds		Reserve Balance			Other	RPTTF
									Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR balances retained	Prior ROPS RPTTF reserve for future period(s)			
Cash Balance Information by ROPS Period															
ROPS 14-15B Actuals (01/01/15 - 06/30/15)															
1	Beginning Available Cash Balance (Actual 01/01/15)				4,416,486							160,235	Other Funds includes Permitted Administrative Expense (PAE) pass-through from County restricted for administrative expenditures outside of RPTTF. Beginning balance taken from Kelly Wyatt review of cash balances.		
2	Revenue/Income (Actual 06/30/15) RPTTF amounts should tie to the ROPS 14-15B distribution from the County Auditor-Controller during January 2015	4,416,486													
3	Expenditures for ROPS 14-15B Enforceable Obligations (Actual 06/30/15) RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q	2,409									249,666	800,539	Bond proceed expenditure related to Down Payment Assistance Program reported as expended during the 14-15A period (on the ROPS 15-16A PPA) but drawn down from the bond trustee account in the 14-15B period.		
4	Retention of Available Cash Balance (Actual 06/30/15) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	192,000									249,666	853,972			
5	ROPS 14-15B RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 14-15B PPA in the Report of PPA, Column S														
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ 4,226,895	\$ -	\$ -	\$ 4,416,486	\$ -	\$ (348,851)	\$ -	\$ -	\$ -	\$ -	\$ 71,664	Bond proceed balance contains \$156,665 in non-housing proceeds and \$4,070,240 of housing proceeds.		
ROPS 15-16A Estimate (07/01/15 - 12/31/15)															
7	Beginning Available Cash Balance (Actual 07/01/15) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ 4,226,895	\$ -	\$ -	\$ 4,416,486	\$ -	\$ (348,851)	\$ -	\$ -	\$ -	\$ -	\$ 106,802			
8	Revenue/Income (Estimate 12/31/15) RPTTF amounts should tie to the ROPS 14-15B distribution from the County Auditor-Controller during June 2015												Other Funds revenue includes PAE		
9	Expenditures for ROPS 14-15B Enforceable Obligations (Estimate 12/31/15)														
10	Retention of Available Cash Balance (Estimate 12/31/15) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)														
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ 4,226,895	\$ -	\$ -	\$ 4,416,486	\$ -	\$ (348,851)	\$ -	\$ -	\$ -	\$ -	\$ 35,138			

Pursuant to Health and Safety Code section 34177 (i), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [INSERT URL LINK TO CASH BALANCE TIPS SHEET.]

Avalon Recognized Obligation Payment Schedule (ROPS 15-16B) - Notes
January 1, 2016 through June 30, 2016

Item #	Notes/Comments
1 & 2	The 2003 Tax Allocation Bonds were refunded into the 2015 Tax Allocation Refunding Bonds (Items 25 & 26)
6	This is an enforceable obligation with a third-party contract entered into prior to dissolution. Funded with a combination of bond proceeds and RPTTF.
28	The Successor Agency was underfunded in the ROPS 2 period as confirmed by DOF analyst Kelly Wyatt
29	The Housing Authority requested additional funding for the Low and Moderate Income Down Payment Assistance Program.