

SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF AZUSA PROGRAM COMMENTARY

PROGRAM DESCRIPTION:

On June 29, 2011, the Governor signed ABx1 26 (the Redevelopment Agency Dissolution Bill) into law. As a result, effective February 1, 2012, all redevelopment agencies (RDAs) were dissolved, and successor agencies, as defined by the law, were required to be appointed to oversee the distribution of tax proceeds that would have been paid to the RDAs. As provided for under the new law, each former redevelopment agency is to be governed by a "Successor Agency" and an "Oversight Board". AB 1484 is a budget trailer bill that made changes to the dissolution process implemented by ABx1 26. It became effective on June 27, 2012. AB 1484 made several substantive and technical amendments to ABx1 26.

The primary role of the Successor Agency is to dispose of the former RDA's assets or properties expeditiously and in a manner aimed at maximizing values, pay all debts and fulfill all obligations of the former RDA, and to wind down redevelopment affairs. To accomplish its responsibilities, the Successor Agency will manage redevelopment projects currently underway; make payments identified on the Recognized Obligation Payment Schedules (ROPS) and dispose of redevelopment assets and properties as directed by the Oversight Board. The Oversight Board is an appointed body consisting of seven appointed members, as provided by AB x1 26. A separate agency manages the former RDA's housing assets.

The Successor Agency is responsible for drafting a ROPS and the submission for approval every six months. The ROPS must be approved by the Oversight Board and then submitted to the Los Angeles County Auditor-Controller and the State Department of Finance for final approval.

FY18-19 STRATEGIC GOALS:

To wind down the affairs of the former RDA of the City by:

- Disposing of former RDA's assets at maximized values; and
- Administering the debt repayments of the former RDA.

FY17-18 PROGRAM HIGHLIGHTS:

- Completion of State Controller Asset Review.
- Oversight Board ratification of three loans between the City and former Redevelopment Agency.

BUDGET UNIT:

ECON & COMM DEV - SUCCESSOR AGENCY

Acct. #	DESCRIPTION	ACTUAL 15-16	ACTUAL 16-17	REVISED 17-18	YEAR END EST 17-18	ADOPTED 18-19	VARIANCE
OPERATIONS							
8710110000	ADMIN-SA						
6301	Legal Fees	10,046	4,588	16,000	-	3,000	(13,000)
6315	Accounting/Auditing Services	-	-	-	-	5,000	5,000
6493	Outside Services & Repairs	62,919	17,157	18,000	11,216	13,600	(4,400)
6610	Bond Administration	2,388	6,700	6,700	-	-	(6,700)
6815	Maint & Repairs/Bldgs	3,318	5,230	6,000	2,000	-	(6,000)
6846	Computer Hardware Maintenance/Repair	2,468	-	-	-	-	-
7040	Contributions to Other Agencies	-	-	100,000	-	-	(100,000)
7045	Other Agency Contributions	56,095	292,529	150,000	342,212	310,800	160,800
	OPERATIONS SUBTOTAL	137,233	326,204	296,700	355,428	332,400	35,700
8710125000	CBD-SA						
6301	Legal Fees	77,144	45,362	45,000	33,557	45,000	-
6345	Program Consultants	5,550	5,550	-	-	5,000	5,000
7001	Interest Expense	100,990	100,992	-	102,000	-	-
7040	Contributions to Other Agencies	968,181	2,905,000	-	7,000	-	-
7115	Land Disposal Expense	813	53,740	-	-	-	-
	SUBTOTAL	1,152,678	3,110,644	45,000	142,557	50,000	5,000
8710125283	Enterprise						
7001	Interest Expense	38,803	(4,565)	100,990	-	-	(100,990)
7005	Principal Payments	-	-	515,879	-	-	(515,879)
7040	Contributions to Other Agencies	313,511	354,885	354,589	356,000	2,165,880	1,811,291
	SUBTOTAL	352,314	350,320	971,458	356,000	2,165,880	1,194,422
8710125290	Reader Board Loan						
6835	Maint & Repair/Equipment	-	3,080	-	5,000	-	-
6905	Utility-Electric	9,865	9,298	9,000	6,957	9,200	200
6915	Utilities/Telephone	1,832	1,831	2,000	2,460	1,850	(150)
	SUBTOTAL	11,697	14,209	11,000	14,417	11,050	50
8710165620	TAB07A Successor AG						
6610	Bond Administration	-	1,400	3,600	-	-	(3,600)
7001	Interest Expense	78,698	41,103	705,399	21,000	-	(705,399)
7005	Principal Payments	-	-	565,000	-	-	(565,000)
	SUBTOTAL	78,698	42,503	1,273,999	21,000	-	(1,273,999)

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ECON & COMM DEV - SUCCESSOR AGENCY

Acct. #	DESCRIPTION	ACTUAL 15-16	ACTUAL 16-17	REVISED 17-18	YEAR END EST 17-18	ADOPTED 18-19	VARIANCE
8710165622	2007B						
6610	Bond Administration	-	775	3,600	-	-	(3,600)
7001	Interest Expense	7,775	205,740	202,075	104,000	-	(202,075)
7005	Principal Payments	211,031	-	120,000	-	-	(120,000)
	SUBTOTAL	218,806	206,515	325,675	104,000	-	(325,675)
8710165624							
7115	Land Disposal Expense	-	20,415	-	-	-	-
	SUBTOTAL	-	20,415	-	-	-	-
8710165626	TAB08B HSNG-SA						
6610	Bond Administration	775	-	-	-	-	-
7001	Interest Expense	708,056	-	-	-	-	-
	SUBTOTAL	708,831	-	-	-	-	-
8710165628	2014A						
6610	Bond Administration	1,450	2,650	6,000	1,500	1,450	(4,550)
7001	Interest Expense	369,861	361,453	385,744	245,000	353,394	(32,350)
7005	Principal Payments	-	-	705,000	225,000	730,000	25,000
	SUBTOTAL	371,311	364,103	1,096,744	471,500	1,084,844	(11,900)
8710165630	2015A						
6610	Bond Administration	-	625	4,000	1,500	1,275	(2,725)
6611	Bond Issuance Expense	269,296	-	-	-	-	-
7001	Interest Expense	462,516	899,351	504,213	255,000	504,213	-
	SUBTOTAL	731,812	899,976	508,213	256,500	505,488	(2,725)
8710165632	2015B						
6610	Bond Administration	-	625	4,000	1,500	1,275	(2,725)
6611	Bond Issuance Expense	305,309	-	-	-	-	-
7001	Interest Expense	558,778	420,717	610,631	307,000	605,019	(5,612)
7005	Principal Payments	-	-	315,000	510,000	325,000	10,000
	SUBTOTAL	864,087	421,342	929,631	818,500	931,294	1,663

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ECON & COMM DEV - SUCCESSOR AGENCY

Acct. #	DESCRIPTION	ACTUAL 15-16	ACTUAL 16-17	REVISED 17-18	YEAR END EST 17-18	ADOPTED 18-19	VARIANCE
8710165634	2017A						
6610	Bond Administration	-	-	4,000	1,500	1,275	(2,725)
7001	Interest Expense	-	-	504,213	55,000	98,986	(405,227)
7005	Principal Payments	-	-	-	510,000	695,000	695,000
	SUBTOTAL	-	-	508,213	566,500	795,261	287,048
8710165636	2017B						
6610	Bond Administration	-	-	4,000	1,500	1,275	(2,725)
6815	Maint & Repairs/Bldgs	-	-	-	615,600	90,650	90,650
7005	Principal Payments	-	-	-	510,000	230,000	230,000
	SUBTOTAL	-	-	508,213	1,127,100	321,925	(186,288)
SUCCESSOR AGENCY FUNDS TOTAL:		4,627,467	5,756,231	6,474,846	4,233,501	6,198,142	(276,704)