

**RESOLUTION NO. 12-11**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COVINA REDEVELOPMENT AGENCY APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(I) FOR THE PERIOD JANUARY 1, 2013 TO JUNE 30, 2013**

**WHEREAS**, pursuant to Health and Safety Code Section 34173(d), the City of Covina elected to serve as Successor Agency to the dissolved Covina Redevelopment Agency (“Successor Agency”), confirmed by Resolution No. 12-7041 adopted on January 11, 2012; and

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

**WHEREAS**, Health and Safety Code Section 34177(m), added by AB 1484 and effective June 27, 2012, requires that the Successor Agency submit an Oversight Board approved “recognized obligation payment schedule” (“ROPS”) for the period January 1, 2013, to June 30, 2013, to the Department of Finance, the State Controller, and the county auditor-controller no later than September 1, 2012; and

**WHEREAS**, the Successor Agency has prepared a ROPS covering the period January 1, 2013, to June 30, 2013, and has submitted the ROPS to the Oversight Board for approval.

**NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COVINA REDEVELOPMENT 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 approval of the ROPS through this Resolution 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 the ROPS.** The Oversight Board hereby approves and adopts the ROPS, in substantially the form attached to this Resolution as Exhibit A, pursuant to Health and Safety Code Section 34177.

**SECTION 4. Implementation.** The Oversight Board hereby directs the Successor Agency to submit copies of the ROPS approved by the Oversight Board to the Los Angeles County Auditor-Controller, the State of California Controller and the State of California Department of Finance after the effective date of this Resolution and prior to September 1, 2012, and to post the ROPS on the Successor Agency’s website.

**SECTION 5. 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 6. Certification.** The City Clerk of the City of Covina, acting on behalf of the Oversight Board as its Secretary, shall certify to the adoption of this Resolution.

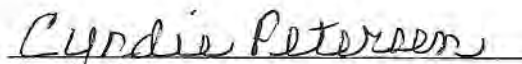
**SECTION 7. Effective Date.** Pursuant to Health and Safety Code Section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective for five (5) business days, pending a request for review by the State of California Department of Finance.

**PASSED, APPROVED AND ADOPTED** this 21<sup>st</sup> day of August, 2012



Kevin Stapleton  
Oversight Board Chairperson

ATTEST:

  
Cyndie Petersen  
Oversight Board Secretary

**CERTIFICATION**


I, Cyndie Petersen, Secretary to the Oversight Board of the Successor Agency to the Covina Redevelopment Agency, hereby certify that Resolution No. 12-11 was adopted by the Oversight Board of the Successor Agency to the Covina Redevelopment Agency held this 21st day of August, 2012, and was approved and passed by the following vote:

**AYES:** HALL, ROSSI, SANDT, STAPLETON

**NOES:** NONE

**ABSTAIN:** NONE

**ABSENT:** FONSECA, RIVERA, VIZCARRA

  
Cyndie Petersen  
Oversight Board Secretary

**EXHIBIT A**

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

**[Attached behind this page]**

**Successor Agency Contact Information**

Name of Successor Agency: Successor Agency to the Covina  
County: Redevelopment Agency  
Los Angeles

Primary Contact Name: Lisa Brancheau, Assistant to the City  
Primary Contact Title: Manager, 125 E. College St., Covina,  
Address: CA 91723  
Contact Phone Number: 626-384-5441  
Contact E-Mail Address: lbrancheau@covinaca.gov

Secondary Contact Name: Dilu de Alwis  
Secondary Contact Title: Finance Director  
Secondary Contact Phone Number: 626-384-5516  
Secondary Contact E-Mail Address: ddealwis@covinaca.gov

**SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

Filed for the January 1, 2013 to June 30, 2013 Period

Name of Successor Agency: Successor Agency to the Covina Redevelopment Agency

		Total Outstanding Debt or Obligation
<b>Outstanding Debt or Obligation</b>		\$ 48,206,692
<b>Current Period Outstanding Debt or Obligation</b>		<b>Six-Month Total</b>
A	Available Revenues Other Than Anticipated RPTTF Funding	789,299
B	Anticipated Enforceable Obligations Funded with RPTTF	1,114,963
C	Anticipated Administrative Allowance Funded with RPTTF	250,000
D	Total RPTTF Requested (B + C = D)	1,364,963
Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be the same amount as ROPS form six-month total</i>		\$ 2,154,262
E	Enter Total Six-Month Anticipated RPTTF Funding <i>(Obtain from county auditor-controller)</i>	3,787,035
F	Variance (E - D = F) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	\$ 2,422,072
<b>Prior Period (January 1, 2012 through June 30, 2012) Estimated vs. Actual Payments (as required in HSC section 34186 (a))</b>		
G	Enter Estimated Obligations Funded by RPTTF <i>(Should be the lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)</i>	2,386,441
H	Enter Actual Obligations Paid with RPTTF	2,414,235
I	Enter Actual Administrative Expenses Paid with RPTTF	173,719
J	Adjustment to Redevelopment Obligation Retirement Fund (G - (H + I) = J)	-
K	<b>Adjusted RPTTF</b> <i>(The total RPTTF requested shall be adjusted if actual obligations paid with RPTTF are less than the estimated obligation amount.)</i>	\$ 1,364,963

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177(m) of the Health and Safety code,  
 hereby certify that the above is a true and accurate Recognized  
 Obligation Payment Schedule for the above named agency.

Name: Kevin S. Green Title: MAYOR  
 Signature: [Handwritten Signature] Date: 8-21-12

8/21/12

Oversight Board Approval Date: 8/21/12

Name of Successor Agency: Successor Agency to the Covina Redevelopment Agency  
 County: Los Angeles

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III)  
 January 1, 2013 through June 30, 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 2012-13	Funding Source						
									LMHF	Bond Proceeds	Reserve Balance	Admin Allowance	RPTTF	Other	Six-Month Total
	<b>Grand Total</b>						\$ 48,208,692	\$ 2,154,262	\$ 1,114,963	\$ 250,000	\$ 789,289	\$ 18,000	\$ 1,114,963	\$ -	\$ 2,154,262
1	1987 Tax Allocation Bonds Series A	7/1/1987	12/1/2022	Bank of New York	Bond issue to fund non-housing projects	2	1,676,781.30	31,091.00	-	-	-	31,091	-	31,091	
2	1987 Tax Allocation Bonds Series B	7/1/1987	12/1/2022	Bank of New York	Bond issue to fund non-housing projects	1	2,078,600.00	69,662.00	-	-	-	69,662	-	69,662	
3	2002 Tax Allocation Bonds Series A	2/1/2002	12/1/2023	Bank of New York	Bond issue to fund non-housing projects	1	17,659,986.30	51,297.00	-	-	-	51,297	-	51,297	
4	2004 Tax Allocation Bonds Series A	1/1/2004	12/1/2023	Bank of New York	Bond issue to fund non-housing projects	1	13,025,110.96	299,223.00	-	-	-	299,223	-	299,223	
5	2004 Tax Allocation Bonds Series B-1	1/1/2004	12/1/2023	Bank of New York	Bond issue to fund non-housing projects	1	4,392,478.50	86,395.00	-	-	-	86,395	-	86,395	
6	2004 Tax Allocation Bonds Series B-2	1/1/2004	12/1/2023	Bank of New York	Bond issue to fund non-housing projects	2	0.00	0.00	-	-	-	0.00	-	0.00	
7	Fiscal Agent Fees	7/1/1987	12/1/2023	HDL	Fiscal agent fees to maintain bond funds	182	unknown	18,000.00	-	-	-	18,000	-	18,000	
8	Continuing Disclosure	7/1/1987	12/1/2023	Wilson	Required calculations to comply with bond covenants	182	unknown	6,300.00	-	-	-	6,300	-	6,300	
9	Arbitrage Calculations	7/1/1987	12/1/2023	Wilson	Required calculations to comply with federal law	182	unknown	3,000.00	-	-	-	3,000	-	3,000	
10	Note Payable 626 S Citrus Avenue	7/18/1985	8/1/2015	US Bank	Property purchased for redevelopment	1	527,528.34	72,276.00	-	-	-	72,276	-	72,276	
11	Lease Payable 611 S Citrus Avenue	6/30/2003	6/30/2017	AL-Sal Oil	Property lease	1	952,846.69	61,956.00	-	-	-	61,956	-	61,956	
12	Lease Payable RUS Financial	4/1/2010	unknown	RUS Financial	Property lease	1	2,891,360.00	299,040.00	-	-	-	299,040	-	299,040	
13	Employee Obligations	8/1/1985	unknown	City of Covina	Retiree Obligations	1	unknown	38,000.00	-	-	-	38,000	-	38,000	
14	Transitional House	2/1/2005	ongoing	CCLA	Low/moderate transitional housing	182	27,000.00	27,000.00	-	-	-	27,000	-	27,000	
15	DPAP	7/18/2011	unknown	Property Owners	Development assistance program	182	69,000.00	69,000.00	-	-	-	69,000	-	69,000	
16	Housing Development	2/1/2005	ongoing	City of Covina	Direct program administration	182	18,000.00	18,000.00	-	-	-	18,000	-	18,000	
17	Personal Payments	1/1/2004	annual	Property Owner/Developer	Affordable Housing Development	182	399,677.00	399,677.00	-	-	-	399,677	-	399,677	
18	Auditing Payments	annual	annual	City of Covina	Salaries and benefits payments for agency employees		215,665.00	215,665.00	-	-	-	215,665	-	215,665	
19	Legal Payments	annual	annual	MGCO	Audit services for required reports		6,300.00	6,300.00	-	-	-	6,300	-	6,300	
20	Administrative Payments	annual	annual	BBK	Office space and support personnel		17,019.00	17,019.00	-	-	-	17,019	-	17,019	
21	Maintenance of Agency owned property	6/1/1985	annual	City of Covina	Legal services for successor agency issues	182	10,000.00	11,000.00	-	-	-	11,000	-	11,000	
22	Housing Set Aside Deferral 1985	2/18/2010	unit paid	Any Gump/Unleashed Fencing	Maintain assets under ABX 26	182	10,000.00	10,000.00	-	-	-	10,000	-	10,000	
23	SERAP loan from Housing 2010	6/30/2015	annual	Covina Housing Authority	Repayment to housing fund		37,458.00	-	-	-	-	-	-	-	
24	SERAP loan from Housing 2011	2/18/2010	unit paid	Covina Housing Authority	Repayment to housing fund		2,640,081.00	-	-	-	-	-	-	-	
25	Rental Covenants	10/10/2002	12/31/2067	City of Covina	Monitor affordable housing compliance	182	6,500.00	6,500.00	-	-	-	6,500	-	6,500	
26	For Sale Covenants	8/3/2007	3/24/2011	MG Enterprises	Monitor affordable housing compliance	182	12,530.00	12,530.00	-	-	-	12,530	-	12,530	
27	Housing successor employee obligations	2/1/2012	annual	City of Covina	Park Construction	2	285,621.78	285,621.78	-	-	-	285,622	-	285,622	
28					Salaries and benefits payments for housing employees	182	123,770.00	123,770.00	-	-	-	123,770	-	123,770	
29															
30															
31															
32															
33															

Name of Successor Agency: Successor Agency to the Covina Redevelopment Agency  
County: Los Angeles

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III) -- Notes (Optional)**  
**January 1, 2013 through June 30, 2013**

Item #	Notes/Comments
28	Contract with MG Enterprises was disputed. DOF declared that the contract was between the City and the Contractor. However, a revised contract was sent to DOF on 6/29/12
	which changed the contract to be between the Agency and the Contractor, as was originally intended.



Pursuant to Health and Safety Code section 34186 (a)  
 PRIOR PERIOD ESTIMATED OBLIGATIONS vs. ACTUAL PAYMENTS  
 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS I)  
 January 1, 2012 through June 30, 2012

Line Item	Project Name / Debt Obligation	Payee	Description/Project Scope	Project Area	LMIHF		Bond Proceeds		Reserve Balance		Admin Allowance		RPTTF		Other	
					Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual
1.00	Grand Total				\$ 146,154	\$ 122,253	\$ 4,623,647	\$ 3,254,523	\$ -	\$ -	\$ 120,000	\$ 173,719	\$ 2,284,442	\$ 2,414,233	\$ -	\$ -
1.00	1. 1997 Tax Allocation Bonds Series A	Bank of New York	Bond issue to fund non-housing projects	PA2									33,230	33,230		
1.00	2. 1997 Tax Allocation Bonds Series B	Bank of New York	Bond issue to fund non-housing projects	PA1									74,550	74,550		
1.00	3. 2002 Tax Allocation Bonds Series A	Bank of New York	Bond issue to fund non-housing projects	PA1									57,798	57,798		
1.00	4. 2004 Tax Allocation Bonds Series A	Bank of New York	Bond issue to fund non-housing projects	PA1									278,348	278,348		
1.00	5. 2004 Tax Allocation Bonds Series B	Bank of New York	Bond issue to fund non-housing projects	Hg									90,439	90,439		
1.00	6. Note Payable 626 S Citrus Avenue	US Bank	Property purchased for redevelopment	PA1									72,962	72,962		
1.00	7. Lease Payable 611 S Citrus	AL-Sal Oil	Property lease	PA1									44,000	44,000		
1.00	8. Lease Payable RJS Financial	RJS Financial	Property lease	PA1									498,400	498,400		
1.00	9. Shoppers Lane	Gentry Brothers, Inc	Public Improvements	PA1									28,705	28,705		
1.00	10. 200 W Rowland	Covina Gardens KBS LP	Low-Mid housing renovations	Hg									1,474,143	1,474,143		
1.00	11. Habitat - 438 E Cypress	Habitat for Humanity	Grant for building of affordable home	Hg									12,100	12,100		
1.00	12. Heritage Plaza	MG Enterprises	Park Construction	PA2									265,022	265,022		
1.00	13. Heritage Plaza	Wildan	Project management	PA2									8,988	8,988		
1.00	14. Heritage Plaza	Wildan	Project design	PA2									30,000	30,000		
1.00	15. Heritage Plaza	Wildan	Special inspection	PA2									29,998	29,998		
1.00	16. Bradin Heights	Steve Fide	Litigation - settlement	F22												
1.00	17. Fiscal Agent Fees	Bank of New York	Fiscal agent fees to maintain bond funds	ALL									15,000	15,000		
1.00	18. Arbitrage Calculations	Wildan	Calculations required by law	ALL									23,500	23,500		
1.00	19. Land Exchange Agreement	Covina Valley USD	Equipment removal and site preparation	PA1									50,000	50,000		
1.00	20. Vocational Facility	Covina Valley USD	Build new educational facility	PA1									1,300,000	1,300,000		
1.00	21. Transitional Housing	CCLA & others	Low/moderate transitional housing	Hg	90,622	14,500										
1.00	22. Neighborhood Preservation Program	City of Covina/Covina House	Low/moderate transitional housing	Hg	80,075	159,740										
1.00	23. Neighborhood Preservation Services	City of Covina	Neighborhood Preservation Employee Cost	Hg	33,457	14,589										
1.00	24. Employee Obligations	City of Covina	Refire Obligations	PA1									220,802	220,802		
1.00	25. Redevelopment Programs	Petroleum Environmental	2011 RDA Administrative Expenses	PA1												
1.00	26. Redevelopment Programs	City of Covina	Programs capital prog consultants, marketing	ALL												
1.00	27. Rental Subsidy Program	City of Covina/Covina House	Low-Moderate housing rental subsidy	Hg		3,430										
1.00	28. Rental Subsidy Program	City of Covina	Low-Moderate housing rental subsidy	Hg												
1.00	29. DPAP	City of Covina	Citrus Valley Health Partners Intercommunity	PA1												
1.00	30. Continuing Disclosure	HDL	Downpayment assistance program	Hg												
2.00	31. Consulting & Legal Services	BR&K, Robert Neuber, Nu	Required calculations for bonds	ALL									8,300	8,300		
2.00	32. Investment sales	Wells Fargo, H Beck, Inc.	Legal and consulting for oversight and wind	ALL									260,000	260,000		
2.00	33. Audit Fees	City of Covina	Needs on liquidation of investments	ALL									50,000	50,000		
2.00	34. Heritage Park	City of Covina	Required audit services	ALL									15,000	15,000		
2.00	35. Transitional House	City of Covina	Direct program administration	PA2									30,500	30,500		
2.00	36. 200 West Rowland	City of Covina	Direct program administration	Hg									28,000	28,000		
2.00	37. Habitat - 438 E Cypress	City of Covina	Direct program administration	Hg									13,875	13,875		
Other	1. Housing East Azusa Oriental 1995	Housing Fund	Repayment for housing bond	PA1									3,750	3,750		
Other	2. SECAF Item from Housing 2010	Housing Fund	Repayment for housing bond	PA1												
Other	3. SECAF Item from Housing 2011	Housing Fund	Repayment for housing bond	PA1												
Other	4. Statutory Payments	various taxing entities	Payments per CRL 33607.5 & 7	PA1									372,000	372,000		
Other	5. Statutory Payments	Los Angeles County	Payments per CRL 33607.5 & 7	PA1									101,690	101,690		
Other	6. Statutory Payments	Los Angeles County	Payments per CRL 33607.5 & 7	PA2									13,946	13,946		
Other	7. Statutory Payments	various taxing entities	Payments per CRL 33607.5 & 7	PA2												
Other	8. Statutory Tax Sharing	Los Angeles County	Payments per CRL 33607.5 & 7	PA2									65,000	65,000		
Other	9. Property Tax Administration	Los Angeles County	Property Tax Administration	ALL									10,592	10,592		
Other	10. Maintenance of Agency owned property	Andy Gump/United Funding	Maintain assets under ABIX 26	ALL												
Other	11. Rental Covenants	UJICovina Housing Authority	Monitor affordable housing compliance	Hg												
Other	12. For Sale Covenants	Covina Housing Authority	Monitor affordable housing compliance	Hg												
Other	Administration	City of Covina	Administration, overhead, etc	1&2									120,000	120,000		