

STATE OF CALIFORNIA        )  
COUNTY OF LOS ANGELES    ) SS.  
CITY OF AVALON                )

I, DENISE A. RADDE, CITY CLERK OF THE CITY OF AVALON, and secretary to the Oversight Board do hereby certify that the foregoing is a true and correct copy of Oversight Board Resolution No. OB 17-02, and was duly passed, approved, and adopted by the Oversight Board of the Successor Agency to the Avalon Community Improvement Agency at its special meeting of January 18, 2017, by the following vote:

Ayes: Chairman Marshall, Board Members Morones, Blehm, and Huart


Noes: None

Absent: Board Member Steinhauser and Thompson

Abstain: None

and that the same has not been amended nor repealed.

Dated this 19<sup>th</sup> day of January, 2017.



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Denise A. Radde, City Clerk  
Secretary to the Oversight Board  
City of Avalon, California

**OVERSIGHT BOARD RESOLUTION NO. OB 17-02**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE  
AVALON COMMUNITY IMPROVEMENT AGENCY APPROVING THE RECOGNIZED  
OBLIGATION PAYMENT SCHEDULE 17-18 AND SUCCESSOR AGENCY ADMINISTRATIVE  
BUDGET FOR FISCAL YEAR 2017-18**

**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"), 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**, Senate Bill 107 ("SB 107") (Chapter 325, Statutes of 2015) established revised procedural requirements for the preparation, review and approval of ROPS by the Successor Agency, including modifying the ROPS process to an annual ROPS beginning with FY 2016-17; and

**WHEREAS**, Exhibit "A" to this resolution establishes a ROPS for the fiscal year beginning July 1, 2017 and ending June 30, 2018 ("ROPS 17-18"), 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**, 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); and

**WHEREAS**, pursuant to Amendment No. 1 to the Agreement for Reimbursement of Tax Increment Funds entered into by and between the County of Los Angeles, City of Avalon, and Avalon Community Improvement Agency on June 17, 2003, the City and Successor Agency are to be provided a "Permitted Administrative Expense" to fund administrative and operational costs related to the Successor Agency, the estimate of which for fiscal year 2017-18 is \$529,895; and

**WHEREAS**, Exhibit "B" to this resolution presents a draft Administrative Budget for fiscal year 2017-18, which provides the estimated amounts for Successor Agency administrative costs for the upcoming six-month fiscal period of July 1, 2017 – December 31, 2017, and January 1, 2018 – June 30, 2018 in the total amount of \$779,895, which is divided evenly between the two six-month fiscal periods of the fiscal year.

**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 17-18 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 17-18. The Oversight Board hereby approves the Recognized Obligation Payment Schedule for the fiscal year beginning July 1, 2017 and ending June 30, 2018 in substantially the form attached hereto as Exhibit "A," as required by ABX1 26, enacted during the 2011 legislative year, AB 1484, enacted during the 2012 legislative year, and SB 107, enacted during the 2015 legislative year.

Section 4. Approval of Fiscal Year 2017-18 Administrative Budget. The Oversight Board hereby approves the Successor Agency Administrative Budget for Fiscal Year 2017-18, in substantially the form attached hereto as Exhibit "B," as required by ABX1 26, enacted during the 2011 legislative year, AB 1484, enacted during the 2012 legislative year, and SB 107, enacted during the 2015 legislative year.

Section 5. Transmittal to Appropriate Agencies. The Oversight Board hereby directs the Successor Agency 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 18<sup>th</sup> day of January, 2017 by the following vote:

Ayes: Chairman Marshall, Boardmembers Morones, Huart and Blehm

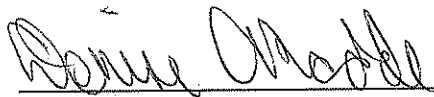
Noes: None

Abstain: None

Absent: Boardmembers Steinhauser and Thompson

  
\_\_\_\_\_  
Ann H. Marshall  
Oversight Board Chairperson

ATTEST:

  
\_\_\_\_\_  
Denise A. Radde  
Oversight Board Secretary

**EXHIBIT A**

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE**  
**JULY 1, 2017 TO JUNE 30, 2018**

## Recognized Obligation Payment Schedule (ROPS 17-18) - Summary

Filed for the July 1, 2017 through June 30, 2018 Period

Successor Agency: Avalon  
 County: Los Angeles

|   |  | 17-18A Total<br>(July - December) | 17-18B Total<br>(January - June) | ROPS 17-18 Total |
|---|--|-----------------------------------|----------------------------------|------------------|
| A | Enforceable Obligations Funded as Follows (B+C+D):   | \$ -                              | \$ -                             | \$ -             |
| B | Bond Proceeds  | -                                 | -                                | -                |
| C | Reserve Balance                                      | -                                 | -                                | -                |
| D | Other Funds  | -                                 | -                                | -                |
| E | Redevelopment Property Tax Trust Fund (RPTTF) (F+G): | \$ 2,032,226                      | \$ 812,489                       | \$ 2,844,715     |
| F | RPTTF  | 1,832,226                         | 612,489                          | 2,444,715        |
| G | Administrative RPTTF                                 | 200,000                           | 200,000                          | 400,000          |
| H | Current Period Enforceable Obligations (A+E):        | \$ 2,032,226                      | \$ 812,489                       | \$ 2,844,715     |

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177 (c) 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 successor  
 agency.

\_\_\_\_\_  
 Name Title  
 /s/\_\_\_\_\_  
 Signature Date



**Avalon Recognized Obligation Payment Schedule (ROPS 17-18) - Report of Cash Balances**  
**(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (l), 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 Cash Balance Tips Sheet.

| A  | B  | C                                    | D  | E                            | F                   | G        | H         | I  |               |  |                 |  |       |       |
|--|--|--------------------------------------|--|------------------------------|---------------------|----------|-----------|--|---------------|--|-----------------|--|-------|-------|
|  |  |                                      |  |                              |                     |          |           |  | Fund Sources  |  |                 |  |       |       |
|  |  |                                      |  |                              |                     |          |           |  | Bond Proceeds |  | Reserve Balance |  | Other | RPTTF |
| Bonds issued on or before 12/31/10               | Bonds issued on or after 01/01/11  | Prior ROPS and DDR balances retained | Prior ROPS period balances and RPTTF distributed as reserve for future period(s) | Rent, grants, interest, etc. | Non-Admin and Admin | Comments |           |  |               |  |                 |  |       |       |
| <b>Cash Balance Information by ROPS Period</b>   |  |                                      |  |                              |                     |          |           |  |               |  |                 |  |       |       |
| <b>ROPS 15-16B Actuals (01/01/16 - 06/30/16)</b> |  |                                      |  |                              |                     |          |           |  |               |  |                 |  |       |       |
| 1  | Beginning Available Cash Balance (Actual 01/01/16)   | 156,891                              |  |                              |                     |          | 24,396    | Column C: 2003 bond proceeds remaining.  |               |  |                 |  |       |       |
| 2  | Revenue/Income (Actual 06/30/16)<br>RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during June 2016           | 240                                  |  |                              |                     | 260,045  | 1,269,705 | Column G: Includes interest (\$5,386) and PAE restricted for admin expenses outside of ROPS (\$254,659).   |               |  |                 |  |       |       |
| 3  | Expenditures for ROPS 15-16B Enforceable Obligations (Actual 06/30/16)   | 156,655                              |  |                              |                     |          | 1,294,101 | Column C: Bond project expenditures approved on ROPS 15-16B for Pebbly Beach Rd. Column G: Expenditures consist of PAE pass-through from County restricted for administrative expenditures outside of RPTTF. |               |  |                 |  |       |       |
| 4  | Retention of Available Cash Balance (Actual 06/30/16)<br>RPTTF amount retained should only include the amounts distributed as reserve for future period(s) | 476                                  |  |                              |                     |          |           | Column C: Additional bond project expenditures were approved on the ROPS 16-17.  |               |  |                 |  |       |       |
| 5  | ROPS 15-16B RPTTF Balances Remaining   |                                      |  |                              |                     |          |           |  |               |  |                 |  |       |       |
| 6  | Ending Actual Available Cash Balance<br>C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)  | \$ -                                 | \$ -   | \$ -                         | \$ -                | \$ -     | \$ 5,386  | \$ -   |               |  |                 |  |       |       |







**EXHIBIT B**

**SUCCESSOR AGENCY ADMINISTRATIVE BUDGET**  
**FISCAL YEAR 2017-18**

**SUCCESSOR AGENCY TO THE AVALON COMMUNITY IMPROVEMENT AGENCY**

**ANNUAL & SIX-MONTH ADMINISTRATIVE BUDGETS**

**FISCAL YEAR 2017-18**

|                                   | <b>ANNUAL<br/>FY 2017-18</b> | <b>JUL-DEC<br/>2017</b> | <b>JAN - JUN<br/>2018</b> |
|-----------------------------------|------------------------------|-------------------------|---------------------------|
| <b>Revenues*</b>                  |                              |                         |                           |
| Annual Administrative Allowance   | \$ 250,000                   | \$ 125,000              | \$ 125,000                |
| Permitted Administrative Expenses | 529,895                      | \$ 264,948              | \$ 264,948                |
| <b>Total Revenues</b>             | <b>\$ 779,895</b>            | <b>\$ 389,948</b>       | <b>\$ 389,948</b>         |
| <b>Expenses</b>                   |                              |                         |                           |
| Salaries                          | \$ 284,760                   | \$ 142,380              | \$ 142,380                |
| Benefits/Insurance                | 177,240                      | \$ 88,620               | \$ 88,620                 |
| <b>Personnel</b>                  | <b>\$ 462,000</b>            | <b>\$ 231,000</b>       | <b>\$ 231,000</b>         |
| Supplies & Travel                 | \$ 10,000                    | \$ 5,000                | \$ 5,000                  |
| Noticing                          | 2,000                        | 1,000                   | 1,000                     |
| Professional Services             | 80,000                       | 40,000                  | 40,000                    |
| Legal Services                    | 170,895                      | 85,448                  | 85,448                    |
| Financial Services                | 30,000                       | 15,000                  | 15,000                    |
| Overhead & Property Related Fees  | 25,000                       | 12,500                  | 12,500                    |
| <b>Other Line Items</b>           | <b>\$ 317,895</b>            | <b>\$ 158,948</b>       | <b>\$ 158,948</b>         |
| <b>Total Expenses</b>             | <b>\$ 779,895</b>            | <b>\$ 389,948</b>       | <b>\$ 389,948</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 \$529,895. All available revenue sources total \$779,895.

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