



CITY OF LONG BEACH

AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH

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January 8, 2019

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF LONG BEACH
City of Long Beach
California

RECOMMENDATION:

Approve the draft Recognized Obligation Payment Schedule 19-20, for the period of July 1, 2019 through June 30, 2020. (Citywide)

DISCUSSION

Section 34177(o)(1) of the California Health and Safety Code, as adopted by AB1x 26 (the "Dissolution Act") and most recently amended by Senate Bill (SB) 107, requires the Successor Agency to the Redevelopment Agency of the City of Long Beach (Successor Agency) to prepare a draft Recognized Obligation Payment Schedule (ROPS) covering the period from July 1, 2019 to June 30, 2020, and for each period from July 1 to June 30 thereafter. Each ROPS must list dates, amounts, and payment sources of the former Redevelopment Agency of the City of Long Beach's (Agency) enforceable obligations. The attached draft ROPS represents the anticipated enforceable obligations for the period of July 1, 2019 through June 30, 2020 (Exhibit A).

The ROPS is based on the Enforceable Obligation Payment Schedule, a list of the total outstanding debts and obligations of the Agency, which was certified by the California Department of Finance (DOF) on March 30, 2012.

The ROPS must identify the source of payment for each obligation from among the following:

- The Redevelopment Property Tax Trust Fund – RPTTF (maintained by the County)
- Bond Proceeds
- Reserve Balances
- Administrative Cost Allowance
- Other revenue sources including rents and interest earnings

This ROPS requires the Oversight Board to the Successor Agency of the City of Long Beach approval as well, and will be agendaized for its review on January 15, 2019. In accordance with SB 107, each annual ROPS must be submitted to the DOF for review and certification no later than February 1, 2019, and each February 1 thereafter.

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Upon certification, the DOF will transmit a copy of the ROPS to the Los Angeles County Auditor-Controller (Auditor-Controller). Prior to July 1, 2019, the Auditor-Controller will distribute property tax revenue to the Successor Agency from the RPTTF for approved payments listed on the ROPS. This distribution will be from property taxes the Auditor-Controller received from former Long Beach redevelopment project areas from January 1, 2019 through April 30, 2019. Another distribution is anticipated on January 1, 2020, from property taxes collected from May 1, 2019 through December 31, 2019.

ROPS 19-20 includes the fourth and final loan repayment by the Successor Agency to the City. Originally AB1x26, the "Dissolution Act," voided loan agreements between cities and redevelopment agencies; however, later legislation (AB 1484) provided that City/Agency loans could be deemed enforceable obligations under certain circumstances. On March 11, 2016, the DOF found that four loans totaling \$34,635,279 were enforceable obligations.

Additionally, pursuant to Section 34171(b)(3) of the Dissolution Act, the Successor Agency is allowed an administrative allowance, subject to Oversight Board approval. The allowance is capped at 3 percent of the actual property tax allocated to the Successor Agency, less the administrative allowance and any loan payments made to the City during the prior fiscal year.

The administrative cost allowance includes items such as salaries, including citywide and departmental overhead costs for Successor Agency and other City staff carrying out the necessary actions to wind down the Successor Agency's affairs, and operational costs associated with these actions. Exhibit B outlines the proposed Administrative Budget for the Successor Agency for the period of July 1, 2019 through June 30, 2020.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on December 3, 2018 and by Revenue Management Officer Geraldine Alejo on December 11, 2018.

TIMING CONSIDERATIONS

Successor Agency action is requested on January 8, 2019, to allow for the transmittal of the ROPS to the Oversight Board for approval on January 15, 2019, and to the DOF prior to the February 1, 2019 deadline for submission.

FISCAL IMPACT

The Proposed Administrative Budget from July 1, 2019 through June 30, 2020, is approximately \$755,449, or 3 percent of the \$25,181,620, which represents RPTTF funds, less the administrative allowance remitted to the Successor Agency and City loan repayment made during the prior fiscal year. The final loan repayment will be made during this fiscal year and will total \$10,741,313, of which 20 percent, or \$2,148,262, will go to the Housing Successor Fund.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LINDA F. TATUM, FAICP
DIRECTOR OF DEVELOPMENT SERVICES


PATRICK H. WEST
CITY MANAGER

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Z:\1_Successor Agency\SUCCESSOR AGENCY STAFF REPORTS\2019\January 8 Special Meeting\DRAFT SA - Admin Budget -
ROPS July 2019-June 2020v4.doc

Attachments: Exhibits A1 & A2 — Draft Recognized Obligation Payment Schedule (July 1, 2019 - June 30, 2020)
Exhibit B — Administrative Budget (July 1, 2019 - June 30, 2020)

Long Beach Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail

July 1, 2019 through June 30, 2020

(Report Amounts in Whole Dollars)

(Report Amounts in whole Dollars)																						
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 19-20 Total	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 392,767,571		\$ 40,052,619	\$ 75,000	\$ 5,000	\$ 7,500,000	\$ 3,671,888	\$ 377,724	\$ 11,629,612	\$ 30,000	\$ 0	\$ 0	\$ 28,015,283	\$ 377,724	\$ 28,423,007
1	Administrative Costs	Admin Costs	7/1/2019	6/30/2020	Successor Agency	Oversight Board	A	715,448	N	\$ 755,448					377,724	\$ 377,724					377,724	\$ 377,724
3	Bond Administration	Fees	7/1/2019	6/30/2020	U.S.Bank	Annual Bond Administration Fees	A	470,000	N	\$ 35,000				17,500		\$ 17,500				17,500		\$ 17,500
5	Calpers/Post Ret. Health/WC/Vacation/Severance	Unfunded Liabilities	7/1/2019	6/30/2020	City of Long Beach	Unfunded RDA share Liability/Severance Costs/WC/Vacation	A	5,344,800	N	\$ -						\$ -						\$ -
16	Project Area Administration	Property Maintenance	7/1/2019	6/30/2020	City of Long Beach Billing& Collections	RDA-Owned Property Business License Fees	A	10,000	Y	\$ -				0		\$ -				0		\$ -
27	Property Maintenance - Successor Agency	Property Maintenance	5/17/2010	6/30/2020	Equity North Investments	Property Maintenance Agency-wide	A	50,000	N	\$ 10,000				5,000		\$ 5,000				5,000		\$ 5,000
28	Property Maintenance - Successor Agency	Property Maintenance	5/17/2010	6/30/2020	Overland, Pacific & Cutler	Property Maintenance Agency-wide	A	50,000	N	\$ 10,000				5,000		\$ 5,000				5,000		\$ 5,000
29	Property Maintenance - Successor Agency	Property Maintenance	7/1/2019	6/30/2020	City of Long Beach	Utility costs for Agency-Owned parcels	A	50,000	N	\$ 5,000				2,500		\$ 2,500				2,500		\$ 2,500
69	Shoreline Gateway	Legal	4/1/2007	6/30/2020	Bergman & Allderice	Legal Services	C		Y	\$ -				0		\$ -				0		\$ -
70	Shoreline Gateway	Professional Services	7/1/2018	6/30/2020	Keyser Marston Associates	Financial Consulting Services	C		Y	\$ -				0		\$ -				0		\$ -
71	Shoreline Gateway	Project Management Costs	1/1/2011	6/30/2020	Employees of Agency	Project-Related Employee Costs	C	1,000	N	\$ 1,000				500		\$ 500				500		\$ 500
83	2010 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	8/1/2010	8/1/2040	US Bank	Bonds issued to fund North RDA projects	N	59,156,695	N	\$ 1,104,288				0		\$ -				1,104,288		\$ 1,104,288
95	BKBA	Professional Services	8/3/2009	9/30/2021	Bixby Knolls Business Improvement Association	Business Improvement District	N	480,548	N	\$ 200,000				100,000		\$ 100,000				100,000		\$ 100,000
99	Fire Station 12	Litigation	3/5/2010	6/30/2015	Gonzales Construction/Attorneys	Cost of Litigation	N		N	\$ -						\$ -						\$ -
110	Pass Through Payments	Miscellaneous	1/1/2003	6/30/2018	Various	ERAF portion of FY11 and FY12 Pass Through Payments	C,N,WS,P,WB	3,185,000	N	\$ -						\$ -						\$ -
112	2002 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	6/25/2002	8/1/2030	U.S.Bank	Bonds issue to fund RDA projects due this period	N,D,W	68,293,046	N	\$ 1,231,497						\$ -				1,231,497		\$ 1,231,497
119	Project Area Administration	Professional Services	1/1/2011	8/1/2040	BLX	Bond Reporting	A	84,400	N	\$ 8,000				8,000		\$ 8,000				0		\$ -
122	Long Range Property Management Plan	Property Dispositions	4/1/2007	6/30/2020	Bergman & Allderice	Legal Services	A	17,320	N	\$ 1,000				500		\$ 500				500		\$ 500
123	Long Range Property Management Plan	Property Dispositions	7/1/2012	6/30/2020	Laurain & Associates	Appraisal Services	A	53,500	N	\$ 1,000				500		\$ 500				500		\$ 500
124	Long Range Property Management Plan	Property Dispositions	7/1/2012	6/30/2020	Lidgard & Associates	Appraisal Services	A	58,000	N	\$ 1,000				500		\$ 500				500		\$ 500
125	Property Maintenance - Successor Agency	Property Maintenance	1/1/2011	6/30/2020	Southern California Edison	Utility Costs for Agency-Owned parcels	A	1,000	N	\$ 200				100		\$ 100				100		\$ 100
161	1669 W. Anaheim Street	Property Maintenance	1/1/2011	6/30/2020	Mearns Consulting Corp.	Site Assessment & Ground Water Monitoring - Agency-owned property	WS	60,000	N	\$ 40,550				20,275		\$ 20,275				20,275		\$ 20,275
162	1669 W. Anaheim Street	Project Management Costs	1/1/2011	6/30/2020	Employees of Agency	Project-Related Employee Costs	WS	7,000	N	\$ 4,200				2,100		\$ 2,100				2,100		\$ 2,100
164	5301 Long Beach Blvd.	Project Management Costs	1/1/2011	6/30/2020	Employees of Agency	Soil testing and related remediation work	N	7,000	N	\$ 4,200				2,100		\$ 2,100				2,100		\$ 2,100
180	Deukmejian Courthouse	OPA/DDA/Construction	10/1/2012	10/1/2032	State Administrative Office of the Courts/Long Beach Judicial Partners	Reimbursement for off-site improvements	C	5,750,000	N	\$ 250,000				250,000		\$ 250,000				0		\$ -
183	Property Based Improvement District (PBID)	Miscellaneous	1/1/2008	6/30/2020	Downtown Long Beach Associates	Property Assessments (Annual Prop Tax Assessments)	D,C	0	Y	\$ -				0		\$ -				0		\$ -
193	Long Range Property Management Plan	Remediation	7/1/2013	6/30/2020	Overland, Pacific & Cutler	5301 Long Beach Blvd Site Remediation	N	380,000	N	\$ 13,000				13,000		\$ 13,000				0		\$ -
194	Long Range Property Management Plan	Legal	4/1/2007	6/30/2020	Rutan & Tucker	Legal Services	A	8,000	N	\$ 2,000				1,000		\$ 1,000				1,000		\$ 1,000
197	Project Area Administration	Property Maintenance	1/1/2014	6/30/2020	Employees of Agency	RDA-owned property inspections	A	10,000	N	\$ 2,000				1,000		\$ 1,000				1,000		\$ 1,000
198	Permit Fees	Fees	1/1/2014	6/30/2020	State Water Quality Control Board	Permit fees	A	2,000	N	\$ 2,000						\$ 1,000						\$ 1,000
202	North Library Utility Negotiations	Improvement/Infrastructure	1/1/2014	6/30/2020	Hahn & Hahn/OPC	Negotiations to maintain costs of utility improvements	N	105,000	N	\$ 105,000	75,000					\$ 75,000	30,000					\$ 30,000
207	Atlantic and Vernon	OPA/DDA/Construction	10/22/2010	6/30/2020	Assisted Living America	Return of Good Faith Deposit	C	5,000	N	\$ 5,000			5,000			\$ 5,000				0		\$ -
209	Uptown PBID	Fees	12/11/2013	6/30/2020	City of Long Beach	Assessment	N	0	Y	\$ -				0		\$ -				0		\$ -
211	Shoreline Gateway	OPA/DDA/Construction	1/1/2008	6/30/2020	Current Living, LP (formerly Shoreline Gateway, LLC)	OPA required costs	C	0	Y	\$ -				0		\$ -						\$ -
224	LAUSD Passthrough Calculation	Litigation	1/1/2015	6/30/2015	Hdl Companies	Calculation of LAUSD passthrough payment resulting from ERAF lawsuit	N,C,WS,WB,P,L		N	\$ -						\$ -						\$ -
227	2015 Tax Allocation Bonds	Refunding Bonds Issued After 6/27/12	7/23/2015	9/30/2040	U.S.Bank	Debt Service on Refunded Bonds	N,WS,WB,P	209,791,734	N	\$ 2,889,569				0		\$ -				2,889,569		\$ 2,889,569
228	Los Altos Tax Sharing Agreement Deferral	Miscellaneous	1/21/1992	12/10/2031	County of Los Angeles	Tax Sharing Agreement Deferral	L	5,497,994	N	\$ 250,000				0		\$ -				250,000		\$ 250,000
229	Los Altos Tax Sharing Agreement Deferral	Miscellaneous	1/21/1992	12/10/2031	Los Angeles County Office of Education	Tax Sharing Agreement Deferral	L	1,419	N	\$ -				0		\$ -				0		\$ -
231	2002 Tax Allocation Bonds Prefunding	Bonds Issued On or Before 12/31/10	1/1/2016	6/30/2020	U.S.Bank	Prefunded Debt Service due Next Period	N,D, WS	10,726,497	N	\$ 10,726,497				0		\$ -				10,726,497		\$ 10,726,497
232	2010 Tax Allocation Bonds Prefunding	Bonds Issued On or Before 12/31/10	1/1/2016	6/30/2020	U.S.Bank	Prefunded Debt Service due Next Period	N	1,889,288	N	\$ 1,889,288				0		\$ -				1,889,288		\$ 1,889,288
233	2015 Tax Allocation Bonds Prefunding	Bond Reimbursement Agreements	1/1/2016	6/30/2020	U.S.Bank	Prefunded Debt Service due Next Period	A	9,764,569	N	\$ 9,764,569				0		\$ -				9,764,569		\$ 9,764,569
234	City/Agency Loan Agreement	City/County Loan (Prior 06/28/11), Cash exchange	8/3/2007	6/30/2020	City of Long Beach	Payment of debt service	N, C	10,741,313	N	\$ 10,741,313			7,500,000	3,241,313		\$ 10,741,313				0		\$ -
236									N	\$ -						\$ -						\$ -
237									N	\$ -						\$ -						\$ -
238									N	\$ -						\$ -						\$ -
239									N	\$ -						\$ -						\$ -
240									N	\$ -						\$ -						\$ -
241									N	\$ -						\$ -						\$ -
242									N	\$ -						\$ -						\$ -
243									N	\$ -						\$ -						\$ -
244									N	\$ -						\$ -						\$ -
245									N	\$ -						\$ -						\$ -
246									N	\$ -						\$ -						\$ -
247									N	\$ -						\$ -						\$ -

EXHIBIT A2

Long Beach Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
July 1, 2016 through June 30, 2017
(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
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount	15,901,959		22,702,098	5,732,875	(609,176)	
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller	111,121			2,189,823	44,592,090	
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)	1,058,753		20,585,947	2,509,837	21,497,762	
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	13,662,245		22,457			
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required				20,698,829	RPTTF with fiscal agent
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 1,292,082	\$ 0	\$ 2,093,694	\$ 5,412,861	\$ 1,786,323	

Administrative Budget Worksheet
Long Beach Successor Agency
July 2019 to June 2020 ROPS 19-20

Project Name / Debt Obligation	Payee	Description	Amount Funded with RPTTF Administrative Allowance
EMPLOYEE COSTS	Employees of Agency	Payroll for Employees	\$ 144,493
Total Employee Costs			\$ 144,493
City Department Services			
Accounting Services, City Clerk	City of Long Beach	Accounting Services, Oversight Board	\$ 29,860
Department Admin & Finance	City of Long Beach	Departmental Overhead	\$ 132,105
Total City Department services			\$ 161,965
City Indirect Cost Allocation			
City Department Costs	City of Long Beach	Indirect Cost Allocation	\$ 253,746
City Department Costs Adjustments	City of Long Beach	Adjustment to Prior Year	
Tech Svcs MOU	City of Long Beach	Messenger, Wireless PDA, Data Center, Business Info, E-Mail, Voice & Data Network, PC Equipment, Desktop Support	\$ 29,429
Civic Center Rent	City of Long Beach	Civic Center Complex Rental	\$ 90,608
Workers' Compensation	City of Long Beach	Workers' Compensation	\$ 5,664
Financial System Charges	City of Long Beach	Financial System	\$ 47,200
Employee Parking	City of Long Beach	Employee Parking	\$ 1,644
Total City Indirect Cost Allocation			\$ 428,291
Operating Expenses			
Administrative Costs	Complete Office	Office Supplies	\$ 500
Project Area Administration	Foster Hooper	Storage space rental - RDA	\$ 4,000
Project Area Administration	United Parcel Services (UPS)	Overnight shipping services	\$ 200
Total Operating Expenses			\$ 4,700
Prof & Specialized Services			
Project Area Administration	Bergman & Allderdice	Legal Services	\$ 1,000
Project Area Administration	Kane, Ballmer & Berkman	Legal Services	\$ 2,000
Project Area Administration	Keyser Marston & Associates	Financial Consulting	\$ 9,000
Project Area Administration	Rutan & Tucker	SA Legal Services	\$ 2,000
Project Area Administration	Weststar Loan Servicing	Loan Servicing Fees	\$ 2,000
Total Prof. And Specialized Services			\$ 16,000
		Total	\$ 755,449