

# Orange Countywide Oversight Board

Date: 1/29/2019

Agenda Item No. 5E

From: Successor Agency to the Placentia Redevelopment Agency

Subject: Resolution of the Countywide Oversight Board Approving Annual Recognized Obligation Payment Schedule (ROPS) and Administrative Budget

Recommended Action:

Approve resolution approving FY 2019-20 ROPS and Administrative Budget for the Placentia Successor Agency

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The Placentia Successor Agency requests approval of the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for Fiscal Year 2019-20.

Pursuant to Health and Safety Code (“HSC”) 34177 (1), successor agencies are required to prepare and submit a Recognized Obligation Payment Schedule (“ROPS”) detailing each enforceable obligation that requires property tax revenue to satisfy debt of the former Redevelopment Agency for a twelve-month reporting period. This action respectfully requests the Orange Countywide Oversight Board review and approve the ROPS 19-20 and Administrative Budget for the Placentia Successor Agency, which covers the twelve-month reporting period of July 1, 2019 through June 30, 2020 (Attachment No. 1).

The ROPS 19-20 expenditures to be paid from the Redevelopment Property Tax Trust Fund (RPTTF) total \$2,195,253. Non-administrative enforceable obligations total \$1,945,253, while the administrative overhead request totals \$250,000 (Attachment No. 4). The administrative overhead request represents the total allocation the Successor Agency is authorized to receive pursuant to Health and Safety Code 34171.

On January 25, 2017 the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Placentia approved the inclusion of three (3) new line-items to the ROPS based on a discovery of some outstanding enforceable obligations, which have not been included on any prior Successor Agency ROPS forms and will need to be included as part of the wind-down efforts of the former Placentia Redevelopment Agency.

- Line Item No. 36. Outstanding promissory note in connection with the former Redevelopment Agency’s purchase of 312 S. Melrose (APN: 339-393-10) on January 20, 2009. The property on 312 S. Melrose is currently utilized as a free surface public parking lot but is slated to be developed as a parking structure in cooperation with the Orange County Transportation Authority to support the proposed Metrolink Station.
- Line Item No. 37. Outstanding promissory note in connection with the former Redevelopment Agency’s purchase of 110 S. Bradford (APN: 339-052-24) on January 20, 2009. The property on 110 S. Bradford is currently developed and serves as Fire Station #35 for the Orange County Fire Authority.
- Line Item No. 38. Payment balance of the former Redevelopment Agency’s Supplemental Education Revenue Augmentation Fund (SERAF) obligation for FY 2009-10 and FY 2010-11 as required by Health and Safety Code Sections 33690 and 33690.5.

Health and Safety Code Section 34191.4(b) allows the Successor Agency to reinstate loans entered into

between the former Placentia Redevelopment Agency and the City of Placentia prior to dissolution, provided that the Department of Finance (DOF) has issued a Finding of Completion to the Successor Agency and the Oversight Board must make a finding that the loan(s) were for legitimate redevelopment purposes and approve the repayment of such loans for inclusion in the Recognized Obligation Payments Schedule (ROPS). On October 28, 2013, the DOF issued the Finding of Completion to the Successor Agency for the properties at 110 S. Bradford and 312 S. Melrose.

After approval of the Oversight Board on January 25, 2017 of the outstanding enforceable obligations, the Department of Finance issued their review letter on April 12, 2017 (Attachment No. 3), which indicate that the Successor Agency's loans to the City (Line Item No. 36 and 37) were approved as an enforceable obligation and are now listed on the Recognized Obligation Payment Schedule (ROPS) going forward. The funds to pay the obligation to the City will be provided to the Successor Agency via the Redevelopment Property Tax Trust Fund (RPTTF) and the Successor Agency can pay the City consistent with the terms of the re-instated loan agreements.

It should be noted that certain terms of the repayment of the reinstated loans are subject to Health and Safety Code, Section 34191.4. These repayment terms are as follows:

- Interest rate will be recalculated from 7% to a rate not to exceed the most recently published interest rate earned by funds deposited into the Local Agency Investment Fund (LAIF) during the previous fiscal quarter.
- Repayment of loans shall be first applied to principal, and second to interest, and shall be subordinate to other approved enforceable obligations.
- Maximum authorized loan amount per year will be one-half of the increase between the amount distributed to the taxing entities in residual RPTTF during the prior fiscal year and the amount distributed to the taxing entities during the base year of 2012-13.
- Twenty percent (20%) of the yearly payments received by the Successor Agency shall be transferred to the Housing Successor Agency's Low and Moderate Income Housing Asset Fund.

In compliance with the Health and Safety Code requirements, a defined repayment schedule has been developed. However, payment amounts will vary and be made based upon availability of funds after payment of other enforceable obligations on the ROPS and the maximum authorized loan amount cap, which is calculated annually.

It is important to note, Line Item No. 38, Payment balance of the former Redevelopment Agency's Supplemental Education Revenue Augmentation Fund (SERAF) obligation for FY 2009-10 and FY 2010-11 as required by Health and Safety Code Sections 33690 and 33690.5 was not approved by DOF. Orange County has not billed the Successor Agency for the Fiscal Year 2009-10 and 2010-11 SERAF obligations.

On January 15, 2019, the Successor Agency to the Redevelopment Agency of the City of Placentia unanimously (5-0) approved the Recognized Obligation Payment Schedule (ROPS 19-20) for July 1, 2019 through June 30, 2020 (Attachment No. 2).

#### Impact on Taxing Entities

RPTTF FUNDED NON-ADMIN OBLIGATIONS:	\$1,945,253
RPTTF FUNDED ADMINISTRATIVE OVERHEAD:	\$ 250,000
TOTAL ROPS 19-20 EXPENDITURE REQUEST:	\$2,195,253

## Attachments

- Attachment No. 1: Oversight Board Resolution Approving Annual Recognized Obligation Payment Schedule 19-20 A-B and Administrative Budget
- Attachment No. 2: Approved Placentia Successor Agency Resolution No. RSA-2019-01 for Recognized Obligation Schedule 19-20 A-B
- Attachment No. 3: DOF Review Letter for the Annual Recognized Obligation Payment Schedule 17-18 A-B and Administrative Budget
- Attachment No. 4: Administrative Budget for 19-20

Resolution No. 19-\_\_\_\_\_

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH OVERSIGHT OF THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF PLACENTIA, CALIFORNIA, APPROVING AND ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2019 TO JUNE 30, 2020 (ROPS 19-20)

WHEREAS, on December 29, 2011, the California Supreme Court delivered its decision in California Redevelopment Association v. Matosantos, finding ABx1 26 (“Dissolution Act”) largely constitutional; and

WHEREAS, the Dissolution Act and the California Supreme Court’s decision in California Redevelopment Association v. Matosantos, all California redevelopment agencies, including the Redevelopment Agency for the City of Placentia (“former Agency”), were dissolved on February 1, 2012; and

WHEREAS, prior to July 1, 2018 under the Dissolution Law, in particular Sections 34179 and 34180, certain actions of the Successor Agency were subject to the review and approval by a local oversight board, which oversaw and administered the Successor Agency’s activities during the period from dissolution until June 30, 2018; and

WHEREAS, as of, on and after July 1, 2018 under the Dissolution Law, in particular Section 34179(j), in every California County there shall be only one oversight board that is staffed by the County Auditor-Controller, with certain exceptions that do not apply in the County of Orange; and

WHEREAS, as of, on and after July 1, 2018 the single Orange Countywide Oversight Board (the “Oversight Board”) was established in compliance with Section 34179(j), which serves as the Oversight Board to all of the Successor Agencies existing and operating in Orange County, including the Successor Agency; and

WHEREAS, pursuant to Section 34171(h) of the Dissolution Act, a “Recognized Obligation Payment Schedule” means the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each annual fiscal period as provided in Section 34177(o) of the Dissolution Act; and

WHEREAS, pursuant to Section 34177(j) of the Dissolution Act, the Successor Agency is required to prepare and submit to the Oversight Board an “Administrative Budget” for each annual fiscal period corresponding to each Recognized Obligation Payment Schedule; and

WHEREAS, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from

distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Law; and

WHEREAS, on January 15, 2019, the Placentia City Council adopted Resolution No. RSA-2019-01 accepting for the City, the role of Successor Agency to the Redevelopment Agency of the City of Placentia (“Successor Agency”); and

WHEREAS, California Health and Safety Code § 34177 provides that before each twelve-month fiscal period, successor agencies to former redevelopment agencies must prepare a Recognized Obligation Payment Schedule (“ROPS”) for the enforceable obligations of a former redevelopment agency. The next twelve-month period for which a ROPS is required is the period that commences on July 1, 2019 and ends on June 30, 2020 (“ROPS 19-20”); and

WHEREAS, the Oversight Board desires to adopt this Resolution approving the ROPS 19-20 in accordance with California Health and Safety Code § 34177, which covers the twelve-month fiscal period that commences on July 1, 2019 and ends on June 30, 2020; and

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

NOW, THEREFORE, THE ORANGE COUNTYWIDE OVERSIGHT BOARD DOES HEREBY RESOLVE as follows:

1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.
2. The Oversight Board hereby approves and authorizes transmittal of the ROPS 19-20, covering the period of July 1, 2019 through June 30, 2020, in substantially the form attached hereto as Exhibit “A”, as required by State law.
3. The Oversight Board authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to post the ROPS on the Successor Agency website, transmit the ROPS 19-20 to the Auditor-Controller of the County of Orange and to the State Controller and State Department of Finance, and to take any other actions necessary to ensure the validity of the ROPS 19-20 or the validity of any enforceable obligation or other agreement approved by the Oversight Board in this Resolution.
4. The Clerk of the Oversight Board shall certify to the adoption of this Resolution.
5. The Oversight Board declares that, should any provision, section, paragraph, sentence or word of this resolution be rendered or declared invalid by any final court action in a court of competent jurisdiction, or by reason of any preemptive or inconsistent legislation, the remaining provisions, sections, paragraphs, sentences and words of this resolution shall remain in full force and effect.

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

**Successor Agency:** Placentia  
**County:** Orange

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>19-20A Total (July - December)</b>	<b>19-20B Total (January - June)</b>	<b>ROPS 19-20 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 698,413</b>	<b>\$ 1,496,840</b>	<b>\$ 2,195,253</b>
F RPTTF	573,413	1,371,840	1,945,253
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 698,413</b>	<b>\$ 1,496,840</b>	<b>\$ 2,195,253</b>

Certification of Oversight Board Chairman:  
Pursuant to Section 34177 (o) 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

**Placentia 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)					19-20B (January - June)					W		
											Fund Sources					Fund Sources							
											L	M	N	O	P	Q	R	S	T	U		V	
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	19-20A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF		Admin RPTTF	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													
4	2003 COPs City Reimbursement	Miscellaneous	11/1/2003	1/1/2028	City of Placentia	Amended & Restated Reimbursement	Merged	\$ 23,150,328		\$ 2,195,253	\$ 0	\$ 0	\$ 0	\$ 573,413	\$ 125,000	\$ 698,413	\$ 0	\$ 0	\$ 0	\$ 1,371,840	\$ 125,000	\$ 1,496,840	
9	Trustee Fees	Fees	7/1/2014	8/1/2032	US Bank	Trustee Fees for US Bank bond proceeds holder	Merged	3,762,991	N	\$ 418,425				352,325		\$ 352,325				66,100		\$ 66,100	
15	Administrative Overhead	Admin Costs	7/1/2016	8/1/2032	City of Placentia	Allocated overhead for SA/OB operations	Merged	28,000	N	\$ 2,000					125,000	\$ 125,000					125,000	\$ 125,000	
19	Bond Administration	Fees	8/19/2008	12/31/2017	Harrel & Company	Continuing disclosure 2013 Bonds	Merged	3,500,000	N	\$ 250,000						\$ -				1,500		\$ 1,500	
29	2013 Tax Allocation Refund Bond	Refunding Bonds Issued After 6/27/12	12/3/2013	8/1/2032	US Bank	2013 Tax Allocation Refund Bond	Merged	237,000	N	\$ 1,500				221,088		\$ 221,088				209,488		\$ 209,488	
30	Loan Agreement between City of Placentia and Successor Agency (Reso #OB-2014-05)	City/County Loans After 6/27/11	1/8/2014	1/8/2018	City of Placentia	Cashflow Loan from City to Successor Agency due to RPTTF shortfall	Merged	9,955,000	N	\$ -						\$ -							\$ -
32	2013 Tax Allocation Refund Bond	Reserves	12/3/2013	8/1/2032	US Bank	2013 Bond Debt Service Reserve	Merged	1,216,658	N	\$ 600,000						\$ -				600,000		\$ 600,000	
36	Real Property Transaction (312 S. Melrose) between City of Placentia and Redevelopment Agency	City/County Loan (Prior 06/28/11), Property transaction	1/20/2009	6/30/2023	City of Placentia	Real Property Transaction (312 S. Melrose) between City of Placentia and Redevelopment Agency	Merged	898,166	N	\$ 246,376						\$ -				246,376		\$ 246,376	
37	Real Property Transaction (110 S. Bradford Ave) between City of Placentia and Redevelopment Agency	City/County Loan (Prior 06/28/11), Property transaction	1/20/2009	6/30/2022	City of Placentia	Real Property Transaction (110 S. Melrose) between City of Placentia and Redevelopment Agency	Merged		N	\$ -						\$ -				246,376		\$ 246,376	
38	SERAF	SERAF/ERAF	5/10/2010	5/10/2011	Orange County Auditor Controller/State of California	Balance of SERAF amount for FY 2009-10 and FY 2010-11 pursuant to Health and Safety Code Sections 33690 and 33690.5.	Merged		N	\$ -						\$ -						\$ -	
39	132 Crowther Settlement Agreement and Release	Litigation	1/16/2018	1/16/2050	DMWP, LLC	Litigation Settlement Agreement and Release between Successor Agency and DMWP, LLC (Plaintiff) regarding 132 Crowther Avenue Property.	Merged	0	Y	\$ -						\$ -						\$ -	
40	132 Crowther Settlement Agreement and Release	Legal	9/9/2015	9/9/2025	Lawfirm of Jones & Mayer	legal expenses incurred as part of Litigation Settlement Agreement and Release between Successor Agency and DMWP, LLC (Plaintiff) regarding 132 Crowther Avenue Property.	Merged	0	Y	\$ -						\$ -						\$ -	
41									N	\$ -						\$ -						\$ -	
42									N	\$ -						\$ -						\$ -	
43									N	\$ -						\$ -						\$ -	
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**Placentia 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					
											L	M	N	O	P		R	S	T	U	V	
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin 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	ROPS 19-20 Total						19-20A Total						19-20B Total
91									N	\$ -						\$ -						\$ -
92									N	\$ -						\$ -						\$ -
93									N	\$ -						\$ -						\$ -
94									N	\$ -						\$ -						\$ -
95									N	\$ -						\$ -						\$ -
96									N	\$ -						\$ -						\$ -
97									N	\$ -						\$ -						\$ -
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107									N	\$ -						\$ -						\$ -
108									N	\$ -						\$ -						\$ -
109									N	\$ -						\$ -						\$ -



**Placentia 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
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)</b>	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	<b>Comments</b>
<b>1</b>	<b>Beginning Available Cash Balance (Actual 07/01/16)</b> RPTTF amount should exclude "A" period distribution amount		0			0	
<b>2</b>	<b>Revenue/Income (Actual 06/30/17)</b> RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller		274			1,899,537	
<b>3</b>	<b>Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)</b>					1,364,537	
<b>4</b>	<b>Retention of Available Cash Balance (Actual 06/30/17)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)		274			535,000	
<b>5</b>	<b>ROPS 16-17 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
<b>6</b>	<b>Ending Actual Available Cash Balance (06/30/17)</b> C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	



**RESOLUTION NO. RSA-2019-01**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, ACTING AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PLACENTIA, APPROVING AND ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2019 TO JUNE 30, 2020 (ROPS 19-20)**

**A. Recitals.**

(i) On December 29, 2011, the California Supreme Court delivered its decision in California Redevelopment Association v. Matosantos, finding ABx1 26 ("Dissolution Act") largely constitutional.

(ii) The Dissolution Act and the California Supreme Court's decision in California Redevelopment Association v. Matosantos, all California redevelopment agencies, including the Redevelopment Agency for the City of Placentia ("former Agency"), were dissolved on February 1, 2012.

(iii) On January 17, 2012, the Placentia City Council adopted Resolution No. R-2012-03 accepting for the City, the role of Successor Agency to the former Redevelopment Agency ("Successor Agency").

(iv) California Health and Safety Code § 34177 provides that before each twelve-month fiscal period, successor agencies to former redevelopment agencies must prepare a Recognized Obligation Payment Schedule ("ROPS") for the enforceable obligations of a former redevelopment agency. The next twelve-month period for which a ROPS is required is the period that commences on July 1, 2019 and ends on June 30, 2020 ("ROPS 19-20").

(v) The City Council, in its capacity as the Successor Agency, desires to adopt this Resolution approving the ROPS 19-20 in accordance with California Health and Safety Code § 34177, which covers the twelve-month fiscal period that commences on July 1, 2019 and ends on June 30, 2020.

(vi) All legal prerequisites to the adoption of this Resolution have occurred.

**B. Resolution.**

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, ACTING AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PLACENTIA, DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:**

1. In all respects as set forth in the Recitals, Part A., of this Resolution.

2. The City Council, acting in its capacity as the Successor Agency, approves and authorizes transmittal of the ROPS 19-20, covering the period of July 1, 2019 through June 30, 2020, in substantially the form attached hereto as Exhibit "A", as required by State law.

3. In retaining the responsibilities of the Redevelopment Agency of the City of Placentia as provided in California Health and Safety Code § 34177, the City Council expressly determines, recognizes, reaffirms, and ratifies the statutory limitation on the City and the City Council's liability in retaining the responsibilities of the Redevelopment Agency of the City of Placentia under AB X1 26, AB 1484, and SB 107. Nothing in this Resolution shall be construed as a commitment, obligation, or debt of the City or any resources, funds, or assets of the City to fund the City's service as the Successor Agency to the Redevelopment Agency of the City of Placentia as provided in this Resolution.

4. The City Administrator, or his designee, hereby is authorized and directed to submit the ROPS 19-20 set forth in Exhibit "A" to the Oversight Board for approval and transmittal to all required County and State agencies as well as to post the ROPS 19-20 on the Successor Agency's website.

**PASSED, APPROVED and ADOPTED THIS 15TH DAY OF JANUARY 2019.**

  
Rhonda Shader, Chairman

ATTEST:

  
Patrick J. Melia, Agency Secretary



I, Patrick J. Melia, Secretary of the Successor Agency to the Redevelopment Agency of the City of Placentia do hereby certify that the foregoing Resolution No. RSA-2019-01 was adopted at a regular meeting of the City Council acting as the Successor Agency to the Redevelopment Agency of the City of Placentia held on the 15<sup>th</sup> day of January 2019 by the following vote:

AYES:	Councilmembers:	Green, Wanke, Yamaguchi, Smith, Shader
NOES:	Councilmembers:	None
ABSENT:	Councilmembers:	None
ABSTAIN:	Councilmembers:	None



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Patrick J. Melia, Agency Secretary

APPROVED AS TO FORM:



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Christian L. Bettenhausen, General Counsel

**Exhibit A:**

Recognized Obligation Payment Schedule for July 1, 2019 to June 30, 2020  
(ROPS 19-20)

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

Successor Agency: Placentia  
 County: Orange

	19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	\$ 698,413	\$ 1,496,840	\$ 2,195,253
F RPTTF	573,413	1,371,840	1,945,253
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Enforceable Obligations (A+E):</b>	\$ 698,413	\$ 1,496,840	\$ 2,195,253

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177 (o) 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.

**Rhonda Shader** Mayor  
 Name Title  
 /s/ Rhonda Shader  
 Signature Date  
1/15/19

**Placentia 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)					19-20B (January - June)					W	
											Fund Sources					Fund Sources						
											L	M	N	O	P	Q	R	S	T	U		V
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	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	19-20A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	19-20B Total
4	2003 COPs City Reimbursement	Miscellaneous	11/1/2003	1/1/2028	City of Placentia	Amended & Restated Reimbursement	Merged	\$ 23,150,328		\$ 2,195,253	\$ 0	\$ 0	\$ 0	\$ 573,413	\$ 125,000	\$ 698,413	\$ 0	\$ 0	\$ 0	\$ 1,371,840	\$ 125,000	\$ 1,496,840
9	Trustee Fees	Fees	7/1/2014	8/1/2032	US Bank	Trustee Fees for US Bank bond	Merged	3,762,991	N	\$ 418,425				352,325		\$ 352,325				66,100		\$ 66,100
15	Administrative Overhead	Admin Costs	7/1/2016	8/1/2032	City of Placentia	Allocated overhead for SA/OB operations	Merged	3,500,000	N	\$ 250,000					125,000	\$ 125,000					125,000	\$ 125,000
19	Bond Administration	Fees	8/19/2008	12/31/2017	Harrel & Company	Continuing disclosure 2013 Bonds	Merged	237,000	N	\$ 1,500						\$ -				1,500		\$ 1,500
29	2013 Tax Allocation Refund Bond	Refunding Bonds Issued After 6/27/12	12/3/2013	8/1/2032	US Bank	2013 Tax Allocation Refund Bond	Merged	3,552,513	N	\$ 430,576				221,088		\$ 221,088				209,488		\$ 209,488
30	Loan Agreement between City of Placentia and Successor Agency (Reso #OB-2014-05)	City/County Loans After 6/27/11	1/8/2014	1/8/2018	City of Placentia	Cashflow Loan from City to Successor Agency due to RPTTF shortfall	Merged	0	N	\$ -						\$ -						\$ -
32	2013 Tax Allocation Refund Bond	Reserves	12/3/2013	8/1/2032	US Bank	2013 Bond Debt Service Reserve	Merged	9,955,000	N	\$ 600,000						\$ -				600,000		\$ 600,000
36	Real Property Transaction (312 S. Melrose) between City of Placentia and Redevelopment Agency	City/County Loan (Prior 06/28/11), Property transaction	1/20/2009	6/30/2023	City of Placentia	Real Property Transaction (312 S. Melrose) between City of Placentia and Redevelopment Agency	Merged	1,216,658	N	\$ 246,376						\$ -				246,376		\$ 246,376
37	Real Property Transaction (110 S. Bradford Ave) between City of Placentia and Redevelopment Agency	City/County Loan (Prior 06/28/11), Property transaction	1/20/2009	6/30/2022	City of Placentia	Real Property Transaction (110 S. Melrose) between City of Placentia and Redevelopment Agency	Merged	898,166	N	\$ 246,376						\$ -				246,376		\$ 246,376
38	SERAF	SERAF/ERAF	5/10/2010	5/10/2011	Orange County Auditor Controller/State of California	Balance of SERAF amount for FY 2009-10 and FY 2010-11 pursuant to Health and Safety Code Sections 33690 and 33690.5.	Merged		N	\$ -						\$ -						\$ -
39	132 Crowther Settlement Agreement and Release	Litigation	1/16/2018	1/16/2050	DMWP, LLC	Litigation Settlement Agreement and Release between Successor Agency and DMWP, LLC (Plaintiff) regarding 132 Crowther Avenue Property.	Merged	0	Y	\$ -						\$ -						\$ -
40	132 Crowther Settlement Agreement and Release	Legal	9/9/2015	9/9/2025	Lawfirm of Jones & Mayer	legal expenses incurred as part of Litigation Settlement Agreement and Release between Successor Agency and DMWP, LLC (Plaintiff) regarding 132 Crowther Avenue Property.	Merged	0	Y	\$ -						\$ -						\$ -
41									N	\$ -						\$ -						\$ -
42									N	\$ -						\$ -						\$ -
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90									N	\$ -						\$ -						\$ -



**Placentia 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						19-20A Total	Fund Sources					
											L	M	N	O	P			R	S	T	U		V
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	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	19-20A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	19-20B Total	
91									N	\$ -						\$ -							\$ -
92									N	\$ -						\$ -							\$ -
93									N	\$ -						\$ -							\$ -
94									N	\$ -						\$ -							\$ -
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96									N	\$ -						\$ -							\$ -
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107									N	\$ -						\$ -							\$ -
108									N	\$ -						\$ -							\$ -
109									N	\$ -						\$ -							\$ -

**Placentia 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 (I), 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
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)</b>	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	<b>Comments</b>
<b>1</b>	<b>Beginning Available Cash Balance (Actual 07/01/16)</b> RPTTF amount should exclude "A" period distribution amount		0			0	
<b>2</b>	<b>Revenue/Income (Actual 06/30/17)</b> RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller		274			1,899,537	
<b>3</b>	<b>Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)</b>					1,364,537	
<b>4</b>	<b>Retention of Available Cash Balance (Actual 06/30/17)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)		274			535,000	
<b>5</b>	<b>ROPS 16-17 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
<b>6</b>	<b>Ending Actual Available Cash Balance (06/30/17)</b> C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	





April 12, 2017

Mr. Eric Hendrickson, Sr. Accountant  
City of Placentia  
401 East Chapman Avenue  
Placentia, CA 92870

Dear Mr. Hendrickson:

Subject: 2017-18 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Placentia Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2017 through June 30, 2018 (ROPS 17-18) to the California Department of Finance (Finance) on January 27, 2017. Finance has completed its review of the ROPS 17-18.

Based on a sample of line items reviewed and application of the law, Finance made the following determinations:

- Item No. 29 – 2013 Tax Allocation Refunding Bond has been adjusted by \$535,000. The Agency requested Redevelopment Property Tax Trust Fund (RPTTF) funding in the amount of \$242,888 for the interest payment due August 1, 2017. However, our review of the debt service schedule indicates that a principal payment in the amount of \$535,000 is also due on August 1, 2017.

Further, Finance approved \$535,000 from RPTTF during the ROPS 16-17 period to be held as a reserve to apply towards debt service for this line item during the ROPS 17-18A period. Therefore, with the Agency's concurrence, Finance made an adjustment in the amount of \$535,000, from the Reserve Balance, to accurately reflect the correct debt service payment amounts and funding sources.

- Item Nos. 36 and 37 – Real Property Transactions between the City of Placentia and Agency in the combined total outstanding obligation amount of \$2,773,940 has been adjusted. The total outstanding obligation for each item includes miscalculated interest. As such, Finance has decreased the total outstanding obligation amounts to accurately reflect the interest rate required by HSC section 34191.4 (b) (3), which states that interest on the remaining outstanding principal amount of the loan shall be recalculated from the date of origination of the loan on a quarterly basis, at a simple interest rate of three percent and repayments shall be applied first to principal, and second to interest.

Since the total outstanding obligation for each of these loans includes an interest rate of seven percent for the first three years of the five-year loan term, Finance recalculated

the total outstanding obligations for each of these items by applying the statutorily required interest rate of three percent across the entire five-year term of the loans.

After recalculating the interest, the total outstanding loan balance reported on the Agency's ROPS Detail Form has been reduced as follows:

Item No.	Original Total Outstanding Obligation Amount	Adjustment	New Total Outstanding Obligation Amount
36	\$1,570,270	\$92,520	\$1,477,750
37	1,203,670	70,920	1,132,750
<b>Total</b>	<b>\$2,773,940</b>	<b>\$163,440</b>	<b>\$2,610,500</b>

As a result, the combined total outstanding obligation for these items is now \$2,610,500, prior to any payments applied during this and subsequent ROPS periods.

- Item No. 38 – Supplemental Educational Revenue Augmentation Fund (SERAF) Loan in the total outstanding obligation amount of \$991,482 is not allowed at this time. HSC section 34171 (d) (1) (G) requires the Oversight Board (OB) to approve a repayment schedule for the repayment of the amounts borrowed. The Agency has not submitted an OB resolution approving the repayment schedule for the SERAF. Once the OB approves the loan and loan repayment schedule, and the corresponding OB action is approved by Finance, the Agency may request funding for this item on a future ROPS. Therefore, the requested amount of \$250,000 is not eligible for RPTTF funding on this ROPS.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 17-18. If the Agency disagrees with Finance's determination with respect to any items on the ROPS 17-18, except items which are the subject of litigation disputing Finance's previous or related determinations, the Agency may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available on Finance's website:

<http://dof.ca.gov/Programs/Redevelopment/Meet And Confer/>

The Agency's maximum approved Redevelopment RPTTF distribution for the reporting period is \$2,700,747 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2017 through December 31, 2017 period (ROPS A period), and one distribution for the January 1, 2018 through June 30, 2018 period (ROPS B period) based on Finance's approved amounts. Since Finance's determination is for the entire ROPS 17-18 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Mr. Eric Hendrickson  
April 12, 2017  
Page 3

On the ROPS 17-18 form, the Agency reported cash balances and activity for the period of January 1, 2016 through June 30, 2016. Finance reviews the Agency's self-reported cash balances on an ongoing basis. The Agency should be prepared to submit financial records and bridging documents to support the cash balances reported upon request. Finance's ROPS 17-18 cash balances review indicates the Agency has approximately \$747 of Other Funds available to pay for enforceable obligations on the ROPS for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19). HSC section 34177 (l) (1) (E) requires the balances be used prior to requesting RPTTF.

The Agency was not required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2015 through June 30, 2016 period (ROPS 15-16). The Agency will report actual payments for ROPS 15-16 on ROPS 18-19, pursuant to HSC section 34186 (a) (1). A prior period adjustment may be applied to the Agency's ROPS 18-19 RPTTF distribution. Therefore, the Agency should retain any unexpended ROPS 15-16 RPTTF.

Absent a Meet and Confer, this is Finance's determination regarding the obligations listed on the ROPS 17-18. This determination only applies to items when funding was requested for the 12-month period.

The ROPS 17-18 form submitted by the Agency and Finance's determination letter will be posted on Finance's website:

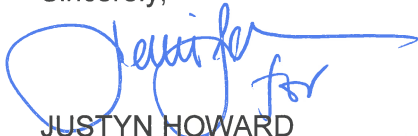
<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

Finance's determination is effective for the ROPS 17-18 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of the redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Nichelle Thomas, Supervisor, or Moses Ofurio, Lead Analyst, at (916) 322-2985.

Sincerely,

A handwritten signature in blue ink that reads "Justyn Howard" with a stylized flourish extending to the right.

JUSTYN HOWARD  
Program Budget Manager

cc: Mr. Damien Arrula, City Administrator, City of Placentia  
Mr. Frank Davies, Property Tax Manager, Orange County

**Attachment**

<b>Approved RPTTF Distribution For the period of July 2017 through June 2018</b>			
	<b>ROPS A Period</b>	<b>ROPS B Period</b>	<b>ROPS 17-18 Total</b>
RPTTF Requested	\$ 902,805	\$ 1,797,942	\$ 2,700,747
Administrative RPTTF Requested	125,000	125,000	250,000
<b>Total RPTTF Requested</b>	<b>1,027,805</b>	<b>1,922,942</b>	<b>2,950,747</b>
<b>RPTTF Requested</b>	<b>902,805</b>	<b>1,797,942</b>	<b>2,700,747</b>
<u>Adjustments</u>			
Item No. 38	(125,000)	(125,000)	(250,000)
<b>RPTTF Authorized</b>	<b>777,805</b>	<b>1,672,942</b>	<b>2,450,747</b>
<b>Administrative RPTTF Authorized</b>	<b>125,000</b>	<b>125,000</b>	<b>250,000</b>
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 902,805</b>	<b>\$ 1,797,942</b>	<b>\$ 2,700,747</b>

**City of Placentia Sucessor Agency to the Redevelopment Agency  
Administrative Cost Budget  
ROPS 19-20 Period**

<b>FTE</b>	<b>Title</b>	<b>Salary</b>	<b>Benefits</b>	<b>Budget</b>
0.15	City Administrator	\$ 36,838.36	\$ 9,567.39	\$ 46,405.75
0.15	Dev Services Director	\$ 26,863.14	\$ 4,535.10	\$ 31,398.24
0.15	Finance Director	\$ 26,863.14	\$ 4,923.07	\$ 31,786.21
0.15	Assistant to the CA	\$ 17,850.27	\$ 10,863.37	\$ 28,713.64
0.15	Accounting Manager	\$ 16,914.11	\$ 2,939.11	\$ 19,853.22
0.15	City Clerk	\$ 9,672.45	\$ 2,224.38	\$ 11,896.83
0.15	Acct Tech - Payroll	\$ 7,649.71	\$ 2,640.66	\$ 10,290.37
0.15	Acct Tech - AP	\$ 8,062.79	\$ 5,279.73	\$ 13,342.52
<b>Subtotal of Staff Costs</b>				<b>\$ 193,687.00</b>
Kosmont Companies Staff Support Services				\$ 30,000.00
Jones and Mayer Legal Services				\$ 26,313.00
<b>Total Administrative Budget</b>				<b>\$ 250,000.00</b>