AGENDA
OVERSIGHT BOARD

OF THE SUCCESSOR AGENCY TO THE NORCO CRA
SPECIAL MEETING
NORCO CITY HALL – 2870 CLARK AVENUE
CONFERENCE ROOM A
Wednesday, February 26, 2014

CALL TO ORDER: 10:00 a.m.

ROLL CALL:

Linda Dixon
Member Appointed by the Riverside County Board of Supervisors

Patrick Malone, Vice-Chairperson
Member of the Public Appointed by the Riverside County Board of Supervisors

Kevin Bash
Member Representing the Former Norco CRA

Richard L. MacGregor
Member Appointed by the Largest Special District

Sherry Mata
Member Representing the Riverside County Superintendent of Schools

Aaron Brown
Member Representing the Riverside Community College District

Brian Petree
Member Representing the Employees of the Agency

PLEDGE OF ALLEGIANCE:

INTRODUCTION OF NEW MEMBER AND ELECTION OF NEW CHAIRPERSON / VICE-CHAIRPERSON:

1. BUSINESS ITEMS:

   A. Approval of the September 26, 2013 Regular Meeting Minutes. **Recommended Action: Adopt OB Resolution No. 2014-01, approving the September 26, 2013 Regular Meeting Minutes.**

   B. Approval of the Recognized Obligation payment Schedule (ROPS) 14-15A. **Recommended Action: Adopt OB Resolution No. 2014-02, approving the ROPS 14-15A**. (Executive Director)

   C. Resolution Authorizing the Issuance of Refunding Tax Allocation Bonds by the Norco Successor Agency, to Refund 2001 RDA Bonds for Debt Service Savings. **Recommended Action: Adopt OB Resolution No. 2014-03.** (Executive Director)

   D. Resolution Authorizing the Issuance of Refunding Tax Allocation Bonds by the Norco Successor Agency to Refund 2001 and 2004 RDA Bonds (School District Pass Through), for Debt Service Savings. **Recommended Action: Adopt OB Resolution No. 2014-04.** (Executive Director)

2. PUBLIC COMMENTS:

3. FUTURE AGENDA ITEMS:

4. NEXT REGULAR MEETING DATE AND TIME: To be determined.

5. ADJOURNMENT:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's office, (951) 270-5623. 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 supporting documents are on file in the Office of the City Clerk. Any writings or documents provided to a majority of the Oversight Board regarding any item on this agenda will be available for public inspection at the City Clerk's Counter in City Hall located at 2870 Clark Avenue.

OB RESOLUTION NO. 2014-01

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY, APPROVING THE SEPTEMBER 26, 2013 REGULAR MEETING MINUTES

WHEREAS**,** on September 26, 2013, the Oversight Board of the Successor Agency to the Norco Community Redevelopment Agency (the "Oversight Board") held a regular meeting; and

WHEREAS, the Minutes of the September 26, 2013 regular meeting have been submitted for the Oversight Board's approval.

NOW, THEREFORE, BE IT RESOLVED, ordered, and determined by the Oversight Board as follows:

SECTION 1. Approval of the September 26, 2013 Minutes. The Minutes of the Oversight Board regular meeting of September 26, 2013 are hereby approved.

PASSED AND ADOPTED by the Oversight Board at a regular meeting held on February 26, 2014.

_____
Chairperson, Oversight Board

ATTEST:

_____
Brenda K. Jacobs, CMC, City Clerk
Oversight Board Secretary

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California and Oversight Board Secretary do hereby certify that the foregoing Resolution was introduced and adopted by the Oversight Board at a regular meeting held on February 26, 2014 by the following votes of the Oversight Board:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on February 26, 2014.

_____
Brenda K. Jacobs, CMC, City Clerk
Oversight Board Secretary

MINUTES
OVERSIGHT BOARD

OF THE SUCCESSOR AGENCY TO THE NORCO CRA
REGULAR MEETING
NORCO CITY HALL – 2870 CLARK AVENUE
CONFERENCE ROOM A
Thursday, September 26, 2013

CALL TO ORDER: Chairperson Newton called the meeting to order at 2:00 p.m.

ROLL CALL:

Members Present:

Greg Newton, Chairperson
Patrick Malone, Vice-Chairperson
Kevin Bash
Richard L. MacGregor
Brian Petree

Members Absent:

Sherry Mata
Aaron Brown

PLEDGE OF ALLEGIANCE: Board Member Petree

INTRODUCTION OF NEW MEMBER: **Chairperson Newton introduced Brian Petree, who represents the employees of the former Norco Community Redevelopment Agency.**

1. BUSINESS ITEMS:

   A. Approval of the July 16, 2013 Regular Meeting Minutes. **Recommended Action: Adopt OB Resolution No. 2013-06, approving the July 16, 2013 Regular Meeting Minutes.**

M/S MALONE/BASH to adopt OB Resolution No. 2013-06 approving the July 16, 2013 Regular Meeting Minutes. The motion was carried by the following roll call vote:

AYES:	**BASH, MALONE, MACGREGOR, NEWTON**
NOES:	**NONE**
ABSENT:	**BROWN, MATA**
ABSTAIN:	**PETREE**

B. Approval of the Recognized Obligation payment Schedule (ROPS) 13-14B. **Recommended Action: Adopt OB Resolution No. 2013-07, approving the ROPS 13-14B**.

Executive Director Andy Okoro presented background information, followed by a brief summary of the proposed ROPS 13-14B.

Bill Schwab. Mr. Schwab commented as a representative of the City's Economic Development Advisory Council regarding proposed electronic signage. He noted that an engineer has put together a proposal for signage on Sixth Street to advertise businesses and City events. The estimate is approximately two years old and the cost estimated was $60,000 for a 4 ft. by 8 ft. sign. He asked for consideration for this project to be approved using the funds available for capital projects.

M/S BASH/MACGREGOR to adopt OB Resolution No. 2013-07, approving the ROPS 13-14B. The motion was carried by the following roll call vote:

AYES:	**BASH, MALONE, MACGREGOR, NEWTON, PETREE**
NOES:	**NONE**
ABSENT:	**BROWN, MATA**
ABSTAIN:	**NONE**

2. PUBLIC COMMENTS:

3. FUTURE AGENDA ITEMS:

4. NEXT REGULAR MEETING DATE AND TIME: To be determined.

5. ADJOURNMENT: There being no further business to come before the Oversight Board, Chairperson Newton adjourned the meeting at 2:38 p.m.

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY STAFF REPORT

TO:	Chairperson and Members of the Oversight Board
FROM:	Andy Okoro, Executive Director
DATE:	February 26, 2014
SUBJECT:	Approval of the Reportable Recognized Obligation Payment Schedule for the period of July 1, 2014 through December 31, 2014 (ROPS 14-15A)
RECOMMENDATION:	Adopt **OB Resolution No. 2014-02,** approving the ROPS 14-15A.

SUMMARY: Pursuant to Health & Safety Code Section 34177(I), the Department of Finance (the "DOF") has provided the Recognized Obligation Payment Schedule (the "ROPS") template that Successor Agencies are required to use to report Enforceable Obligations for the period July through December 2014 (ROPS 14-15A). The attached ROPS 14-15A has been prepared using the template and instructions provided by the DOF for the Oversight Board's approval. The completed ROPS 14-15A is due to the Department of Finance on March 3, 2014.

BACKGROUND/ANALYSIS: In accordance with the Dissolution Act, the Successor Agency to the Norco Community Redevelopment Agency has prepared the ROPS 14-15A covering Enforceable Obligations for the period July 1, 2014 through December 31, 2014. This schedule is being presented to the Oversight Board for approval. The ROPS 14-15A will be formally submitted to the County Auditor-Controller, the County Administrator, the State Controller's Office and the DOF, and will be posted on the City's website.

The ROPS 14-15A provides a list of Eligible Obligations to be paid by the Successor Agency from all funding sources from July 2014 through December 2014. The Eligible Obligations to be paid during this period consist of debt service payments required to be made on bonds issued by the former Norco Community Redevelopment Agency; administrative cost allowance to be paid to the Successor Agency; Reimbursement for former RDA share of unfunded pension and post-retirement healthcare liabilities; and CFD taxes on Agency owned parcel. The total eligible obligations for the period July 1, 2014 through December 31, 2014 is $3,780,286. However, the amount funding being requested to be funded from Redevelopment Property Tax Trust Fund (RPTTF) is $3,237,100. The remaining $543,186 will be paid from funds already on hand that are generated from investment earnings and collection of notes receivable. This would free $543,186 from RPTTF to be allocated to affected taxing agencies with the next county tax increment allocation in June 2014.

Health and Safety Code Section 34171(d)(1)(C), regarding the definition of Enforceable Obligations, indicates that pass-through payments to taxing entities are not Enforceable Obligations. Instead, Health and Safety Code Section 34183 directs that pass-through payments to taxing entities will be made directly by the County Auditor-Controller from the Redevelopment Property Tax Trust Fund administered by the County Auditor-Controller. Pass-through payments are not the obligation of the Successor Agency to pay. For these reasons, pass-through payments to taxing entities are not shown as Enforceable Obligations on this ROPS 14-15A.

A resolution has been prepared for the Oversight Board's consideration that will authorize the submittal of the ROPS 14-15A to the DOF, County-Auditor Controller and the State Controller's Office as required. The DOF has the ultimate authority to approve the ROPS 14-15A including the amount requested for administrative cost allowance. Oversight Board approval and submittal of the ROPS 14-15A to the Department of Finance is required by March 3, 2014. Failure to submit a ROPS approved by the Oversight Board by that date will result in penalties of $10,000 per day being assessed against the City.

FISCAL IMPACT: The total amount requested to fund Eligible Obligations from RPTTF for the period July through December 2014 is $3,237,100.

Attachment: Resolution Approving the ROPS 14-15A

OB RESOLUTION NO. 2014-02

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY, APPROVING THE REPORTABLE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2014 THROUGH DECEMBER 31, 2014 (THE "ROPS 14-15A")

WHEREAS, the ROPS for the period of July 1, 2014 through December 31, 2014 (the "ROPS 14-15A") is attached hereto as submitted to the Oversight Board of the Successor Agency to the Norco Community Redevelopment Agency (the "Oversight Board") for its approval; and

WHEREAS, the Department of Finance (the "DOF") requires that that the ROPS 14-15A be electronically submitted to the County Administrative Officer, the County Auditor-Controller (the "CAC") and the DOF at the same time as the proposed ROPS 14-15A is submitted to the Oversight Board for approval; and

WHEREAS, the approved ROPS 14-15A is required to be electronically submitted to the DOF and the CAC no later than March 3, 2014.

NOW, THEREFORE, BE IT RESOLVED, ordered, and determined by the Oversight Board as follows:

SECTION 1. Submittal of Proposed ROPS 14-15A. The proposed ROPS 14-15A was electronically submitted to the County Administrative Officer, the DOF and the CAC at the same time the same ROPS 14-15A was submitted to the Oversight Board for approval.

SECTION 2. Approval of ROPS 14-15A. The Oversight Board hereby approves the ROPS 14-15A.

SECTION 3. Submittal of Approved ROPS. The approved ROPS 14-15A shall be electronically submitted to the DOF and the CAC no later than March 3, 2014.

SECTION 4. DOF Review of Oversight Board Actions. The DOF shall make its determination of the enforceable obligations and the amounts and funding sources of the enforceable obligations no later than 45 days after the ROPS 14-15A is submitted. Within five business days of the department's determination, additional review may be requested regarding any disputed items through a meet and confer process. The DOF shall notify the Successor Agency to the Norco Community Redevelopment Agency and the CAC as to the outcome of its review at least 15 days before the date of property tax distribution.

PASSED AND ADOPTED by the Oversight Board at a regular meeting held on February 26, 2014.

_____
Chairperson, Oversight Board

ATTEST:

_____
Brenda K. Jacobs, CMC, City Clerk
Oversight Board Secretary

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California and Oversight Board Secretary do hereby certify that the foregoing Resolution was introduced and adopted by the Oversight Board at a regular meeting held on February 26, 2014 by the following votes of the Oversight Board:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California on February 26, 2014.

_____
Brenda K. Jacobs, CMC, City Clerk
Oversight Board Secretary

Attachment: ROPS 14-15A

Recognized Obligation Payment Schedule (ROPS 14-15A) - Summary

Filed for the July 1, 2014 through December 31, 2014 Period

Name of Successor Agency: **Norco**

Name of County: Riverside

	Current Period Requested Funding for Outstanding Debt or Obligation	**Six-Month Total**
A	**Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding Sources (B+C+D):**	**$ 543,186**
B	Bond Proceeds Funding (ROPS Detail)	-
C	Reserve Balance Funding (ROPS Detail)	-
D	Other Funding (ROPS Detail)	543,186
E	**Enforceable Obligations Funded with RPTTF Funding (F+G):**	**$ 3,237,100**
F	Non-Administrative Costs (ROPS Detail)	3,112,100
G	Administrative Costs (ROPS Detail)	125,000
H	**Current Period Enforceable Obligations (A+E):**	**$ 3,780,286**

	Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I	Enforceable Obligations funded with RPTTF (E):	3,237,100
J	Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	-
K	**Adjusted Current Period RPTTF Requested Funding (I-J)**	**$ 3,237,100**

	County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L	Enforceable Obligations funded with RPTTF (E):	3,237,100
M	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N	**Adjusted Current Period RPTTF Requested Funding (L-M)**	**3,237,100**

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 Title

/s/

Signature Date

Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail
July 1, 2014 through December 31, 2014
(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
										Funding Source					
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
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	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	Six-Month Total
								$ 155,440,256		$ -	$ -	$ 543,186	$ 3,112,100	$ 125,000	$ 3,780,286
1	2001 RDA Refunding RAB	Bonds Issued On or	12/1/2001	3/1/2030	US Bank Trust	Refunded RDA TAB Issue of 1992 and	Number 1	33,858,025	N			543,186	817,042		$ 1,360,228
2	2001 CNUSD Pass-Through	Bonds Issued On or Before 12/31/10	12/1/2001	3/1/2030	US Bank Trust	Refunded School District Pass-Through Issue of 1992	Number 1	5,514,324	N				171,638		$ 171,638
3	2004 CNUSD Pass-Through	Bonds Issued On or Before 12/31/10	11/22/2004	3/1/2032	US Bank Trust	RDA Pass-Through Issue to Fund Various School Projects	Number 1	13,885,725	N				367,750		$ 367,750
4	2005 RDA Refunding TAB	Bonds Issued On or Before 12/31/10	12/7/2005	3/1/2026	US Bank Trust	Refunded RDA TAB Issue of 1996	Number 1	23,937,595	N				440,463		$ 440,463
5	2009 CNUSD Pass-Through TAB	Bonds Issued On or Before 12/31/10	3/1/2009	3/1/2034	US Bank Trust	RDA Pass-Through Issue to Fund Various School Projects	Number 1	21,708,107	N				487,546		$ 487,546
6	2010 RDA Refunding TAB	Bonds Issued On or Before 12/31/10	5/11/2010	3/1/2036	US Bank Trust	Refunded RDA 2000 and 2003 TABS	Number 1	49,984,257	N				771,703		$ 771,703
7	SERAF Loan from LMIHF	SERAF/ERAF	7/7/2010	6/30/2015	LMI Housing Asset Fund	Loan to help pay 2010 SERAF	Number 1		N						
8	Unfunded Pension Obligations	Unfunded Liabilities	1/1/2014	6/30/2024	CalPERS	Former Agency Share of UAAL - Pension	Number 1	176,580	N				9,294		$ 9,294
9	Unfunded Post Returement Health	Unfunded Liabilities	1/1/2014	6/30/2024	CalPERS	Former Agency Share of UAAL - Health	Number 1	851,866	N				44,835		$ 44,835
10	Hamner Avenue Improvements	Improvement/Infrastructure	7/18/2012	7/18/2014	Griffith Construction	Hamner Avenue Widening Project	Number 1		N						
11	Ingalls Park Improvements	Improvement/Infrastructure	7/1/2013	6/30/2014	TBD	Ingall Park Electrical	Number 1	-	N	-			-		$ -
12	Various City Projects	Improvement/Infrastructure	7/1/2013	6/30/2016	TBD	Unspecified Projects	Number 1		N						
13	Successor Agency Admin Cost	Admin Costs	1/1/2014	6/30/2036	City of Norco	Staff Costs to Serve as Successor Agency	Number 1	5,500,000	N					125,000	$ 125,000
14	CFD Property Taxes	Miscellaneous	1/1/2014	7/1/2020	City of Norco	CFD 93-1 FY 2012 Property on RDA Parcels	Number 1	23,777	N				1,829		$ 1,829
16	Oversight Board Legal Counsel	Professional Services	1/1/2014	6/30/2015	TBD	Provide Legal Counsel to Oversight Board	Number 1	-	N					-	$ -
17	Veterans Memorial Structure	Improvement/Infrastructure	7/1/2013	6/30/2015	TBD	Construct Veterans Memorial at Ingalls	Number 1	-	N						$ -

Recognized Obligation Payment Schedule (ROPS) 14-15A - 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.

A	B	C	D	E	F	G	H	I
		Fund Sources						
		Bond Proceeds		Reserve Balance		Other	RPTTF	
	Cash Balance Information by ROPS Period	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 distributed as reserve for next bond payment	Rent, Grants, Interest, Etc.	Non-Admin and Admin	Comments
ROPS 13-14A Actuals (07/01/13 - 12/31/13)								
1	**Beginning Available Cash Balance (Actual 07/01/13)** Note that for the RPTTF, 1 + 2 should tie to columns J and O in the Report of Prior Period Adjustments (PPAs)	3,601,956		500,000		184,662	-	
2	**Revenue/Income (Actual 12/31/13)** Note that the RPTTF amounts should tie to the ROPS 13-14A distribution from the County Auditor-Controller during June 2013	824		-		351,422	3,784,696	
3	**Expenditures for ROPS 13-14A Enforceable Obligations (Actual 12/31/13)** Note that for the RPTTF, 3 + 4 should tie to columns L and Q in the Report of PPAs	-		500,000			3,784,696	ROPS for Debt Service $3,659,696; Admin Allowar
4	**Retention of Available Cash Balance (Actual 12/31/13)** Note that the RPTTF amount should only include the retention of reserves for debt service approved in ROPS 13-14A	-					-	
5	**ROPS 13-14A RPTTF Prior Period Adjustment** Note that the RPTTF amount should tie to column S in the Report of PPAs.	No entry required					-	
6	**Ending Actual Available Cash Balance** **C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)**	**$ 3,602,780**	**$ -**	**$ -**	**$ -**	**$ 536,084**	**$ -**	
ROPS 13-14B Estimate (01/01/14 - 06/30/14)								
7	**Beginning Available Cash Balance (Actual 01/01/14)** **(C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)**	**$ 3,602,780**	**$ -**	**$ -**	**$ -**	**$ 536,084**	**$ -**	
8	**Revenue/Income (Estimate 06/30/14)** Note that the RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014	-				7,102	3,763,796	
9	**Expenditures for 13-14B Enforceable Obligations (Estimate 06/30/14)**	2,555,450				-	3,763,796	
10	**Retention of Available Cash Balance (Estimate 06/30/14)** Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14B	-				-		
11	**Ending Estimated Available Cash Balance (7 + 8 - 9 -10)**	**$ 1,047,330**	**$ -**	**$ -**	**$ -**	**$ 543,186**	**$ -**	

Recognized Obligation Payment Schedule (ROPS) 14-15A - Report of Prior Period Adjustments
Reported for the ROPS 13-14A (July 1, 2013 through December 31, 2013) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)
(Report Amounts in Whole Dollars)

ROPS 13-14A Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 13-14A (July through December 2013) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 14-15A (July through December 2014) period will be offset by the SA's self-reported ROPS 13-14A prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.

ROPS 13-14A CAC PPA: To be completed by the CAC upon submittal of the ROPS 14-15A by the SA to Finance and the CAC. Note that CACs will need to enter their own formulas at the line item level pursuant to the manner in which they calculate the PPA. Also note that the admin amounts do not need to be listed at the line item level and may be entered as a lump sum.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA
		Non-RPTTF Expenditures						RPTTF Expenditures												RPTTF Expenditures						
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin					Net SA Non-Admin and Admin PPA (Amount Used to Offset ROPS 14-15A Requested RPTTF)		Non-Admin CAC			Admin CAC			Net CAC Non-Admin and Admin PPA (Amount Used to Offset ROPS 14-15A Requested RPTTF)
Item #	Project Name / Debt Obligation	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 13-14A distributed + all other available as of 07/1/13)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 13-14A distributed + all other available as of 07/1/13)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)	SA Comments	Net Lesser of Authorized / Available	Actual	Difference	Net Lesser of Authorized / Available	Actual	Difference	Net Difference
		$ -	$ -	$ 500,000	$ 500,000	$ -	$ -	$ 3,653,696	$ 3,653,696	$ 3,653,696	$ 3,653,696	$ -	$ 131,000	$ 131,000	$ 131,000	$ 131,000	$ -	$ -				$ -			$ -	$ -
1	2001 RDA	-		-		-		1,357,728	1,357,728	$ 1,357,728	1,357,728	$ -						$ -								
2	2001 CNUSD Pass-	-		-		-		172,988	172,988	$ 172,988	172,988	$ -						$ -								
3	2004 CNUSD Pass-Through	-		-		-		365,850	365,850	$ 365,850	365,850	$ -						$ -								
4	2005 RDA Refunding TAB	-		-		-		441,819	441,819	$ 441,819	441,819	$ -						$ -								
5	2009 CNUSD Pass-Through TAB	-		-		-		487,750	487,750	$ 487,750	487,750	$ -						$ -								
6	2010 RDA Refunding TAB	-		-		-		771,603	771,603	$ 771,603	771,603	$ -						$ -								
7	SERAF Loan from LMIHF	-		500,000	500,000			-	-	$ -	-	$ -						$ -								
8	Unfunded Pension Obligations	-		-		-		9,294	9,294	$ 9,294	9,294	$ -						$ -								
9	Unfunded Post Returement Health	-		-		-		44,835	44,835	$ 44,835	44,835	$ -						$ -								
10	Hamner Avenue Improvements	-		-		-		-	-	$ -		$ -						$ -								
11	Ingalls Park Improvements	-		-		-		-	-	$ -		$ -						$ -								
12	Various City Projects	-		-		-		-	-	$ -		$ -						$ -								
13	Successor Agency Admin Cost	-		-		-		-	-	$ -		$ -						$ -								
14	CFD Property Taxes	-		-		-		1,829	1,829	$ 1,829	1,829	$ -						$ -								
15	Due Diligence Review	-		-		-		-	-	$ -		$ -						$ -								
16	Oversight Board Legal Counsel	-		-		-		-	-	$ -		$ -						$ -								
17	Veterans Memorial Structure	-				-		-	-	$ -		$ -						$ -								

Recognized Obligation Payment Schedule 14-15A - Notes

July 1, 2014 through December 31, 2014

Item #	Notes/Comments
1	Estimated outstanding balance as of July 1, 2014; requested amount represents 1/2 of debt service payment due during the fiscal year
2	Estimated outstanding balance as of July 1, 2014; requested amount represents 1/2 of debt service payment due during the fiscal year
3	Estimated outstanding balance as of July 1, 2014; requested amount represents 1/2 of debt service payment due during the fiscal year
4	Estimated outstanding balance as of July 1, 2014; requested amount represents 1/2 of debt service payment due during the fiscal year
5	Estimated outstanding balance as of July 1, 2014; requested amount represents 1/2 of debt service payment due during the fiscal year
6	Estimated outstanding balance as of July 1, 2014; requested amount represents 1/2 of debt service payment due during the fiscal year

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY STAFF REPORT

TO:	Chairperson and Members of the Oversight Board
FROM:	Andy Okoro, Successor Agency Executive Director
PREPARED BY:	Doug Anderson, Financial Advisor to the Successor Agency
DATE:	February 26, 2014
SUBJECT:	Resolution Authorizing the Issuance of Refunding Tax Allocation Bonds by the Norco Successor Agency, to Refund 2001 RDA Bonds for Debt Service Savings
RECOMMENDATION:	Adopt **OB Resolution No. 2014-03,** approving the Forms of and Authorizing the Execution of an Indenture of Trust, a Bond Purchase Contract, Escrow Agreement, Continuing Disclosure Agreement, Official Statement, and Authorizing Certain Other Actions in Connection Therewith Relating to the Issuance of the Successor Agency's Refunding Tax Allocation Bonds

SUMMARY: The issuance of the proposed Refunding Tax Allocation Bonds (the "2014 Bonds") by the Norco Successor Agency will provide an estimated total debt service savings of approximately $850,000 over the remaining term (2030) of the bonds, based on lower current interest rates than the interest rates on the 2001 RDA Bonds being refunded. Pursuant to RDA Dissolution Law, the estimated debt service savings will be split among all affected taxing entities based on their respective pro rata shares of property taxes.

BACKGROUND/ANALYSIS: The former Norco Community Redevelopment Agency issued its 2001 Refunding Tax Allocation Bonds in December of 2001 (the "2001 Bonds"), which have a term date of March 1, 2030. In order to create an annual debt service savings over the remaining sixteen year term, the proposed 2014 Bonds will refund the 2001 Bonds. The existing interest rate for the longest term 2001 Bonds is 5.125%, and the interest rate for the proposed 2014 Bonds is expected to be approximately 4.65%.

The 2014 Bonds will be issued in the approximate principal amount of $22.1 million and will provide net proceeds which will be sufficient to refund the outstanding 2001 Bonds, pay all costs of issuance, and fund a new debt service reserve fund for the 2014 Bonds. A portion (approximately 50%) of the prior debt service reserve fund will be used to downsize the refunding bond issue. As a result, it is anticipated that the new 2014 bond reserve fund will be funded with two components: cash from the 2014 Bond proceeds, and a surety policy provided by the bond insurer.

The 2014 Bonds will have a final maturity date of March 1, 2030, to match the current term date of the 2001 Bonds. The total debt service savings created by the issuance of the 2014 Bonds will be approximately $850,000 over the remaining sixteen year term. Pursuant to the Redevelopment Property Tax Trust Fund (RPTTF) distribution procedures called for in the RDA Dissolution Law, the projected debt service savings amount from the bond refunding will contribute to residual revenues which will be shared by all taxing entities.

The Norco Successor Agency approved a Resolution authorizing the issuance of the 2014 Bonds, at its meeting of February 19, 2014. Upon approval by the Oversight Board, the attached Resolution and related financing documents will be sent to the State Dept. of Finance ("DOF"), for review. DOF has up to 60 days to review bond refunding matters. It is anticipated that the 2014 Bonds will be priced by the end of May, 2014, assuming all approvals have been obtained. Bond closing and repayment of the 2001 Bonds could then occur by the second week of June, 2014.

Forms of the Trust Indenture, Preliminary Official Statement, 2001 Bonds Escrow Agreement, Continuing Disclosure Agreement, and Bond Purchase Agreement are on file with the Clerk of the Successor Agency. Representatives from the Finance Team will be in attendance at the Oversight Board meeting to answer any questions.

FINANCIAL IMPACT: The 2014 Bonds are not a debt of the City of Norco, State of California, or any of its political subdivisions and neither said City or State are liable for repayment of the 2014 Bonds. The repayment of the 2014 Bonds will be payable solely from Pledged Tax Revenues, which are the net tax revenues generated in the redevelopment project area.

Attachment: OB Resolution No. 2014-03

All documents related to this item are on file in the Office of the City Clerk

OB RESOLUTION NO. 2014-03

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION OF AN INDENTURE OF TRUST, A BOND PURCHASE CONTRACT, ESCROW AGREEMENT, CONTINUING DISCLOSURE AGREEMENT, OFFICIAL STATEMENT, AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH RELATING TO THE ISSUANCE OF THE SUCCESSOR AGENCY'S REFUNDING TAX ALLOCATION REFUNDING BONDS

WHEREAS, the Norco Community Redevelopment Agency ("the Agency") has previously issued its $36,000,000 aggregate initial principal amount Norco Redevelopment Agency, Norco Redevelopment Project Area No. One, 2001 Refunding Tax Allocation Bonds ("Refunded Bonds"); and

WHEREAS, on June 28, 2011, the California Legislature adopted ABx1 26 (the "Dissolution Act") and ABx1 27 (the "Opt-in Bill"); and

WHEREAS, the California Supreme Court subsequently upheld the provisions of the Dissolution Act and invalidated the Opt-in Bill resulting in the Agency being dissolved as of February 1, 2012; and

WHEREAS, the powers, assets and obligations of the Agency were transferred on February 1, 2012 to the Successor Agency to the Norco Community Redevelopment Agency (the "Successor Agency"); and

WHEREAS, on or about June 27, 2012, AB1484 was adopted as a trailer bill in connection with the 2012-13 California Budget; and

WHEREAS, AB1484 amended the Dissolution Act and specifically authorizes the issuance of refunding bonds by the Successor Agency to refund the outstanding bonds for the purpose of reducing debt service; and

WHEREAS, the Successor Agency wishes at this time to issue the Norco Redevelopment Project Area No. One Tax Allocation Refunding Bonds, Issue of 2014 (the "Bonds"), in the approximate aggregate principal amount of Twenty-Two Million Seventy-Five Thousand Dollars ($22,075,000) to refinance the Refunded Bonds for savings to be secured by a pledge of property tax revenues authorized by California Health and Safety Code Section 34177.5(g) pursuant to the provisions of Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law");

WHEREAS, the Successor Agency has previously approved all matters relating to the issuance and sale of the Bonds; and

WHEREAS, the Oversight Board desires to approve all matters relating to the issuance and sale of the Bonds as required by Sections 34177.5 (f) and 34180 of the Health and Safety Code of the State of California.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY, AS FOLLOWS:

1. Each of the foregoing recitals is true and correct.

2. The issuance by the Successor Agency to the Norco Community Redevelopment Agency of the Bonds in an aggregate principal amount of approximately Twenty-Two Million Seventy-Five Thousand Dollars ($22,075,000) for the purpose of achieving debt service savings in accordance with Health & Safety Code Section 34177 (a)(1) as set forth in the recitals hereof and the pledge of property tax revenues to the Bonds pursuant to the Indenture approved by Section 2 of the Successor Agency Resolution (as authorized by Health and Safety Code Section 34177.5 (a) and (g)) are hereby approved as provided for in the Indenture. The Bonds may be issued as a single issue, or from time to time in separate series, as the Successor Agency shall determine. The approval of the issuance of the Bonds by the Successor Agency and the Oversight Board shall constitute the approval of each and every separate series of Bonds, without the need for any further approval from the Oversight Board.

3. The Chairman of the Oversight Board and the other officers and members of staff having responsibility for the affairs of the Successor Agency to the Norco Community Redevelopment Agency are hereby authorized to execute such documents and certificates necessary to assist the Successor Agency in the issuance of the Bonds.

4. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED and ADOPTED by this 26th day of February, 2014.

_____
Chairman of the Oversight Board of the
Successor Agency to the
Norco Community Redevelopment Agency

ATTEST:

_____
Secretary of the Oversight Board of the Successor Agency to the Norco Community Redevelopment Agency

I, Brenda K. Jacobs, Secretary of the Oversight Board of the Successor Agency to the Norco Community Redevelopment Agency, DO HEREBY CERTIFY that the foregoing Resolution was duly adopted by the Board of Directors at a special meeting of the Successor Agency held on the 26th day of February, 2014, and that the same was passed and adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____

Secretary of the Oversight Board of the Successor Agency to the Norco Community Redevelopment Agency

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY STAFF REPORT

TO:	Chairperson and Members of the Oversight Board
FROM:	Andy Okoro, Successor Agency Executive Director
PREPARED BY:	Doug Anderson, Financial Advisor to the Successor Agency
DATE:	February 26, 2014
SUBJECT:	Resolution Authorizing the Issuance of Refunding Tax Allocation Bonds by the Norco Successor Agency to Refund 2001 and 2004 RDA Bonds (School District Pass Through), for Debt Service Savings
RECOMMENDATION:	Adopt **OB Resolution No. 2014-04,** approving the Forms of and Authorizing the Execution of an Indenture of Trust, a Bond Purchase Contract, Escrow Agreement, Continuing Disclosure Agreement, Official Statement, and Authorizing Certain Other Actions in Connection Therewith Relating to the Issuance of the Successor Agency's Refunding Tax Allocation Bonds (School District Pass-Through)

SUMMARY: The issuance of the proposed Refunding Tax Allocation Bonds (the "2014 Bonds") by the Successor Agency will provide an estimated total debt service savings of approximately $435,000 over the remaining term (2032) of the bonds, based on lower current interest rates than the interest rates on the 2001 and 2004 RDA Bonds (School District Pass Through) being refunded. Corona-Norco Unified School District (the "School District") is responsible for the debt service payments on the 2001 and 2004 Bonds using its redevelopment pass through revenues, and the School District will benefit from the projected lower annual debt service payments on the 2014 Bonds.

BACKGROUND/ANALYSIS: The former Norco Community Redevelopment Agency issued its 2001 Tax Allocation Refunding Bonds (School District Pass-Through) in December of 2001 (the "2001 Bonds"), which have a term date of March 1, 2030. In December of 2004, the former Norco Community Redevelopment Agency again issued bonds on behalf of the School District (the "2004 Bonds"), and the 2004 Bonds have a final term date of March 1, 2032. In order to create an annual debt service savings over the remaining respective terms of the 2001 and 2004 Bonds, the proposed 2014 Bonds will refund the 2001 and 2004 Bonds. The existing interest rate for the longest term 2001 Bonds is 5.50%, and the existing interest rate for the longest term 2004 Bonds is 5.00%. The interest rate for the proposed 2014 Bonds is expected to be approximately 4.72%.

The 2014 Bonds will be issued in the approximate principal amount of $12.2 million and will provide net proceeds which will be sufficient to refund the outstanding 2001 and 2004 Bonds, pay all costs of issuance, and fund a new debt service reserve fund for the 2014 Bonds. A portion (approximately 50%) of the respective prior debt service reserve funds will be used to downsize the refunding bond issue. As a result, it is anticipated that the new 2014 bond reserve fund will be funded with two components: cash from the 2014 Bond proceeds, and a surety policy provided by the bond insurer.

The 2014 Bonds will have a final maturity date of March 1, 2032, to match the current term date of the 2004 Bonds. The School District will benefit from the total debt service savings created by the issuance of the 2014 Bonds, which is expected to be approximately $435,000 over the remaining eighteen year term.

The Norco Successor Agency approved a Resolution authorizing the issuance of the 2014 Bonds, at its meeting of February 19, 2014. Upon approval by the Oversight Board, the attached Resolution and related financing documents will be sent to the State Dept. of Finance ("DOF"), for review. DOF has up to 60 days to review bond refunding matters. It is anticipated that the 2014 Bonds will be priced by the end of May, 2014, assuming all approvals have been obtained. Bond closing and repayment of the 2001 and 2004 Bonds could then occur by the second week of June, 2014.

Forms of the Trust Indenture, Preliminary Official Statement, 2001 and 2004 Bonds Escrow Agreements, Continuing Disclosure Agreement, and Bond Purchase Agreement are on file with the City Clerk. Representatives from the Finance Team will be in attendance at the Oversight Board meeting to answer any questions.

FINANCIAL IMPACT: The 2014 Bonds are not a debt of the City of Norco, State of California, or any of its political subdivisions and neither said City or State are liable for repayment of the 2014 Bonds. The repayment of the 2014 Bonds will be payable solely from Pledged Tax Revenues, which are the pass through revenues generated in the redevelopment project area for the benefit of the School District.

Attachment: Resolution No. 2014-04

All documents related to this item are on file in the Office of the City Clerk

OB RESOLUTION NO. 2014-04

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY APROVING THE FORMS OF AND AUTHORIZING THE EXECUTION OF AN INDENTURE OF TRUST, A BOND PURCHASE CONTRACT, ESCROW AGREEMENT, CONTINUING DISCLOSURE AGREEMENT, OFFICIAL STATEMENT, AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH RELATING TO THE ISSUANCE OF THE SUCCESSOR AGENCY'S TAX ALLOCATION REFUNDING BONDS (SCHOOL DISTRICT PASS-THROUGH)

WHEREAS, the Norco Community Redevelopment Agency ("the Agency") has previously issued its $5,100,000 aggregate initial principal amount Norco Redevelopment Agency, Norco Redevelopment Project Area No. One, Tax Allocation Refunding Bonds, (School District Pass-Through) Issue of 2001 ("2001 Bonds"); and

WHEREAS, the Agency has previously issued its $11,250,000 aggregate initial principal amount Norco Redevelopment Agency, Norco Redevelopment Project No. One Tax Allocation Refunding Bonds (School District Pass-Through), Issue of 2004 ("2004 Bonds"); and

WHEREAS, on June 28, 2011, the California Legislature adopted ABx1 26 (the "Dissolution Act") and ABx1 27 (the "Opt-in Bill"); and

WHEREAS, the California Supreme Court subsequently upheld the provisions of the Dissolution Act and invalidated the Opt-in Bill resulting in the Agency being dissolved as of February 1, 2012; and

WHEREAS, the powers, assets and obligations of the Agency were transferred on February 1, 2012 to the Successor Agency to the Norco Community Redevelopment Agency (the "Successor Agency"); and

WHEREAS, on or about June 27, 2012, AB1484 was adopted as a trailer bill in connection with the 2012-13 California Budget; and

WHEREAS, AB1484 amended the Dissolution Act and specifically authorizes the issuance of refunding bonds by the Successor Agency to refund the outstanding bonds for the purpose of reducing debt service; and

WHEREAS, the Successor Agency wishes at this time to issue the Norco Redevelopment Project Area No. One Tax Allocation Refunding Bonds, (School District Pass-Through) Issue of 2014 (the "Bonds"), in the approximate aggregate principal amount of Twelve Million One Hundred and Forty-Five Thousand Dollars ($12,145,000) to refinance the 2001 Bonds and the 2004 Bonds for the purpose of achieving debt service serving in accordance with Health & Safety Code Section 34177(a)(1) to be secured by a pledge of property tax revenues authorized by California Health and Safety Code Section 34177.5(g) pursuant to the provisions of Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law");

WHEREAS, the Successor Agency has previously approved all matters relating to the issuance and sale of the Bonds; and

WHEREAS, the Oversight Board desires to approve all matters relating to the issuance and sale of the Bonds as required by Sections 34177.5 (f) and 34180 of the Health and Safety Code of the State of California.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY, AS FOLLOWS:

1. Each of the foregoing recitals is true and correct.

2. The issuance by the Successor Agency to the Norco Community Redevelopment Agency of the Bonds in an aggregate principal amount of approximately Twelve Million One Hundred and Forty-Five Dollars ($12,145,000) for the purpose of achieving debt service savings in accordance with Health & Safety Code Section 34177(a)(1) as set forth in the recitals hereof and the pledge of property tax revenues to the Bonds pursuant to the Indenture approved by Section 2 of the Successor Agency Resolution (as authorized by California Health and Safety Code Section 34177.5(a) and (g)) are hereby approved as provided for in the Indenture. The Bonds may be issued as a single issue, or from time to time in separate series, as the Successor Agency shall determine. The approval of the issuance of the Bonds by the Successor Agency and the Oversight Board shall constitute the approval of each and every separate series of Bonds, without the need for any further approval from the Oversight Board.

3. The Chairman of the Oversight Board and the other officers and members of staff having responsibility for the affairs of the Successor Agency to the Norco Community Redevelopment Agency are hereby authorized to execute such documents and certificates necessary to assist the Successor Agency in the issuance of the Bonds.

4. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED and ADOPTED by this 26th day of February, 2014.

_____
Chairman for the Oversight Board for the
Successor Agency to the
Norco Community Redevelopment Agency

ATTEST:

_____
Secretary for the Oversight Board for the Successor Agency to the Norco Community Redevelopment Agency

I, Brenda K. Jacobs, Secretary for the Oversight Board for the Successor Agency to the Norco Community Redevelopment Agency, DO HEREBY CERTIFY that the foregoing Resolution was duly adopted by the Board of Directors at a special meeting of the Successor Agency held on the 26th day of February, 2014, and that the same was passed and adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____

Secretary for the Oversight Board for the Successor Agency to the Norco Community Redevelopment Agency Agency