

SUCCESSOR AGENCY BOARD RESOLUTION NO. SA-7

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE DISSOLVED
CYPRESS REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED
OBLIGATION PAYMENT SCHEDULE (ROPS 19-20) FOR THE PERIOD
JULY 1, 2019 THROUGH JUNE 30, 2020

WHEREAS, as part of the 2011-2012 State budget bill, the California Legislature enacted and the Governor signed, a budget trailer bill, ABx1 26, requiring that each redevelopment agency be dissolved; and

WHEREAS, an action challenging the constitutionality of ABx1 26 was filed in the California Supreme Court and on December 29, 2011, the Court modified and upheld ABx1 26, thereby causing the dissolution of all redevelopment agencies in the State of California, including the Cypress Redevelopment Agency ("RDA"), as of February 1, 2012; and

WHEREAS, the City of Cypress, pursuant to the terms of ABx1 26, became the successor agency to the dissolved RDA ("Successor Agency") with the responsibility to wind up the affairs of the dissolved RDA under the terms of ABx1 26; and

WHEREAS, the Oversight Board to the Successor Agency to the dissolved Cypress Redevelopment Agency has been appointed pursuant to the provisions of Health & Safety Code Section 34179; and

WHEREAS, on June 27, 2012, the Legislature enacted and the Governor signed into law, to be effective immediately, Assembly Bill 1484 ("AB 1484"), which amended ABx1 26 and defined the Successor Agency as a separate public entity from the City; and

WHEREAS, on September 22, 2015, the Legislature enacted and the Governor signed into law, to be effective immediately, Senate Bill 107 ("SB 107"), which further amended ABx1 26 and AB 1484; and

WHEREAS, ABx1 26 as amended by AB 1484 and SB 107 is hereinafter referred to as the "Amended Dissolution Act;" and

WHEREAS, effective July 1, 2018 responsibilities of the Oversight Board to the Successor Agency to the dissolved Cypress Redevelopment Agency have transitioned to the County Oversight Board; and

WHEREAS, prior to consideration for approval by the County Oversight Board, the Successor Agency Board is required to review and approve a Recognized Obligation Payment Schedule (ROPS 19-20) prepared by the Successor Agency covering the fiscal year from July 1, 2019 through June 30, 2020 that lists all enforceable obligations of the dissolved RDA as defined in the Amended Dissolution Act for the period, and for each twelve month period thereafter; and

WHEREAS, at its public meeting of January 14, 2019, the Successor Agency Board reviewed and considered the Recognized Obligation Payment Schedule (ROPS 19-20), attached to this Resolution and Staff Report submitted concurrently with this Resolution; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, BE IT RESOLVED by the Successor Agency Board as follows:

SECTION 1. The Recitals set forth above are true and correct and incorporated herein by reference.

SECTION 2. The Successor Agency Board hereby approves the Recognized Obligation Payment Schedule (ROPS 19-20) for the period July 1, 2019 through June 30, 2020, as set forth in Exhibit "A" to this Resolution and by this reference incorporated herein.

SECTION 3. The Board Secretary, or the Successor Agency Executive Director (as the person appointed by action of the Oversight Board at its meeting of March 20, 2012, to be the designated contact person to the Department of Finance), shall transmit the approved Recognized Obligation Payment Schedule to the County Oversight Board, Department of Finance, State Controller, and County Auditor-Controller in compliance with the requirements of the Amended Dissolution Act. The staff of the Successor Agency shall take such other and further actions and sign such other and further documents as appropriate to effectuate the intent of this Resolution and to implement the Recognized Obligation Payment Schedule approved hereby on behalf of the Successor Agency. The Successor Agency Board further authorizes and directs the Executive Director to make any technical modifications to the Recognized Obligation Payment Schedule as may be required by the County Oversight Board, Department of Finance, and/or State Controller, including any formatting or technical changes required by any of the foregoing bodies. Any such modifications or changes shall not require re-approval by the Successor Agency Board.

SECTION 4. If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this Resolution. The Board hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared invalid.

PASSED, APPROVED AND ADOPTED by the Successor Agency Board at a meeting held on the 14th day of January, 2019.



CHAIRPERSON OF THE SUCCESSOR AGENCY

ATTEST:



SECRETARY OF THE SUCCESSOR AGENCY

STATE OF CALIFORNIA }
COUNTY OF ORANGE } SS

I, DENISE BASHAM, Secretary of the Successor Agency, DO HEREBY CERTIFY that the foregoing Resolution was adopted at a regular meeting of the said Agency held on the 14th day of January, 2019, by the following roll call vote:

AYES: 5 AGENCY MEMBERS: Morales, Peat, Yarc, Johnson and Berry
NOES: 0 AGENCY MEMBERS: None
ABSENT: 0 AGENCY MEMBERS: None



SECRETARY OF THE SUCCESSOR AGENCY

**Recognized Obligation Payment Schedule (ROPS 19-20) - Summary
Filed for the July 1, 2019 through June 30, 2020 Period**

Successor Agency: Cypress
County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ -	\$ 9,188	\$ 9,188
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	9,188	9,188
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 14,747	\$ 1,946,473	\$ 1,961,220
F RPTTF	6,647	1,939,473	1,946,120
G Administrative RPTTF	8,100	7,000	15,100
H Current Period Enforceable Obligations (A+E):	\$ 14,747	\$ 1,955,661	\$ 1,970,408

Certification of Oversight Board Chairman:
Pursuant to Section 34177 (c) 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 successor agency.

Name Title
/s/_____
Signature Date

Cypress Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail

July 1, 2019 through June 30, 2020

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	19-20A (July - December)					Q	19-20B (January - June)					W		
											Fund Sources						Fund Sources							
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF			
											19-20A Total						19-20B Total						19-20B Total	
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														
								\$ 2,009,408		\$ 1,970,499		\$ 0	\$ 0	\$ 0	\$ 6,647	\$ 6,100	\$ 14,747	\$ 0	\$ 0	\$ 9,188	\$ 1,830,473	\$ 7,000	\$ 1,856,961	
2	Reletted and Re-ordered	Reletted	8/22/2012	8/30/2025	City of Cypress	Reletted and Re-ordered Resurment	All	1,897,051	N	\$ 1,846,051														
3	Employee Costs	Admin Costs	7/1/2019	6/30/2020	City Employees	Payroll costs for staff engaged in Redevelopment and Successor Agency activities for period July 2018 to June 2019	All	6,000	N	\$ 6,000						3,000	\$ 3,000						\$ 3,000	
4	Legal Services	Admin Costs	7/1/2019	6/30/2020	Rulan & Tucker/ Aleshire & Wyden/Other	Legal Services for the Successor Agency	All	4,000	N	\$ 4,000						2,000	\$ 2,000						\$ 2,000	
5	Audit Services	Admin Costs	8/12/2017	6/30/2020	Lance Sull & Lingham LLP	Firm audit work for FYE 6/30/19 for Successor Agency audit and other required audits	All	4,000	N	\$ 4,000						3,000	\$ 3,000						\$ 1,000	
6	Administrative/ Office Supplies	Admin Costs	7/1/2019	6/30/2020	Various Vendors	Telephones, postage, printing/copying, computer usage and office supplies associated with the RDA and Successor Agency	All	200	N	\$ 200						100	\$ 100						\$ 100	
7	Land Lease	Admin Costs	4/1/2001	3/31/2021	OCTA	Lease of Land/ ROW for parking	Lincoln Avenue Project Area	800	N	\$ 800													\$ 800	
12	Unpaid Interest from FY 2017-18 on the Reletted and Re-ordered Agreement / Promissory Note	Reletted Agreements	5/22/2012	8/30/2025	City of Cypress	Projected interest rate on the 17-18 ROPS for the outstanding principal on the Agreement was less than actual interest earned on LAIF (which is the basis for annual interest)	All	6,647	N	\$ 6,647				6,647			\$ 6,647							\$

Cypress 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
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	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	Comments
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount				210,500	0	Beginning cash is comprised of prior year RPTTF ending cash of \$208,099 (Reported in Column H on ROPS 18-19 and other revenues of \$2,401 (Reported in Column G on ROPS 18-19).
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller				9,188	5,289,566	
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)					5,192,850	
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)				210,500	0	A total of \$210,500 of cash on hand at 7/1/16 was applied against the 18-19 ROPS approved by the DOF on April 11, 2018 and \$210,500 was withheld from the June 2018 ROPS 18-19 payment. This amount is not available to pay for 19-20 ROPS obligations and since it relates to a prior period is classified as "Other Funds".
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		86,716	
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)				9,188	0	
		\$ 0	\$ 0	\$ 0	\$ 9,188	\$ 0	

Cypress Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020

Item #	Notes/Comments
7	The License Agreement for the land lease does not have a contract ending date but based on a 30 days' written notice from OCTA. A projected date of 2021 was put in as the ending date only as a placeholder to allow the ROPS reporting system to validate.
12	The Restated and Re-entered Loan between the City and Successor Agency accrues annual interest based on the rate earned on the State's LAIF investment pool. The rates earned have increased significantly over the last 18 months resulting in a shortfall of \$6,647 in the amount requested with the FY 2017-18 ROPS. Total interest was estimated at \$73,532 (based on an estimated rate of 1.25%) and actual interest was \$80,179 (based on the actual rate of 1.363%).