

Orange Countywide Oversight Board

Date: 1/29/2019

Agenda Item No. 5F

From: Successor Agency to the Santa Ana 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 Santa Ana Successor Agency

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

The enforceable obligations included in the ROPS 19-20 total \$6,303,030.

On September 28, 2018, the Department of Finance approved the refunding of all three outstanding bonds of the former redevelopment agency. These bonds include the (1) South Main Street Redevelopment Project, Tax Allocation Bonds, 2003 Series A; (2) South Main Street Redevelopment Project, Tax Allocation Refunding Bonds, 2003 Series B; and (3) Merged Project Area, Tax Allocation Bonds, 2011 Series A. The new “Successor Agency to the Former Community Redevelopment Agency of the City of Santa Ana, Tax Allocation Refunding Bonds, 2018 Series A and Series B” was issued and closed on November 8, 2018. Therefore, line items 1 through 12 related to the refunded 2003 and 2011 Bonds are shown as retired on this ROPS.

New line items related to the 2018 Bonds include:

| Line | Description | Total Requested for 19-20 Period |
|------|---|----------------------------------|
| 160 | Series A (Tax Exempt) – Debt service | \$3,409,550 |
| 161 | Series A (Tax Exempt) – Continuing disclosure fees | \$ 1,500 |
| 162 | Series A (Tax Exempt) – Arbitrage rebate analysis | \$ 1,500 |
| 163 | Series A (Tax Exempt) – Trustee fees | \$ 2,500 |
| 164 | Series B (Federally Taxable) – Debt service | \$2,175,810 |
| 165 | Series B (Federally Taxable) – Continuing disclosure fees | \$ 1,500 |
| 166 | Series B (Federally Taxable) – Arbitrage rebate analysis | \$ 1,500 |
| 167 | Series B (Federally Taxable) – Trustee fees | \$ 2,500 |

Several other line items will also be retired as the obligations were completed and paid during the current ROPS 18-19 period. These line items to be retired include:

| Line | Description |
|------|--|
| 21 | Repayment to Low and Moderate Income Housing Fund for ERAF/SERAF loans |
| 43 | Downtown Parking Structure Improvements (Use of 2011 Bond proceeds) |
| 70 | Disposition and Development Agreement (DDA) with Habitat for Humanity |
| 71 | Project costs for Habitat for Humanity DDA |

The administrative budget is listed as line item 66 in the annual amount of \$289,698. This total is based on 3% of the adjusted RPTTF distribution to the Successor Agency from the ROPS 18-19 period, less the prior year administrative cost allowance. The administrative cost allowance for the 19-20 period will be used for salaries and benefits for staff involved in successor agency activities, legal and consulting expenses,

information technology support, insurance, facility costs, and supplies.

The Santa Ana Successor Agency adopted a resolution approving the ROPS 19-20 at its meeting on January 15, 2019 (Attachment 2).

Impact on Taxing Entities

All the taxing entities within Santa Ana's Merged Project Area will continue to receive contractual and/or statutory pass-through payments from Santa Ana's RPTTF as calculated by the County Auditor-Controller. With the refunding of Santa Ana's 2003 and 2011 Bonds, the distribution to the Santa Ana Successor Agency will be less than the amount that would have been requested if both bonds were not refunded. Therefore, it is anticipated that more funds will be available as "residuals" and the affected taxing entities will be allocated its share of the additional residual funds.

Attachments

1. Proposed Orange Countywide Oversight Board Resolution
 - a. Exhibit A – ROPS 19-20
2. Successor Agency Resolution 2019-001
 - a. Exhibit A – ROPS 19-20
3. 2018 Series A & B Tax Allocation Refunding Bonds, Indenture of Trust (certain pages)
 - a. [Link to Official Statement on Municipal Securities Rulemaking Board \(MSRB's\) EMMA website](#)

Resolution No. 2019-_____

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD
APPROVING THE SANTA ANA SUCCESSOR AGENCY'S RECOGNIZED
OBLIGATION PAYMENT SCHEDULE 19-20 FOR THE PERIOD OF JULY 1,
2019 TO JUNE 30, 2020 PURSUANT TO HEALTH AND SAFETY CODE
SECTION 34177(o) AND PART 1.85 OF DIVISION 24 OF THE CALIFORNIA
HEALTH AND SAFETY CODE ("DISSOLUTION ACT")

WHEREAS, on January 9, 2012, pursuant to section 34173 of the California Health & Safety Code, the City of Santa Ana ("City") elected to serve as the Successor Agency for the dissolved Community Redevelopment Agency ("Agency") of the City of Santa Ana and selected the Housing Authority of the City of Santa Ana to act as "Successor Housing Agency;" and

WHEREAS, the Santa Ana City Council serves as the governing body of the Successor Agency under the Dissolution Act, as amended by AB 1484, AB 471, and SB 107, to administer the enforceable obligations of the Agency and otherwise unwind the Agency's affairs; and

WHEREAS, SB 107 revised the timeline for the preparation of the required Recognized Obligation Payment Schedule ("ROPS") from each six-month period to a one-year period beginning July 1, 2016; and

WHEREAS, effective 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, Section 34179 of the Dissolution Act 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, Sections 34177(o) and 34179 provide that each ROPS is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State Department of Finance ("DOF"); and

WHEREAS, Section 34177(o) of the Dissolution Act requires that the annual ROPS for the 19-20 period of July 1, 2019 to June 30, 2020 ("ROPS 19-20") shall be submitted to the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2019; and

WHEREAS, the Successor Agency adopted a resolution approving the ROPS 19-20 on January 15, 2019;

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD, as follows:

Section 1. The Orange Countywide Oversight Board conclusively finds, determines and declares the foregoing recitals.

Section 2. The Orange Countywide Oversight Board approves the Recognized Obligation Payment Schedule 19-20, attached hereto as Exhibit A and incorporated herein by this reference, and authorizes the submission to the County of Orange and Department of Finance for review and approval.

Section 3. Pursuant to the Dissolution Act, the Orange Countywide Oversight Board further authorizes the transmittal of the ROPS 19-20 to DOF with copies to the County Executive Officer, the County Auditor-Controller, and the State Controller's Office.

Section 4. The City Manager of the City of Santa Ana, or his/her designee ("City Manager"), is directed to post on the City's website the ROPS 19-20 in the manner required by law.

Section 5. The City Manager of the City of Santa Ana and/or the Executive Director of Community Development for the City of Santa Ana, or their respective designees, as delegated officials of the City acting as Successor Agency, are authorized to make or accept any augmentation, modification, additions, or revisions to the ROPS as may be necessary and appropriate in their reasonable discretion, based on review or communications from the State Department of Finance or County of Orange.

Section 6. This Resolution shall take effect immediately upon its adoption by the Orange Countywide Oversight Board, and the Clerk of the Board shall attest to and certify the vote adopting of this Resolution.

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

Successor Agency: Santa Ana
County: Orange

| | 19-20A Total (July - December) | 19-20B Total (January - June) | ROPS 19-20 Total |
|---|-----------------------------------|----------------------------------|---------------------|
| A Enforceable Obligations Funded as Follows (B+C+D): | | | |
| B Bond Proceeds | - | - | - |
| C Reserve Balance | - | - | - |
| D Other Funds | 213,736 | 203,236 | 416,972 |
| E Redevelopment Property Tax Trust Fund (RPTTF) (F+G): | | | |
| F RPTTF | 4,385,829 | 1,500,229 | 5,886,058 |
| G Administrative RPTTF | 4,240,980 | 1,355,380 | 5,596,360 |
| H Current Period Enforceable Obligations (A+E): | | | |
| | 144,849 | 144,849 | 289,698 |
| | \$ 4,599,565 | \$ 1,703,465 | \$ 6,303,030 |

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.

Brian Probolsky Chair
Name Title
/s/ _____
Signature Date

EXHIBIT A

Santa Ana Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
 July 1, 2016 through June 30, 2017
 (Report Amounts in Whole Dollars)

| 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 | | | Other Funds | | RPTTF | | Comments |
| | | Bond Proceeds | | Reserve Balance | | | | | |
| | | 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 | | | |
| | ROPS 16-17 Cash Balances (07/01/16 - 06/30/17) | | | | | | | | |
| 1 | Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount | 2,515,422 | 12,762,997 | 1,621,808 | 1,459,680 | 456,789 | | | |
| 2 | Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller | 4,563 | 18,913 | 0 | 276,279 | 19,072,412 | | | |
| 3 | Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17) | 2,515,560 | 260,695 | 1,016,983 | 995,061 | 19,023,128 | | | Total admin expenditure in ROP 16-17 was inadvertently overstated by \$517 on PPA submitted to CAC. |
| 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) | 4,425 | 12,521,215 | 260,397 | | 0 | | | C4 & D4 = All bond proceeds, bond interest, and bond reserves used in refinance outstanding bonds in November 2018. E4 = Funds used in ROPS 17-18 and 18-19 for Item 70, 71. |
| 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 | | | | | | | | Total admin expenditure in ROP 16-17 was inadvertently overstated by \$517 on PPA submitted to CAC. |
| 6 | Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5) | \$ 0 \$ | 0 \$ | 344,428 \$ | 740,898 \$ | 456,789 \$ | | | |

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

| Item # | Notes/Comments |
|---------|--|
| 1-12 | New 2018 Tax Allocation Refunding Bonds issued on 11/08/18 to refund the 2011 Series A, 2003 Series A, and 2003 Series B Bonds. All debt service and bond fees related line items to be retired. See new line items 160-167. |
| 21 | This line item to be retired; final repayment of ERAF & SERAF loan to LMIHAF was made during ROPS 18-19A period. |
| 43 | This line item to be retired; remaining bond proceeds originally intended for this project was used to refinance the bonds. |
| 70 | This line item to be retired; final payment made during ROPS 18-19B period per Amended ROPS 18-19. |
| 71 | This line item to be retired. |
| 119 | Although DOF has denied this item on recent ROPS, the Successor Agency continued to disagree with DOF's position that the Successor Agency is not obligated pay leave balances for retired or terminated former RDA employees. No amount is requested during the ROPS 19-20 period as no layoffs or retirements are anticipated. However, the obligation exists for those former RDA employees that are still employed. |
| 129 | Although DOF has denied this item on prior ROPS, the Successor Agency continues to disagree with DOF's position and believe that an administrative cost allowance shall be remitted to the housing successor entity that assumed the former RDA's housing obligations pursuant to AB 471. Request is for the minimum \$150,000 allowable per fiscal year, for FY 14/15 - 17/18, for a total of \$600,000. Refer to Montclair Case #34-2014-80001948. |
| 160-167 | New 2018 Tax Allocation Refunding Bonds issued on 11/08/18. See notes above for line items 1-12. |

ATTACHMENT 2

SUCCESSOR AGENCY RESOLUTION NO. 2019-001

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF SANTA ANA APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 19-20 FOR THE PERIOD OF JULY 1, 2019 TO JUNE 30, 2020 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 (o), AND PART 1.85 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE ("DISSOLUTION ACT")

BE IT RESOLVED BY THE MEMBERS OF THE SUCCESSOR AGENCY OF THE CITY OF SANTA ANA, AS FOLLOWS:

Section 1. The City Council of Santa Ana, acting as Successor Agency, conclusively finds, determines and declares as follows:

- A. On January 9, 2012, pursuant to section 34173 of the California Health & Safety Code, the City of Santa Ana ("City") elected to serve as the Successor Agency for the dissolved Community Redevelopment Agency ("Agency") of the City of Santa Ana and selected the Housing Authority of the City of Santa Ana to act as "Successor Housing Agency."
- B. The City Council serves as the governing body of the Successor Agency under the Dissolution Act, as amended by AB 1484, AB 471, and SB 107, to administer the enforceable obligations of the Agency and otherwise unwind the Agency's affairs.
- C. SB 107 revised the timeline for the preparation of the required Recognized Obligation Payment Schedule (ROPS) from each six-month period to a one-year period beginning July 1, 2016.
- D. The annual ROPS includes the administrative cost allowance as required under Health and Safety Code Section 34177 (j) through (k).
- E. The annual ROPS for the July 1, 2019 through June 30, 2020 period must be approved by the Countywide Oversight Board and submitted to the County Auditor-Controller, State Controller's Office, and to the State Department of Finance (DOF) no later than February 1, 2019.

Section 2. The Successor Agency approves the Recognized Obligation Payment Schedule 19-20, attached hereto as Exhibit A and incorporated herein by this reference, and authorizes the submission to the County of Orange and Countywide Oversight Board for review and approval.

ATTACHMENT 2

Section 3. Pursuant to the Dissolution Act, the Successor Agency further authorizes the transmittal of the ROPS 19-20, upon subsequent Countywide Oversight Board approval, to DOF with copies to the County Administrative Officer, the County Auditor-Controller, and the State Controller's Office.

Section 4. The City Manager, or his/her designee ("City Manager"), is directed to post on the City's website the ROPS 19-20 in the manner required by law.

Section 5. The City Manager and/or the Executive Director of Community Development, or their respective designees, as delegated officials of the City acting as Successor Agency, are authorized to make or accept any augmentation, modification, additions, or revisions to the ROPS as may be necessary and appropriate in their reasonable discretion, based on review or communications from the Countywide Oversight Board, the State Department of Finance or County of Orange.

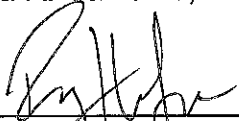
Section 6. This Resolution shall take effect immediately upon its adoption by the Successor Agency, and the Clerk of the Council shall attest to and certify the vote adopting of this Resolution.

ADOPTED this 15th day of January, 2019.



Miguel A. Pulido
Mayor

APPROVED AS TO FORM:
Sonia R. Carvalho, City Attorney

By: 
Ryan O. Hodge
Assistant City Attorney


| | | |
|--------------|-----------------|---|
| AYES: | Councilmembers: | <u>Iglesias, Penalzoza, Pulido, Solorio, Villegas (5)</u> |
| NOES: | Councilmembers: | <u>None (0)</u> |
| ABSTAIN: | Councilmembers: | <u>None (0)</u> |
| NOT PRESENT: | Councilmembers: | <u>Reyna, Sarmiento (2)</u> |

ATTACHMENT 2

CERTIFICATION OF ATTESTATION AND ORIGINALITY

I, Maria D. Huizar, Clerk of the Council, do hereby attest to and certify the attached Resolution No. 2019-001 to be the original resolution adopted by the City Council acting as the Successor Agency on January 15, 2019.

Date: 1-16-2019



Maria D. Huizar
Clerk of the Council
City of Santa Ana

Refer to Laserfiche for Exhibit A

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

Successor Agency: Santa Ana
 County: Orange

| | 19-20A Total (July - December) | 19-20B Total (January - June) | ROPS 19-20 Total |
|---|-----------------------------------|----------------------------------|------------------|
| A Enforceable Obligations Funded as Follows (B+C+D): | | | |
| B Bond Proceeds | \$ 213,736 | \$ 203,236 | \$ 416,972 |
| C Reserve Balance | - | - | - |
| D Other Funds | 213,736 | 203,236 | 416,972 |
| E Redevelopment Property Tax Trust Fund (RPTTF) (F+G): | | | |
| F RPTTF | \$ 4,385,829 | \$ 1,500,229 | \$ 5,886,058 |
| G Administrative RPTTF | 4,240,980 | 1,355,380 | 5,596,360 |
| | 144,849 | 144,849 | 289,698 |
| H Current Period Enforceable Obligations (A+E): | | | |
| | \$ 4,599,565 | \$ 1,703,465 | \$ 6,303,030 |

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.

Brian Probolsky Chair
 Name Title
 /s/ _____
 Signature Date

EXHIBIT A

Santa Ana Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
 July 1, 2016 through June 30, 2017
 (Report Amounts in Whole Dollars)

| 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 | |
| | | | | | | | | 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 | 2,515,422 | 12,762,997 | 1,621,808 | 1,459,680 | 456,789 | | | | | | | |
| 2 | Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller | 4,563 | 18,913 | 0 | 276,279 | 19,072,412 | | | | | | | |
| 3 | Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17) | 2,515,560 | 260,695 | 1,016,983 | 995,061 | 19,023,128 | | | | | Total admin expenditure in ROP 16-17 was inadvertently overstated by \$517 on PPA submitted to CAC. | | |
| 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) | 4,425 | 12,521,215 | 260,397 | | 0 | | | | | C4 & D4 = All bond proceeds, bond interest, and bond reserves used in refinance outstanding bonds in November 2018. E4 = Funds used in ROPS 17-18 and 18-19 for Item 70, 71. | | |
| 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 | | | | | | | | | | 49,284 | Total admin expenditure in ROP 16-17 was inadvertently overstated by \$517 on PPA submitted to CAC. |
| 6 | Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5) | \$ 0 | \$ 0 | \$ 344,428 | \$ 740,898 | \$ 456,789 | | | | | | | |

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

| Item # | Notes/Comments |
|---------|--|
| 1-12 | New 2018 Tax Allocation Refunding Bonds issued on 11/08/18 to refund the 2011 Series A, 2003 Series A, and 2003 Series B Bonds. All debt service and bond fees related line items to be retired. See new line items 160-167. |
| 21 | This line item to be retired; final repayment of ERAF & SERAF loan to LMHAF was made during ROPS 18-19A period. |
| 43 | This line item to be retired; remaining bond proceeds originally intended for this project was used to refinance the bonds. |
| 70 | This line item to be retired; final payment made during ROPS 18-19B period per Amended ROPS 18-19. |
| 71 | This line item to be retired. |
| 119 | Although DOF has denied this item on recent ROPS, the Successor Agency continued to disagree with DOF's position that the Successor Agency is not obligated pay leave balances for retired or terminated former RDA employees. No amount is requested during the ROPS 19-20 period as no layoffs or retirements are anticipated. However, the obligation exists for those former RDA employees that are still employed. |
| 129 | Although DOF has denied this item on prior ROPS, the Successor Agency continues to disagree with DOF's position and believe that an administrative cost allowance shall be remitted to the housing successor entity that assumed the former RDA's housing obligations pursuant to AB 471. Request is for the minimum \$150,000 allowable per fiscal year, for FY 14/15 - 17/18, for a total of \$600,000. Refer to Montclair Case #34-2014-80001948. |
| 160-167 | New 2018 Tax Allocation Refunding Bonds issued on 11/08/18. See notes above for line items 1-12. |

INDENTURE OF TRUST

by and between

**SUCCESSOR AGENCY TO THE FORMER
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF SANTA ANA**

and

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee**

Dated as of November 1, 2018

relating to

\$72,310,000

**Successor Agency to the former Community Redevelopment Agency of
the City of Santa Ana
Tax Allocation Refunding Bonds**

including

**\$13,605,000
Series 2018A (Tax-Exempt)**

**\$58,705,000
Series 2018B (Federally Taxable)**

ATTACHMENT 3

The Series 2018A Bonds shall be dated their date of initial delivery and shall bear interest at the rates specified in the table below, such interest being payable on each Interest Payment Date, and shall mature on the Principal Payment Dates in the following years in the following principal amounts, namely:

| Maturity Date (September 1) | Principal Amount | Interest Rate |
|--|-----------------------------|--------------------------|
| 2019 | \$2,830,000 | 4.000% |
| 2020 | 340,000 | 4.000% |
| 2021 | 445,000 | 4.000% |
| 2022 | 795,000 | 4.000% |
| 2023 | 830,000 | 5.000% |
| 2024 | 875,000 | 5.000% |
| 2025 | 915,000 | 5.000% |
| 2026 | 965,000 | 5.000% |
| 2027 | 1,015,000 | 5.000% |
| 2028 | 1,065,000 | 5.000% |
| 2029 | 1,120,000 | 5.000% |
| 2030 | 1,175,000 | 5.000% |
| 2031 | 1,235,000 | 5.000% |

The Series 2018B Bonds shall be dated their date of initial delivery and shall bear interest at the rates specified in the table below, such interest being payable on each Interest Payment Date, and shall mature on the Principal Payment Dates in the following years in the following principal amounts, namely:

| Maturity Date (September 1) | Principal Amount | Interest Rate |
|--|-----------------------------|--------------------------|
| 2021 | \$ 3,415,000 | 3.346% |
| 2022 | 8,030,000 | 3.467 |
| 2023 | 8,635,000 | 3.567 |
| 2024 | 9,285,000 | 3.683 |
| 2025 | 9,970,000 | 3.753 |
| 2026 | 11,315,000 | 3.867 |
| 2027 | 4,255,000 | 3.967 |
| 2028 | 3,800,000 | 4.017 |

Principal and redemption premiums, if any, on the Series 2018 Bonds shall be payable in immediately available funds. Principal and redemption premiums, if any, and interest on the Series 2018 Bonds shall be paid in lawful money of the United States of America.

Section 2.03 Form of Series 2018 Bonds. The Series 2018 Bonds, the Trustee's authentication and registration endorsement, and the assignment to appear thereon shall be substantially in the form attached hereto as Appendix A.

ATTACHMENT 3

APPENDIX B

SCHEDULE OF ANNUAL INTEREST AND
PRINCIPAL PAYMENTS OF THE SERIES 2018 BONDS

SERIES 2018A BONDS

Annual Interest and Principal Payments:

| <u>Period Ending</u> | <u>Principal</u> | <u>Interest</u> | <u>Annual Debt Service</u> |
|--------------------------|------------------|-----------------|--------------------------------|
| 9/1/2019 | \$2,830,000 | \$517,755.41 | \$3,347,755.41 |
| 9/1/2020 | 340,000 | 522,950.00 | 862,950.00 |
| 9/1/2021 | 445,000 | 509,350.00 | 954,350.00 |
| 9/1/2022 | 795,000 | 491,550.00 | 1,286,550.00 |
| 9/1/2023 | 830,000 | 459,750.00 | 1,289,750.00 |
| 9/1/2024 | 875,000 | 418,250.00 | 1,293,250.00 |
| 9/1/2025 | 915,000 | 374,500.00 | 1,289,500.00 |
| 9/1/2026 | 965,000 | 328,750.00 | 1,293,750.00 |
| 9/1/2027 | 1,015,000 | 280,500.00 | 1,295,500.00 |
| 9/1/2028 | 1,065,000 | 229,750.00 | 1,294,750.00 |
| 9/1/2029 | 1,120,000 | 176,500.00 | 1,296,500.00 |
| 9/1/2030 | 1,175,000 | 120,500.00 | 1,295,500.00 |
| 9/1/2031 | 1,235,000 | 61,750.00 | 1,296,750.00 |

ATTACHMENT 3

Semi-Annual Interest and Principal Payments (for informational purposes):

| Period Ending | Principal | Interest | Debt Service | Annual Debt Service |
|--------------------------|------------------|-----------------|---------------------|--------------------------------|
| 3/1/2019 | -- | \$ 199,680.41 | \$ 199,680.41 | -- |
| 9/1/2019 | \$ 2,830,000 | 318,075.00 | 3,148,075.00 | \$ 3,347,755.41 |
| 3/1/2020 | -- | 261,475.00 | 261,475.00 | -- |
| 9/1/2020 | 340,000 | 261,475.00 | 601,475.00 | 862,950.00 |
| 3/1/2021 | -- | 254,675.00 | 254,675.00 | -- |
| 9/1/2021 | 445,000 | 254,675.00 | 699,675.00 | 954,350.00 |
| 3/1/2022 | -- | 245,775.00 | 245,775.00 | -- |
| 9/1/2022 | 795,000 | 245,775.00 | 1,040,775.00 | 1,286,550.00 |
| 3/1/2023 | -- | 229,875.00 | 229,875.00 | -- |
| 9/1/2023 | 830,000 | 229,875.00 | 1,059,875.00 | 1,289,750.00 |
| 3/1/2024 | -- | 209,125.00 | 209,125.00 | -- |
| 9/1/2024 | 875,000 | 209,125.00 | 1,084,125.00 | 1,293,250.00 |
| 3/1/2025 | -- | 187,250.00 | 187,250.00 | -- |
| 9/1/2025 | 915,000 | 187,250.00 | 1,102,250.00 | 1,289,500.00 |
| 3/1/2026 | -- | 164,375.00 | 164,375.00 | -- |
| 9/1/2026 | 965,000 | 164,375.00 | 1,129,375.00 | 1,293,750.00 |
| 3/1/2027 | -- | 140,250.00 | 140,250.00 | -- |
| 9/1/2027 | 1,015,000 | 140,250.00 | 1,155,250.00 | 1,295,500.00 |
| 3/1/2028 | -- | 114,875.00 | 114,875.00 | -- |
| 9/1/2028 | 1,065,000 | 114,875.00 | 1,179,875.00 | 1,294,750.00 |
| 3/1/2029 | -- | 88,250.00 | 88,250.00 | -- |
| 9/1/2029 | 1,120,000 | 88,250.00 | 1,208,250.00 | 1,296,500.00 |
| 3/1/2030 | -- | 60,250.00 | 60,250.00 | -- |
| 9/1/2030 | 1,175,000 | 60,250.00 | 1,235,250.00 | 1,295,500.00 |
| 3/1/2031 | -- | 30,875.00 | 30,875.00 | -- |
| 9/1/2031 | 1,235,000 | 30,875.00 | 1,265,875.00 | 1,296,750.00 |

ATTACHMENT 3

SERIES 2018B BONDS

Annual Interest and Principal Payments:

| Period Ending | Principal | Interest | Annual Debt Service |
|----------------------|------------------|-----------------|----------------------------|
| 9/1/2019 | - | \$1,770,867.58 | \$ 1,770,867.58 |
| 9/1/2020 | - | 2,175,810.00 | 2,175,810.00 |
| 9/1/2021 | \$ 3,415,000 | 2,175,810.00 | 5,590,810.00 |
| 9/1/2022 | 8,030,000 | 2,061,544.10 | 10,091,544.10 |
| 9/1/2023 | 8,635,000 | 1,783,144.00 | 10,418,144.00 |
| 9/1/2024 | 9,285,000 | 1,475,133.56 | 10,760,133.56 |
| 9/1/2025 | 9,970,000 | 1,133,167.00 | 11,103,167.00 |
| 9/1/2026 | 11,315,000 | 758,992.90 | 12,073,992.90 |
| 9/1/2027 | 4,255,000 | 321,441.86 | 4,576,441.86 |
| 9/1/2028 | 3,800,000 | 152,646.00 | 3,952,646.00 |

Semi-Annual Interest and Principal Payments (for informational purposes):

| Period Ending | Principal | Interest | Debt Service | Annual Debt Service |
|----------------------|------------------|-----------------|---------------------|----------------------------|
| 3/1/2019 | -- | \$ 682,962.58 | \$ 682,962.58 | -- |
| 9/1/2019 | -- | 1,087,905.00 | 1,087,905.00 | \$1,770,867.58 |
| 3/1/2020 | -- | 1,087,905.00 | 1,087,905.00 | -- |
| 9/1/2020 | -- | 1,087,905.00 | 1,087,905.00 | 2,175,810.00 |
| 3/1/2021 | -- | 1,087,905.00 | 1,087,905.00 | -- |
| 9/1/2021 | \$ 3,415,000 | 1,087,905.00 | 4,502,905.00 | 5,590,810.00 |
| 3/1/2022 | -- | 1,030,772.05 | 1,030,772.05 | -- |
| 9/1/2022 | 8,030,000 | 1,030,772.05 | 9,060,772.05 | 10,091,544.10 |
| 3/1/2023 | -- | 891,572.00 | 891,572.00 | -- |
| 9/1/2023 | 8,635,000 | 891,572.00 | 9,526,572.00 | 10,418,144.00 |
| 3/1/2024 | -- | 737,566.78 | 737,566.78 | -- |
| 9/1/2024 | 9,285,000 | 737,566.78 | 10,022,566.78 | 10,760,133.56 |
| 3/1/2025 | -- | 566,583.50 | 566,583.50 | -- |
| 9/1/2025 | 9,970,000 | 566,583.50 | 10,536,583.50 | 11,103,167.00 |
| 3/1/2026 | -- | 379,496.45 | 379,496.45 | -- |
| 9/1/2026 | 11,315,000 | 379,496.45 | 11,694,496.45 | 12,073,992.90 |
| 3/1/2027 | -- | 160,720.93 | 160,720.93 | -- |
| 9/1/2027 | 4,255,000 | 160,720.93 | 4,415,720.93 | 4,576,441.86 |
| 3/1/2028 | -- | 76,323.00 | 76,323.00 | -- |
| 9/1/2028 | 3,800,000 | 76,323.00 | 3,876,323.00 | 3,952,646.00 |

ATTACHMENT 3

EXHIBIT A

Successor Agency to the Former Community Redevelopment Agency of the City of Santa Ana, Tax Allocation Refunding Bonds, 2018 Series A (Tax-Exempt) and 2018 Series B (Federally Taxable)

<https://emma.msrb.org/ER1160754-ER907341-ER1307805.pdf> - Link to Official Statement