



CITY OF SIGNAL HILL

2175 Cherry Avenue • Signal
Hill, California 90755-3799

STAFF REPORT

9/9/2025

AGENDA ITEM

**TO: HONORABLE CHAIR
AND MEMBERS OF THE SUCCESSOR AGENCY**

**FROM: CARLO TOMAINO
CHIEF ADMINISTRATIVE OFFICER**

**BY: SIAMLU COX
FINANCE DIRECTOR**

**DEBBIE PACHECO
ACCOUNTING MANAGER**

**DANIEL BASULTO
SENIOR ACCOUNTANT**

**SUBJECT: PROPOSED ADOPTION OF A RESOLUTION AMENDING RECOGNIZED
OBLIGATION PAYMENT SCHEDULE 25-26B**

Summary:

The City Council, as Successor Agency of the City of Signal Hill, is submitting an Amended Recognized Obligation Payment Schedule for the period 25-26B (Amended ROPS 25-26B) to the Los Angeles Countywide Oversight Board for approval. Amending the ROPS 25-26B provides for a correction to the ROPS submitted in January 2025. The Oversight Board previously approved an allocation of \$250,000 for the Successor Agency; staff will request the full administrative allocation, totaling \$298,000, at the next Los Angeles County 4th Supervisorial District Consolidated Oversight Board meeting.

Strategic Plan Goal(s):

Goal No. 1 Financial Stability: Ensure the City's long-term financial stability and resilience.

Recommendation:

Adopt a Resolution, entitled: A RESOLUTION OF THE CITY COUNCIL AS SUCCESSOR AGENCY OF THE CITY OF SIGNAL HILL, CALIFORNIA, ADOPTING AN AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 25-26B) AND TRANSMITTING THE ROPS TO THE LOS ANGELES COUNTY 4TH SUPERVISORIAL DISTRICT CONSOLIDATED OVERSIGHT BOARD FOR ITS REVIEW AND APPROVAL.

Fiscal Impact:

The Successor Agency is requesting an additional \$48,000 for administrative costs. The City utilizes the administrative allocation provided through the ROPS approval process to offset costs directly related to the dissolution of the former Signal Hill Redevelopment Agency.

Background:

The Successor Agency submitted ROPS 25-26 to the Los Angeles County 4th Supervisorial District Consolidated Oversight Board (Oversight Board) in January 2025. The ROPS includes an administrative allowance that covers staff costs and overhead associated with dissolution activities. In addition, the accounting and finance functions performed by City staff attributable to the Successor Agency also include monitoring the remaining properties described below. The Long-Range Property Management Plan (LRPMP) identifies two remaining parcel groups transferred to the City for future development.

- LRPMP #3: 2435-2461, 2475, 2485 Gardena Avenue (approximately 2 acres).
- LRPMP #4: 630-998 East Spring Street, 631-799 E. Canton Street, 801-999 East Canton Street, 630-798 East Canton Street, 800-998 E. Canton Street, 631-799 E. 29th Street, and 801-999 East 29th Street (approximately 13 acres) situated between California and Atlantic Avenues.

When the City disposes of the properties, the sale proceeds will be distributed to the taxing entities. Both the Gardena site and the Spring Street site were former oil production sites. The City's administrative activities include monitoring volatile organic compounds (VOC) and heavy metals and soil testing.

Analysis:

Staff originally included an administrative cost allowance of \$298,000, which is less than the maximum allowance. The maximum administrative allowance is calculated as 3 percent of the actual property tax revenue distributed to the Successor Agency by the County Auditor-Controller (CAC) in the preceding fiscal year for payment of approved enforceable obligations, amounting to \$389,720. Unfortunately, due to a technical issue that occurred during the virtual meeting, staff was unable to present and discuss the details of the administrative cost request. As a result, the Oversight Board reduced the Successor Agency administrative cost allowance to \$250,000. The Successor Agency is now requesting that the Oversight Board consider the information that could not be presented in January 2025 and approve an increase of \$48,000, restoring the Agency's administrative cost allowance to the originally requested amount of \$298,000 as shown in the following table.

EXPENSE CATEGORY	ANNUAL FY 2025-26	DESCRIPTION
Current FY		
<u>Personnel Expenses</u>		
City Manager	37,028.74	City Manager's Office - provides staff and consultants with necessary information as needed; reviews and oversees SA Admin.
City Clerk	6,231.14	
Economic Development Mgr	124,612.92	
Finance Director	54,758.59	Finance Department - process payment of enforceable obligations, maintain documentation of SA records, coordinate with consultants to answer questions and provide documentation as needed for reporting prep and as requested by the Oversight board, County Auditor-Controller, and DOF; administration and implementation of SA wind-down activities.
Accounting Manager	24,373.98	
Total Personnel Expenses	247,005.37	
<u>Service Expenses</u>		
Professional Services	11,500.00	Prepare ROPS, PPA, staff reports, and resolutions for SA and OB; coordinate and answer questions for the Oversight Board, County Auditor-Controller, and DOF; monitor and project cash flow to ensure sufficient revenues for obligations and inform SA staff of expected revenues; and provide other SA services as needed. Harrell & Company.
Accounting and Audit	11,000.00	Audits and other financial services as needed.
Legal Services	0.00	Provide general legal services as needed, review staff reports and resolutions, and provide other legal services as needed.
Overhead & Department Exp	28,494.63	Pool Car, Office overhead, computers, software, insurance, supplies, trainings, conferences, other SA expenses.
Total Service Costs	50,994.63	
Total Admin Expenses	298,000.00	

Conclusion:

Staff recommends the City Council, acting as the Successor Agency of the City of Signal Hill, adopt a Resolution amending ROPS (25-26B) to enable staff to request the additional \$48,000 administrative allocation at the next Oversight Board meeting.

Reviewed for Fiscal Impact:

9/9/2025

Siamlu Cox

Attachments:

- A. Successor Agency Resolution Adopting ROPS FY 25-26B
- B. Exhibit A - Amended ROPS FY 25-26B