AGENDA

SPECIAL MEETING OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD

Thursday, September 26, 2019, 8:30 AM

GARDEN GROVE COMMUNITY MEETING CENTER 11300 Stanford Avenue, City Council Chambers Garden Grove, California 92840

HON. BRIAN PROBOLSKY

Chair

HON. STEVE JONES Vice Chair

STEVE FRANKS

DEAN WEST, CPA

Board Member

Board Member

CHARLES BARFIELD Board Member

CHRIS GAARDER Board Member

HON. PHILLIP E. YARBROUGH Board Member

<u>Staff</u> Salvador Lopez, Acting Auditor-Controller Chris Nguyen Clare Venegas Counsel Patrick Bobko Clerk of the Board Kathy Tavoularis

The Orange Countywide Oversight Board welcomes you to this meeting. This agenda contains a brief general description of each item to be considered. The Board encourages your participation. If you wish to speak on an item contained in the agenda, please complete a Speaker Form identifying the item(s) and deposit it in the Speaker Form Return box located next to the Clerk. If you wish to speak on a matter which does not appear on the agenda, you may do so during the Public Comment period at the close of the meeting. Except as otherwise provided by law, no action shall be taken on any item not appearing in the agenda. Speaker Forms are located next to the Speaker Form Return box. When addressing the Board, please state your name for the record prior to providing your comments.

In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the Clerk of the Board 72 hours prior to the meeting at (714) 834-2450

All supporting documentation is available for public review online at http://ocauditor.com/ob/ or in person at the office of the Auditor-Controller located at 1770 North Broadway, Santa Ana, California 92706 during regular business hours, 8:00 a.m. - 5:00 p.m., Monday through Friday.

AGENDA

SPECIAL MEETING OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD

8:30 A.M.

- 1. Call to Order
- 2. Pledge of Allegiance
- 3. Approval of the Minutes from July 30, 2019
- 4. Election of Board Officers
 - a. Chair
 - b. Vice Chair
- 5. Adoption of the 2020 Meeting Schedule
- 6. Adopt Amendments to Board Policies and Procedures
- 7. Adopt Resolution Regarding Request by Successor Agency for Last and Final Recognized Obligation Payment Schedule (ROPS)
 - a. Stanton
- 8. Adopt Resolution Regarding Request by Successor Agency for Contract Amendment a. Garden Grove
- 9. Adopt Resolutions Regarding Requests by Successor Agencies for Amendments to FY 2019-20 Recognized Obligation Payment Schedule (ROPS)
 - a. Anaheim
 - b. Garden Grove
- 10. Direction and Straw Votes Regarding Requests by Successor Agencies for FY 2020-21 Administrative Budgets (*Final Votes Will Occur in January Alongside ROPS Adoptions*)
 - a. Anaheim
 - b. Fountain Valley
 - c. Fullerton
 - d. Garden Grove
 - e. Huntington Beach
 - f. La Habra
 - g. La Palma
 - h. Mission Viejo
 - i. Placentia
 - j. Santa Ana
- 11. Update and Direction Regarding Successor Agency Assets (If Necessary)

COMMENTS

PUBLIC COMMENTS:

At this time members of the public may address the Board on any matter not on the agenda but within the jurisdiction of the Board. The Board may limit the length of time each individual may have to address the Board.

STAFF COMMENTS:

BOARD COMMENTS:

CLOSED SESSION:

- CS-1. CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION SIGNIFICANT EXPOSURE TO LITIGATION – Pursuant to Government Code Section 54956.9(d)(2): Number of Cases: One Case
- CS-2. CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION INITIATION OF LITIGATION Pursuant to Government Code Section 54956.9(d)(4): Number of Cases: One Case

ADJOURNMENT

NEXT MEETING:

Regular Meeting January 21, 2020, 8:30 AM

MINUTES

REGULAR MEETING OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD

July 30, 2019, 8:30 a.m.

1. CALL TO ORDER

The regular meeting of the Orange Countywide Oversight Board was called to order at 8:32 a.m. on July 30, 2019 at 2323 N. Broadway, Santa Ana, California by Chairman Brian Probolsky, presiding officer.

Present:	6	Chairman:	Brian Probolsky
		Vice Chairman:	Steve Jones
		Board Member:	Chris Gaarder
		Board Member:	Dean West
		Board Member:	Steve Franks
		Board Member:	Phillip E. Yarbrough
Absent:	1	Board Member:	Charles Barfield

Also present were Chris Nguyen, Staff; Patrick Bobko, Counsel; Kathy Tavoularis, Clerk of the Board; Clare Venegas, Consultant; Zeshaan Younus, Consultant; Maggie Miller, Associate Counsel; and Amanda McGuire, Staff.

2. PLEDGE OF ALLEGIANCE

Led by Board Member Franks.

3. APPROVAL OF MINUTES FROM APRIL 30, 2019

Minutes from the April 30, 2019 Board meeting. On the motion of Board Member Yarborough seconded by Board Member West, the minutes were unanimously approved.

4. ADOPT RESOLUTION REGARDING REQUEST BY SUCCESSOR AGENCY FOR AUTHORIZATION TO ISSUE REFUNDING BONDS

• **Buena Park:** Chairman Probolsky noted that the documents provided appear to provide a significant savings to taxpayers. Board Member Yarborough asked question of Board Member Franks to about whether this was similar to the refinancing done by the County when Board Member Yarbrough was on the former local Oversight Board for the County's Successor Agency and Franks was Director of Orange County Community Resources. Franks confirmed it was similar. On the motion of Franks, Yarborough seconded and the item was unanimously approved.

5. PRESENTATION ON SUCCESSOR AGENCY ASSET INVENTORY

Staff Member Nguyen led a PowerPoint presentation about properties currently owned by the Successor Agencies. He noted the presentation reflected a correction to the Summary slide for the planned disposition of the property listed for the City of Orange's Successor Agency. It was incorrectly listed in the original PowerPoint as "economic development or public use" when it should be listed as "government use."

Nguyen reviewed the use and status of properties for the seven Successor Agencies that reported still possessing properties-- Anaheim, Fullerton, Garden Grove, La Habra, Orange, Santa Ana and Seal Beach.

Board Member Yarborough asked for clarification about the "Zoned for Professional" notation on the slide for the Santa Ana Successor Agency properties. Board Member Franks clarified that zoning designation is for professional office, commercial, and medical uses.

Chairman Probolsky asked about the current status of the Santa Ana Successor Agency property at the corner of Main Street and 3rd Street. Board Members Yarborough and Gaarder expressed a desire to understand the Successor Agency's future plans for that property. Nguyen noted staff will take a deeper look at that property.

Board Member Yarborough asked about the Seal Beach Police Station that is listed as a property still retained by the Seal Beach Successor Agency. Nguyen noted it was originally built in 1976 and is currently being used as the Seal Beach Police Department headquarters. Yarborough asked why it has not already been transferred to the City since it will likely continue to be retained for government use. Franks said it would be helpful to find out why the Seal Beach Successor Agency is still holding onto the Police Station property. General Counsel Bobko said staff will inquire.

Board Member Yarborough stated the Oversight Board's role is to ensure Successor Agencies transfer such governmental use properties out of their ownership as quickly as possible.

Board Member Franks noted that many of the properties look like small easements and suggested staff ask the Successor Agencies for clarification as to why these parcels have not been already been acquired by the individual cities.

Board Member Gaarder noted it would be helpful to know what the long-term intended government uses are for any properties that Successor Agencies still own. He noted that since future city councils and economic conditions change, the Oversight Board should understand what the long-term plans are as that may have implications for the Board. Board Member Franks asked whether there is a timeline specified in the statutes as to how quickly the Successor Agencies must dispose of these properties.

General Counsel Bobko noted that while there is no statute that specifies a timeline, the expectation is that these properties would be disposed expeditiously. He said the Oversight Board has wide discretion on how quickly and aggressively it would like to act on the disposition of Successor Agency properties.

Board Member Yarborough noted that there may be willing private sector buyers for miscellaneous Successor Agency properties that are not intended for government use.

6. DIRECTION REGARDING SUCCESSOR AGENCY ASSETS

Agenda Item 6 was continued until after Closed Session.

PUBLIC COMMENTS:

Chairman Probolsky invited public comment. Board Clerk Tavoularis noted no public comment requests were submitted. Probolsky invited those in attendance to provide public comment, but no one stepped forward.

STAFF COMMENTS:

Chairman Probolsky stated that Staff Comments and Board Comments would be taken up after Closed Session, but Staff Member Nguyen suggested that the portion of the Board Comments related to the Chairman's update on administrative budgets be addressed before the Closed Session to accommodate the Successor Agency representatives in attendance who might wish to leave.

BOARD COMMENTS:

Chairman Probolsky said that he and staff are inviting Successor Agencies to seek guidance on the consideration of Administrative Budgets for annual Recognized Obligation Payment Schedules (ROPS) filings that the Oversight Board will consider in December and January.

Staff Member Nguyen said Successor Agencies had requested that the Oversight Board review and pre-approve a draft administrative budget in September, which would allow them time to address any concerns when submitting final versions with the annual ROPS that will be considered for a final vote by the Oversight Board in January. Chairman Probolsky clarified that the September pre-approval vote would be akin to a straw vote. Board Member West said he favors the idea and noted that the Department of Finance's letters in April provided guidance that Oversight Boards are responsible for ensuring administrative costs are being reduced. This process will help ensure the Successor Agencies understand that the Oversight Board is here to assist them in being in compliance with the Department of Finance's directives. Board Member Gaarder requested that the Oversight Board receive copies of Department of Finance guidance letters in the future with the items.

CLOSED SESSION: CS-1. ANTICIPATED LTIGATION – INITIATION OF LITIGATION –GOVERNMENT CODE SECTION 54956.9(D)(4) – ONE CASE.

Chairman Probolsky recessed the meeting to Closed Session at 8:58 a.m. to consider Agenda Item CS-1. He noted the discussion may occur on Agenda Item 6 after the Closed Session.

REPORT ON CLOSED SESSION CS-1:

Upon returning from Closed Session, General Counsel Bobko reported that the Oversight Board's only reportable action was to form an ad hoc subcommittee consisting of Chairman Probolsky, Board Member West, and Board Member Yarborough to explore ways to expedite the disposition of Successor Agency properties.

Bobko also noted that Board Member Gaarder recused himself from Closed Session CS-1. He also noted that Board Member Franks may recuse himself from future Closed Sessions.

6. DIRECTION REGARDING SUCCESSOR AGENCY ASSETS (Continued from Earlier in the Meeting)

Probolsky asked for any discussion or direction on Agenda Item 6, and as there was none, Agenda Item 6 was dispensed with.

STAFF COMMENTS (Continued from Earlier in the Meeting):

Chairman Probolsky invited Staff Comments. Staff Member Nguyen reported about the recent visit he and Board Clerk Tavoularis had with the staff of the Los Angeles County Consolidated Oversight Boards, which is comprised of five separate Oversight Boards due to a statutory exception for Los Angeles County due to its enormous number of Successor Agencies.

BOARD COMMENTS (Resumed from Earlier in the Meeting):

Chairman Probolsky invited additional Board Comments. Board Member Yarborough thanked staff for work on Successor Agency asset inventory.

ADJOURNMENT

Chairman Probolsky noted the next regular meeting of the Countywide Oversight Board is scheduled for September 17, 2019 and adjourned the meeting at 9:50 a.m.

BRIAN PROBOLSKY CHAIRMAN OF THE COUNTYWIDE OVERSIGHT BOARD

CLERK OF THE BOARD

DATE

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 4

From: Staff of the Oversight Board

Subject: Election of Board Officers

<u>Recommended Action:</u> Approve resolution electing Board Officers.

This resolution will elect the Board officers, namely the Chair and Vice Chair, each for a term of one year.

At the Orange Countywide Oversight Board's first-ever meeting on August 7, 2018, the Board elected the Honorable Brian Probolsky, a Director of the Moulton Niguel Water District and the appointee of the Independent Special District Selection Committee, as Chair, and the Board also elected the Honorable Steve Jones, the Mayor of Garden Grove and the appointee of the City Selection Committee, as Vice Chair, each for a term of one year.

Resolution No. 19-____

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD ELECTING ITS CHAIR AND VICE CHAIR

WHEREAS, California Health and Safety Code Section 34179(e) requires all action

items of the Orange County Countywide Oversight Board be accomplished by resolution; and

WHEREAS, in accordance with California Health and Safety Code Section 34179(j), the

twenty-five oversight boards in place in Orange County consolidated into one Orange

Countywide Oversight Board, effective July 1, 2018; and

WHEREAS, the election of a Chair and Vice Chair will further the Board's ability to conduct its work;

NOW, THEREFORE, BE IT RESOLVED THAT THE ORANGE COUNTYWIDE OVERSIGHT BOARD hereby elects _______ to serve as Chair and

______ to serve as Vice Chair for a term of one year.

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 5

From: Staff of the Oversight Board

Subject: 2020 Meeting Schedule

<u>Recommended Action:</u> Approve resolution adopting 2020 meeting schedule.

The attached resolution would adopt a 2020 meeting schedule consisting of:

- Tuesday, January 21, 2020
- Tuesday, January 28, 2020
- Tuesday, April 21, 2020
- Tuesday, July 21, 2020
- Tuesday, September 22, 2020
- Tuesday, September 29, 2020

The two proposed January meeting dates are due to the annual ROPS of nineteen agencies coming before the Countywide Oversight Board as well as the varying schedules of Successor Agency governing boards, who must act before the February 1, 2020 submission deadline to the State Department of Finance (DOF) for annual ROPS for FY 20-21, which is set by Health and Safety Code Section 34177(o)(1). Due to a number of scheduling conflicts for January 28, Successor Agencies will be encouraged to aim for the January 21 meeting. However, recognizing the tight timetable between DOF data release, Successor Agencies will still be able to request items be considered by the Oversight Board at its January 28 meeting.

Health and Safety Code Section 34177(o)(1)(E) sets October 1, 2020 as the submission deadline to the State Department of Finance for amended ROPS for FY 20-21. With most Successor Agencies getting their governing board's approval for amended ROPS in the first half of September, September 1 and 8 would be too early for the Oversight Board to meet. September 15 conflicts with the American Planning Association (APA) California Conference. The Board of Supervisors has not yet adopted its 2020 meeting schedule, though they typically meet on the second and fourth Tuesday of each month (September 8 and 22), but they do not typically meet the day after a holiday. In 2020, Labor Day is the day preceding the second Tuesday of the month, and there are five Tuesdays, so the Board of Supervisors may move to the third and fifth Tuesday of September (September 15 and 29).

The attached resolution would direct staff to cancel one of the two September meetings and to announce the cancellation no later than the conclusion of the April 21 regular meeting.

Conflicts with Other Government Bodies and Associations

- The proposed January 28 meeting date conflicts with the Board of Supervisors' likely meeting date, but the April and July meeting dates are not expected to conflict with that Board's meetings.
- The proposed January 28 meeting date also conflicts with the Association of California Cities-Orange County's 2020 Sacramento Advocacy Trip.
- The Orange County Transportation Authority and its committees do not have regular meetings on Tuesdays.

- The Orange County Board of Education holds its regular meetings on Wednesdays.
- Staff is not aware of any City Council, College District, or School District in Orange County that holds its regular meeting in the morning.
- Neither the September 22 nor 29 proposed meeting date would conflict with the American Planning Association (APA) California Conference, which is the third week of September 2020 in Riverside.
- The League of California Cities 2020 Annual Conference is in October in Long Beach.

Holiday Conflicts

- The proposed January 21 meeting date is the day after Martin Luther King, Jr. Day.
- The proposed January 28 meeting date is three days after the Lunar New Year.
- The proposed April 21 meeting date fits into a narrow window that avoids conflicts with Orthodox Easter (April 19-20), Passover (April 8-16), and Ramadan (April 23-May 23).
- The proposed July 21 meeting date does not conflict with any holiday known to staff.
- The proposed September 22 meeting date falls after Rosh Hashanah (September 18-20) and before Yom Kippur (September 27-28).
- The proposed September 29 meeting date is the day after Yom Kippur (September 27-28).

Resolution No. 19-____

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD ADOPTING THE 2020 MEETING SCHEDULE

WHEREAS, California Health and Safety Code Section 34179(e) requires all action

items of the Orange County Countywide Oversight Board be accomplished by resolution; and

WHEREAS, the Orange Countywide Oversight Board has not yet set its 2020 regular meeting schedule;

NOW, THEREFORE, BE IT RESOLVED THAT THE ORANGE COUNTYWIDE OVERSIGHT BOARD DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Orange Countywide Oversight Board shall hold its regular meetings in

2020 on January 21, January 28, April 21, July 21, September 22, and September 29; and

Section 2. The Designated Official or the Clerk of the Orange Countywide Oversight

Board shall cancel one of the September meetings, with notification to the Board no later than

the conclusion of its April 21, 2020, regular meeting; and

Section 3. Nothing in this resolution will prevent the cancellation of any regular meeting through normal meeting cancellation procedures.

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 6

From: Staff of the Oversight Board

Subject: Amendments to Board Policies and Procedures

Recommended Action:

Approve resolution adopting amendments to the policies and procedures.

This resolution would adopt amendments to the policies and procedures for the Orange Countywide Oversight Board to improve efficiencies, integrate Board directives, correct errors, and conform with current practices.

These amendments would:

- Add agenda items for ROPS amendments in the submission requirements
- Integrate the Board's direction that prior years' annual ROPS, administrative budgets, and letters from the Department of Finance be included with certain agenda items
- Integrate the Board's direction that the impact to taxing entities and Successor Agency staff contacts be included in staff reports
- Remove the copies of enforceable obligations requirement for annual ROPS and for Last and Final ROPS
- Modify agenda item submission deadlines when those dates fall on Martin Luther King, Jr. Day or Labor Day
- Integrate the Board's direction that agendas be released at least 2 business days before the Board meeting
- Clarify that Successor Agencies shall be responsible for submitting their approved items to the Department of Finance
- Enable the Clerk to transmit executed documents to Successor Agencies after the Board meeting
- Remove the redundant Agenda Item Submission Request Form
- Remove the street address requirement for designated Successor Agency contacts and allow submission to either the Designated Official or the Clerk
- Specify that the meeting minutes shall be retained by the Clerk until the dissolution of the Board, at which point the minutes will be transferred to the Orange County Archives
- Make updates to reflect the change of location for the Auditor-Controller's office
- Remove the name of the late Auditor-Controller, Eric H. Woolery, CPA
- Make non-technical changes to fix minor errors

Attachments

- 1. Oversight Board Resolution
- 2. Clean Version of Amended Policies and Procedures
- 3. Redlined Version of Proposed Amendments to Policies and Procedures

Resolution No. 19-____

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD ADOPTING AMENDMENTS TO THE POLICIES AND PROCEDURES

WHEREAS, California Health and Safety Code Section 34179(e) requires all action

items of the Orange County Countywide Oversight Board be accomplished by resolution; and

WHEREAS, the Policies and Procedures further the Board's ability to perform its fiduciary duty to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other related revenues; and

WHEREAS, the Policies and Procedures were adopted at the inaugural meeting of the Board; and

WHEREAS, various Board directives have been issued in the year since the adoption of the Policies and Procedures; and

WHEREAS, Oversight Board staff have recommended certain changes to increase efficiency of operations and/or conform with current practices; and

WHEREAS, certain updates are necessary, such as reflecting the new location of the Office of the Auditor-Controller and the passing of Auditor-Controller Eric H. Woolery, CPA;

NOW, THEREFORE, BE IT RESOLVED THAT THE ORANGE COUNTYWIDE OVERSIGHT BOARD hereby approves the amendments to the Policies and Procedures of the Orange Countywide Oversight Board as attached, effective immediately.

ORANGE COUNTYWIDE OVERSIGHT BOARD POLICIES AND PROCEDURES

Policy No. 2018-001

COUNTYWIDE OVERSIGHT BOARD POLICIES AND PROCEDURES

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Attachments

Exhibit A- Roster of Members and Successor Agencies

I. Introduction

This constitutes the Policies and Procedures Manual (the "Policies and Procedures") for the Countywide Oversight Board for Orange County (the "COB").

As required under Section 34179(j) of the Health and Safety Code, effective July 1, 2018, the Countywide Oversight Board was formed and succeeded all oversight boards previously created pursuant to Section 34179(a) of the Health and Safety Code, which ceased to exist by operation of law, effective July 1, 2018.

The Countywide Oversight Board shall have jurisdiction over each successor agency (each a "Successor Agency" and collectively the "Successor Agencies") with territorial jurisdiction within incorporated or unincorporated territorial borders of the County of Orange (the "County"). As of July 1, 2018, the Countywide Oversight Board has jurisdiction over the twenty-five (25) successor agencies listed in the Roster of Successor Agencies, attached hereto within <u>Exhibit A.</u>

The COB shall be governed in accordance with the applicable provisions of Part 1.85 of Division 24 of the California Health and Safety Code, as such may be amended from time to time.

The COB shall consist of the seven (7) individuals appointed to the COB in accordance with Article 1 Section 2 of the Bylaws and in accordance with Section 34179(j) of the Health and Safety Code, as such may be amended from time to time (each a "Member" and collectively the "Members").

The Members shall have fiduciary responsibilities to holders of enforceable obligations (as defined in Section 34171 of the Health and Safety Code) and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Health and Safety Code.

Pursuant to Section 34179(j) of the Health and Safety Code, the COB shall be staffed by the Orange County Auditor-Controller (the "CAC").

These Policies and Procedures are intended to provide the Successor Agencies with the rules and procedures for the administration and implementation of the duties of the COB and to guide Auditor-Controller staff in implementing those duties of the COB.

II. Meeting Schedule

A. <u>Regular Meetings</u>

The COB shall meet regularly at the Rancho Santiago Community College District, or at such other locations as the Countywide Oversight Board may designate by resolution or in the notice of call of any special meeting.

B. <u>Special Meetings</u>

Special meetings for the purpose of transacting any business specified in the call and notice for the meeting may be held upon the call of the Chair, the Auditor-Controller, or of any three Members of the COB. Notice of the meeting shall be sent to each Member at least twenty-four (24) hours before the time specified notice for a special meeting.

C. <u>Records</u>

The CAC shall designate a staff person to function as Clerk of the Board ("Clerk"), who shall keep the records of the COB, and shall act as secretary at the meetings of the Oversight Board. The Clerk of the Board shall prepare minutes of meetings of the Oversight Board, shall keep a record of the meetings in a journal of proceedings of the COB, and shall attest to and/or countersign all documents of the COB, all in accordance with these Policies and Procedures, and all applicable laws. All requests for documents shall be processed by the Clerk. The Clerk may charge for a copy of records in accordance with the California Public Records Act and all other applicable laws.

III. Submission and Review of Agenda Items

A. <u>Designated Successor Agency Contact</u>

Each Successor Agency shall designate, in writing and deliver written notice to the Designated Official or the Clerk of the Board, an official representative (the "Successor Agency Representative") who shall have the authority to represent the Successor Agency before the COB, the CAC, the State Controller, the California Department of Finance (the "DOF"), or any other public body. The notice to the Clerk of the Board shall include the Successor Agency Representative's name, title, telephone number and email address.

B. <u>COB Contact</u>

The CAC shall designate an individual to serve, as the primary contact for communications with the CAC ("Designated Official"). The designated Successor Agency Representative, and all others lawfully authorized to represent a Successor Agency, shall direct all correspondence and inquiries to the Designated Official.

The Designated Official for the COB shall be:

Chris Nguyen Office of the Orange County Auditor-Controller 1770 North Broadway Santa Ana, CA 92706 Phone: (714) 834-2351 Fax: (714) 834-2569 <u>chris.nguyen@ac.ocgov.com</u>

The CAC shall notify each Successor Agency in writing of any changes to the Designated Official.

C. <u>Submission Requirements</u>

Items for consideration of the COB may be submitted by a member of the COB, the Designated Official, or by the Successor Agency Representative only.

Each item that is being submitted for consideration by the COB must be submitted using the staff report template issued by the CAC and posted to the COB's website, which can be found at http://ocauditor.com/ob/. The staff report must identify the subject of the action, state the recommended motion, state the date of the COB Meeting on which the Successor Agency desires for the item to be considered, a description of the impact on taxing entities, the Successor Agency staff contact(s) for the item, and must include all supporting documentation for the requested action. If the Successor Agency is requesting the item be heard at a special meeting, the Successor Agency must also specify the reason why a special meeting is needed.

A Successor Agency shall be responsible for preparing the staff reports, resolutions and all related files, spreadsheets and any additional documents reasonably necessary for the COB to make a determination for a particular action. Successor Agencies must use the template staff reports and

resolutions of the COB which can be accessed at the COB's website which can be found at <u>http://ocauditor.com/ob/</u>. The CAC shall be responsible for noticing the COB, but each Successor Agency shall be responsible for complying with all other notices required under the Dissolution Act.

The Successor Agency must submit the applicable staff report and resolution along with the supporting documents listed below:

Requested Action/Approval	Required Documents
ROPS/Administrative Budget	Template Documents:
C C	• Staff Report re: Approval of Annual ROPS and
	Administrative Budget
	Resolution Approving Annual ROPS and
	Administrative Budget
	Supporting Documents:
	Annual ROPS
	Annual Administrative Budget
	Successor Agency Governing Board Resolution
	Approving Annual ROPS and Administrative Budget
	Two Prior Years' Approved Annual ROPS and
	Administrative Budget
	• Two Prior Years' Letters from the Department of
	Finance
Amendment to ROPS	Template Documents:
	Staff Report re: Approval of Amendment to ROPS
	Resolution Approving Amendment to ROPS
	Supporting Documents:
	Amended ROPS
	 Successor Agency Governing Board Resolution
	Approving Amended ROPS
	• Current Year Letter from the Department of Finance
Last and Final ROPS	Template Documents:
	• Staff Report re: Approval of Last and Final ROPS
	Resolution Approving Last and Final ROPS with
	Administrative Budget with Administrative Budget
	Supporting Documents:
	• Last and Final ROPS with Administrative Budget
	Successor Agency Governing Board Resolution
	Approving Last and Final ROPS with
	Administrative Budget
	• Two Prior Years' Letters from the Department of
	Finance

Amendment to Enforceable Obligation	 Template Documents: Staff Report re: Approval of Amendment to Enforceable Obligation Resolution Approving Amendment to Enforceable Obligation Supporting Documents: Copy of original Enforceable Obligation Copy of document amending Enforceable Obligation Successor Agency Governing Board Resolution Approving Amendment to Enforceable Obligation
Repayment Schedule for Enforceable Obligation	 Template Documents: Staff Report re: Approval of Repayment Schedule for Enforceable Obligation Resolution Approving Repayment Schedule for Enforceable Obligation Supporting Documents: Copy of original Enforceable Obligation Copy of Repayment Schedule for Enforceable Obligation Successor Agency Governing Board Resolution Approving Repayment Schedule for Enforceable Obligation
Property Transfer under approved Long-Range Property Management Plan	 Template Documents: Staff Report re: Approval of Property Disposition pursuant to approved LRPMP Resolution Approving Property Disposition pursuant to approved LRPMP Supporting Documents: Copy of approved LRPMP Copy of Conveyance Documents Successor Agency Governing Board Resolution Approving Conveyance Compensation Agreement (as applicable) Public Hearing Notice

Property Transfer under Section 34181(a) of the Health and Safety Code	 Template Documents: Staff Report re: Approval of Property Disposition pursuant to Section 34181 of the Health and Safety Code Resolution Approving Property Disposition pursuant to Section 34181 of the Health and Safety Code Supporting Documents: Copy of Conveyance Documents Successor Agency Governing Board Resolution Approving Conveyance pursuant to Section 34181 of the Health and Safety Code Compensation Agreement (as applicable) Public Hearing Notice
Miscellaneous	Template Documents: • Template Staff Report • Template Resolution Supporting Documents: • Copy of applicable documents
Bond Refunding/Refinancing	The Successor Agency and the Designated Official will coordinate required documentation.

Depending on the item submitted, the Designated Official may request additional supporting documents. Please note that the "Template Staff Report" and "Template Resolution" under the Miscellaneous Action can be used for action items other than those specifically provided for in this section.

D. <u>Submission Procedures</u>

All items must be submitted to the Designated Official by electronic mail. Each Agenda Item Submission Request Form and all accompanying documents must be submitted in one single email addressed to the Designated Official and/or to <u>ob@ac.ocgov.com</u>. The resolution and staff reports submitted for any one particular item must be in Microsoft Word format, supporting documents may be submitted in PDF format.

Submission must be made no later than 5 p.m. Pacific Time, not less than eight (8) calendar days from the proposed date of the Countywide Oversight Board meeting that the Successor Agency desires the item be considered. In the event that Martin Luther King, Jr. Day or Labor Day falls eight (8) calendar days before a regular meeting of the Countywide Oversight Board, items may be submitted no later than 5 p.m. Pacific Time, not less than seven (7) calendar days from the date of the proposed date of the Countywide Oversight Board meeting that the Successor Agency desires the item be considered.

Notwithstanding anything to the contrary, the COB Meetings for January will be limited to consideration of actions related to the adoption of recognized obligation payment schedules and

related items necessary to the adoption of a Successor Agency's recognized obligation payment schedule. No other business will be considered during the January COB Meetings, except for items that might otherwise be heard in a special meeting. The submission deadline for the January meetings will be dependent on the statutory date that controls the DOF's ROPS submission deadlines.

No later than October 1 of each year, the Designated Official shall distribute to all Successor Agencies the scheduled meetings for the next calendar year.

The Designated Official shall set the date by which submissions for special meetings will be due before the Special Meeting will be held.

E. <u>Review Procedures</u>

The CAC staff and COB counsel, if any, shall conduct the initial review of all items requested to be placed on an agenda of the Countywide Oversight Board. During the initial review, the CAC staff may consult with Oversight Board counsel, Successor Agency Representative, Successor Agency counsel, and other parties in the review of the items.

The CAC staff or COB counsel may request additional information and documentation to the Successor Agency Representative. Should there be questions or changes in the items submitted for consideration, the Designated Official will coordinate with the Successor Agency Representative and the Successor Agency Representative must respond in writing. Failure to timely respond may result in exclusion of the item from the agenda.

After the review and approval by COB legal counsel, the Designated Official will submit the item for inclusion on the agenda for the next regularly scheduled COB meeting, or special meeting as applicable.

IV. Distribution of Agenda

A. <u>Notice and Posting of Agenda</u>

Agendas for regular meetings of the COB will be posted not less than 72 hours or 2 business days, whichever is longer, prior to the regularly scheduled COB Meeting.

Agendas for special meetings of the COB will be posted not less than 24 hours prior to the special meeting.

In addition to posting the agenda at the COB meeting location, the Designated Official will post the agenda on the COB's website.

In the event that a Member will not be attending a COB meeting, the Member shall be responsible for notifying the Clerk of the Board and the Designated Official of their absence.

The Successor Agency will be responsible to provide all notices required under the Dissolution Act.

B. <u>Public Comments</u>

Each agenda will include an opportunity for the public to address the COB. The COB may adopt reasonable regulations, including time limits, on public comments. Such regulations should be enforced fairly and without regard to speakers' viewpoints.

Written comments on Agenda items must be submitted not less than 24 hours prior to the COB meeting when the item will be considered. Any written comments received by a Successor Agency must be provided to the COB.

V. Reporting of Actions taken at Countywide Oversight Board Meeting

A. <u>Minutes</u>

The Clerk shall act as the ex officio secretary of the COB and shall be responsible for preparing the minutes of the meetings of the COB.

Minutes will need to be ratified at next regular or special meeting of the COB. Meeting minutes will be kept by the Clerk of the Board until the dissolution of the COB, at which point the meeting minutes shall be transferred to the Orange County Archives.

B. <u>Processing Actions and Resolutions</u>

The Designated Official will coordinate with Clerk to process all actions of the COB expeditiously. Executed resolutions will be made available within seven (7) business days of the meeting on which the action was approved. The Designated Official or Clerk shall transmit to the Successor Agency Representative, via email or by posting on secure website, all action items and supporting documents.

C. <u>Inquiries by Third Parties and Meet and Confer</u>

The Designated Official will inform the Successor Agency Representative of any requests, questions and communications by any third parties that the Designated Official receives with regard to any particular item submitted for consideration by the COB. The Successor Agency is responsible for addressing all inquiries and questions directly related to their action items. The Successor Agencyshall provide copies of all responses to questions and inquiries to the Designated Official who shall be responsible for providing the same to the Members of the COB.

The Successor Agency shall submit their specific items to the DOF.

The COB will not participate in the meet and confer process associated with any particular action of the COB that a Successor Agency requests to invoke with the DOF.

EXHIBIT A

ROSTER OF MEMBERS AND SUCCESSOR AGENCIES

Roster of Countywide Oversight Board Members

Appointing Body	Member Name
County Board of Supervisors	Steve Franks
City Selection Committee	Hon. Steve Jones
Independent District Selection Committee	Hon. Brian Probolsky
Member to Represent Schools, appointed by	Dean West, CPA
Superintendent of Schools	
Member to Represent Community College	Hon. Phillip E. Yarbrough
Districts in Orange County, appointed by	
Chancellor of the California Community Colleges	
Member of the Public, appointed by	Chris Gaarder
County Board of Supervisors	
Recognized Employee Organization	Charles Barfield

Roster of Successor Agencies

- County of Orange
- City of Anaheim
- City of Brea
- City of Buena Park
- City of Costa Mesa
- City of Cypress
- City of Fountain Valley
- City of Fullerton
- City of Garden Grove
- City of Huntington Beach
- City of Irvine
- City of La Habra
- City of La Palma
- City of Lake Forest
- City of Mission Viejo
- City of Orange
- City of Placentia
- City of San Clemente
- City of San Juan Capistrano
- City of Santa Ana
- City of Seal Beach
- City of Stanton
- City of Tustin
- City of Westminster
- City of Yorba Linda

ORANGE COUNTYWIDE OVERSIGHT BOARD POLICIES AND PROCEDURES

Policy No. 2018-001

COUNTYWIDE OVERSIGHT BOARD POLICIES AND PROCEDURES

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Attachments

Exhibit A- Roster of Members and Successor Agencies

I. Introduction

This constitutes the Policies and Procedures Manual (the "Policies and Procedures") for the Countywide Oversight Board for Orange County (the "COB").

As required under Section 34179(j) of the Health and Safety Code, effective July 1, 2018, the Countywide Oversight Board was formed and succeeded all oversight boards previously created pursuant to Section 34179(a) of the Health and Safety Code, which ceased to exist by operation of law, effective July 1, 2018.

The Countywide Oversight Board shall have jurisdiction over each successor agency (each a "Successor Agency" and collectively the "Successor Agencies") with territorial jurisdiction within incorporated or unincorporated territorial borders of the County of Orange (the "County"). As of July 1, 2018, the Countywide Oversight Board has jurisdiction over the twenty-five (25) successor agencies listed in the Roster of Successor Agencies, attached hereto within <u>Exhibit A.</u>

The COB shall be governed in accordance with the applicable provisions of Part 1.85 of Division 24_7 of the California Health and Safety Code, as such may be amended from time to time.

The COB shall consist of the seven (7) individuals appointed to the COB in accordance with Article 1 Section 2 of the Bylaws and in accordance with Section 34179(j) of the Health and Safety Code, as such may be amended from time to time (each a "Member" and collectively the "Members").

The Members shall have fiduciary responsibilities to holders of enforceable obligations (as defined in Section 34171 of the Health and Safety Code) and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Health and Safety Code.

Pursuant to Section 34179(j) of the Health and Safety Code, the COB shall be staffed by the Orange County Auditor-Controller (the "CAC").

These Policies and Procedures are intended to provide the Successor Agencies with the rules and procedures for the administration and implementation of the duties of the COB and to guide <u>Executive Office Auditor-Controller</u> staff in implementing those duties of the COB.

II. Meeting Schedule

A. <u>Regular Meetings</u>

The COB shall meet regularly at the Rancho Santiago Community College District, or at such other locations as the Countywide Oversight Board may designate by resolution or in the notice of call of any special meeting.

B. <u>Special Meetings</u>

Special meetings for the purpose of transacting any business specified in the call and notice for the meeting may be held upon the call of the Chair, the Auditor-Controller, or of any three Members of the COB. Notice of the meeting shall be sent to each Member at least twenty-four (24) hours before the time specified notice for a special meeting.

C. <u>Records</u>

The CAC shall designate a staff person to function as Clerk of the Board ("Clerk"), who shall keep the records of the COB, and shall act as secretary at the meetings of the Oversight Board. The Clerk of the Board shall prepare minutes of meetings of the Oversight Board, shall keep a record of the meetings in a journal of proceedings of the COB, and shall attest to and/or countersign all documents of the COB, all in accordance with these Policies and Procedures, and all applicable laws. All requests for documents shall be processed by the Clerk. The Clerk may charge for a copy of records in accordance with the California Public Records Act and all other applicable laws.

III. Submission and Review of Agenda Items

A. <u>Designated Successor Agency Contact</u>

Each Successor Agency shall designate, in writing and deliver written notice to the <u>Designated</u> <u>Official or the</u> Clerk of the Board, an official representative (the "Successor Agency Representative") who shall have the authority to represent the Successor Agency before the COB, the CAC, the State Controller, the California Department of Finance (the "DOF"), or any other public body. The notice to the Clerk of the Board shall include the Successor Agency Representative's name, title, <u>address</u>, telephone <u>and fax</u> numbers and email address.

B. <u>COB Contact</u>

The CAC shall designate an individual to serve, as the primary contact for communications with the CAC ("Designated Official"). The designated Successor Agency Representative, and all others lawfully authorized to represent a Successor Agency, shall direct all correspondence and inquiries to the Designated Official.

The Designated Official for the COB shall be:

Chris Nguyen <u>Office of the</u> Orange County Auditor-Controller-Eric H. Woolery, CPA <u>12 Civic Center Plaza1770 North Broadway</u> Santa Ana, CA <u>9270192706</u> Phone: (714) 834-2351 Fax: (714) 834-2569 chris.nguyen@ac.ocgov.com

The CAC shall notify each Successor Agency in writing of any changes to the Designated Official.

C. <u>Submission Requirements</u>

Items for consideration of the COB may be submitted by a member of the COB, the Designated Official, or by the Successor Agency Representative only.

Each item that is being submitted for consideration by the COB must be submitted using the "Agenda Item Submission Request Form" staff report template issued by the CAC and posted to the COB's website, which can be found at http://ocauditor.com/ob/, incorporated herein by this reference. The Agenda Item Submission Request Formstaff report must identify the subject of the action, state the recommended motion, state the date of the COB Meeting on which the Successor Agency desires for the item to be considered, a description of the impact on taxing entities, the Successor Agency staff contact(s) for the item, and must include all supporting documentation for the requested action. If the Successor Agency is requesting the item be heard at a special meeting, the Successor Agency must also specify the reason why a special meeting is needed.

A Successor Agency shall be responsible for preparing the staff reports, resolutions and all related files, spreadsheets and any additional documents reasonably necessary for the COB to make a

determination for a particular action. Successor Agencies must use the template staff reports and resolutions of the COB which can be accessed at the COB's website which can be found at <u>http://ocauditor.com/ob/</u>. The CAC shall be responsible for noticing the COB, but each Successor Agency shall be responsible for complying with all other notices required under the Dissolution Act.

In addition to the Agenda Item Submission Request Form, t<u>T</u>he Successor Agency must submit the applicable staff report and resolution along with the supporting documents listed below:

Requested Action/Approval	Required Documents
ROPS/Administrative Budget	Template Documents:
	• Staff Report re: Approval of Annual ROPS and
	Administrative Budget
	Resolution Approving Annual ROPS and
	Administrative Budget
	Supporting Documents:
	Annual ROPS
	Annual Administrative Budget
	Successor Agency Governing Board Resolution
	Approving Annual ROPS and Administrative Budget
	<u>Copies of all Enforceable Obligations (for initial ROPS</u>
	approval only) Two Prior Years' Approved Annual
	ROPS and Administrative Budget
	• <u>Two Prior Years' Letters from the Department of</u>
	<u>Finance</u>
Amendment to ROPS	Template Documents:
	Staff Report re: Approval of Amendment to ROPS
	<u>Resolution Approving Amendment to ROPS</u>
	Supporting Documents:
	Amended ROPS
	Successor Agency Governing Board Resolution
	Approving Amended ROPS
	Current Year Letter from the Department of Finance
Last and Final ROPS and	Template Documents:
Annual Administrative Budget	• Staff Report re: Approval of Last and Final ROPS
	 Resolution Approving Last and Final ROPS with
	Administrative Budget
	Staff Report re: Approval of with Administrative
	Budget-under approved Last and Final ROPS
	Resolution Approving Administrative Budget under
	approved Last and Final ROPS
	Supporting Documents:
	 Last and Final ROPS

<u>Annual_with</u> Administrative Budget
Successor Agency Governing Board Resolution
Approving Last and Final ROPS
Successor Agency Governing Board Resolution
Approving with Administrative Budget under-
approved Last and Final ROPS
•Copies of all Enforceable Obligations (for initial Last
and Final ROPS approval only)
• Two Prior Years' Letters from the Department of
Finance

Amendment to Enforceable Obligation	 Template Documents: Staff Report re: Approval of Amendment to Enforceable Obligation Resolution Approving Amendment to Enforceable Obligation Supporting Documents: Copy of original Enforceable Obligation Copy of document amending Enforceable Obligation Successor Agency Governing Board Resolution Approving Amendment to Enforceable Obligation
Repayment Schedule for Enforceable Obligation	 Template Documents: Staff Report re: Approval of Repayment Schedule for Enforceable Obligation Resolution Approving Repayment Schedule for Enforceable Obligation Supporting Documents: Copy of original Enforceable Obligation Copy of Repayment Schedule for Enforceable Obligation Successor Agency Governing Board Resolution Approving Repayment Schedule for Enforceable Obligation
Property Transfer under approved Long-Range Property Management Plan	 Template Documents: Staff Report re: Approval of Property Disposition pursuant to approved LRPMP Resolution Approving Property Disposition pursuant to approved LRPMP Supporting Documents: Copy of approved LRPMP Copy of Conveyance Documents Successor Agency Governing Board Resolution Approving Conveyance Compensation Agreement (as applicable) Public Hearing Notice

Property Transfer under Section 34181(a) of the Health and Safety Code	 Template Documents: Staff Report re: Approval of Property Disposition pursuant to Section 34181 of the Health and Safety Code Resolution Approving Property Disposition pursuant to Section 34181 of the Health and Safety Code Supporting Documents: Copy of Conveyance Documents Successor Agency Governing Board Resolution Approving Conveyance pursuant to Section 34181 of the Health and Safety Code Compensation Agreement (as applicable) Public Hearing Notice
Miscellaneous	Template Documents: • Template Staff Report • Template Resolution Supporting Documents: • Copy of applicable documents
Bond Refunding/Refinancing	The Successor Agency and the Designated Official will coordinate required documentation.

Depending on the item, submitted, the Designated Official may request additional supporting documents. Please note that the "Template Staff Report" and "Template Resolution" under the Miscellaneous Action can be used for action items other than those specifically provided for in this section.

D. <u>Submission Procedures</u>

All items must be submitted to the Designated Official by electronic mail. Each Agenda Item Submission Request Form and all accompanying documents must be submitted in one single email addressed to the Designated Official and/or to <u>ob@ac.ocgov.com</u>. The resolution and staff reports submitted for any one particular item must be in Microsoft Word format, supporting documents may be submitted in PDF format.

Submission must be made no later than 5 p.m. Pacific Time, not less than eight (8) calendar days from the date of the proposed date of the Countywide Oversight Board <u>meeting</u> that the Successor Agency desires the item be considered. In the event that Martin Luther King, Jr. Day or Labor Day falls eight (8) calendar days before a regular meeting of the Countywide Oversight Board, items may be submitted no later than 5 p.m. Pacific Time, not less than seven (7) calendar days from the date of the proposed date of the Countywide Oversight Board meeting that the Successor Agency desires the item be considered.

Notwithstanding anything to the contrary, the COB Meetings for January will be limited to consideration of actions related to the adoption of recognized obligation payment schedules and

related items necessary to the adoption of a Successor Agency's recognized obligation payment schedule. No other business will be considered during the January COB Meetings, except for items that might otherwise be heard in a special meeting. The submission deadline for the January meetings will be dependent on the <u>statutory</u> date <u>on which that controls</u> the DOF's <u>ROPS</u> submission deadlines <u>are set</u>.

On or before the regularly scheduled September meeting No later than October 1 of each year, the Designated Official shall distribute to all Successor Agencies the scheduled meetings for the next calendar year.

The Designated Official shall set the date by which submissions for special meetings will be due before the Special Meeting will be held.

E. <u>Review Procedures</u>

The CAC staff and COB counsel, if any, shall conduct the initial review of all items requested to be placed on an agenda of the Countywide Oversight Board. During the initial review, the CAC staff may consult with Oversight Board counsel, Successor Agency Representative, Successor Agency counsel, and other parties in the review of the items.

The CAC staff or COB counsel may request additional information and documentation to the Successor Agency Representative. Should there be questions or changes in the items submitted for consideration, the Designated Official will coordinate with the Successor Agency Representative and the Successor Agency Representative must respond in writing. Failure to timely respond may result in exclusion of the item from the agenda.

After the review and approval by COB legal counsel, the Designated Official will submit the item for inclusion on the agenda for the next regularly scheduled COB meeting, or special meeting as applicable.

IV. Distribution of Agenda

A. <u>Notice and Posting of Agenda</u>

Agendas for regular meetings of the COB will be posted not less than 72 hours <u>or 2 business days</u>, <u>whichever is longer</u>, prior to the regularly scheduled COB Meeting.

Agendas for special meetings of the COB will be posted not less than 24 hours prior to the special meeting.

In addition to posting the agenda at the COB meeting location, the Designated Official will post the agenda on the COB's website.

In the event that a Member will not be attending a COB meeting, the Member shall be responsible for notifying the Clerk of the Board and the Designated Official of their absence.

The Successor Agency will be responsible to provide all notices required under the Dissolution Act.

B. <u>Public Comments</u>

Each agenda will include an opportunity for the public to address the COB. The COB may adopt reasonable regulations, including time limits, on public comments. Such regulations should be enforced fairly and without regard to speakers' viewpoints.

Written comments on Agenda items must be submitted not less than 24 hours prior to the COB meeting when the item will be considered. Any written comments received by a Successor Agency must be provided to the COB.

V. Reporting of Actions taken at Countywide Oversight Board Meeting

A. <u>Minutes</u>

The Clerk shall act as the ex officio secretary of the COB and shall be responsible for preparing the minutes of the meetings of the COB.

Minutes will need to be ratified at next regular or special meeting of the COB. Meeting minutes will be kept by the Clerk of the Board according to the record retention policy of the Countyuntil the dissolution of the COB, at which point the meeting minutes shall be transferred to the Orange County Archives.

B. <u>Processing Actions and Resolutions</u>

The Designated Official will coordinate with Clerk to process all actions of the COB expeditiously. Executed resolutions will be made available within seven (7) business days of the meeting on which the action was approved. The Designated Official <u>or Clerk</u> shall transmit to the Successor Agency Representative, via email or by posting on secure website, all action items and supporting documents.

C. <u>Inquiries by Third Parties and Meet and Confer</u>

The Designated Official will inform the Successor Agency Representative of any requests, questions and communications by any third parties that the Designated Official receives with regards to any particular item submitted for consideration by the COB. The Successor Agencies Agency is responsible for addressing all inquiries and questions directly related to their action items. The Successor Agencyshall provide copies of all responses to questions and inquiries to the Designated Official who shall be responsible for providing the same to the Members of the COB.

The Designated Official will submit the items to the Department of Finance on behalf of the COB. The Designated Official will copy the Successor Agency Representative in all transmissions to the DOF. The Successor Agency may also shall submit their specific items to the DOF.

The COB will not participate in the meet and confer process associated with any particular action of the COB that a Successor Agency requests to invoke with the DOF.

EXHIBIT A

ROSTER OF MEMBERS AND SUCCESSOR AGENCIES

Roster of Countywide Oversight Board Members

Appointing Body	Member Name
County Board of Supervisors	Steve Franks
City Selection Committee	Hon. Steve Jones
Independent District Selection Committee	Hon. Brian Probolsky
Member to Represent Schools, appointed by	Dean West, CPA
Superintendent of Schools	
Member to Represent Community College	Hon. Phillip E. Yarbrough
Districts in Orange County, appointed by	
Chancellor of the California Community Colleges	
Member of the Public, appointed by	Chris Gaarder
County Board of Supervisors	
Recognized Employee Organization	Charles Barfield

Roster of Successor Agencies

- County of Orange
- City of Anaheim
- City of Brea
- City of Buena Park
- City of Costa Mesa
- City of Cypress
- City of Fountain Valley
- City of Fullerton
- City of Garden Grove
- City of Huntington Beach
- City of Irvine
- City of La Habra
- City of La Palma
- City of Lake Forest
- City of Mission Viejo
- City of Orange
- City of Placentia
- City of San Clemente
- City of San Juan Capistrano
- City of Santa Ana
- City of Seal Beach
- City of Stanton
- City of Tustin
- City of Westminster
- City of Yorba Linda

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 7A

From: Successor Agency to the Stanton Redevelopment Agency

Subject: Resolution of the Countywide Oversight Board Approving Last and Final ROPS

Recommended Action:

Adopt resolution approving the Last and Final ROPS prepared by the Successor Agency to the Stanton Redevelopment Agency

The Successor Agency to the Stanton Redevelopment Agency ("Successor Agency") requests adoption of a resolution approving its Last and Final Recognized Obligation Payment Schedule ("Last and Final ROPS") and directing the Successor Agency to submit the Last and Final ROPS as approved by the Oversight Board to the County's Auditor-Controller, the State Controller's Office and the Department of Finance ("DOF").

Senate Bill 107 ("SB 107"), signed on September 22, 2015 added Section 34191.6 to the Health and Safety Code, allowing successor agencies that meet certain provisions to submit a Last and Final ROPS to the DOF. The provisions include:

- (1) having remaining debt limited to payments pursuant to enforceable obligations,
- (2) all remaining obligations have been previously listed on a ROPS and approved for payment by DOF, and
- (3) the successor agency is not a party to pending litigation.

The Successor Agency currently meets all these requirements.

Upon the DOF approval of a successor agency's Last and Final ROPS, a successor agency is no longer required to file annual ROPS and Administrative Budgets. The successor agency is further limited to submitting up to two requests to amend its Last and Final ROPS before the final obligation of the Successor Agency is paid.

SB 107 also provides for a tiered structure regarding the use of proceeds of bonds issued by redevelopment agencies between January 1, 2011 and June 30, 2011. The former Stanton Redevelopment Agency issued Taxable Housing Tax Allocation Bonds, 2011 Series A ("2011A Bonds") and Taxable Tax Allocation Bonds, 2011 Series B ("2011B Bonds") in February 2011 to acquire up to 29 housing units in the Tina/Pacific neighborhood for replacement with up to 161 new replacement affordable housing units. Under the Dissolution Act, the Successor Agency was allowed to transfer the 2011A Bonds to its Housing Authority to be spent on the Tina/Pacific neighborhood project. However, the Dissolution Act initially limited the Successor Agency from spending the proceeds of the 2011B Bonds.

SB 107 provided that 30% of the proceeds of the 2011B Bonds could be used for their original purpose. Five percent of the 2011B Bond proceeds have already been disbursed to the Housing Authority to continue the original purpose of the bonds pursuant to a Bond Expenditure Agreement approved by DOF. With the approval of the Last and Final ROPS, the remaining 25%, or approximately \$3.45 million anticipated as of July 2020 including accrued interest, will disbursed to the Housing Authority for the same purpose. The remaining balance of 70% of the 2011B Bond proceeds was already used to redeem 2011B Bonds in 2016 and reduce the annual debt service payable from the Redevelopment Property Tax Trust Fund ("RPTTF").

The items on the Last and Final ROPS are as follows:

- Debt service for the former Redevelopment Agency's 2010 Tax Allocation Bonds (final maturity 12/1/2040)
- Debt service for the Successor Agency's Subordinate Tax Allocation Refunding Bonds, 2016 Series A (final maturity 12/1/2035)
- Debt service for the Successor Agency's Subordinate Taxable Tax Allocation Refunding Bonds, 2016 Series B (final maturity 12/1/2035)
- Debt service for the Successor Agency's Tax Allocation Refunding Parity Bonds, 2016 Series C (final maturity 12/1/2040)
- Debt service for the Successor Agency's Taxable Tax Allocation Refunding Parity Bonds, 2016 Series D (final maturity 12/1/2040)
- Trustee fees, rebate consultant fees and continuing disclosure consulting fees for payment of debt service on the bonds and reporting requirements relating to the bonds, through final maturity of the bonds.
- Administrative costs.
- Disbursement of the 2011B Bond proceeds.

The Successor Agency will to continue to administer the receipts of RPTTF moneys semiannually, pay debt service on the bonds in accordance with the provisions of the bond indentures, record transactions relating to trustee accounts on the bonds and comply with bond covenants.

The Successor Agency will also be charged audit fees associated with the Successor Agency transactions and inclusion of the Successor Agency Fiduciary Fund statements and footnotes in the City's audited financial statements. Further, the Successor Agency is required to keep records of the amounts approved for payment of enforceable obligations and disbursed by the County Auditor-Controller pursuant to the Last and Final ROPS with the actual expenditures for each item and provide an accounting of such amounts after the final disbursement in Fiscal Year 2040-41. If the Successor Agency received more than was actually required (for example, because of interest earnings on the funds held pending disbursement), any surplus funds will be distributed to taxing entities after the final ROPS period.

The Successor Agency has estimated these administrative costs to be \$10,000 per series of outstanding bonds. A survey of administrative costs was conducted for over 40 of the DOF-approved Last and Final ROPS since 2016. The average annual administrative cost approved by the DOF was \$9,900 per outstanding bond issue. Some successor agencies did not request any funding and some were as high as \$30,000. Thirteen of these approved Last and Final ROPS had annual administrative costs over \$15,000 per bond issue. The Successor Agency has determined that \$10,000 per bond issue is a reasonable amount for its annual cost to administer the Successor Agency over the next 20 years. No inflationary increase in annual costs is included.

The DOF approval letters for ROPS 18-19 and 19-20 are also attached for the Board's information.

The Successor Agency approved the Last and Final ROPS on September 10, 2019. A copy of the Successor Agency's Resolution No. SA-2019-02 is attached.

In connection with the issuance of the Successor Agency's 2016 Series A and 2016 Series B Tax Allocation Bonds, the bond insurer required the Successor Agency to obtain its consent prior to requesting the Oversight Board or DOF approval of the Last and Final ROPS. The Successor Agency received this approval on September 12, 2019.

Impact on Taxing Entities

The Last and Final ROPS contains all the same enforceable obligations in the same amounts, payable from the Redevelopment Property Tax Trust Fund deposits in the same periods as if the Successor Agency continued submitting annual Recognized Obligation Payment Schedules. There is no additional financial impact on the taxing agencies as a result of approval of the Last and Final ROPS.

Staff Contact(s)

Jarad Hildenbrand, City Manager, (714) 890-4277; JHildenbrand@ci.stanton.ca.us

Attachments

- Proposed Oversight Board Resolution approving Last and Final ROPS
- Resolution No. SA-2019-02 of the Successor Agency to the Stanton Redevelopment Agency approving the Last and Final ROPS
- Calculations for items listed on the Last and Final ROPS
- 2018-19 Annual ROPS Schedule DOF approval letter
- 2019-20 Annual ROPS Schedule DOF approval letter

Resolution No. 19-____

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD APPROVING THE LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE ("ROPS") OF THE SUCCESSOR AGENCY TO THE STANTON REDEVELOPMENT AGENCY PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.6

WHEREAS, the Stanton Redevelopment Agency ("Redevelopment Agency") was a redevelopment agency in the City of Stanton ("City"), duly created pursuant to the California Community Redevelopment Law and Health and Safety Code Section 33000, et.seq.; and

WHEREAS, Assembly Bill x1 26 chaptered and effective on June 27, 2011 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, and was subsequently amended by Assembly Bill 1484, chaptered and effective on June 27, 2012, and Senate Bill 107, chaptered and effective on September 22, 2015 (together, the "Dissolution Act"); and

WHEREAS, as of February 1, 2012, the Redevelopment Agency was dissolved pursuant to the Dissolution Act and pursuant to Health and Safety Code, Section 34173(d), the City of Stanton elected to become the successor agency to the Stanton Redevelopment Agency ("Successor Agency") on January 10, 2012 and the Successor Agency is a separate legal entity from the City of Stanton; and

WHEREAS, the Successor Agency administers the enforceable obligations of the former Redevelopment Agency and otherwise unwinds the Redevelopment Agency's affairs, all subject to the review and approval by a seven-member oversight board; and

WHEREAS, Health and Safety Code, Section 34179(j) established the Orange Countywide Oversight Board ("Oversight Board") by requiring that commencing after July 1, 2018, in each county where more than one oversight board was created, there shall be only one oversight board; and

WHEREAS, the Oversight Board, which has oversight of all the successor agencies to the former redevelopment agencies in Orange County, has been appointed pursuant to the provisions of Health and Safety Code Section 34179; and

WHEREAS, pursuant to subdivision (a) of Health and Safety Code Section 34191.6, beginning January 1, 2016, successor agencies that have received a Finding of Completion have the option to submit a Last and Final Recognized Obligation Payment Schedule ("ROPS") to the State of California Department of Finance ("DOF") at any time, if all the following conditions are met:

1. The successor agency's remaining debt is limited to payments pursuant to enforceable obligations with defined payment schedules including, but not limited to, debt service, loan agreements, and other contracts.

- 2. All remaining obligations have been previously listed on a ROPS and approved for payment by the DOF, pursuant to subdivision (m) or (o) of Health and Safety Code Section 34177.
- 3. The successor agency is not a party to pending litigation, except as specified in subdivision (a)(3) of Health and Safety Code Section 34191.6; and

WHEREAS, the Successor Agency meets the above listed criteria and is eligible to file a Last and Final ROPS with DOF; and

WHEREAS, the attached Last and Final ROPS identifies each enforceable obligation on which payments will be required to be made by the Successor Agency from and after July 1, 2020, until its termination; and

WHEREAS, the Successor Agency has received consent to request approval for its Last and Final ROPS by the Oversight Board and the DOF from Build America Mutual Assurance Company as bond insurer with respect to certain of the Successor Agency's tax allocation bonds; and

WHEREAS, Health and Safety Code, Section 34191.6 requires the Oversight Board to approve the Last and Final ROPS prior to the Successor Agency submitting the Last and Final ROPS to DOF;

NOW THEREFORE, BE IT RESOLVED THAT THE ORANGE COUNTYWIDE OVERSIGHT BOARD DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Oversight Board, at its special meeting of September 26, 2019, reviewed and considered the Last and Final ROPS presented by the Successor Agency.

Section 2. The Oversight Board hereby approves and adopts the Last and Final ROPS, in substantially the form attached to this Resolution as Exhibit A, pursuant to Health and Safety Code, Section 34191.6.

Section 3. The Oversight Board hereby directs the Successor Agency to submit copies of the Last and Final ROPS approved by the Oversight Board to the County of Orange Auditor-Controller, the State Controller's Office, and DOF on or after the effective date of this Resolution, and to post the Last and Final ROPS on the Successor Agency's website, immediately upon the approval of this Resolution.

Section 4. If any provision of this Resolution or the application of any such provision to any persons or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that the Oversight Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 5. The Clerk of the Oversight Board shall certify to the adoption of this Resolution.

Section 6. This Resolution shall become effective one hundred (100) days following its submission to DOF or following review and approval by DOF.

EXHIBIT A LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Last and Final Recognized Obligation Payment Schedule (ROPS) - Summary Filed for the July 1, 2020 through June 30, 2041 Period

Successor Agency:	Stanton
County:	Orange
Initial ROPS Period:	20-21A
Final ROPS Period:	40-41B

Req	uested Funding for Enforceable Obligations	Total Outstanding Obligation
Α	Enforceable Obligations Funded as Follows (B+C)	\$4,584,994
В	Bond Proceeds	4,584,994
С	Other Funds	-
D	Redevelopment Property Tax Trust Fund (RPTTF) (E+F)	\$85,514,333
Е	RPTTF	84,644,333
F	Administrative RPTTF	870,000
G	Total Outstanding Obligations (A+D)	\$90,099,327

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.

Stanton Last and Final Recognized Obligation Payment Schedule (ROPS) - Summary by ROPS Period July 1, 2020 through June 30, 2041

A Period July - December Fund Sources
\$3,450,000
3,450,000
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		B P Janua	B Period January - June			:
		Fund (Fund Sources		Civ Month	Iwelve-Month Total
ROPS Period	Bond Proceeds	Other Funds	RPTTF	Admin RPTTF	Total	
	\$1,134,994	÷	\$61,964,568	Å	\$63,099,562	\$90,099,327
ROPS 20-21B	I	'	4,067,039	'	\$4,067,039	\$8,541,402
ROPS 21-22B	I	1	4,070,377	'	\$4,070,377	\$5,095,748
ROPS 22-23B	1	1	4,183,533	'	\$4,183,533	\$5,203,154
ROPS 23-24B	I	ı	4,178,952	'	\$4,178,952	\$5,086,091
ROPS 24-25B	I	1	4,181,591	-	\$4,181,591	\$5,090,621
ROPS 25-26B	I	1	4,183,666	'	\$4,183,666	\$5,093,493
ROPS 26-27B	I	-	4,190,772	I	\$4,190,772	\$5,100,086
ROPS 27-28B	86	'	4,182,136	'	\$4,182,222	\$5,092,030
ROPS 28-29B	I	'	4,176,448	'	\$4,176,448	\$5,087,756
ROPS 29-30B	1	1	4,186,806	'	\$4,186,806	\$5,102,514
ROPS 30-31B	417,932	ı	2,554,442	'	\$2,972,374	\$3,879,232
ROPS 31-32B	I	1	2,590,906	-	\$2,590,906	\$3,604,382
ROPS 32-33B	I	1	2,587,511	'	\$2,587,511	\$3,984,775
ROPS 33-34B	294	'	2,585,018	'	\$2,585,312	\$3,981,001
ROPS 34-35B	716,682	I	1,633,663		\$2,350,345	\$3,745,711
ROPS 35-36B	I	I	1,692,676	1	\$1,692,676	\$2,810,641
ROPS 36-37B	I	I	1,701,738	-	\$1,701,738	\$3,083,388
ROPS 37-38B	-	1	1,695,925	'	\$1,695,925	\$3,077,963

		_	œ	ľ	œ
	Civ Month	Total	\$1,384,475	\$1,363,600	\$1,369,895
		Admin RPTTF	20,000	20,000	20,000
A Period July - December	Fund Sources	RPTTF	1,364,475	1,343,600	1,349,895
A July -	Fund	Other Funds	'	'	1
		Bond Proceeds	1	1	1
		ROPS Period	ROPS 38-39A	ROPS 39-40A	ROPS 40-41A

		B P Januai	B Period January - June			:
		Fund (Fund Sources		Siv Month	Twelve-Month Total
ROPS Period	Bond Proceeds	Other Funds	RPTTF	Admin RPTTF	Total	
ROPS 38-39B	I	1	1,659,450		\$1,659,450	\$3,043,925
ROPS 39-40B	I	1	1,658,919	1	\$1,658,919	\$3,022,519
ROPS 40-41B	I	I	3,000	1	\$3,000	\$1,372,895

Stanton Last and Final Recognized Obligation Payment Schedule (ROPS) - ROPS Detail July 1, 2020 through June 30, 2041 (Report Amounts in Whole Dollars)

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ltem #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstaning Obligation
								\$90,102,027
з	Bond Payment: 2010 Tax Allocation Bonds Series A	Bonds Issued On or Before 12/31/10	10/28/2010	12/01/2035	US Bank	Debt Service on Bonds issued to fund non-housing projects	Consolidated	1,892,197
9	Trustee	Fees	07/07/2005	12/01/2040	US Bank	Trustee Fees	Consolidated	138,280
8	Bond Disclosure	Fees	09/10/2019	12/01/2040	Harrell & Company	Bond Continuing Disclosure/Financial Services	Consolidated	131,000
41	Administrative Cost Allowance	Admin Costs	07/01/2019	12/01/2040	City of Stanton	Administrative Cost Allowance	Consolidated	870,000
60	Replacement Housing Obligation under H&S Code	Miscellaneous	07/01/2013	12/01/2040	To be Determined	96 Required Units	Consolidated	1
66	Bond Payment: 2010 Tax Allocation Bonds Series A	Reserves	10/28/2010	12/01/2035	US Bank	ROPS B Reserve for following ROPS A December 1 Debt Service	Consolidated	12,537,197
70	City Loan	City/County Loan (Prior 06/28/11), Cash exchange	02/09/2010	12/01/2040	City of Stanton	City Loan to pay SERAF Payment	Consolidated	1
83	City Loan	City/County Loan (Prior 06/28/11), Other	06/24/2003	12/01/2040	City of Stanton	City Loan for Start up costs for 2000 Project Area	Consolidated	1
95	Subordinate Tax Allocation Refunding Bonds, 2016 Series A	Refunding Bonds Issued After 6/27/12	02/23/2016	12/01/2035	US Bank	Refinance 2005 Series B Bonds	Consolidated	4,902,888
96	Subordinate Taxable Tax Allocation Refunding Bonds, 2016 Refunding Bonds Issued After 6/27/12 Series B	Refunding Bonds Issued After 6/27/12	02/23/2016	12/01/2035	US Bank	Refinance 2005 Series A Bonds	Consolidated	9,505,195
98	Rebate Consultant	Fees	07/01/2015	12/31/2040	BLX Group	Rebate Calculations	Consolidated	24,600
100	Project Costs	Bond Funded Project - 2011	07/01/2016	06/30/2020	To be Determined	Bond Funded Project from 2011 Proceeds	Consolidated	3,450,000
101	Tax Allocation Refunding Parity Bonds, 2016 Series C	Refunding Bonds Issued After 6/27/12	12/15/2016	12/01/2040	US Bank	Partial Refinance 2010 Series A Bonds	Consolidated	12,769,082
102	Taxable Tax Allocation Refunding Parity Bonds, 2016 Series D	Refunding Bonds Issued After 6/27/12	12/15/2016	12/01/2040	US Bank	Refinance 2011 Series A Bonds and 2011 Series B Bonds	Consolidated	6,507,215
103	Subordinate Tax Allocation Refunding Bonds, 2016 Series A	Reserves	02/23/2016	12/01/2035	US Bank	Refinance 2005 Series B Bonds	Consolidated	2,905,200
104	Subordinate Taxable Tax Allocation Refunding Bonds, 2016 Series B	Reserves	02/23/2016	12/01/2035	US Bank	Refinance 2005 Series A Bonds	Consolidated	5,367,500
105	Tax Allocation Refunding Parity Bonds, 2016 Series C	Reserves	12/15/2016	12/01/2040	US Bank	Partial Refinance 2010 Series A Bonds	Consolidated	5,845,918
106	Taxable Tax Allocation Refunding Parity Bonds, 2016 Series D	Reserves	12/15/2016	12/01/2040	US Bank	Refinance 2011 Series A Bonds and 2011 Series B Bonds	Consolidated	23,255,755

AC		Admin RPTTF	\$50,000	'	1	'	50,000	'	'	1	ı	'	'	'	'	'	'	'	'	'	ľ
AB	-Dec)	RPTTF F	\$969,621	'	3,600	'	'	'	'	'	'	290,188	534,550	'	'	141,283	'	'	'		I
AA	22-23A (Jul-Dec)	Other Funds	\$	'	'	'	'	'	'	'	1	'	'	'	'	'	'	'	'	'	'
z		Bond Proceeds	÷	'	1	'		'	1	'	1	-	1	'	'	'	'	'	'	'	1
~		Admin RPTTF	÷	'	'	'	'	'	'	'	1	I	'	'	'	'	'	'	'	'	1
×	an-Jun)	RPTTF	\$4,070,377	217,004	3,300	5,550		'	692,004		1	100,188	189,550	1,800	'	242,375	388,757	190,000	345,000	101,092	1,593,757
>	21-22B (Jan-Jun)	Other Funds	¢,	'	'	'		'	'	1	'	1	'	'	'	'	'	'	'	'	I
>		Bond Proceeds	ф	'	'	'	'	'	'		'	'	'	'	'	'	'	'	'	'	'
∍		Admin RPTTF	\$50,000	'	1	1	50,000	'	1	'	I	I	1	'	'	'	'	'	'	'	I
F	Jul-Dec)	RPTTF	\$975,371	'	3,600	'	'	'	1	-	'	289,988	538,050	'	'	143,733	'	'	'	'	'
s	21-22A (Jul-Dec)	Other Funds	ф	'	'	'	'	'	'	'	1	1	'	'	'	'	'	'	'	'	'
ĸ		Bond Proceeds	¢	'	'	'	-	'	'	'	1	-	'	'	'	'	'	'	'	'	1
σ		Admin RPTTF	÷	'	1	1	-	'	1	-	I	-	1	'	'	'	1	'	'	I	I
٩	20-21B (Jan-Jun)	RPTTF	\$4,067,039	225,160	3,300	5,550	-	'	675,160	-	1	107,488	198,050	1,800	'	242,375	403,507	182,500	340,000	98,642	1,583,507
0	20-21B (Other Funds	\$	'	'		-	'	'	-	1	-	'	'		'	'			'	'
z		Bond Proceeds	Ş	'	'	'	'	'	'	-	'	'	'	'	'	'	'	'	'	'	'
Σ		Admin RPTTF	\$50,000	'	1		50,000	'	1	-	'	-	1			1				1	'
-	20-21A (Jul-Dec)	RPTTF	\$974,363	'	3,600	-	-	'	'	-	1	288,538	535,475	'		146,750	'	'	'	'	1
¥	20-21A (Other Funds	\$-	'	'	'	-	'	'	-	1		'	'	'	'	'	'	'	'	1
-		Bond Proceeds	\$3,450,000	'	1	'	-	'	1		'	'	1	'	3,450,000	'	'	'	'	'	'
۲		ltem #		e	9	œ	41	60	99	70	83	95	96	86	100	101	102	103	104	105	106

AW		Admin RPTTF	Å	'	'	'	'	'	'	'	'	'	'	'	'	'	1	'	'	'	I
AV	(unſ-u	RPTTF R	\$4,181,591	178,997	3,630	5,550	'	•	948,997	'	'	81,138	162,141	1,800	'	242,375	333,588	162,500	307,500	99,787	1,653,588
AU	24-25B (Jan-Jun)	Other Funds	\$ \$	'	'	'	'	'	'			'	'	'	'	'	'	'		'	1
АТ		Bond Proceeds	\$	'	1	'	'	'	'	1	-	'	1	'	'	'	1	'		'	1
AS		Admin RPTTF	\$50,000				50,000		1					-			1				
AR	Jul-Dec)	RPTTF	\$859,030	'	3,960	1	'	'	'		-	243,888	468,938	'	'	142,244	'	'	-	'	'
AΩ	24-25A (Jul-Dec)	Other Funds	÷	'	1	1	'	'	'		-	'	1	'	'	'	'	'	-	'	'
AP		Bond Proceeds	Ŷ	'	'	'	'		'	'	'	'	'	'	'	'	'		'	'	'
AO		Admin RPTTF	÷	'	1	1	'	'	'	1	-	'	1	'	'	'	'	'		'	'
AN	lan-Jun)	RPTTF	\$4,178,952	193,797	3,300	5,550	'	'	933,797		-	88,888	171,438	'	'	242,375	353,588	155,000	297,500	100,131	1,633,588
AM	23-24B (Jan-Jun)	Other Funds	\$	'	1	1	'		1			'	1	'	'		1	'		'	•
AL		Bond Proceeds	ф	'	1	1	'	'	'	1	-	'	1	'	'	'	'	'		'	'
AK		Admin RPTTF	\$50,000	'	'	'	50,000		'	'		'	'	'	'		'	'	'	'	'
A	Jul-Dec)	RPTTF	\$857,139	'	3,600	1	'		1			246,388	467,563	'	'	139,588	1	'		'	•
AI	23-24A (Jul-Dec)	Other Funds	\$	'	'	-			1			'	'	'						'	'
ΗA		Bond Proceeds	÷	'		'	'	'	'			'	'	'	'	'	1	'		'	
AG		Admin RPTTF	ф	'	1	1	'		'	1	'	'	1	'	'		•	'	'	'	'
AF	lan-Jun)	RPTTF	\$4,183,533	208,097	3,300	5,550	'	1	923,097	'	1	96,388	180,063	'	'	242,375	372,188	150,000	287,500	102,787	1,612,188
AE	22-23B (Jan-Jun)	Other Funds	÷	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'
AD		Bond Proceeds	¢,	'	'	'	'	'	'		-	'	'	'	'	'	'	'	'	'	1
۲		ttem #		e	9	œ	41	60	99	20	83	95	96	88	100	101	102	103	104	105	106

BQ		Admin RPTTF	\$50,000	'	1	1	50,000	1	I	I	I	1	'	I	I	I	I	1	1	I	ı
BP	.Dec)	RPTTF R	\$859,808	'	3,960	'	'		'	'	'	244,388	468,622	'	'	142,838	'	'	'	•	1
	27-28A (Jul-Dec)		چې چې				'	•	'	'	1	'	'	'	1	1	'	'	'	'	'
BO	27-2	Other Funds																			
BN		Bond Proceeds	\$		'			'		'		'	'	'		'				'	
BM		Admin RPTTF	÷	'				'				'	'								
BL	lan-Jun)	RPTTF	\$4,190,772	147,497	3,630	7,050		'	987,497	'	'	64,388	141,122	1,800		242,375	289,188	180,000	327,500	99,537	1,699,188
BK	26-27B (Jan-Jun)	Other Funds	÷	'	'		'	'	'			'	'	'	'		1	'	'		'
BJ		Bond Proceeds	\$	'	'	1	'	'	'	'	1	'	1	'	1	•	1	'	'		I
В		Admin RPTTF	\$50,000	'	1	1	50,000	'	1	'	I	'	'		'		1	'	'	'	I
ВН	Jul-Dec)	RPTTF	\$859,314	'	3,960	1	'	'	1	'	1	245,513	467,147		1	142,694	1	'	'		I
BG	26-27A (Jul-Dec)	Other Funds	Ŷ	'		'	'	'	'			'	'		'	'	'	'	'	'	'
BF		Bond Proceeds	Ŷ	'	'	'	'	'	'	-	'	'	'		'	'	'	'	'	'	'
BE		Admin RPTTF	÷	'	'	'	'	'	'		1	'	'	'	'	'	'	'	'	'	'
BD	lan-Jun)	RPTTF	\$4,183,666	163,597	3,630	7,050	'	'	968,597	1	I	73,013	152,147	1,800	'	242,375	312,138	172,500	315,000	99,681	1,672,138
BC	25-26B (Jan-Jun)	Other Funds	\$	'	1	1	'	'	1	1	I	'	'	1	'	1	'	'	'	1	I
BB		Bond Proceeds	\$	'	'	'	'	'	'	'	1	'	'	'	1		'	'	'	'	'
BA		Admin RPTTF	\$50,000	'	'	'	50,000	'	'	'	1	'	'	'	'	'	'	'	'	'	1
AZ	Jul-Dec)	RPTTF	\$859,827	'	3,960	'	'	'	'	'	I	243,638	469,641	'	1	142,588	'	'	'	•	1
AY	25-26A (Jul-Dec)	Other Funds	÷.	'	'	'	'	'	'	'	I	'	'	'	1	•	•	'	'	•	1
AX		Bond Proceeds	Å	'	'	'	'	'	'	'	1	'	'	'	'		'	'	'		I
۷		ltem #		n	9	œ	41	60	99	70	83	95	96	98	100	101	102	103	104	105	106

СК		Admin RPTTF	÷	'	'	'	'	'	1	1		'	'	1	'	'	1	'	'	'	'
ច	an-Jun)	RPTTF	\$4,186,806	92,454	4,000	7,050	'	'	1,042,454	'	'	39,388	100,222	1,800	'	242,375	201,288	202,500	370,000	101,987	1,781,288
ō	29-30B (Jan-Jun)	Other Funds	÷	'	'			'			'	'	'	'	'	'	'	'	'		1
сн		Bond Proceeds	\$-	1	1	'	'	'	'	'		'	'	'	'		'		'	'	1
ຍວ		Admin RPTTF	\$50,000	'	'	'	50,000	'		'	'	'	'	'		'		'		'	'
GF	ul-Dec)	RPTTF	\$865,708	'	4,360		'	'			'	245,888	469,422	'	'	146,038	'	'	'	'	'
СЕ	29-30A (Jul-Dec)	Other Funds	\$-	1	1	'	'	'	1	'		'	'	'	'	'	'	'	'	'	'
C		Bond Proceeds	\$	'	1		'	'	1			'	'	1	'	'	1	'	'	'	'
ខ		Admin RPTTF	\$-	ı	1	'	'	'	1	1		'	'	'	'	'	'	'	'	'	'
В	an-Jun)	RPTTF	\$4,176,448	111,685	3,630	7,050	'	'	1,016,685	'		45,888	114,422	'	'	242,375	231,688	200,000	355,000	96,337	1,751,688
CA	28-29B (Jan-Jun)	Other Funds	\$		1		'	'	1			'	'	1	'	'	1	'	'	'	'
BZ		Bond Proceeds	\$	ı	1	1	'	'	1	1		'	'	'	'	'	'	'	'	'	'
ВΥ		Admin RPTTF	\$50,000	'		'	50,000		'	'			'	'	'		'		'	'	'
BX	ul-Dec)	RPTTF	\$861,308	'	3,960	'	'	'	'	'	'	245,388	468,022	'	'	143,938	'		'	'	'
BW	28-29A (Jul-Dec)	Other Funds	Å	ı	1	1	'	'	1	1		'	'	'	'	'	'	'	'	'	'
BV		Bond Proceeds	\$-	'	1	'	'	'		'	'	'	'	'	'	•	'	'	'	'	'
BU		Admin RPTTF	Ŷ	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'
BT	lan-Jun)	RPTTF	\$4,182,136	130,172	3,630	7,050		'	1,000,086	'	-	55,388	128,022	'	'	242,375	260,988	190,000	340,000	98,437	1,725,988
BS	27-28B (Jan-Jun)	Other Funds	÷	'	1	'	'	'		'		'	'	'	'		'	'	'	'	'
BR		Bond Proceeds	\$86	1	1	'	'	'	86	'	'	'	'	'	'	'	'	'	'	'	'
۲		tem #		ю	9	8	41	60	99	20	83	95	96	86	100	101	102	103	104	105	106

DE		Admin RPTTF	\$50,000	'	1	'	50,000	'	'	'	'	'	'	'	'	'	'	'	'	'	'
DD	II-Dec)	КРТТЕ	\$1,347,264	'	4,360	'	'	'	'	'		244,944	470,022	'	'	242,375	385,563	'	'		'
DC	32-33A (Jul-Dec)	Other Funds	\$- \$-	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'
DB		Bond Proceeds	\$	'	'	'	-	'	'	'	'	'	'	'	'	'	'	'	'	'	'
DA		Admin RPTTF	÷	'	'	'		'	'	'		'	'	'	'	'	'	'	'	'	'
CZ	an-Jun)	RPTTF	\$2,590,906	59,201	4,000	8,550		'	654,201	1	-	27,444	70,022	1,800	'	242,375	150,688	217,500	400,000	'	755,125
с۲	31-32B (Jan-Jun)	Other Funds	\$	'	'	'		'	'	'		'	'	'	'	'	'	'	'	'	'
сх		Bond Proceeds	ф	'	1	'		'	'	1	-	'	'	'	'	'	'	'	'	'	'
CW		Admin RPTTF	\$50,000	'	1	'	50,000	'	'	1		'	'	'	'	'	'	'	'	'	'
cv	ul-Dec)	RPTTF	\$963,476	'	4,360	'		'	'	'		246,319	470,422	'	'	242,375	'	'	'	'	'
cu	31-32A (Jul-Dec)	Other Funds	¢	'	'	'	'	'	'	'	'		'	'	'	'	'	'	'	'	'
ст		Bond Proceeds	Ş	'	'	'		'	'	'	'	'	'	'	'	'	'	'	'	'	'
cs		Admin RPTTF	\$-	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'
CR	Jan-Jun)	RPTTF	\$2,554,442	72,266	4,000	8,550			219,334			33,819	85,422	1,800	1	242,375	169,688	212,500	385,000		1,119,688
g	30-31B (Jan-Jun)	Other Funds	\$	'	1	1		1	'	1	-	1	'	'	'	'	'	'	'	'	1
СР		Bond Proceeds	\$417,932	'	1	1	-	'	417,932		-	'	'	'	'	'	'	'	'	'	1
co		Admin RPTTF	\$50,000	'	'	'	50,000	'	'	'		'	'	'	'	'	'	'	'	'	'
CN	Jul-Dec)	RPTTF	\$856,858	'	4,360	'		1	'	'	1	241,888	470,222	'	1	140,388	'	'	'	1	'
CM	30-31A (Jul-Dec)	Other Funds	\$	'	1	1	1	'	'	1	'	'	'	'	'	'	'	'	'	'	1
CL		Bond Proceeds	\$-	'	'	'	'	I	'	'	1	I	'	'	1	I	•	1	'	1	'
۲		ltem #		e	9	œ	41	60	99	70	83	95	96	86	100	101	102	103	104	105	106

DΥ		Admin RPTTF	\$	'	'	'	'	'	'	1	'	'	1	'	'	'	'	'	'	'	I
DX	(unſ-u	RPTTF R	\$1,633,663	'	4,400	8,550	'	'	'	'		7,344	18,563	1,800		242,375	87,657	235,000	450,000	•	577,974
DW	34-35B (Jan-Jun)	Other Funds	\$- \$-	'	1	'	'	'	'	1	-	'	'	1	-	'	'	'	'	'	1
DV		Bond Proceeds	\$716,682	15,841	'	'	'	1	700,841	1	'	'	'	'	'	'	1	'	'	'	'
DU		Admin RPTTF	\$50,000	'	'	'	50,000		'	'		'	'	1		'	'	'	'	'	I
DT	Jul-Dec)	RPTTF	\$1,345,366	'	4,530	'	'	'	'	'	'	244,244	468,904	'	'	242,375	385,313	'	'		'
DS	34-35A (Jul-Dec)	Other Funds	\$	'	1	'	'	-			-	'	'	1	-	'	'	'	'	'	1
DR		Bond Proceeds	\$	'	1	'	'	-	'		-	'	'	1	-	'	'	'	'	'	1
DQ		Admin RPTTF	\$-	'	1	1	'	-	1	1	-	'	'	1	-	'	'	'	'	'	I
DP	lan-Jun)	RPTTF	\$2,585,018	30,988	4,000	8,550	'	-	685,694		-	14,244	36,404	'		242,375	110,288	230,000	432,500	'	789,975
DO	33-34B (Jan-Jun)	Other Funds	\$-	'	1	1	'		1			'	1			'	1	1	'		1
DN		Bond Proceeds	\$294	'	1	1	'	-	294	1	-	'	'	1	-	'	'	'	'	'	I
MQ		Admin RPTTF	\$50,000	'	1	1	50,000		1	1	-	'	1	1		'	'	'	'	'	I
DL	Jul-Dec)	RPTTF	\$1,345,689	'	4,360	1	'	-	'			243,419	468,522			242,375	387,013	'	'		ı
DK	33-34A (Jul-Dec)	Other Funds	\$	'	1	1			1			'	1	1		'	I	1	'		ı
D		Bond Proceeds	\$	'	1	'	'	'	1	1	'	'	'	1	'	'	'	'	'	'	1
ō		Admin RPTTF	\$	'	1	1	'	'	1	1	'	'	'	1	'	'	•	'	'		'
НО	lan-Jun)	RPTTF	\$2,587,511	45,441	4,000	8,550	'	ı	670,441	'	1	20,919	53,522	'	1	242,375	130,888	222,500	415,000	1	773,875
DG	32-33B (Jan-Jun)	Other Funds	÷	'	1	'	'	'	'	'	'	'	'	1	'	'	'	'	'	'	'
DF		Bond Proceeds	÷	'	'	'	'	-	'		-	'	1	'	-	'	'	'	'	'	I
۷		ltem #		ო	9	ω	41	60	99	70	83	95	96	98	100	101	102	103	104	105	106

		Е. Е.	\$20,000	'	'	'	20,000	'	'	'	'	'	'	'	'	'	'	'	'	'	'
ES		Admin RPTTF			-	-	- 20		-		-		-	-				-	-	-	-
ER	Jul-Dec)	RPTTF	\$1,362,038													1,121,125	240,913				
ĔQ	37-38A (Jul-Dec)	Other Funds	÷	'	-	'		'	'	-	-	'	'	'		'	'	'	'	'	1
Ъ		Bond Proceeds	\$	'	'	'	'	'	'	1			'	'	1	1	1	1	1	1	1
ЕО		Admin RPTTF	\$-	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	1
EN	unl-n	RPTTF	\$1,701,738	'	4,400	5,050	'	'	'	'	'	'	'	1,800	'	198,625	60,138	'	'	922,500	509,225
EM	36-37B (Jan-Jun)	Other Funds	\$ -\$	'	'	'	'	1	'	1	'	1	'	'	1	1	1	1	1	1	'
EL		Bond Proceeds	\$	'	'	'	'	'	'	'	-	'	'	'	'	•	'	'	1	•	I
EK		Admin RPTTF PI	\$20,000	'	'	'	20,000	•	'	'	'	•	'	'	'	1	'	'	'	•	'
E	ul-Dec)	RPTTF	\$1,361,650	'	'	'	'	'	'	'	-	'	'	'	'	1,117,375	244,275	'	1	'	1
⊒	36-37A (Jul-Dec)	Other Funds	\$	'	'	'	'	•	'	'	'	•	'	'	'	'	'	'	'	'	'
Н		Bond Proceeds	Ŷ	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	1
BG		Admin RPTTF	÷	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	1
Ш	un-Jun)	RPTTF	\$1,692,676	'	4,400	5,050	'	'	'	1	'	'	'	1,800	'	242,375	74,163	'	1	875,000	489,888
EE	35-36B (Jan-Jun)	Other Funds	\$	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	1
ED		Bond Proceeds	÷.	'	'	'	'	'	'	1	'	'	'	'	'	1	1	'	1	1	1
ы		Admin RPTTF	\$20,000	'	'	'	20,000	'	'	'	'	'	'	'	'	'	'	'	'	'	'
8	ul-Dec)	RPTTF	\$1,097,965	'	'	'	'	'	'	'	-	242,344	468,563	'	'	242,375	144,683	'	'	'	1
EA	35-36A (Jul-Dec)	Other Funds	\$-	'	'	'	'	1	'	'	'	'	'	'	1	•	•	1	'	•	1
DZ		Bond Proceeds	\$-	'	'	'	'	'	'	1	'	'	'	'	'	'	1	'	'	'	1
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FM		Admin RPTTF	\$	'	'	1	'	1	1	'	'	'	'	'	'	I	'	'	1	1	'
FL	an-Jun)	RPTTF	\$1,658,919		4,400	5,050	'	'	'	'	'	'	'	1,800	'	53,375	15,407	'	'	1,067,500	511,387
FK	39-40B (Jan-Jun)	Other Funds	\$	'	'	'	'	•	'	'	'	•	'	'	'	•	'	'	'	'	'
F		Bond Proceeds	÷	'	'	'	'	'	'	'	'	'	'	'	'		'	'	'	'	1
F		Admin RPTTF	\$20,000		-		20,000			-			-				-				I
Ŧ	Jul-Dec)	RPTTF	\$1,343,600	-	'	1	'	'	'	'	'	'	'	'	'	1,119,125	224,475	'	'	'	I
Ω	39-40A (Jul-Dec)	Other Funds	\$-	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'
Ħ		Bond Proceeds	\$	'	'	1	'	'	'	'	'	'	'	'	'	'	'	'	'	'	1
Ħ		Admin RPTTF	\$-	'	'	'	'	'	'	'	'	'	'	'	'		1	'	'	'	1
ß	lan-Jun)	RPTTF	\$1,659,450	'	4,400	5,050	'	'	'	'	'	'	'	'	'	104,125	30,175	'	'	1,015,000	500,700
FC	38-39B (Jan-Jun)	Other Funds	\$	ı	'	'	'	1	I	'	'	1	'	'	1		1	I	1	'	1
B		Bond Proceeds	Ŷ	I	'	'	'	'	'	'	'	'	'	'	'	'	'	1	'	'	'
FA		Admin RPTTF	\$20,000	'	'	1	20,000		'	'	'	'	'	'	'		'	'	'	'	'
EZ	Jul-Dec)	RPTTF	\$1,364,475	'	'	1	'	'	'	'	'	'	'	'	'	1,120,000	244,475	'	'	'	1
ΕY	38-39A (Jul-Dec)	Other Funds	\$	-	'	1	'	'	'	'	'	'	'	'	'	1	'	'	'	'	1
EX		Bond Proceeds	÷	-	'	1	'	'	'	'	'	'	'	'	'	1	I	'	'	'	I
EW		Admin RPTTF	\$	'	'	1	'		'	'	'		'	'	'	•	'	'	'	'	'
EV	Jan-Jun)	RPTTF	\$1,695,925	'	4,400	5,050	'	'	'	'	'		'	'	'	152,500	45,475	'	'	967,500	521,000
EU	37-38B (Jan-Jun)	Other Funds	\$-	1	'	'	'	'	'	'	'	'	'	'	'		'	'	'	'	'
ET		Bond Proceeds	\$	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	1
۲		ttem #		ю	9	∞	41	60	99	70	83	95	96	86	100	101	102	103	104	105	106

F		Admin RPTTF	÷					'	1			'						1	1	ı	
FT	an-Jun)	RPTTF	\$3,000	'	'		'	'	I		-	1	'	3,000		'	'	1	I	I	
FS	40-41B (Jan-Jun)	Other Funds	Ŷ	'	1		'	-	1		-	1	'	1	-	'	'	1	1	'	
FR		Bond Proceeds	÷	'	1			-			-	-	1	1	-	'	'	1	1	'	
FQ		Admin RPTTF	\$20,000	'	'		20,000	-	1	'	-		'	'		'	'	1	1	'	
FP	Jul-Dec)	RPTTF	\$1,349,895	'	1		'	-	1		-	1	'	1	-	1,120,875	229,020	1	1	'	
FO	40-41A (Jul-Dec)	Other Funds	÷	'	1			-			-	-	1		-	'	'	1	1	'	
FN		Bond Proceeds	\$	'	1	-		-	1	-	-	-	1		-	'	'	1	1	ı	
A		ltem #		e	9	8	41	60	99	70	83	95	96	<u> 8</u> 6	100	101	102	103	104	105	

RESOLUTION NO. SA 2019-02

A RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY TO THE STANTON REDEVELOPMENT AGENCY, APPROVING THE LAST AND FINAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE ("ROPS") PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.6

WHEREAS, the Stanton Redevelopment Agency ("Redevelopment Agency") was a redevelopment agency in the City of Stanton ("City"), duly created pursuant to the California Community Redevelopment Law and Health and Safety Code Section 33000, et.seq.; and

WHEREAS, Assembly Bill x1 26 chaptered and effective on June 27, 2011 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, and was subsequently amended by Assembly Bill 1484, chaptered and effective on June 27, 2012, and Senate Bill 107, chaptered and effective on September 22, 2015 (together, the "Dissolution Act"); and

WHEREAS, as of February 1, 2012, the Redevelopment Agency was dissolved pursuant to the Dissolution Act and pursuant to Health and Safety Code, Section 34173(d), the City of Stanton elected to become the successor agency to the Stanton Redevelopment Agency ("Successor Agency") on January 10, 2012 and the Successor Agency is a separate legal entity from the City of Stanton; and

WHEREAS, the Successor Agency administers the enforceable obligations of the former Redevelopment Agency and otherwise unwinds the Redevelopment Agency's affairs, all subject to the review and approval by a seven-member oversight board; and

WHEREAS, Health and Safety Code, Section 34179(j) established the Orange Countywide Oversight Board ("Oversight Board") by requiring that commencing after July 1, 2018, in each county where more than one oversight board was created, there shall be only one oversight board; and

WHEREAS, the Oversight Board with oversight to the Successor Agency to the former Redevelopment Agency has been appointed pursuant to the provisions of Health and Safety Code Section 34179; and

WHEREAS, pursuant to subdivision (a) of Health and Safety Code Section 34191.6, beginning January 1, 2016, successor agencies that have received a Finding of Completion have the option to submit a Last and Final ROPS to the Department of Finance ("DOF") at any time, if all the following conditions are met:

- 1. The successor agency's remaining debt is limited to payments pursuant to enforceable obligations with defined payment schedules including, but not limited to, debt service, loan agreements, and other contracts.
- 2. All remaining obligations have been previously listed on a ROPS and approved for payment by the DOF, pursuant to subdivision (m) or (o) of Health and Safety Code Section 34177.
- 3. The successor agency is not a party to pending litigation, except as specified in subdivision (a)(3) of Health and Safety Code Section 34191.6; and

WHEREAS, the Successor Agency meets the above listed criteria and is eligible to file a Last and Final ROPS with DOF; and

WHEREAS, the attached Last and Final ROPS identifies each enforceable obligation on which payments will be required to be made by the Successor Agency from and after July 1, 2020, until its termination; and

WHEREAS, Health and Safety Code, Section 34191.6 requires the Oversight Board to approve the Last and Final ROPS prior to the Successor Agency submitting the Last and Final ROPS to DOF.

NOW THEREFORE, THE SUCCESSOR AGENCY TO THE STANTON REDEVELOPMENT AGENCY, DOES HEREBY RESOLVE, DETERMINE, FIND AND ORDER AS FOLLOWS:

<u>SECTION 1</u>. <u>Recitals</u>. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. Approval of the ROPS. The Successor Agency hereby approves and adopts the Last and Final ROPS, in substantially the form attached to this Resolution as Exhibit A, pursuant to Health and Safety Code, Section 34191.6.

SECTION 3. <u>Transmittal of the ROPS</u>. The Assistant City Manager is hereby authorized to take all actions necessary under the Dissolution Act to post the Last and Final ROPS on the Successor Agency website, transmit the Last and Final ROPS to the Auditor-Controller and the County Administrator of the County of Orange and DOF, submit the Last and Final ROPS to the Oversight Board, and to take any other actions necessary to ensure the approval and validity of the Last and Final ROPS and the validity of any enforceable obligation approved by the Successor Agency in this Resolution. In addition, the Successor Agency authorizes and directs the Successor Agency staff to make such non-substantive revisions to the Last and Final ROPS as may be necessary to submit the Last and Final ROPS in any modified form required by the Oversight Board or DOF, and the Last and Final ROPS as so modified shall thereupon constitute the Last and Final ROPS as approved by the Successor Agency pursuant to this Resolution.

SECTION 4. <u>Severability.</u> If any provision of this Resolution or the application of any such provision to any persons or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable.

SECTION 5. <u>Certification</u>. The Secretary of the Successor Agency shall certify to the adoption of this Resolution on behalf of the Successor Agency.

SECTION 6. Effective Date. This Resolution shall become effective immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Successor Agency to the Stanton Redevelopment Agency, held on this 10th day of September, 2019.

DAVID J. SHAWVER. CHAIRMAN

APPROVED AS TO FORM:

MATTHEW E. RICHARDSON, AGENCY COUNSEL

RESOLUTION NO. SA 2019-02 Page 3 of 4

ATTEST:

I, Patricia A. Vazquez, Agency Secretary of the City of Stanton, as Successor to Stanton Redevelopment Agency, Stanton, California, DO HEREBY CERTIFY that the foregoing Resolution, being Resolution No. SA 2019-02 has been duly signed by the Chairperson and attested by the Agency Secretary, all at a regular meeting of the City of Stanton, as Successor to Stanton Redevelopment Agency, held on September 10, 2019, and that the same was adopted, signed, and approved by the following vote to wit:

AYES:	Ramirez, Shawver, Taylor, Van
NOES:	None
ABSENT:	Warren
ABSTAIN:	None
ADOTAIN.	
(7	Jan 1
PATRICIA	A. VAZOUEZ, AGENCY SECRETARY

Last and Final Recognized Obligation Payment Schedule (ROPS) - Summary Filed for the July 1, 2020 through June 30, 2041 Period

Successor Agency:	Stanton
County:	Orange
Initial ROPS Period:	20-21A
Final ROPS Period:	40-41B

Requested Funding for Enforceable Obligations

A	Enforceable Obligations Funded as Follows (B+C)
В	Bond Proceeds
С	Other Funds
D	Redevelopment Property Tax Trust Fund (RPTTF) (E+F)
Е	RPTTF
F	Administrative RPTTF
G	Total Outstanding Obligations (A+D)

Total Outstanding Obligation

\$85,514	
870	
\$90,099	

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.

id J. Shawver, C <u>Lirman</u> Title Name

Augusa olzoig Signature Date

Last and Final Recognized Obligation Payment Schedule (ROPS) - Summary Filed for the July 1, 2020 through June 30, 2041 Period

Successor Agency:	Stanton
County:	Orange
Initial ROPS Period:	20-21A
Final ROPS Period:	40-41B

Req	uested Funding for Enforceable Obligations	Total Outstanding Obligation
Α	Enforceable Obligations Funded as Follows (B+C)	\$4,584,994
В	Bond Proceeds	4,584,994
С	Other Funds	-
D	Redevelopment Property Tax Trust Fund (RPTTF) (E+F)	\$85,514,333
Е	RPTTF	84,644,333
F	Administrative RPTTF	870,000
G	Total Outstanding Obligations (A+D)	\$90,099,327

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.

Stanton Last and Final Recognized Obligation Payment Schedule (ROPS) - Summary by ROPS Period July 1, 2020 through June 30, 2041

A Period July - December Fund Sources
\$3,450,000
3,450,000
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		B P Janua	B Period January - June			-
		Fund (Fund Sources		Civ Month	Iwelve-Month Total
ROPS Period	Bond Proceeds	Other Funds	RPTTF	Admin RPTTF	Total	5
	\$1,134,994	÷	\$61,964,568	Å	\$63,099,562	\$90,099,327
ROPS 20-21B	I	'	4,067,039	'	\$4,067,039	\$8,541,402
ROPS 21-22B	I	'	4,070,377	'	\$4,070,377	\$5,095,748
ROPS 22-23B	1	1	4,183,533	'	\$4,183,533	\$5,203,154
ROPS 23-24B	I	ı	4,178,952	'	\$4,178,952	\$5,086,091
ROPS 24-25B	I	1	4,181,591	-	\$4,181,591	\$5,090,621
ROPS 25-26B	I	1	4,183,666	'	\$4,183,666	\$5,093,493
ROPS 26-27B	I	-	4,190,772	I	\$4,190,772	\$5,100,086
ROPS 27-28B	86	'	4,182,136	'	\$4,182,222	\$5,092,030
ROPS 28-29B	I	'	4,176,448	'	\$4,176,448	\$5,087,756
ROPS 29-30B	I	1	4,186,806	'	\$4,186,806	\$5,102,514
ROPS 30-31B	417,932	I	2,554,442	'	\$2,972,374	\$3,879,232
ROPS 31-32B	I	1	2,590,906	-	\$2,590,906	\$3,604,382
ROPS 32-33B	I	1	2,587,511	'	\$2,587,511	\$3,984,775
ROPS 33-34B	294	'	2,585,018	'	\$2,585,312	\$3,981,001
ROPS 34-35B	716,682	I	1,633,663		\$2,350,345	\$3,745,711
ROPS 35-36B	I	I	1,692,676	1	\$1,692,676	\$2,810,641
ROPS 36-37B	I	I	1,701,738	-	\$1,701,738	\$3,083,388
ROPS 37-38B	-	1	1,695,925	'	\$1,695,925	\$3,077,963

		_	œ	ľ	œ
	Civ Month	Total	\$1,384,475	\$1,363,600	\$1,369,895
		Admin RPTTF	20,000	20,000	20,000
A Period July - December	Fund Sources	RPTTF	1,364,475	1,343,600	1,349,895
A July -	Fund	Other Funds	'	'	1
		Bond Proceeds	1	1	1
		ROPS Period	ROPS 38-39A	ROPS 39-40A	ROPS 40-41A

		B P Januai	B Period January - June			:
		Fund (Fund Sources		Civ Month	Twelve-Month Total
ROPS Period	Bond Proceeds	Other Funds	RPTTF	Admin RPTTF	Total	
ROPS 38-39B	1	1	1,659,450	1	\$1,659,450	\$3,043,925
ROPS 39-40B	I	1	1,658,919	1	\$1,658,919	\$3,022,519
ROPS 40-41B	I	I	3,000	1	\$3,000	\$1,372,895

Stanton Last and Final Recognized Obligation Payment Schedule (ROPS) - ROPS Detail July 1, 2020 through June 30, 2041 (Report Amounts in Whole Dollars)

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ltem #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstaning Obligation
								\$90,102,027
3	Bond Payment: 2010 Tax Allocation Bonds Series A	Bonds Issued On or Before 12/31/10	10/28/2010	12/01/2035	US Bank	Debt Service on Bonds issued to fund non-housing projects	Consolidated	1,892,197
9	Trustee	Fees	07/07/2005	12/01/2040	US Bank	Trustee Fees	Consolidated	138,280
8	Bond Disclosure	Fees	09/10/2019	12/01/2040	Harrell & Company	Bond Continuing Disclosure/Financial Services	Consolidated	131,000
41	Administrative Cost Allowance	Admin Costs	07/01/2019	12/01/2040	City of Stanton	Administrative Cost Allowance	Consolidated	870,000
60	Replacement Housing Obligation under H&S Code	Miscellaneous	07/01/2013	12/01/2040	To be Determined	96 Required Units	Consolidated	1
66	Bond Payment: 2010 Tax Allocation Bonds Series A	Reserves	10/28/2010	12/01/2035	US Bank	ROPS B Reserve for following ROPS A December 1 Debt Service	Consolidated	12,537,197
70	City Loan	City/County Loan (Prior 06/28/11), Cash exchange	02/09/2010	12/01/2040	City of Stanton	City Loan to pay SERAF Payment	Consolidated	1
83	City Loan	City/County Loan (Prior 06/28/11), Other	06/24/2003	12/01/2040	City of Stanton	City Loan for Start up costs for 2000 Project Area	Consolidated	1
95	Subordinate Tax Allocation Refunding Bonds, 2016 Series	Refunding Bonds Issued After 6/27/12	02/23/2016	12/01/2035	US Bank	Refinance 2005 Series B Bonds	Consolidated	4,902,888
96	Subordinate Taxable Tax Allocation Refunding Bonds, 2016 Refunding Bonds Issued After 6/27/12 Series B	Refunding Bonds Issued After 6/27/12	02/23/2016	12/01/2035	US Bank	Refinance 2005 Series A Bonds	Consolidated	9,505,195
98	Rebate Consultant	Fees	07/01/2015	12/31/2040	BLX Group	Rebate Calculations	Consolidated	24,600
100	Project Costs	Bond Funded Project - 2011	07/01/2016	06/30/2020	To be Determined	Bond Funded Project from 2011 Proceeds	Consolidated	3,450,000
101	Tax Allocation Refunding Parity Bonds, 2016 Series C	Refunding Bonds Issued After 6/27/12	12/15/2016	12/01/2040	US Bank	Partial Refinance 2010 Series A Bonds	Consolidated	12,769,082
102	Taxable Tax Allocation Refunding Parity Bonds, 2016 Series D	Refunding Bonds Issued After 6/27/12	12/15/2016	12/01/2040	US Bank	Refinance 2011 Series A Bonds and 2011 Series B Bonds	Consolidated	6,507,215
103	Subordinate Tax Allocation Refunding Bonds, 2016 Series A	Reserves	02/23/2016	12/01/2035	US Bank	Refinance 2005 Series B Bonds	Consolidated	2,905,200
104	Subordinate Taxable Tax Allocation Refunding Bonds, 2016 Series B	Reserves	02/23/2016	12/01/2035	US Bank	Refinance 2005 Series A Bonds	Consolidated	5,367,500
105	Tax Allocation Refunding Parity Bonds, 2016 Series C	Reserves	12/15/2016	12/01/2040	US Bank	Partial Refinance 2010 Series A Bonds	Consolidated	5,845,918
106	Taxable Tax Allocation Refunding Parity Bonds, 2016 Series D	Reserves	12/15/2016	12/01/2040	US Bank	Refinance 2011 Series A Bonds and 2011 Series B Bonds	Consolidated	23,255,755

AC		Admin RPTTF	\$50,000	'	1	'	50,000	'	'	1	ı	'	'	'	'	'	'	'	'	'	ľ
AB	-Dec)	RPTTF /	\$969,621		3,600	'			,		'	290,188	534,550	'		141,283		'			1
AA	22-23A (Jul-Dec)	Other Funds	\$	'	'	'	'	'	'	'	1	'	'	'	'	'	1	'	'	'	'
z		Bond Proceeds	÷	'	1	'		'	1	'	1	-	'	'	'	'	'	'	'	'	1
~		Admin RPTTF	÷	'	'	'	'	'	'	'	1	I	'	'	'	'	'	'	'	'	1
×	an-Jun)	RPTTF	\$4,070,377	217,004	3,300	5,550		'	692,004	1	1	100,188	189,550	1,800	'	242,375	388,757	190,000	345,000	101,092	1,593,757
>	21-22B (Jan-Jun)	Other Funds	¢,	'	'	'		'	'	1	'	1	'	'	'	'	'	'	'	'	I
>		Bond Proceeds	ф	'	'	'	'	'	'		'	'	'	'	'	'	'	'	'	'	'
∍		Admin RPTTF	\$50,000	'	1	1	50,000	'	1	'	I	I	'	'	'	'	I	'	'	'	I
F	Jul-Dec)	RPTTF	\$975,371	'	3,600	'	'	'	1	-	'	289,988	538,050	'	'	143,733	'	'	'	'	'
s	21-22A (Jul-Dec)	Other Funds	ф	'	'	'	'	'	'	'	1	1	'	'	'	'	'	'	'	'	'
ĸ		Bond Proceeds	¢	'	'	'	-	'	'	'	1	-	'	'	'	'	'	'	'	'	1
σ		Admin RPTTF	÷	'	1	1	-	'	1		I	-	'	'	'	'	'	'	'	I	I
٩	20-21B (Jan-Jun)	RPTTF	\$4,067,039	225,160	3,300	5,550	-	'	675,160	-	1	107,488	198,050	1,800	'	242,375	403,507	182,500	340,000	98,642	1,583,507
0	20-21B (Other Funds	\$	'	'		-	'	'	-	1	-		'		'	'			'	'
z		Bond Proceeds	Ş	'	'	'	'	'	'	-	'	'	'	'	'	'	'	'	'	'	'
≥		Admin RPTTF	\$50,000	'	1		50,000	'	1	-	'	-				1				1	'
-	20-21A (Jul-Dec)	RPTTF	\$974,363	'	3,600	-	-	'	'	-	1	288,538	535,475	'		146,750	'	'	'	'	1
¥	20-21A (Other Funds	\$-	'	'	'	-	'	'	-	1		'	'	'	'	'	'	'	'	1
-		Bond Proceeds	\$3,450,000	'	1	'	-	'	1		'	'	'	'	3,450,000	'	'	'	'	'	'
۲		ltem #		e	9	œ	41	60	99	70	83	95	96	86	100	101	102	103	104	105	106

AW		Admin RPTTF	Å	'	'	'	'	'	'	'	'	'	'	'	'	'	1	'	'	'	I
AV	(unſ-u	RPTTF R	\$4,181,591	178,997	3,630	5,550	'	•	948,997	'	'	81,138	162,141	1,800	'	242,375	333,588	162,500	307,500	99,787	1,653,588
AU	24-25B (Jan-Jun)	Other Funds	\$ \$	'	'	'	'	'	'	'	'	'	'	'	'	'	•	'	'	'	'
AT		Bond Proceeds	\$	'	1	'	'	'	'	'	-	'	'	'	'	'	1	'		'	1
AS		Admin RPTTF	\$50,000	'	1	'	50,000	'	'			'	'	'	'	'		'	'	'	'
AR	Jul-Dec)	RPTTF	\$859,030	'	3,960	'	'	'	'	'	-	243,888	468,938	'	'	142,244	'	'	'	'	'
AQ	24-25A (Jul-Dec)	Other Funds	÷	'	'	'	'	'	'	'	-	'	'	'	'	'	'	'	'	'	'
AP		Bond Proceeds	Ŷ	'	'	'	'		'	'	'	'	'	'	'	'	'		'	'	1
AO		Admin RPTTF	÷	'	'	'	'	'	'	'		'	'	'	'	'	'	'		'	1
AN	lan-Jun)	RPTTF	\$4,178,952	193,797	3,300	5,550	'	'	933,797		-	88,888	171,438	1	'	242,375	353,588	155,000	297,500	100,131	1,633,588
AM	23-24B (Jan-Jun)	Other Funds	\$	'	1	1	'		1			'	1	1	'		1	'		'	I
AL		Bond Proceeds	ф	'	1	1	'	'	'	1	-	'	'	'	'	'	'	'		'	I
AK		Admin RPTTF	\$50,000	'	1	1	50,000	'	1	1	-	'	1	'	'	'	1	'		'	ı
Ρ	Jul-Dec)	RPTTF	\$857,139	'	3,600	'	'	'	'		-	246,388	467,563	'	'	139,588	'	'	-	'	1
AI	23-24A (Jul-Dec)	Other Funds	ф	'	'	'	'	'	'	-	-	'	'	'	'	'	'	'	-	'	'
АН		Bond Proceeds	÷	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'
AG		Admin RPTTF	Å	'	'	'	'	1	'	'	1	'	'	'	'	1		1	1	'	I
AF	lan-Jun)	RPTTF	\$4,183,533	208,097	3,300	5,550	'	'	923,097	1	'	96,388	180,063	1	'	242,375	372,188	150,000	287,500	102,787	1,612,188
AE	22-23B (Jan-Jun)	Other Funds	÷	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'
AD		Bond Proceeds	¢,	'	'	'	'	'	'	'	-	'	'	'	'	'	'	'	'	'	I
٩		ttem #		e	9	œ	41	60	99	20	83	95	96	88	100	101	102	103	104	105	106

BQ		Admin RPTTF	\$50,000	'	1	1	50,000	1	I	I	I	1	'	I	1	I	I	1	1	I	ı
BP	.Dec)	RPTTF R	\$859,808	'	3,960	'	'		'	'	'	244,388	468,622	'	'	142,838	'	'	'	•	1
	27-28A (Jul-Dec)		\$				'	•	'	'	1	'	'	'	1	1	'	'	'	'	'
BO	27-2	Other Funds																			
BN		Bond Proceeds	\$		'	'		'		'		'	'	'		'				'	
BM		Admin RPTTF	\$-	'				'				'	'								
BL	lan-Jun)	RPTTF	\$4,190,772	147,497	3,630	7,050		'	987,497	'	'	64,388	141,122	1,800		242,375	289,188	180,000	327,500	99,537	1,699,188
BK	26-27B (Jan-Jun)	Other Funds	\$-	'	'	'	'	'	'			'	'	'	'		1	'	'		'
BJ		Bond Proceeds	\$	'	'	1	'	'	'	'	1	'	1	'	1	•	1	'	'		I
В		Admin RPTTF	\$50,000	'	1	1	50,000	'	1	'	I	'	1		'		1	'	'	'	I
ВН	Jul-Dec)	RPTTF	\$859,314	'	3,960	1	'	'	1	'	1	245,513	467,147		1	142,694	1	'	'		I
BG	26-27A (Jul-Dec)	Other Funds	\$	'		'	'	'	'			'	'		'	'	'	'	'	'	'
BF		Bond Proceeds	Ŷ	'	'	'	'	'	'	-	'	'	'		'	'	'	'	'	'	'
BE		Admin RPTTF	÷	'	'	'	'	'	'		1	'	'	'	'	'	'	'	'	'	'
BD	lan-Jun)	RPTTF	\$4,183,666	163,597	3,630	7,050	'	'	968,597	1	I	73,013	152,147	1,800	'	242,375	312,138	172,500	315,000	99,681	1,672,138
BC	25-26B (Jan-Jun)	Other Funds	\$	'	1	1	'	'	1	1	I	'	'	1	'	1	'	'	'	1	I
BB		Bond Proceeds	\$-	'	'	'	'	'	'	'	1	'	'	'	1		'	'	'	'	'
BA		Admin RPTTF	\$50,000	'	'	'	50,000	'	'	'	1	'	'	'	'	'	'	'	'	'	1
AZ	Jul-Dec)	RPTTF	\$859,827	'	3,960	'	'	'	'	'	I	243,638	469,641	'	1	142,588	'	'	'	•	1
AY	25-26A (Jul-Dec)	Other Funds	\$-	'	'	'	'	'	'	'	I	'	'	'	1	•	•	'	'	•	1
AX		Bond Proceeds	\$-	'	'	'	'	'	'	'	1	'	'	'	'		'	'	'		I
۷		ltem #		n	9	œ	41	60	99	70	83	95	96	98	100	101	102	103	104	105	106

СК		Admin RPTTF	÷	'	'	'	'	'	1	1		'	'	1	'	'	1	'	'	'	'
ច	an-Jun)	RPTTF	\$4,186,806	92,454	4,000	7,050	'	'	1,042,454	'	'	39,388	100,222	1,800	'	242,375	201,288	202,500	370,000	101,987	1,781,288
ō	29-30B (Jan-Jun)	Other Funds	÷	'	'			'			'	'	'	'	'	'	'	'	'		1
сн		Bond Proceeds	\$-	1	1	'	'	'	'	'		'	'	'	'	•	'		'	'	1
ຍວ		Admin RPTTF	\$50,000	'	'	'	50,000	'		'	'	'	'	'		'		'	'	'	'
сF	ul-Dec)	RPTTF	\$865,708	'	4,360		'	'			'	245,888	469,422	'	'	146,038	'	'	'	'	'
СЕ	29-30A (Jul-Dec)	Other Funds	\$-	1	1	'	'	'	1	'		'	'	'	'	'	'	'	'	'	'
C		Bond Proceeds	\$	'	1		'	'	1			'	'	1	'	'	1	'	'	'	'
ខ		Admin RPTTF	\$-	ı	1	'	'	'	1	1		'	'	'	'	'	'	'	'	'	'
В	an-Jun)	RPTTF	\$4,176,448	111,685	3,630	7,050	'	'	1,016,685	'		45,888	114,422	'	'	242,375	231,688	200,000	355,000	96,337	1,751,688
CA	28-29B (Jan-Jun)	Other Funds	\$		1		'	'	1			'	'	1	'	'	1	'	'	'	'
BZ		Bond Proceeds	\$	ı	1	1	'	'	1	1		'	'	'	'	'	1	'	'	'	'
ВΥ		Admin RPTTF	\$50,000	'		'	50,000		'	'			'	'	'		'		'	'	'
BX	ul-Dec)	RPTTF	\$861,308	'	3,960	'	'	'	'	'	'	245,388	468,022	'	'	143,938	'		'	'	'
BW	28-29A (Jul-Dec)	Other Funds	Å	ı	1	1	'	'	1	1		'	'	'	'	'	1	'	'	'	'
BV		Bond Proceeds	\$-	'	1	'	'	'		'	'	'	'	'	'	•	'	'	'	'	'
BU		Admin RPTTF	Ŷ	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'
BT	lan-Jun)	RPTTF	\$4,182,136	130,172	3,630	7,050		'	1,000,086	'	-	55,388	128,022	'	'	242,375	260,988	190,000	340,000	98,437	1,725,988
BS	27-28B (Jan-Jun)	Other Funds	÷	'	1	'	'	'		'		'	'	'	'		'	'	'	'	'
BR		Bond Proceeds	\$86	1	1	'	'	'	86	'	'	'	'	'	'	'	'	'	'	'	'
۲		tem #		ю	9	8	41	60	99	20	83	95	96	86	100	101	102	103	104	105	106

DE		Admin RPTTF	\$50,000	'	1	'	50,000	'	'	'	'	'	'	'	'	'	'	'	'	'	'
DD	II-Dec)	КРТТЕ	\$1,347,264	'	4,360	'	'	'	'	'		244,944	470,022	'	'	242,375	385,563	'	'		'
DC	32-33A (Jul-Dec)	Other Funds	\$- \$-	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'
DB		Bond Proceeds	\$	'	'	'	-	'	'	'	'	'	'	'	'	'	'	'	'	'	'
DA		Admin RPTTF	÷	'	'	'		'	'	'		'	'	'	'	'	'	'	'	'	'
CZ	an-Jun)	RPTTF	\$2,590,906	59,201	4,000	8,550		'	654,201	1	-	27,444	70,022	1,800	'	242,375	150,688	217,500	400,000	'	755,125
сY	31-32B (Jan-Jun)	Other Funds	\$	'	'	'		'	'	'		'	'	'	'	'	'	'	'	'	'
сх		Bond Proceeds	ф	'	1	'		'	'	1	-	'	'	'	'	'	'	'	'	'	'
CW		Admin RPTTF	\$50,000	'	1	'	50,000	'	'	1		'	'	'	'	'	'	'	'	'	'
cv	ul-Dec)	RPTTF	\$963,476	'	4,360	'		'	'	'		246,319	470,422	'	'	242,375	'	'	'	'	'
cu	31-32A (Jul-Dec)	Other Funds	¢	'	'	'	'	'	'	'	'		'	'	'	'	'	'	'	'	'
ст		Bond Proceeds	Ş	'	'	'		'	'	'	'	'	'	'	'	'	'	'	'	'	'
cs		Admin RPTTF	\$-	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'
CR	Jan-Jun)	RPTTF	\$2,554,442	72,266	4,000	8,550			219,334			33,819	85,422	1,800	1	242,375	169,688	212,500	385,000		1,119,688
g	30-31B (Jan-Jun)	Other Funds	\$	'	1	1		1	'	1	-	1	'	'	'	'	'	'	'	'	1
СР		Bond Proceeds	\$417,932	'	1	1	-	'	417,932		-	'	'	'	'	'	'	'	'	'	1
co		Admin RPTTF	\$50,000	'	'	'	50,000	'	'		-	'	'	'	'	'	'	'	'	'	'
CN	Jul-Dec)	RPTTF	\$856,858	'	4,360	'		1	'	'	1	241,888	470,222	'	1	140,388	'	1	'	1	'
CM	30-31A (Jul-Dec)	Other Funds	\$	'	1	1	1	'	'	1	'	'	'	'	'	'	'	'	'	'	1
CL		Bond Proceeds	\$-	'	'	'	'	I	'	'	1	I	'	'	1	I	•	1	'	1	'
۲		ltem #		e	9	œ	41	60	99	70	83	95	96	86	100	101	102	103	104	105	106

DΥ		Admin RPTTF	\$	'	'	'	'	ı	'	1	'	'	1	'	'	'	'	'	'	'	I
DX	(unſ-u	RPTTF R	\$1,633,663		4,400	8,550	'	'	'	'		7,344	18,563	1,800		242,375	87,657	235,000	450,000	•	577,974
DW	34-35B (Jan-Jun)	Other Funds	\$- \$-	'	1	'	'	'	'	1	-	'	'	1	-	'	'	'	'	'	1
DV		Bond Proceeds	\$716,682	15,841	'	'	'	1	700,841	1	'	'	'	'	'	'	1	'	'	'	'
DU		Admin RPTTF	\$50,000	'	'	'	50,000		'	'		'	'	'		'	'	'	'	'	I
DT	Jul-Dec)	RPTTF	\$1,345,366	'	4,530	'	'	'	'	'	'	244,244	468,904	'	'	242,375	385,313	'	'		'
DS	34-35A (Jul-Dec)	Other Funds	\$	'	1	'	'	-	1		-	'	'	1	-	'	'	'	'	'	1
DR		Bond Proceeds	\$	'	1	'	'	-	'		-	'	'	1	-	'	'	'	'	'	1
DQ		Admin RPTTF	\$-	'	1	1	'	-	1	1	-	'	'	1	-	'	'	'	'	'	I
DP	lan-Jun)	RPTTF	\$2,585,018	30,988	4,000	8,550	'	-	685,694		-	14,244	36,404	'		242,375	110,288	230,000	432,500	'	789,975
DO	33-34B (Jan-Jun)	Other Funds	\$-	'	'	1	'		'			'	1			'	1	1	'		1
DN		Bond Proceeds	\$294	'	1	1	'	-	294	1	-	'	'	1	-	'	'	'	'	'	I
MQ		Admin RPTTF	\$50,000	'	1	1	50,000		1	1	-	'	1	1		'	'	'	'	'	I
DL	Jul-Dec)	RPTTF	\$1,345,689	'	4,360	1	'	-	'			243,419	468,522			242,375	387,013	'	'		ı
DK	33-34A (Jul-Dec)	Other Funds	\$	'	1	1			1			'	1	1		'	I	1	'		ı
D		Bond Proceeds	\$	'	1	'	'	'	1	1	'	'	'	1	'	'	'	'	'	'	1
ō		Admin RPTTF	\$	'	1	1	'	'	1	1	'	'	'	1	'	'	•	'	'		'
НО	lan-Jun)	RPTTF	\$2,587,511	45,441	4,000	8,550	'	ı	670,441	'	1	20,919	53,522	'	1	242,375	130,888	222,500	415,000	1	773,875
DG	32-33B (Jan-Jun)	Other Funds	÷	'	1	'	'	'	'	'	'	'	'	1	'	'	'	'	'	'	'
DF		Bond Proceeds	÷	'	'	'	'	-	'		-	'	1	'	-	'	'	'	'	'	I
۷		ltem #		ო	9	ω	41	60	99	70	83	95	96	98	100	101	102	103	104	105	106

		ΈĘ	\$20,000	'	'	'	20,000	'	'	'	'	'	'	'	'	'	'	'	'	'	'
ES		Admin RPTTF			-	-	- 20		-		-		-	-				-	-	-	-
ER	Jul-Dec)	RPTTF	\$1,362,038													1,121,125	240,913				
ĔQ	37-38A (Jul-Dec)	Other Funds	÷	'	-	'		'	'	-	-	'	'	'		'	'	'	'	'	1
Ъ		Bond Proceeds	\$	'	'	'	'	'	'	1			'	'	1	1	1	1	1	1	1
ЕО		Admin RPTTF	\$-	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	1
EN	unl-n	RPTTF	\$1,701,738	'	4,400	5,050	'	'	'	'	'	'	'	1,800	'	198,625	60,138	'	'	922,500	509,225
EM	36-37B (Jan-Jun)	Other Funds	\$ -\$	'	'	'	'	1	'	1	'	1	'	'	1	1	1	1	1	1	'
EL		Bond Proceeds	\$	'	'	'	'	'	'	'	-	'	'	'	'	•	'	'	1	•	I
EK		Admin RPTTF PI	\$20,000	'	'	'	20,000	•	'	'	'	•	'	'	'	1	'	'	'	1	'
E	ul-Dec)	RPTTF	\$1,361,650	'	'	'	'	'	'	'	-	'	'	'	'	1,117,375	244,275	'	1	'	1
⊒	36-37A (Jul-Dec)	Other Funds	\$	'	'	'	'	•	'	'	'	•	'	'	'	'	'	'	'	'	'
Н		Bond Proceeds	Ŷ	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	1
BG		Admin RPTTF	÷	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	1
н	un-Jun)	RPTTF	\$1,692,676	'	4,400	5,050	'	'	'	1	'	'	'	1,800	'	242,375	74,163	'	1	875,000	489,888
EE	35-36B (Jan-Jun)	Other Funds	\$	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	1
ED		Bond Proceeds	÷.	'	'	'	'	'	'	1	'	'	'	'	'	1	1	'	1	1	1
ы		Admin RPTTF	\$20,000	'	'	'	20,000	'	'	'	'	'	'	'	'	'	'	'	'	'	'
8	ul-Dec)	RPTTF	\$1,097,965	'	'	'	'	'	'	'	-	242,344	468,563	'	'	242,375	144,683	'	'	'	1
EA	35-36A (Jul-Dec)	Other Funds	\$-	'	'	'	'	1	'	'	'	'	'	'	1	•	•	1	'	•	1
DZ		Bond Proceeds	\$-	'	'	'	'	'	'	1	'	'	'	'	'	'	1	'	'	'	1
۲		#		e	9	œ	41	60	99	70	83	95	96	98	100	101	102	103	104	105	106

FM		Admin RPTTF	\$	'	'	1	'	1	1	'	'	'	'	'	'	I	'	'	1	1	'
FL	an-Jun)	RPTTF	\$1,658,919		4,400	5,050	'	'	'	'	'	'	'	1,800	'	53,375	15,407	'	'	1,067,500	511,387
FK	39-40B (Jan-Jun)	Other Funds	\$	'	'	'	'	•	'	'	'	•	'	'	'	•	'	'	'	'	'
F		Bond Proceeds	÷	'	'	'	'	'	'	'	'	'	'	'	'		'	'	'	'	1
F		Admin RPTTF	\$20,000		-		20,000			-			-				-				I
Ŧ	Jul-Dec)	RPTTF	\$1,343,600	-	'	1	'	'	'	'	'	'	'	'	'	1,119,125	224,475	'	'	'	I
Ω	39-40A (Jul-Dec)	Other Funds	\$-	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'
Ħ		Bond Proceeds	\$	'	'	1	'	'	'	'	'	'	'	'	'	'	'	'	'	'	1
Ħ		Admin RPTTF	\$-	'	'	'	'	'	'	'	'	'	'	'	'		1	'	'	'	1
ß	lan-Jun)	RPTTF	\$1,659,450	'	4,400	5,050	'	'	'	'	'	'	'	'	'	104,125	30,175	'	'	1,015,000	500,700
FC	38-39B (Jan-Jun)	Other Funds	\$	ı	'	'	'	1	I	'	'	1	'	'	1		1	I	1	'	1
B		Bond Proceeds	Ŷ	I	'	'	'	'	'	'	'	'	'	'	'	'	'	1	'	'	'
FA		Admin RPTTF	\$20,000	'	'	1	20,000		'	'	'	'	'	'	'		'	'	'	'	'
EZ	Jul-Dec)	RPTTF	\$1,364,475	'	'	1	'	'	'	'	'	'	'	'	'	1,120,000	244,475	'	'	'	1
ΕY	38-39A (Jul-Dec)	Other Funds	\$	-	'	1	'	'	'	'	'	'	'	'	'	1	'	'	'	'	1
EX		Bond Proceeds	÷	-	'	1	'	'	'	'	'	'	'	'	'	1	I	'	'	'	I
EW		Admin RPTTF	\$	'	'	1	'		'	'	'		'	'	'	•	'	'	'	'	'
EV	Jan-Jun)	RPTTF	\$1,695,925	'	4,400	5,050	'	'	'	'	'		'	'	'	152,500	45,475	'	'	967,500	521,000
EU	37-38B (Jan-Jun)	Other Funds	\$-	1	'	'	'	'	'	'	'	'	'	'	'		'	'	'	'	'
ET		Bond Proceeds	\$	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	'	1
۲		ttem #		ю	9	∞	41	60	99	70	83	95	96	86	100	101	102	103	104	105	106

F		Admin RPTTF	÷					'	1			'						1	1	ı	
FT	an-Jun)	RPTTF	\$3,000	'	'		'	'	I		-	1	'	3,000		'	'	1	I	ı	
FS	40-41B (Jan-Jun)	Other Funds	Ŷ	'	1		'	-	1		-	1	'	1	-	'	'	1	1	'	
FR		Bond Proceeds	÷	'	1			-			-	-	1		-	'	'	1	1	'	
FQ		Admin RPTTF	\$20,000	'	'		20,000	-	1	'	-		'	'		'	'	1	1	'	
FP	Jul-Dec)	RPTTF	\$1,349,895	'	1		'	-	1		-	1	'	1	-	1,120,875	229,020	1	1	'	
FO	40-41A (Jul-Dec)	Other Funds	÷	'	1			-			-	-	1		-	'	'	1	1	'	
FN		Bond Proceeds	\$	'	1	-		-	1	-	-	-	1		-	'	'	1	1	ı	
A		ltem #		e	9	8	41	60	99	70	83	95	96	<u> 8</u> 6	100	101	102	103	104	105	

			Item 3	ltem 66				Debt Service
Debt Service	Debt Service	ROPS	Deposit	Deposit ROPS B	Paid from Bond Reserve	Deposited	Total	Paid in ROPS
Payment Date	Amount	Period	ROPS B	100% Reserve	Held by Trustee	ROPS 19-20B	Requested	Period
12/1/2020	673,959.40	20-21A			•	673,959	673,959	Paid in A
6/1/2021	225,159.40	20-21B	225,160				225,160	Paid in B
12/1/2021	675,159.40	20-21B		675,160			675,160	Paid in A
6/1/2022	217,003.15	21-22B	217,004				217,004	Paid in B
12/1/2022	692,003.15	21-22B		692,004			692,004	Paid in A
6/1/2023	208,096.90	22-23B	208,097				208,097	Paid in B
12/1/2023	923,096.90	22-23B		923,097			923,097	Paid in A
6/1/2024	193,796.90	23-24B	193,797				193,797	Paid in B
12/1/2024	933,796.90	23-24B		933,797			933,797	Paid in A
6/1/2025	178,996.90	24-25B	178,997				178,997	Paid in B
12/1/2025	948,996.90	24-25B		948,997			948,997	Paid in A
6/1/2026	163,596.90	25-26B	163,597				163,597	Paid in B
12/1/2026	968,596.90	25-26B		968,597			968,597	Paid in A
6/1/2027	147,496.90	26-27B	147,497				147,497	Paid in B
12/1/2027	987,496.90	26-27B		987,497			987,497	Paid in A
6/1/2028	130,171.90	27-28B	130,172				130,172	Paid in B
12/1/2028	1,000,171.90	27-28B		1,000,086	86		1,000,172	Paid in A
6/1/2029	111,684.40	28-29B	111,685				111,685	Paid in B
12/1/2029	1,016,684.40	28-29B		1,016,685			1,016,685	Paid in A
6/1/2030	92,453.15	29-30B	92,454				92,454	Paid in B
12/1/2030	1,042,453.15	29-30B		1,042,454			1,042,454	Paid in A
6/1/2031	72,265.65	30-31B	72,266				72,266	Paid in B
12/1/2031	637,265.65	30-31B		219,334	417,932		637,266	Paid in A
6/1/2032	59,200.02	31-32B	59,201				59,201	Paid in B
12/1/2032	654,200.02	31-32B		654,201			654,201	Paid in A
6/1/2033	45,440.64	32-33B	45,441				45,441	Paid in B
12/1/2033	670,440.64	32-33B		670,441			670,441	Paid in A
6/1/2034	30,987.51	33-34B	30,988				30,988	Paid in B
12/1/2034	685,987.51	33-34B		685,694	294		685,988	Paid in A
6/1/2035	15,840.63	34-35B	-		15,841		15,841	Paid in B
12/1/2035	700,840.63	34-35B		-	700,841		700,841	Paid in A
Paid from Bon	d Proceeds		15,841	1,119,153				
	15,103,341.30		1,892,197	12,537,197	1,134,994	673,959	15,103,353	11.70
							Total	Rounding

	2010 Bonds	Reserve	Release 2010
	Debt Service	Requirement	Reserve Fund
12/1/2021	900,320	1,134,994	
12/1/2022	909,008	1,134,994	-
12/1/2023	1,131,194	1,134,994	-
12/1/2024	1,127,594	1,134,994	-
12/1/2025	1,127,994	1,134,994	-
12/1/2026	1,132,194	1,134,994	-
12/1/2027	1,134,994	1,134,994	-
12/1/2028	1,130,344	1,134,908	86
12/1/2029	1,128,370	1,134,908	-
12/1/2030	1,134,908	1,134,908	-
12/1/2031	709,532	716,976	417,932
12/1/2032	713,402	716,976	-
12/1/2033	715,882	716,976	-
12/1/2034	716,976	716,682	294
12/1/2035	716,682	-	716,682
	14,429,394		1,134,994

2010 Series A	2016 Series A-B	Total ROPS A	ROPS Period	2016 Series C-D	ROPS Period	Total
1,400	2,200	3,600	19-20A Actual	3,300	19-20B Actual	
,	,	-,				
1,400	2,200	3,600	20-21A	3,300	20-21B	6,900
1,400	2,200	3,600	21-22A	3,300	21-22B	6,900
1,400	2,200	3,600	22-23A	3,300	22-23B	6,900
1,400	2,200	3,600	23-24A	3,300	23-24B	6,900
1,540	2,420	3,960	24-25A	3,630	24-25B	7,590
1,540	2,420	3,960	25-26A	3,630	25-26B	7,590
1,540	2,420	3,960	26-27A	3,630	26-27B	7,590
1,540	2,420	3,960	27-28A	3,630	27-28B	7,590
1,540	2,420	3,960	28-29A	3,630	28-29B	7,590
1,700	2,660	4,360	29-30A	4,000	29-30B	8,360
1,700	2,660	4,360	30-31A	4,000	30-31B	8,360
1,700	2,660	4,360	31-32A	4,000	31-32B	8,360
1,700	2,660	4,360	32-33A	4,000	32-33B	8,360
1,700	2,660	4,360	33-34A	4,000	33-34B	8,360
1,870	2,660	4,530	34-35A	4,400	34-35B	8,930
				4,400	35-36B	4,400
				4,400	36-37B	4,400
				4,400	37-38B	4,400
				4,400	38-39B	4,400
				4,400	39-40B	4,400
						138,280

10% Inflation Every 5 Years

Report Date	2010 Series A	2016 Series A	2016 Series B	2016 Series C	2016 Series D	Dissemination	Notices	Total	ROPS Period
3/1/2020	1,500	1,500	250	250	250	500	50	4,300	ROPS 19-20 B Actual
3/1/2021	1,750	1,750	500	500	500	500	50	5,550	20-21B
3/1/2022	1,750	1,750	500	500	500	500	50	5,550	21-22B
3/1/2023	1,750	1,750	500	500	500	500	50	5,550	22-23B
3/1/2024	1,750	1,750	500	500	500	500	50	5,550	23-24B
3/1/2025	1,750	1,750	500	500	500	500	50	5 <i>,</i> 550	24-25B
3/1/2026	2,000	2,000	750	750	750	750	50	7,050	25-26B
3/1/2027	2,000	2,000	750	750	750	750	50	7,050	26-27B
3/1/2028	2,000	2,000	750	750	750	750	50	7,050	27-28B
3/1/2029	2,000	2,000	750	750	750	750	50	7,050	28-29B
3/1/2030	2,000	2,000	750	750	750	750	50	7,050	29-30B
3/1/2031	2,250	2,250	1,000	1,000	1,000	1,000	50	8,550	30-31B
3/1/2032	2,250	2,250	1,000	1,000	1,000	1,000	50	8,550	31-32B
3/1/2033	2,250	2,250	1,000	1,000	1,000	1,000	50	8,550	32-33B
3/1/2034	2,250	2,250	1,000	1,000	1,000	1,000	50	8,550	33-34B
3/1/2035	2,250	2,250	1,000	1,000	1,000	1,000	50	8,550	34-35B
3/1/2036	-	-	-	2,500	1,250	1,250	50	5,050	35-36B
3/1/2037	-	-	-	2,500	1,250	1,250	50	5,050	36-37B
3/1/2038	-	-	-	2,500	1,250	1,250	50	5,050	37-38B
3/1/2039	-	-	-	2,500	1,250	1,250	50	5,050	38-39B
3/1/2040	-	-	-	2,500	1,250	1,250	50	5,050	39-40B
3/1/2041	Bonds Mature	December 2040							40-41B
Total								131,000	

	# of Bonds	
	Outstanding	Total
20-21A	5	50,000
21-22A	5	50,000
22-23A	5	50,000
23-24A	5	50,000
24-25A	5	50,000
25-26A	5	50,000
26-27A	5	50,000
27-28A	5	50,000
28-29A	5	50,000
29-30A	5	50,000
30-31A	5	50,000
31-32A	5	50,000
32-33A	5	50,000
33-34A	5	50,000
34-35A	5	50,000
35-36A	2	20,000
36-37A	2	20,000
37-38A	2	20,000
38-39A	2	20,000
39-40A	2	20,000
40-41A	2	20,000
Total		870,000

Service Debt Service POPS Deposit Deposit Total item 95 Deposited ROPS and Poil of a Pari of a	Debt				Item 95		Item 103			Debt Service
Payment Amount Period ROPS A ROPS B Total item 95 S0% Reserve ROPS 19:208 Requested Period 12/1/2021 107.487.50 20-218 107.488 107.488 Paid 12/1/2021 20-218 107.488 182.500 Reserv. 12/1/2021 472.487.50 21-22A 289.988 180.000 Reserv. 12/1/2021 472.485 21-22B 100.188 190.000 Reserv. 12/1/2021 420.238 96,388 190.000 Reserv. 12/1/2023 96,387.50 22-23A 290,188 150.000 Reserv. 12/1/2023 96,387.50 23-24A 245,388 155,000 Reserv. 12/1/2024 396,387.50 23-24A 245,388 155,000 Reserv. 12/1/2024 396,387.50 23-24B 81,138 162,500 Reserv. 12/1/2024 396,387.50 24-25B 81,138 162,500 Reserv. 12/1/2025 81,137.50 24-25B 8		Deht Service	ROPS	Deposit				Deposited	Total	Paid in ROPS
12/1/1020 466.037.50 20-21A 288.538 107,488 107,500 466.038 Paid 12/1/2021 107,487.50 20-21B 107,488 107,488 Reserv 12/1/2021 472,487.50 21-22A 289,988 472,488 Paid 12/1/2021 472,487.50 21-22A 289,988 190,000 Reserv 12/1/2022 480,187.50 22-23B 190,000 Reserv Reserv 12/1/2023 96,387.50 22-23B 96,388 150,000 Reserv 12/1/2023 96,387.50 22-23B 96,388 150,000 Reserv 12/1/2024 398,887.50 32-24A 246,388 366,388 Paid 12/1/2024 398,887.50 32-24B 88,888 155,000 Reserv 12/1/2024 398,887.50 24-25A 243,888 162,500 Reserv 12/1/2025 406,137.50 25-26A 243,688 162,500 Reserv 12/1/2025 4425,88 81,138 162,500				•	•	Total Item 95		·		Period
6/1/2021 107,487.50 20-218 107,488 182,500 Reserval 12/1/2021 472,487.50 21-22A 289,988 182,500 472,488 Paid 6/1/2022 100,187.50 21-22A 289,988 100,188 472,488 Paid 12/1/2021 480,187.50 22-23A 290,188 190,000 Reserva 12/1/2022 480,187.50 22-23B 96,388 96,388 Paid 12/1/2023 396,387.50 22-23B 96,388 96,388 Paid 12/1/2023 396,387.50 22-24B 150,000 Reserva 12/1/2024 23-24B 88,888 88,888 88,888 88,888 Paid 12/1/2024 23-24B 155,000 Reserva 150,000 Reserva 12/1/2024 23-24B 88,888 96,388 Paid 6/1/2025 81,137.50 24-25B 81,138 Paid 6/1/2026 73,013 Paid 6/1/2026 73,013 Paid 6/1/2020 73,012 Paid <td></td> <td></td> <td></td> <td></td> <td>NOI 3 B</td> <td>Total Item 55</td> <td>50% Reserve</td> <td></td> <td></td> <td>Paid in A</td>					NOI 3 B	Total Item 55	50% Reserve			Paid in A
12/1/2021 20-218 182,500 Reserve 12/1/2021 472,488 Paid 100,188 Paid 12/1/2022 100,187.50 21-228 100,188 100,188 Paid 12/1/2022 21-228 100,188 190,000 Reserve 12/1/2022 480,187.50 22-23A 290,188 440,188 Paid 12/1/2023 96,387.50 22-23B 96,388 96,388 96,388 Paid 12/1/2024 396,387.50 22-23B 96,388 96,388 Paid 61/2024 88,987.50 23-248 88,988 96,388 Paid 61/2024 88,987.50 24-25A 243,888 98,988 Paid 11/1/2024 396,388.50 24-25A 243,888 98,138 81,138 81,138 81,138 81,138 81,138 81,138 81,138 81,138 11/1/2024 418,012.50 25-26A 243,513 11/1/2025 41,137,50 25-26B 73,013 73,013 73,013 12/1/2024 12/1/2024 418,013		-		200,000	107 488			177,500		Paid in B
12/1/2021 472,485 Paid 472,485 Paid 6/1/2022 100,187.50 21-228 100,188 100,188 Paid 12/1/2022 21-228 100,188 480,188 Paid 12/1/2022 480,187.50 22-238 96,388 96,388 96,388 96,388 96,388 Paid 12/1/2023 22-238 96,388 96,388 96,388 Paid 12/1/2023 396,387.50 23-248 88,885 88,885 88,888 88,888 88,888 896,388 Paid 12/1/2024 398,387.50 24-254 243,888 12/1/2024 398,388 Paid 12/1/2024 398,388 Paid 12/1/2025 81,138 Paid 12/1/2025 81,138 Paid 12/1/2025 81,138 Paid 12/1/2025 12/1/2025 24-258 81,138 Paid 12/1/2026 12/1/2026 25-268 73,013 Paid 12/1/2026 12/1/2026 12/1/2026 25-268 73,013 Paid 12/1/2026 12/1/2026 12/2/202 12/2/202 148,013 Paid 148,013 148,013 148,013 148,0		107,407.50			107,400		182 500		107,400	Reserve for A
6/1/2022 100,187.50 21-228 100,188 90,000 100,188 Paid 12/1/2022 480,187.50 22-238 96,388 96,388 96,388 96,388 Paid 6/1/2023 96,387.50 22-238 96,388 96,388 96,388 96,388 Paid 12/1/2023 322-238 96,388 150,000 Reserv 12/1/2024 88,687.50 23-248 88,888 88,888 88,888 Paid 12/1/2024 398,587.50 24-258 24-258 81,138 Reserv 12/1/2025 44-258 81,138 81,138 81,138 Paid 12/1/2026 406,137.50 25-268 73,013 73,013 73,013 Paid 12/1/2026 418,012.50 25-268 73,013 73,013 Paid 440,138 Paid 12/1/2026 443,87.50 26-278 64,388 64/2020 Reserv 12/1/2027 64,387.50 26-278 64,388 940 443,888 Paid </td <td></td> <td>472 487 50</td> <td></td> <td>289 988</td> <td></td> <td></td> <td>102,000</td> <td></td> <td>472 488</td> <td>Paid in A</td>		472 487 50		289 988			102,000		472 488	Paid in A
12/1/2022 21-228 190,000 Reserve 12/1/2022 480,187.50 22-23A 290,188 96,388 96,388 Paid 12/1/2023 65,387.50 22-23B 96,388 96,388 Paid 12/1/2023 396,387.50 22-23B 150,000 Reserve 12/1/2023 396,387.50 23-24B 88,888 98,888 Paid 6/1/2024 88,887.50 23-24B 88,888 155,000 Reserve 12/1/2024 23-24B 243,888 155,000 Reserve 12/1/2024 398,887.50 24-258 81,138 81,138 Paid 12/1/2025 162,137.50 24-258 81,138 Paid 64/3.88 12/1/2025 406,137.50 25-26A 243,638 406,138 Paid 12/1/2026 418,012.50 25-26B 73,013 73,013 Paid 12/1/2026 418,012.50 26-27A 245,513 4180,000 Reserve 12/1/2027 426-3750 27-28B <td></td> <td>•</td> <td></td> <td>205,500</td> <td>100 188</td> <td></td> <td></td> <td></td> <td></td> <td>Paid in B</td>		•		205,500	100 188					Paid in B
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6/1/2023 96,387.50 22-238 96,388 96,388 Paid 12/1/2023 22-238 150,000 Reserv 6/1/2024 23-24A 246,388 88,888 88,888 Paid 12/1/2024 23-24B 88,888 88,888 88,888 Reserv 12/1/2024 23-24B 88,888 396,387.50 24-25A 243,888 88,888 81,138 Reserv 12/1/2024 398,887.50 24-25B 81,138 81,138 Reserv 12/1/2025 24-25B 81,138 162,500 Reserv 12/1/2025 24-25B 73,013 73,013 73,013 12/1/2025 24-25B 73,013 73,013 73,013 12/1/2025 24-25B 73,013 73,013 73,013 12/1/2026 62,328 73,013 73,013 172,500 Reserv 12/1/2026 26-278 245,513 112,500 Reserv 12,1/202 12/1/2027 24-388 53,387,50 27-288		480 187 50		290 188			190,000		480 188	Paid in A
12/1/2023 22-238 150,000 Reserved 12/1/2023 396,387.50 23-248 396,388 396,388 Paid 12/1/2024 23-248 88,875.00 Reserved 155,000 Reserved 12/1/2024 23-248 398,888 398,888 Paid 12/1/2024 23-248 398,888 398,888 Reserved 12/1/2024 23-248 398,888 398,888 Paid 12/1/2025 81,137.50 24-258 81,138 162,500 Reserved 12/1/2025 24-258 73,013 72,013 73,013 Paid 12/1/2026 73,012,50 25-268 73,013 172,500 Reserved 12/1/2026 26-278 64,388 180,000 Reserved 12/1/2027 12/1/2027 42,387.50 27-288 64,388 Paid 12/1/2027 12/1/2027 42,387.50 27-288 55,388 4424,388 Paid 12/1/2028 25,387.50 27-288 245,388 45,888		,		230,100	96 388					Paid in B
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6/1/2024 88,887.50 23-248 88,888 88,888 88,888 Paid 12/1/2024 23-248 155,000 Reserved 12/1/2025 81,137.50 24-258 81,138 81,138 81,138 Paid 12/1/2025 81,137.50 24-258 81,138 162,500 Reserved 12/1/2025 06,137.50 25-268 73,013 73,013 Paid 12/1/2026 73,012.50 25-268 73,013 73,013 Paid 12/1/2026 125,268 172,500 Reserved Reserved 172,500 Reserved 12/1/2026 25-278 64,388 64,388 64,388 Paid 12/1/2027 26-278 180,000 Reserved 12/1/2027 26-278 180,000 Reserved 12/1/2027 26-278 180,000 Reserved 12/1/202 15,388 Paid 12/1/2028 27-288 55,388 190,000 Reserved 12/1/202 12/1/2029 28-298 45,888		396 387 50		246 388			150,000		396 388	Paid in A
12/1/2024 23-248 155,000 Reserved 12/1/2024 398,887.50 24-25A 243,888 398,887.50 24-25B 81,137.50 24-25B 81,137.50 24-25B 81,137.50 24-25B 81,137.50 24-25B 81,137.50 24-25B 81,137.50 24-25B 24-25B 162,500 Reserved 12/1/2025 24-25B 24-25B 73,013 73,013 73,013 Paid 12/1/2026 73,012.50 25-26B 73,013 73,013 Paid 12/1/2026 Reserved 12/1/2026 Reserved 148,013 Paid 12/1/2026 448,012.50 26-27A 245,513 448,013 Paid 12/1/2027 26-27B 64,388 64,388 Paid 12/1/2027 24-24,388 Paid 12/1/2027 24-27.88 180,000 Reserved 12/1/2027 24-27.88 180,000 Reserved 12/1/2028 27-288 245,388 93/88 93/88 Paid 12/1/2029 28-29A 245,388 45,888 45,888 93/88 12/1/2029 28-29B 28-29B 200,000 Reserved 12/1/2029 <t< td=""><td></td><td></td><td></td><td>240,000</td><td>88 888</td><td></td><td></td><td></td><td></td><td>Paid in B</td></t<>				240,000	88 888					Paid in B
12/1/2024 398,887:50 24-25A 243,888 9aid 398,888 Paid 6/1/2025 81,137:50 24-25B 81,138 162,500 Reserver 12/1/2025 24-25B 162,500 Reserver 12/1/2025 24-25B 73,013 73,013 Paid 6/1/2026 73,012.50 25-26B 73,013 73,013 Paid 12/1/2026 418,012.50 25-27B 64,388 64,388 64,388 Reserver 12/1/2027 64,387.50 26-27B 64,388 180,000 Reserver 12/1/2027 424,387.50 27-28A 244,388 1424,388 Paid 6/1/2028 55,387.50 27-28B 55,388 445,388 Paid 12/1/2028 27-28B 245,388 445,888 Paid 6/1/2029 445,387.50 28-29A 245,388 445,888 Paid 6/1/2029 445,387.50 28-29B 45,888 445,888 Paid 6/1/2029 445,888 Paid 6/1/2029 445,888 Paid 6/1/2029 445,887.50 28-29B 45,888 445,888 </td <td></td> <td>00,007.00</td> <td></td> <td></td> <td>00,000</td> <td></td> <td>155 000</td> <td></td> <td>00,000</td> <td>Reserve for A</td>		00,007.00			00,000		155 000		00,000	Reserve for A
6/1/2025 81,137.50 24-258 81,138 9aid 12/1/2025 24-258 162,500 Reserve 12/1/2025 24-258 406,137.50 25-268 406,137.50 8paid 12/1/2026 73,012.50 25-268 73,013 73,013 Paid 12/1/2026 25-268 73,013 172,500 Reserve 12/1/2026 243,638 418,013 Paid 6/1/2027 64,387.50 26-278 418,013 Paid 6/1/2027 26-278 64,388 180,000 Reserve 12/1/2027 26-278 424,388 2424,388 Paid 6/1/2028 55,387.50 27-288 55,388 423,388 Paid 12/1/2028 435,387.50 28-298 45,888 200,000 Reserve 12/1/2029 45,887.50 28-298 45,888 200,000 Reserve 12/1/2029 28-298 45,888 200,000 Reserve 21/1/2023 12/1/2029 29-308 <t< td=""><td></td><td>398 887 50</td><td></td><td>243 888</td><td></td><td></td><td>135,000</td><td></td><td>398 888</td><td>Paid in A</td></t<>		398 887 50		243 888			135,000		398 888	Paid in A
12/1/2025 24-258 162,500 Reserved 12/1/2025 406,137.50 25-26A 243,638 406,138 Paid 6/1/2026 73,012.50 25-26B 73,013 73,013 Paid 12/1/2026 418,012.50 25-26B 172,500 Reserved 12/1/2026 418,012.50 26-27A 245,513 418,013 Paid 6/1/2027 64,387.50 26-27B 64,388 64,388 64,388 Paid 12/1/2027 26-27B 180,000 Reserved 12/1/2027 424,387.50 27-288 55,388 55,388 64,388 Paid 12/1/2028 27-288 245,388 190,000 Reserved 12/1/2028 435,388 Paid 12/1/2028 435,387.50 28-29A 245,888 445,888 Paid 6/1/2029 45,888 Paid 6/1/2029 8,887.50 28-29B 45,888 445,888 Paid 6/1/2030 39,388 12/1/2030 4445,888 Paid 6/1/2030 39,388 <t< td=""><td></td><td>-</td><td></td><td>243,000</td><td>81 138</td><td></td><td></td><td></td><td></td><td>Paid in B</td></t<>		-		243,000	81 138					Paid in B
12/1/2025 406,137.50 25-26A 243,638 406,138 Paid 6/1/2026 73,012.50 25-26B 73,013 73,013 Reserve 12/1/2026 418,012.50 25-26B 172,500 Reserve 12/1/2027 64,387.50 26-27A 245,513 418,010 Paid 6/1/2027 64,387.50 26-27B 64,388 64,388 Reserve 12/1/2027 26-27B 180,000 Reserve Reserve 12/1/2027 26-27B 180,000 Reserve Reserve 12/1/2028 27-28A 244,388 190,000 Reserve 12/1/2028 27-28B 55,388 190,000 Reserve 12/1/2028 435,387.50 28-29B 45,888 4435,888 Paid 12/1/2029 45,887.50 28-29B 45,888 445,888 Paid 12/1/2029 445,887.50 29-30A 245,888 39,388 39,388 12/1/2030 Reserve 12/1/2030 29-30A 245,888		01,157.50			01,130		162 500		01,130	Reserve for A
6/1/2026 73,012.50 25-268 73,013 Paid 12/1/2026 25-268 172,500 Reserve 12/1/2026 418,012.50 26-27A 245,513 418,013 Paid 6/1/2027 64,387.50 25-27B 64,388 64,388 64,388 Reserve 12/1/2027 26-27B 180,000 Reserve Reserve 12/1/2027 26-27B 180,000 Reserve 12/1/2027 26-27B 180,000 Reserve 12/1/2028 55,387.50 27-28B 55,388 25,388 Paid 12/1/2028 27-28B 190,000 Reserve Reserve 12/1/2028 435,387.50 28-29A 245,388 435,888 Paid 12/1/2029 45,887.50 29-30A 245,888 200,000 Reserve 12/1/2029 445,887.50 29-30B 39,388 39,388 9aid 12/1/2030 29-308 39,388 202,500 Reserve 12/1/2031 33,818.75		406 137 50		2/13 638			102,500		406 138	Paid in A
12/1/2026 25-268 172,500 Reserved 12/1/2026 418,012.50 26-27A 245,513 418,013 Paid 64,12027 64,387.50 26-27B 64,388 64,388 Paid 12/1/2027 26-27B 180,000 Reserved 12/1/2027 424,387.50 27-28A 244,388 2424,388 Paid 6/1/2028 55,387.50 27-28B 55,388 424,388 Paid 12/1/2028 435,387.50 27-28B 190,000 Reserved 12/1/2028 435,387.50 28-29A 245,388 445,888 Paid 6/1/2029 45,887.50 28-29B 45,888 445,888 Paid 12/1/2029 28-29B 39,388 39,388 93,388 93,388 12/1/2029 445,887.50 29-30B 39,388 33,819 93,388 12/1/2030 39,387.50 29-30B 33,819 33,819 93,381 12/1/2030 444,387.50 30-31A 244,888 944				243,030	73 013				,	Paid in B
12/1/2026 418,012.50 26-27A 245,513 418,013 Paid 61/2027 64,387.50 26-27B 64,388 Paid 12/1/2027 424,387.50 26-27B 180,000 Reserve 12/1/2027 424,387.50 27-28A 244,388 244,388 Paid 6/1/2028 55,387.50 27-28B 55,388 94d 424,388 Paid 12/1/2028 27-28B 55,388 190,000 Reserve 424,388 Paid 12/1/2028 27-28B 245,388 190,000 Reserve 425,388 Paid 12/1/2029 45,887.50 28-298 45,888 445,888 Paid 6/1/203 39,387.50 29-30A 245,888 200,000 Reserve 12/1/2029 445,887.50 29-30B 39,388 933,88 Paid 6/1/2030 39,387.50 29-30B 39,388 933,88 Paid 6/1/2031 33,819 Paid 6/1/2031 33,819 Paid 6/1/2031 33,819 Paid 6/1/2031 33,819 Paid 6/1/2032 27,444 Paid 6/1/	-	75,012.50			75,015		172 500		75,015	Reserve for A
6/1/2027 64,387.50 26-278 64,388 Paid 12/1/2027 26-278 180,000 Reserve 12/1/2027 424,387.50 27-28A 244,388 Paid 6/1/2028 55,387.50 27-28B 55,388 424,388 Paid 12/1/2028 27-28B 190,000 Reserve 12/1/2028 27-28B 435,388 Paid 12/1/2028 27-28B 4435,388 Paid 12/1/2029 435,387.50 28-29A 245,888 4435,388 Paid 12/1/2029 445,887.50 28-29B 45,888 Paid 6/1/203 39,387.50 29-30A 245,888 Paid 6/1/203 39,388 Paid 6/1/2030 39,388.750 29-30B 39,388 39,388 Paid 6/1/2030 39,387.50 29-30B 33,819 33,819 Paid 6/1/2031 33,818 Paid 6/1/2031 33,818 Paid 6/1/2032 27,444 Paid 6/1/2032 27,443.75 31-32B 27,444		118 012 50		2/15 512			172,500		/19 012	Paid in A
12/1/2027 26-27B 180,000 Reserved 12/1/2027 424,387.50 27-28A 244,388 9aid 6/1/2028 55,387.50 27-28B 55,388 424,388 Paid 12/1/2028 27-28B 190,000 Reserved 75,388 Paid 12/1/2028 435,387.50 28-29A 245,388 190,000 Reserved 12/1/2029 435,387.50 28-29B 45,888 445,888 Paid 12/1/2029 28-29B 245,888 200,000 Reserved 12/1/2029 445,887.50 29-30A 245,888 39,388 9aid 12/1/2030 29-30B 39,388 39,388 39,388 9aid 12/1/2030 29-30B 33,819 202,500 Reserved 12/1/2030 444,387.50 30-31A 241,888 33,819 33,819 12/1/2031 30-31B 33,819 212,500 Reserved 12/1/2031 30-31B 212,500 Reserved 12/1/2034 12/1/2031 458,818.75 31-32A 246,319 217,500 Reserve		-		245,515	61 200					Paid in B
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6/1/2028 55,387.50 27-288 55,388 9aid 12/1/2028 27-288 190,000 Reserve 12/1/2028 435,387.50 28-29A 245,388 9aid 6/1/2029 438,57.50 28-29B 45,888 9aid 12/1/2029 28-29B 200,000 Reserve 12/1/2029 445,887.50 29-30A 245,888 9aid 6/1/2030 39,387.50 29-30B 200,000 Reserve 12/1/2030 29-30B 39,388 39,388 9aid 6/1/2030 39,387.50 29-308 202,500 Reserve 12/1/2030 29-308 202,500 Reserve 12/1/2031 30-31A 241,888 202,500 Reserve 12/1/2031 30-31B 33,819 Paid 33,819 12/1/2031 30-318 212,500 Reserve 12/1/2031 458,818.75 31-32A 246,319 212,500 Reserve 12/1/2032 27,444 217,500 Res		121 287 50		244 288			180,000		121 288	Paid in A
12/1/2028 27-28B 190,000 Reserved 12/1/2028 435,387.50 28-29A 245,388 435,388 Paid 6/1/2029 45,887.50 28-29B 45,888 45,888 Paid 12/1/2029 45,887.50 28-29B 200,000 Reserved 12/1/2029 445,887.50 29-30A 245,888 445,888 Paid 12/1/2030 39,387.50 29-30B 39,388 39,388 9aid 6/1/2030 39,388 Paid 12/1/2030 29-30B 39,388 202,500 Reserved 12/1/2030 444,388 Paid 12/1/2030 444,387.50 30-31A 241,888 202,500 Reserved 12/1/2031 33,818.75 30-31B 33,819 9aid 6/1/2031 33,819 Paid 12/1/2031 30-31B 30-31B 212,500 Reserved 12/1/2031 458,818.75 31-32A 246,319 212,500 Reserved 12/1/2032 27,444 Paid 6/1/2032 27,444 Paid 12/1/2032 462,444 Paid 6/1/2033 20,919 20,	-	•		244,388	EE 200					Paid in A
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6/1/2029 45,887.50 28-29B 45,888 45,888 Paid 12/1/2029 28-29B 200,000 Reserve 12/1/2029 445,887.50 29-30A 245,888 445,888 Paid 6/1/2030 39,387.50 29-30B 39,388 39,388 39,388 Paid 12/1/2030 29-30B 39,388 2020,500 Reserve 12/1/2030 444,387.50 30-31A 241,888 444,388 Paid 6/1/2031 33,818.75 30-31A 241,888 33,819 Paid 12/1/2031 30-31B 33,819 Paid 6/1/2031 33,819 Paid 12/1/2031 458,818.75 31-32A 246,319 212,500 Reserve 12/1/2031 458,818.75 31-32B 27,444 Paid 6/1/2032 27,443.75 31-32B 217,500 Reserve 12/1/2032 462,443.75 32-33B 20,919 20,919 20,919 20,919 Paid 12/1/2033 465,918.75 33-34B 14,244 246,949 465,919 Paid 1		125 287 50		2/15 288			190,000		125 299	Paid in A
12/1/2029 28-298 200,000 Reserved 12/1/2029 445,887.50 29-30A 245,888 445,888 Paid 6/1/2030 39,387.50 29-30B 39,388 39,388 39,388 Paid 12/1/2030 29-30B 202,500 Reserved 202,500 Reserved 12/1/2030 444,387.50 30-31A 241,888 444,388 Paid 6/1/2031 33,818.75 30-31B 33,819 Paid 33,819 Paid 12/1/2031 30-31B 33,819 212,500 Reserved Reserved 12/1/2031 458,818.75 31-32A 246,319 4458,819 Paid 6/1/2032 27,443.75 31-32B 27,444 27,444 Paid 12/1/2032 462,443.75 32-33A 244,944 240,919 20,919 Reserved 12/1/2033 20,918.75 32-33B 20,919 20,919 Paid 20,919 Paid 12/1/2033 465,918.75 33-34B 20,919 222,500 Reserved 12/1/2034 14,244 Paid				243,388	15 888					Paid in B
12/1/2029 445,887.50 29-30A 245,888 445,888 Paid 6/1/2030 39,387.50 29-30B 39,388 39,388 Paid 12/1/2030 29-30B 2020,500 Reserve 12/1/2030 444,387.50 30-31A 241,888 444,388 Paid 6/1/2031 33,818.75 30-31B 33,819 33,819 83,819 Paid 12/1/2031 30-31B 33,819 212,500 Reserve 12/1/2031 Reserve 12/1/2031 30-31B 27,444 212,500 Reserve 12/1/2032 Reserve 12/1/2032 27,443.75 31-32B 27,444 217,500 Reserve 12/1/2032 462,443.75 32-33A 244,944 217,500 Reserve 12/1/2033 20,918.75 32-33B 20,919 20,919 Paid 12/1/2033 20,918.75 33-34A 243,419 246,949 465,919 Paid 12/1/2033 20,918.75 33-34A 243,419 222,500 Reserve 12/1/2034 14,244 Paid 14,244 Paid <td></td> <td>45,007.50</td> <td></td> <td></td> <td>45,000</td> <td></td> <td>200.000</td> <td></td> <td>+3,000</td> <td>Reserve for A</td>		45,007.50			45,000		200.000		+3,000	Reserve for A
6/1/2030 39,387.50 29-308 39,388 39,388 Paid 12/1/2030 29-308 202,500 Reserved 12/1/2030 444,387.50 30-31A 241,888 444,388 Paid 6/1/2031 33,818.75 30-31B 33,819 33,819 33,819 Paid 12/1/2031 30-31B 30-31B 212,500 Reserved 12/1/2031 Reserved 12/1/2031 30-31B 27,444 212,500 Reserved 12/1/2032 Reserved 12/1/2032 13-32A 246,319 245,818.75 31-32B 27,444 Paid 27,444 Paid 12/1/2032 12/1/2032 13-32B Reserved 12/1/2032 Reserved 12/1/2032 31-32B Reserved 12/1/2032 1462,444 Paid 12/1/2033 20,918.75 32-33A 244,944 20,919 20,919 Paid 12/1/2033 32-33B 20,919 20,919 Paid 12/1/2033 12/1/2033 32-338 20,919 Reserved 12/1/2034 14,244 14/244 Paid 14/244 14/244 14/244 12/1/2034 14,243.75<	-	115 887 50		2/15 888			200,000		115 888	Paid in A
12/1/2030 29-30B 202,500 Reserved 12/1/2030 444,387.50 30-31A 241,888 444,388 Paid 6/1/2031 33,818.75 30-31B 33,819 33,819 33,819 Paid 12/1/2031 30-31B 30-31B 212,500 Reserved 458,819 Paid 12/1/2031 30-31B 27,444 212,500 Reserved 458,819 Paid 12/1/2032 27,443.75 31-32B 27,444 27,444 Paid 12/1/2032 Reserved 12/1/2032 27,443.75 31-32B 27,444 217,500 Reserved 12/1/2032 Reserved 12/1/2032 12/1/2032 31-32B 20,919 20,919 Paid 12/1/2033 12/1/2033 20,919 20,919 Paid 12/1/2033 12/1/2033 32-33B 20,919 20,919 Paid 12/1/2033 12/1/2033 32-338 20,919 20,919 Paid 12/1/2034 14,244 Paid 12/1/2034 14,244 14,244 Paid 12/1/2034 14,244 14,244 Paid 12/1/2034 14,243.75 3		-		243,000	20 288					Paid in B
12/1/2030 444,387.50 30-31A 241,888 444,388 Paid 6/1/2031 33,818.75 30-31B 33,819 Paid 12/1/2031 30-31B 212,500 Reserved 12/1/2031 458,818.75 31-32A 246,319 458,819 Paid 6/1/2032 27,443.75 31-32B 27,444 27,444 Paid 12/1/2032 31-32B 27,444 217,500 Reserved 12/1/2032 462,443.75 32-33A 244,944 246,919 20,919 Paid 6/1/2033 20,918.75 32-33B 20,919 20,919 Paid 20,919 Paid 12/1/2033 32-33B 20,919 20,919 Paid 20,919 Paid 12/1/2033 32-33B 20,919 20,919 Paid 20,919 Paid 12/1/2034 445,918.75 33-34A 243,419 246,944 Paid 217,500 Reserved 12/1/2034 445,918.75 33-34B 243,419 230,000 Reserved 2465,919 Paid 21/1,2034 465,919 Paid<		39,387.30			33,388		202 500		33,388	Reserve for A
6/1/203133,818.7530-31833,81933,819Paid12/1/203130-31B212,500Reserve12/1/2031458,818.7531-32A246,319458,819Paid6/1/203227,443.7531-32B27,44427,444Paid12/1/203231-32B27,444217,500Reserve12/1/2032462,443.7532-33A244,944217,500Reserve12/1/2032462,443.7532-33B20,91920,919Paid6/1/203320,918.7532-33B20,91920,919Paid12/1/203332-33B20,919222,500Reserve12/1/2033465,918.7533-34A243,419465,919Paid6/1/203414,243.7533-34B14,24414,244Paid12/1/203433-34B230,000Reserve12/1/203412/1/20357,343.7534-35B7,3447,344Paid12/1/203534-35B7,344235,000Reserve	-	111 287 50		2/1 999			202,500		111 299	Paid in A
12/1/2031 30-31B 212,500 Reserved 12/1/2031 458,818.75 31-32A 246,319 458,819 Paid 6/1/2032 27,443.75 31-32B 27,444 27,444 Paid 12/1/2032 31-32B 27,444 217,500 Reserved 12/1/2032 31-32B 217,500 Reserved 12/1/2032 462,443.75 32-33A 244,944 20,919 20,919 Paid 6/1/2033 20,918.75 32-33B 20,919 20,919 Paid 20,919 Paid 12/1/2033 32-33B 20,919 222,500 Reserved 217,120 Reserved 217,120 Reserved 217,120 Reserved 217,120 Reserved 217,120 20,919 Paid 20,919 Paid 20,919 Paid 217,1203 Reserved 217,1203 Reserved 217,1203 Reserved 217,1203 Reserved 217,1203 Reserved 217,1203 217,1203 217,1203 Reserved 217,1203 217,1203 233,334 243,419 Reserved 217,120,33,33,334 243,419 Rese		-		241,888	22 810					Paid in B
12/1/2031 458,818.75 31-32A 246,319 458,819 Paid 6/1/2032 27,443.75 31-32B 27,444 Paid 12/1/2032 31-32B 217,500 Reserve 12/1/2032 462,443.75 32-33A 244,944 462,444 Paid 6/1/2033 20,918.75 32-33B 20,919 20,919 20,919 Paid 12/1/2033 32-33B 20,919 222,500 Reserve 20,919 Paid 12/1/2033 465,918.75 33-34A 243,419 222,500 Reserve 465,919 Paid 12/1/2034 14,243.75 33-34B 14,244 14,244 Paid 14,244 Paid 12/1/2034 474,243.75 33-34B 14,244 465,919 Paid 12/1/2034 474,243.75 33-34B 14,244 474,244 Paid 12/1/2034 474,243.75 34-35A 244,244 474,244 Paid 12/1/2034 33-34B 14,244 474,244 Paid 14/2/44 Paid 12/1/2035 7,343.75 34-35B<		55,616.75			55,815		212 500		55,819	Reserve for A
6/1/2032 27,443.75 31-32B 27,444 Paid 12/1/2032 31-32B 217,500 Reserve 12/1/2032 462,443.75 32-33A 244,944 462,444 Paid 6/1/2033 20,918.75 32-33B 20,919 20,919 20,919 Paid 12/1/2033 32-33B 20,919 222,500 Reserve 20,919 Paid 12/1/2033 465,918.75 33-34A 243,419 222,500 Reserve 20,919 Paid 6/1/2034 14,243.75 33-34B 14,244 14,244 Paid 14,244 Paid 12/1/2034 474,243.75 33-34B 14,244 465,919 Paid 12/1/2034 474,243.75 33-34B 243,419 Reserve 12/1/2034 474,243.75 33-34B 14,244 Paid 14,244 Paid 12/1/2034 33-34B 14,244 474,244 Paid 14,244 Paid 12/1/2035 7,343.75 34-35A 244,244 230,000 Reserve 12/1/2035 7,343.75 34-35B <td></td> <td>1E0 010 7E</td> <td></td> <td>246 210</td> <td></td> <td></td> <td>212,500</td> <td></td> <td>150 010</td> <td></td>		1E0 010 7E		246 210			212,500		150 010	
12/1/2032 31-32B 217,500 Reserved 12/1/2032 462,443.75 32-33A 244,944 462,444 Paid 6/1/2033 20,918.75 32-33B 20,919 20,919 Paid 12/1/2033 32-33B 20,919 222,500 Reserved 12/1/2033 465,918.75 33-34A 243,419 222,500 Reserved 12/1/2033 465,918.75 33-34B 14,244 14,244 Paid 6/1/2034 14,243.75 33-34B 14,244 Reserved 12/1/2034 33-34B 244,244 230,000 Reserved 12/1/2034 474,243.75 34-35A 244,244 474,244 Paid 12/1/2034 14,243.75 34-35A 244,244 230,000 Reserved 12/1/2034 474,243.75 34-35A 244,244 474,244 Paid 6/1/2035 7,343.75 34-35B 7,344 7,344 Paid 12/1/2035 34-35B 7,344 235,000 Reserved				240,319	27 444					
12/1/2032 462,443.75 32-33A 244,944 462,444 Paid 6/1/2033 20,918.75 32-33B 20,919 20,919 Paid 12/1/2033 32-33B 20,919 222,500 Reserve 12/1/2033 465,918.75 33-34A 243,419 465,919 Paid 6/1/2034 14,243.75 33-34B 14,244 14,244 Paid 12/1/2034 33-34B 14,244 230,000 Reserve 12/1/2034 474,243.75 34-35A 244,244 474,244 Paid 12/1/2034 7,343.75 34-35B 7,344 235,000 Reserve 12/1/2035 34-35B 7,344 235,000 Reserve		27,445.75			27,444		217 500		27,444	Reserve for A
6/1/2033 20,918.75 32-33B 20,919 Paid 12/1/2033 32-33B 222,500 Reserve 12/1/2033 465,918.75 33-34A 243,419 465,919 Paid 6/1/2034 14,243.75 33-34B 14,244 14,244 14,244 Paid 12/1/2034 33-34B 14,244 230,000 Reserve 12/1/2034 474,243.75 34-35A 244,244 240 7,344 Paid 12/1/2034 7,343.75 34-35B 7,344 235,000 Reserve 12/1/203 12/1/2035 34-35B 7,344 235,000 Reserve 12/1/204 Paid		162 112 75		2// 0//			217,500		162 114	Paid in A
12/1/2033 32-33B 222,500 Reserve 12/1/2033 465,918.75 33-34A 243,419 465,919 Paid 6/1/2034 14,243.75 33-34B 14,244 14,244 Paid 12/1/2034 33-34B 14,244 230,000 Reserve 12/1/2034 33-34B 243,419 230,000 Reserve 12/1/2034 14,243.75 34-35A 244,244 Paid 12/1/2035 7,343.75 34-35B 7,344 Paid 12/1/2035 34-35B 7,344 Reserve 12/1/2035 34-35B Reserve Reserve		•		244,344	20 010					Paid in A
12/1/2033 465,918.75 33-34A 243,419 465,919 Paid 6/1/2034 14,243.75 33-34B 14,244 Paid 14,244 Paid 12/1/2034 33-34B 14,244 230,000 Reserved 12/1/2034 474,243.75 34-35A 244,244 14 Paid 6/1/2035 7,343.75 34-35B 7,344 7,344 Paid 12/1/2035 34-35B 7,344 235,000 Reserved		20,910.75			20,919		222 200		20,319	Reserve for A
6/1/2034 14,243.75 33-34B 14,244 Paid 12/1/2034 33-34B 230,000 Reserve 12/1/2034 474,243.75 34-35A 244,244 14,244 Paid 6/1/2035 7,343.75 34-35B 7,344 7,344 Paid 12/1/2035 34-35B 7,344 Reserve 868erve		165 010 7F		2/12 /10			222,500		16E 010	Paid in A
12/1/2034 33-34B 230,000 Reserve 12/1/2034 474,243.75 34-35A 244,244 474,244 Paid 6/1/2035 7,343.75 34-35B 7,344 7,344 Paid 12/1/2035 34-35B 7,344 Reserve 8	-			243,419	11 711				,	Paid in A Paid in B
12/1/2034 474,243.75 34-35A 244,244 Paid 6/1/2035 7,343.75 34-35B 7,344 Paid 7,344 Paid 12/1/2035 34-35B 7,344 235,000 Reserved		14,243.75			14,244		220.000		14,244	
6/1/2035 7,343.75 34-35B 7,344 7,344 Paid 12/1/2035 34-35B 235,000 Reserved		171 212 75		244 244			250,000		171 214	Reserve for A
12/1/2035 34-35B 235,000 Reserve		-		244,244	7 2/4					Paid in A
		7,343.75			7,344		225.000		7,344	Paid in B
12/1/2003 477,345.73 30-30A 242,344 477,344 Paid		177 242 75		242 244			235,000		177 244	Reserve for A
	12/1/2035	477,343.75	22-20A	242,344					477,344	Paid in A
		7 092 975 99		4.046.063	055 025	4 002 000	2 002 500	177 500	7 002 000	12.00
7,982,875.00 4,046,963 855,925 4,902,888 2,902,500 177,500 7,982,888 Image: Constraint of the state of t		7,982,875.00		4,046,963	855,925	4,902,888	2,902,500	1/7,500		13.00 Rounding

Debt				Item 96		ltem 104			Debt Service
Service	Debt Service	ROPS	Deposit	Deposit	Total Item	Deposit ROPS B	Deposited	Total	Paid in ROPS
	Amount	Period	ROPS A	ROPS B	96	50% Reserve	ROPS 19-20B	Requested	Period
Payment 12/1/2020	865,475.00	20-21A	535,475	RUP3 B	90	50% Reserve	330,000	865,475	Paid in A
6/1/2021	198,050.00	20-21A 20-21B	555,475	198,050			330,000	198,050	Paid in B
12/1/2021	158,050.00	20-21B 20-21B		158,050		340,000		158,050	Reserve for A
12/1/2021	878,050.00	20-21B 21-22A	538,050			540,000		878,050	Paid in A
6/1/2022	189,550.00	21-22A 21-22B	558,050	189,550				189,550	Paid in B
12/1/2022	105,550.00	21-22B		100,000		345,000		100,000	Reserve for A
12/1/2022	879,550.00	22-23A	534,550			545,000		879,550	Paid in A
6/1/2023	180,062.50	22-23B	551,550	180,063				180,063	Paid in B
12/1/2023	100,002.50	22-23B		100,005		287,500		100,005	Reserve for A
12/1/2023	755,062.50	23-24A	467,563			207,500		755,063	Paid in A
6/1/2024	171,437.50	23-24R	407,505	171,438				171,438	Paid in B
12/1/2024	1/1,437.30	23-24B		171,430		297,500		171,430	Reserve for A
12/1/2024	766,437.50	23-24-D 24-25A	468,938			257,500		766,438	Paid in A
6/1/2025	162,140.63	24-25R	400,550	162,141				162,141	Paid in B
12/1/2025	102,140.03	24-25B		102,141		307,500		102,141	Reserve for A
12/1/2025	777,140.63	25-26A	469,641			507,500		777,141	Paid in A
6/1/2026	152,146.88	25-26B	405,041	152,147				152,147	Paid in B
12/1/2026	132,140.88	25-26B		152,147		315,000		132,147	Reserve for A
12/1/2020	782,146.88	26-27A	467,147			315,000		782,147	Paid in A
6/1/2027	141,121.88	26-27A	407,147	141,122				141,122	Paid in A
12/1/2027	141,121.88	26-27B		141,122		327,500		141,122	Reserve for A
12/1/2027	796,121.88	20-27B 27-28A	468,622			527,500		796,122	Paid in A
6/1/2028	128,021.88	27-28A 27-28B	408,022	128,022				128,022	Paid in B
12/1/2028	120,021.00	27-28B		128,022		340,000		120,022	Reserve for A
12/1/2028	808,021.88	27-28B 28-29A	468,022			340,000		808,022	Paid in A
6/1/2029	114,421.88	28-29A 28-29B	408,022	114,422				114,422	Paid in B
12/1/2029	114,421.88	28-29B 28-29B		114,422		355,000		114,422	Reserve for A
12/1/2029	824,421.88	29-30A	469,422			333,000		824,422	Paid in A
6/1/2030	100,221.88	29-30A 29-30B	409,422	100,222				100,222	Paid in A
12/1/2030	100,221.00	29-30B 29-30B		100,222		370,000		100,222	Reserve for A
12/1/2030	840,221.88	30-31A	470,222			370,000		840,222	Paid in A
6/1/2031	85,421.88	30-31A 30-31B	470,222	85,422				85,422	Paid in A
12/1/2031	85,421.88	30-31B 30-31B		85,422		385,000		85,422	Reserve for A
12/1/2031	855,421.88	31-32A	470,422			385,000		855,422	Paid in A
6/1/2032	70,021.88	31-32A 31-32B	470,422	70,022				70,022	Paid in A
12/1/2032	70,021.00	31-32B 31-32B		70,022		400,000		70,022	Reserve for A
12/1/2032	870,021.88	32-33A	470,022			400,000		870,022	Paid in A
6/1/2032	53,521.88	32-33A 32-33B	470,022	53,522				53,522	Paid in A Paid in B
12/1/2033	33,321.00	32-33B 32-33B		55,522		415,000		33,322	Reserve for A
12/1/2033	883,521.88	32-33B 33-34A	468,522			415,000		883,522	Paid in A
6/1/2033	36,403.13	33-34A 33-34B	400,322	36,404				36,404	Paid in A Paid in B
12/1/2034	30,403.13	33-34B 33-34B		50,404		432,500		30,404	Reserve for A
12/1/2034	901,403.13	33-34B 34-35A	468,904			432,300		901,404	Paid in A
6/1/2035	18,562.50	34-35A 34-35B	400,504	18,563				18,563	Paid in A Paid in B
12/1/2035	10,302.30	34-35B 34-35B		10,003		450,000		10,003	Reserve for A
12/1/2035	918,562.50	34-35B 35-36A	169 563			450,000		019 563	Paid in A
12/1/2035	910,502.50	33-30A	468,563					918,563	Paiu IN A
	15 202 687 60		7,704,085	1 801 110	9 505 105	5 267 500	330,000	15,202,695	7.40
	15,202,687.60		7,704,085	1,801,110	9,505,195	5,367,500	530,000	Total	7.40 Rounding
L			L I				l	TULAI	Nounding

Report Date	2010 Series A	2016 Series A	2016 Series C	Total	ROPS Period
12/1/2019	2,500	-	-	2,500	ROPS 19-20 Actual
12/1/2020	-	1,800	-	1,800	20-21B
12/1/2021	-	-	1,800	1,800	21-22B
12/1/2022	-	-	-	-	22-23B
12/1/2023	-	-	-	-	23-24B
12/1/2024	1,800	-	-	1,800	24-25B
12/1/2025	-	1,800	-	1,800	25-26B
12/1/2026	-	-	1,800	1,800	26-27B
12/1/2027	-	-	-	-	27-28B
12/1/2028	-	-	-	-	28-29B
12/1/2029	1,800	-	-	1,800	29-30B
12/1/2030	-	1,800	-	1,800	30-31B
12/1/2031	-	-	1,800	1,800	31-32B
12/1/2032	-	-	-	-	32-33B
12/1/2033	-	-	-	-	33-34B
12/1/2034	1,800	-	-	1,800	34-35B
12/1/2035	-	1,800	-	1,800	35-36B
12/1/2036	-		1,800	1,800	36-37B
12/1/2037	-		-	-	37-38B
12/1/2038	-		-	-	38-39B
12/1/2039	1,800		-	1,800	39-40B
12/1/2040	1,200		1,800	3,000	40-41B
Total				24,600	

Debt				ltem 101			ltem 105				Debt Service
Service	Debt Service	ROPS	Deposit	Deposit RO	PS Total Item	Deposit ROPS B	Deposit ROPS B	Total Item	Deposited	Total	Paid in ROPS
Payment	Amount	Period	ROPS A	В	101	50% Reserve	Savings Reserve*	105	ROPS 19-20B	Requested	Period
12/1/2020	242,375.00	20-21A	146,750						95,625	242,375	Paid in A
6/1/2021	242,375.00	20-21B		242,37	5					242,375	Paid in B
12/1/2021		20-21B				-	98,642	98,642			Reserve for A
12/1/2021	242,375.00	21-22A	143,733							242,375	Paid in A
6/1/2022	242,375.00	21-22B		242,37	5					242,375	Paid in B
12/1/2022		21-22B				-	101,092	101,092			Reserve for A
12/1/2022	242,375.00	22-23A	141,283							242,375	Paid in A
6/1/2023	242,375.00	22-23B		242,37	5					242,375	Paid in B
12/1/2023		22-23B				-	102,787	102,787			Reserve for A
12/1/2023	242,375.00	23-24A	139,588							242,375	Paid in A
6/1/2024	242,375.00	23-24B		242,37	5					242,375	Paid in B
12/1/2024		23-24B				-	100,131	100,131			Reserve for A
12/1/2024	242,375.00	24-25A	142,244							242,375	Paid in A
6/1/2025	242,375.00	24-25B		242,37	5					242,375	Paid in B
12/1/2025		24-25B				-	99,787	99,787			Reserve for A
12/1/2025	242,375.00	25-26A	142,588							242,375	Paid in A
6/1/2026	242,375.00	25-26B		242,37	5					242,375	Paid in B
12/1/2026		25-26B				-	99,681	99,681			Reserve for A
12/1/2026	242,375.00	26-27A	142,694							242,375	Paid in A
6/1/2027	242,375.00	26-27B		242,37	5					242,375	Paid in B
12/1/2027		26-27B				-	99,537	99,537			Reserve for A
12/1/2027	242,375.00	27-28A	142,838							242,375	Paid in A
6/1/2028	242,375.00	27-28B		242,37	5					242,375	Paid in B
12/1/2028		27-28B				-	98,437	98,437			Reserve for A
12/1/2028	242,375.00	28-29A	143,938							242,375	Paid in A
6/1/2029	242,375.00	28-29B		242,37	5					242,375	Paid in B
12/1/2029		28-29B				-	96,337	96,337			Reserve for A
12/1/2029	242,375.00	29-30A	146,038							242,375	Paid in A
6/1/2030	242,375.00	29-30B		242,37	5					242,375	Paid in B
12/1/2030		29-30B				-	101,987	101,987			Reserve for A
12/1/2030	242,375.00	30-31A	140,388							242,375	Paid in A
6/1/2031	242,375.00	30-31B		242,37	5					242,375	Paid in B
12/1/2031		30-31B				-	-	-			Reserve for A
12/1/2031	242,375.00	31-32A	242,375							242,375	Paid in A
6/1/2032	242,375.00	31-32B		242,37	5					242,375	Paid in B
12/1/2032		31-32B				-	-	-			Reserve for A
12/1/2032	242,375.00	32-33A	242,375							242,375	Paid in A

Debt				ltem 101			ltem 105				Debt Service
Service	Debt Service	ROPS	Deposit	Deposit ROF	S Total Item	Deposit ROPS B	Deposit ROPS B	Total Item	Deposited	Total	Paid in ROPS
Payment	Amount	Period	ROPS A	В	101	50% Reserve	Savings Reserve*	105	ROPS 19-20B	Requested	Period
6/1/2033	242,375.00	32-33B		242,37	5					242,375	Paid in B
12/1/2033		32-33B				-	-	-			Reserve for A
12/1/2033	242,375.00	33-34A	242,375							242,375	Paid in A
6/1/2034	242,375.00	33-34B		242,37	5					242,375	Paid in B
12/1/2034		33-34B				-	-	-			Reserve for A
12/1/2034	242,375.00	34-35A	242,375							242,375	Paid in A
6/1/2035	242,375.00	34-35B		242,37	5					242,375	Paid in B
12/1/2035		34-35B				-	-	-			Reserve for A
12/1/2035	242,375.00	35-36A	242,375							242,375	Paid in A
6/1/2036	242,375.00	35-36B		242,37	5					242,375	Paid in B
12/1/2036		35-36B				875,000	-	875,000			Reserve for A
12/1/2036	1,992,375.00	36-37A	1,117,375							1,992,375	Paid in A
6/1/2037	198,625.00	36-37B		198,62	5					198,625	Paid in B
12/1/2037		36-37B				922,500	-	922,500			Reserve for A
12/1/2037	2,043,625.00	37-38A	1,121,125							2,043,625	Paid in A
6/1/2038	152,500.00	37-38B		152,50	כ					152,500	Paid in B
12/1/2038		37-38B				967,500	-	967,500			Reserve for A
12/1/2038	2,087,500.00	38-39A	1,120,000							2,087,500	Paid in A
6/1/2039	104,125.00	38-39B		104,12	5					104,125	Paid in B
12/1/2039		38-39B				1,015,000	-	1,015,000			Reserve for A
12/1/2039	2,134,125.00	39-40A	1,119,125							2,134,125	Paid in A
6/1/2040	53,375.00	39-40B		53,37	5					53,375	Paid in B
12/1/2040		39-40B				1,067,500	-	1,067,500			Reserve for A
12/1/2040	2,188,375.00	40-41A	1,120,875							2,188,375	Paid in A
										-	
	18,710,625.00		8,382,457	4,386,62	5 12,769,082	4,847,500	998,418	5,845,918	95,625	18,710,625	
										Total	

* See Separate Calculation of 2016 Savings for Reserve Amount

Debt				Item 102			ltem 106				Debt Service
Service	Debt Service	ROPS	Deposit	Deposit	Total Item	Deposit ROPS B	Deposit ROPS B		Deposited	Total	Paid in ROPS
Payment	Amount	Period	ROPS A	ROPS B	102	50% Reserve	' Savings Reserve*	Total Item 106	·	Requested	Period
12/1/2020	1,571,500.01	20-21A					0		1,571,500	1,571,500	Paid in A
6/1/2021	403,506.26	20-21B		403,507					, ,	403,507	Paid in B
12/1/2021		20-21B				589,999	993,508	1,583,507			Reserve for A
12/1/2021	1,583,506.26	21-22A	-							1,583,507	Paid in A
6/1/2022	388,756.26	21-22B		388,757						388,757	Paid in B
12/1/2022		21-22B				602,499	991,258	1,593,757		-	Reserve for A
12/1/2022	1,593,756.26	22-23A	-							1,593,757	Paid in A
6/1/2023	372,187.51	22-23B		372,188						372,188	Paid in B
12/1/2023		22-23B				620,000	992,188	1,612,188			Reserve for A
12/1/2023	1,612,187.51	23-24A	-							1,612,188	Paid in A
6/1/2024	353,587.51	23-24B		353,588						353,588	Paid in B
12/1/2024		23-24B				640,000	993,588	1,633,588			Reserve for A
12/1/2024	1,633,587.51	24-25A	-							1,633,588	Paid in A
6/1/2025	333,587.51	24-25B		333,588						333,588	Paid in B
12/1/2025		24-25B				660,000	993,588	1,653,588			Reserve for A
12/1/2025	1,653,587.51	25-26A	-							1,653,588	Paid in A
6/1/2026	312,137.51	25-26B		312,138						312,138	Paid in B
12/1/2026		25-26B				680,000	992,138	1,672,138			Reserve for A
12/1/2026	1,672,137.51	26-27A	-							1,672,138	Paid in A
6/1/2027	289,187.50	26-27B		289,188						289,188	Paid in B
12/1/2027		26-27B				705,000	994,188	1,699,188			Reserve for A
12/1/2027	1,699,187.50	27-28A	-							1,699,188	Paid in A
6/1/2028	260,987.50	27-28B		260,988						260,988	Paid in B
12/1/2028		27-28B				732,500	993,488	1,725,988			Reserve for A
12/1/2028	1,725,987.50	28-29A	-							1,725,988	Paid in A
6/1/2029	231,687.50	28-29B		231,688						231,688	Paid in B
12/1/2029		28-29B				760,000	991,688	1,751,688			Reserve for A
12/1/2029	1,751,687.50	29-30A	-							1,751,688	Paid in A
6/1/2030	201,287.50	29-30B		201,288						201,288	Paid in B
12/1/2030		29-30B				790,000	991,288	1,781,288			Reserve for A
12/1/2030	1,781,287.50	30-31A	-							1,781,288	Paid in A
6/1/2031	169,687.50	30-31B		169,688						169,688	Paid in B
12/1/2031		30-31B				475,000	644,688	1,119,688			Reserve for A
12/1/2031	1,119,687.50	31-32A	-							1,119,688	Paid in A
6/1/2032	150,687.50	31-32B	_	150,688						150,688	Paid in B
12/1/2032		31-32B				495,000	260,125	755,125			Reserve for A
12/1/2032	1,140,687.50	32-33A	385,563							1,140,688	Paid in A

Debt				ltem 102			ltem 106				Debt Service
Service	Debt Service	ROPS	Deposit	Deposit	Total Item	Deposit ROPS B	Deposit ROPS B		Deposited	Total	Paid in ROPS
Payment	Amount	Period	ROPS A	ROPS B	102	50% Reserve	Savings Reserve*	Total Item 106	ROPS 19-20B	Requested	Period
6/1/2033	130,887.50	32-33B		130,888						130,888	Paid in B
12/1/2033		32-33B				515,000	258,875	773,875			Reserve for A
12/1/2033	1,160,887.50	33-34A	387,013							1,160,888	Paid in A
6/1/2034	110,287.50	33-34B		110,288						110,288	Paid in B
12/1/2034		33-34B				532,500	257,475	789,975			Reserve for A
12/1/2034	1,175,287.50	34-35A	385,313							1,175,288	Paid in A
6/1/2035	87,656.25	34-35B		87,657						87,657	Paid in B
12/1/2035		34-35B				317,499	260,475	577,974			Reserve for A
12/1/2035	722,656.25	35-36A	144,683							722,657	Paid in A
6/1/2036	74,162.50	35-36B		74,163						74,163	Paid in B
12/1/2036		35-36B				330,000	159,888	489,888			Reserve for A
12/1/2036	734,162.50	36-37A	244,275							734,163	Paid in A
6/1/2037	60,137.50	36-37B		60,138						60,138	Paid in B
12/1/2037		36-37B				345,000	164,225	509,225			Reserve for A
12/1/2037	750,137.50	37-38A	240,913							750,138	Paid in A
6/1/2038	45,475.00	37-38B		45,475						45,475	Paid in B
12/1/2038		37-38B				360,000	161,000	521,000			Reserve for A
12/1/2038	765,475.00	38-39A	244,475							765,475	Paid in A
6/1/2039	30,175.00	38-39B		30,175						30,175	Paid in B
12/1/2039		38-39B				347,500	153,200	500,700			Reserve for A
12/1/2039	725,175.00	39-40A	224,475							725,175	Paid in A
6/1/2040	15,406.25	39-40B		15,407						15,407	Paid in B
12/1/2040		39-40B				362,499	148,888	511,387			Reserve for A
12/1/2040	740,406.25	40-41A	229,020							740,407	Paid in A
	31,334,450.13		2,485,730	4,021,485	6,507,215	10,859,996	12,395,759	23,255,755	1,571,500	31,334,470	19.87
										Total	Rounding

* See Separate Calculation of 2016 Savings for Reserve Amount

First: ROPS B Reserve = 50% of December Debt Service

Second: ROPS B Reserve = Amount equal to Debt Service Savings from Refunding 2011 Bonds, up to amount needed for 100% December DS after step 1; applied to 2016 D Bonds and any remainder to 2016 C Bonds

	<u>Col A</u>	<u>Col B</u>	<u>Col C</u>	<u>A+B - C</u>	First	Second
	2011 A	2011 B	2016 D		Allocate to 2016 D	Balance to 2016 C
	Debt Serivce	Debt Serivce	Debt Service	Annual Savings	Reserve in ROPS B	Reserve in ROPS B
12/1/2020	1,548,413	1,531,738	1,988,000	1,092,150	993,508	98,642
12/1/2021	1,549,125	1,530,238	1,987,013	1,092,350	991,258	101,092
12/1/2022	1,547,125	1,530,363	1,982,513	1,094,975	992,188	102,787
12/1/2023	1,549,400	1,528,694	1,984,375	1,093,719	993,588	100,131
12/1/2024	1,548,700	1,531,850	1,987,175	1,093,375	993,588	99,787
12/1/2025	1,550,025	1,528,969	1,987,175	1,091,819	992,138	99,681
12/1/2026	1,547,950	1,530,050	1,984,275	1,093,725	994,188	99,537
12/1/2027	1,549,800	1,530,500	1,988,375	1,091,925	993,488	98,437
12/1/2028	1,547,150	1,527,850	1,986,975	1,088,025	991,688	96,337
12/1/2029	1,550,000	1,526,650	1,983,375	1,093,275	991,288	101,987
12/1/2030	1,547,450	1,526,000	1,982,575	1,090,875	644,688	242,375
12/1/2031	1,549,500		1,289,375	260,125	260,125	-
12/1/2032	1,550,250		1,291,375	258,875	258,875	-
12/1/2033	1,549,250		1,291,775	257,475	257,475	-
12/1/2034	1,546,050		1,285,575	260,475	260,475	-
12/1/2035	970,200		810,313	159,888	159,888	-
12/1/2036	972,550		808,325	164,225	164,225	-
12/1/2037	974,950		810,275	164,675	164,675	-
12/1/2038	971,950		810,950	161,000	161,000	-
12/1/2039	908,550		755 <i>,</i> 350	153,200	153,200	-
12/1/2040	904,700		755,813	148,888	148,888	-

Allocated in the	2030 Amount
amount needed for	Limited to Series C
December Debt	Debt Service
Service, less 50%	
reserve already	
calculated	

FROM THE 2016 A/B INDENTURE: Under the Indenture, in the Recognized Obligation Payment Schedule period beginning January 2 of each year, the Successor Agency is required to request funding of the principal and interest due on the Senior Bonds and 50% of the principal and interest on the Bonds and the 2016 Parity Bonds in the calendar year together with the 2016 Savings. *This requires a 50% reserve for the 2016A/B Bonds and sets the requirements for any future bonds (i.e the C/D Series).*

FROM THE 2016 C/D SUPPLEMENTAL INDENTURE: The Indenture further requires that in the event that the Successor Agency defeases any Senior Bonds with funds on hand, or refinances any Senior Bonds, the amount of any annual debt service savings as a result of such defeasance or refunding will be required to be requested in the Recognized Obligation Payment Schedule period beginning January 2 of each year to first be used to pay the June 1 debt service on the Bonds, the 2016 Parity Bonds and any Parity Debt, pro rata, and then as a reserve for the timely payment of principal and interest due on the Bonds, the 2016 Parity Bonds and any Parity Debt, pro rata, on December 1 of such year, and the amounts requested in the Recognized Obligation Payment Schedule period beginning July 1 shall be reduced by the same amount. In accordance with the Indenture, as a result of the refunding of the Prior Bonds (2010 and 2011), the 2016 Savings resulting from the issuance of the 2016 C & D Bonds will be requested in the Recognized Obligation Payment Schedule period beginning July 1 shall be reduced by the service obligation Payment Schedule period c & D Bonds will be requested in the Recognized Obligation Payment 2 of each year to be applied as a reserve for debt service due

UNREFUNDED BOND DEBT SERVICE

Stanton Redevelopment Agency Tax Allocation Bonds, 2010 Series A Outstanding After Partial Refunding with 2016 Series C

Annual Debt Service	Debt Service	Interest	Coupon	Principal	Period Ending
	262,759.40	262,759.40			06/01/2017
1,130,518.80	867,759.40	262,759.40	4.000%	605,000	12/01/2017
1,120,210,000	250,659.40	250,659.40		000,000	06/01/2018
911,318.80	660,659.40	250,659.40	4.000%	410,000	12/01/2018
-)	242,459.40	242,459.40			06/01/2019
909,918.80	667,459.40	242,459.40	4.000%	425,000	12/01/2019
,	233,959.40	233,959.40		-)	06/01/2020
907,918.80	673,959.40	233,959.40	4.000%	440,000	12/01/2020
	225,159.40	225,159.40		,	06/01/2021
900,318.80	675,159.40	225,159.40	3.625%	450,000	12/01/2021
, ,	217,003.15	217,003.15			06/01/2022
909,006.30	692,003.15	217,003.15	3.750%	475,000	12/01/2022
,	208,096.90	208,096.90			06/01/2023
1,131,193.80	923,096.90	208,096.90	4.000%	715,000	12/01/2023
, - ,	193,796.90	193,796,90			06/01/2024
1,127,593.80	933,796.90	193,796.90	4.000%	740,000	12/01/2024
, .,	178,996.90	178,996.90			06/01/2025
1,127,993.80	948,996.90	178,996.90	4.000%	770,000	12/01/2025
, .,	163,596.90	163,596.90		,	06/01/2026
1,132,193.80	968,596.90	163,596.90	4.000%	805,000	12/01/2026
, - ,	147,496.90	147,496.90			06/01/2027
1,134,993.80	987,496.90	147,496.90	4.125%	840,000	12/01/2027
, - ,	130,171.90	130,171.90			06/01/2028
1,130,343.80	1,000,171.90	130,171.90	4.250%	870,000	12/01/2028
, ,	111,684.40	111,684.40			06/01/2029
1,128,368.80	1,016,684.40	111,684.40	4.250%	905,000	12/01/2029
, -,	92,453.15	92,453.15		,	06/01/2030
1,134,906.30	1,042,453.15	92,453.15	4.250%	950,000	12/01/2030
, - ,	72,265.65	72,265.65			06/01/2031
709,531.30	637,265.65	72,265.65	4.625%	565,000	12/01/2031
,	59,200.02	59,200.02			06/01/2032
713,400.04	654,200.02	59,200.02	4.625%	595,000	12/01/2032
	45,440.64	45,440.64			06/01/2033
715,881.28	670,440.64	45,440.64	4.625%	625,000	12/01/2033
,	30,987.51	30,987.51			06/01/2034
716,975.02	685,987.51	30,987.51	4.625%	655,000	12/01/2034
,	15,840.63	15,840.63			06/01/2035
716,681.26	700,840.63	15,840.63	4.625%	685,000	12/01/2035
18,289,057.10	18,289,057.10	5,764,057.10		12,525,000	

Note: FINAL

Stanton Successor Agency Subordinate Tax Allocation Refunding Bonds, 2016 Series A

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2016	85,000	2.000%	194,040.14	279,040.14	279,040.14
06/01/2017			124,787.50	124,787.50	
12/01/2017	200,000	2.000%	124,787.50	324,787.50	449,575.00
06/01/2018			122,787.50	122,787.50	
12/01/2018	330,000	3.000%	122,787.50	452,787.50	575,575.00
06/01/2019			117,837.50	117,837.50	
12/01/2019	340,000	4.000%	117,837.50	457,837.50	575,675.00
06/01/2020			111,037.50	111,037.50	
12/01/2020	355,000	2.000%	111,037.50	466,037.50	577,075.00
06/01/2021			107,487.50	107,487.50	
12/01/2021	365,000	4.000%	107,487.50	472,487.50	579,975.00
06/01/2022			100,187.50	100,187.50	
12/01/2022	380,000	2.000%	100,187.50	480,187.50	580,375.00
06/01/2023			96,387.50	96,387.50	
12/01/2023	300,000	5.000%	96,387.50	396,387.50	492,775.00
06/01/2024			88,887.50	88,887.50	
12/01/2024	310,000	5.000%	88,887.50	398,887.50	487,775.00
06/01/2025			81,137.50	81,137.50	
12/01/2025	325,000	5.000%	81,137.50	406,137.50	487,275.00
06/01/2026	,		73,012.50	73,012.50	
12/01/2026	345,000	5.000%	73,012.50	418,012.50	491,025.00
06/01/2027	,		64,387.50	64,387.50	
12/01/2027	360,000	5.000%	64,387.50	424,387.50	488,775.00
06/01/2028	,		55,387.50	55,387.50	,
12/01/2028	380,000	5.000%	55,387.50	435,387.50	490,775.00
06/01/2029	,		45,887.50	45,887.50	,
12/01/2029	400,000	3.250%	45,887.50	445,887.50	491,775.00
06/01/2030	,		39,387.50	39,387.50	,
12/01/2030	405,000	2.750%	39,387.50	444,387.50	483,775.00
06/01/2031			33,818.75	33,818.75	
12/01/2031	425,000	3.000%	33,818.75	458,818.75	492,637.50
06/01/2032	,		27,443.75	27,443.75	,
12/01/2032	435,000	3.000%	27,443.75	462,443.75	489,887.50
06/01/2033	,		20,918.75	20,918.75	,
12/01/2033	445.000	3.000%	20,918.75	465,918.75	486,837.50
06/01/2034	.,	• • / •	14,243.75	14,243.75	
12/01/2034	460,000	3.000%	14,243.75	474,243.75	488,487.50
06/01/2035	,	• • / •	7,343.75	7,343.75	
12/01/2035	470,000	3.125%	7,343.75	477,343.75	484,687.50
	7,115,000		2,858,777.64	9,973,777.64	9,973,777.64

Stanton Successor Agency Subordinate Taxable Tax Allocation Refunding Bonds, 2016 Series B

Annual Debt Service	Debt Service	Interest	Coupon	Principal	Period Ending
481,669.72	481,669.72	341,669.72	1.000%	140,000	12/01/2016
	220,525.00	220,525.00			06/01/2017
841,050.00	620,525.00	220,525.00	1.500%	400,000	12/01/2017
	217,525.00	217,525.00			06/01/2018
1,075,050.00	857,525.00	217,525.00	1.750%	640,000	12/01/2018
	211,925.00	211,925.00			06/01/2019
1,068,850.00	856,925.00	211,925.00	2.000%	645,000	12/01/2019
	205,475.00	205,475.00			06/01/2020
1,070,950.00	865,475.00	205,475.00	2.250%	660,000	12/01/2020
	198,050.00	198,050.00			06/01/2021
1,076,100.00	878,050.00	198,050.00	2.500%	680,000	12/01/2021
	189,550.00	189,550.00			06/01/2022
1,069,100.00	879,550.00	189,550.00	2.750%	690,000	12/01/2022
	180,062.50	180,062.50			06/01/2023
935,125.00	755,062.50	180,062.50	3.000%	575,000	12/01/2023
	171,437.50	171,437.50			06/01/2024
937,875.00	766,437.50	171,437.50	3.125%	595,000	12/01/2024
	162,140.63	162,140.63			06/01/2025
939,281.26	777,140.63	162,140.63	3.250%	615,000	12/01/2025
	152,146.88	152,146.88			06/01/2026
934,293.76	782,146.88	152,146.88	3.500%	630,000	12/01/2026
	141,121.88	141,121.88			06/01/2027
937,243.76	796,121.88	141,121.88	4.000%	655,000	12/01/2027
,	128,021.88	128,021.88		,	06/01/2028
936,043.76	808,021.88	128,021.88	4.000%	680,000	12/01/2028
,	114,421.88	114,421.88		,	06/01/2029
938,843.76	824,421.88	114,421.88	4.000%	710,000	12/01/2029
	100,221.88	100,221.88			06/01/2030
940,443.76	840,221.88	100,221.88	4.000%	740,000	12/01/2030
,	85,421.88	85,421.88		,	06/01/2031
940,843.76	855,421.88	85,421.88	4.000%	770,000	12/01/2031
,	70,021.88	70,021.88		,	06/01/2032
940,043.76	870,021.88	70,021.88	4.125%	800,000	12/01/2032
,	53,521.88	53,521.88		,	06/01/2033
937,043.76	883,521.88	53,521.88	4.125%	830,000	12/01/2033
,	36,403.13	36,403.13			06/01/2034
937,806.26	901,403.13	36,403.13	4.125%	865,000	12/01/2034
,	18,562.50	18,562.50		- ,	06/01/2035
937,125.00	918,562.50	18,562.50	4.125%	900,000	12/01/2035
18,874,782.32	18,874,782.32	5,654,782.32		13,220,000	

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2017			226,613.05	226,613.05	
12/01/2017	335,000	2.000%	245,725.00	580,725.00	807,338.05
06/01/2018	555,000	2.00070	242,375.00	242,375.00	007,550.05
12/01/2018			242,375.00	242,375.00	484,750.00
06/01/2019			242,375.00	242,375.00	+0+,750.00
12/01/2019			242,375.00	242,375.00	484,750.00
06/01/2020			242,375.00	242,375.00	+0+,750.00
12/01/2020			242,375.00	242,375.00	484,750.00
06/01/2021			242,375.00	242,375.00	101,750.00
12/01/2021			242,375.00	242,375.00	484,750.00
06/01/2022			242,375.00	242,375.00	+0+,750.00
12/01/2022			242,375.00	242,375.00	484,750.00
06/01/2023			242,375.00	242,375.00	404,750.00
12/01/2023			242,375.00	242,375.00	484,750.00
06/01/2023			242,375.00		464,750.00
				242,375.00	494 750 00
12/01/2024			242,375.00	242,375.00	484,750.00
06/01/2025			242,375.00	242,375.00	494 750 00
12/01/2025			242,375.00	242,375.00	484,750.00
06/01/2026			242,375.00	242,375.00	494 750 00
12/01/2026			242,375.00	242,375.00	484,750.00
06/01/2027			242,375.00	242,375.00	40.4 750.00
12/01/2027			242,375.00	242,375.00	484,750.00
06/01/2028			242,375.00	242,375.00	40.4 750.00
12/01/2028			242,375.00	242,375.00	484,750.00
06/01/2029			242,375.00	242,375.00	40.4 750.00
12/01/2029			242,375.00	242,375.00	484,750.00
06/01/2030			242,375.00	242,375.00	
12/01/2030			242,375.00	242,375.00	484,750.00
06/01/2031			242,375.00	242,375.00	
12/01/2031			242,375.00	242,375.00	484,750.00
06/01/2032			242,375.00	242,375.00	
12/01/2032			242,375.00	242,375.00	484,750.00
06/01/2033			242,375.00	242,375.00	
12/01/2033			242,375.00	242,375.00	484,750.00
06/01/2034			242,375.00	242,375.00	
12/01/2034			242,375.00	242,375.00	484,750.00
06/01/2035			242,375.00	242,375.00	
12/01/2035			242,375.00	242,375.00	484,750.00
06/01/2036			242,375.00	242,375.00	
12/01/2036	1,750,000	5.000%	242,375.00	1,992,375.00	2,234,750.00
06/01/2037			198,625.00	198,625.00	
12/01/2037	1,845,000	5.000%	198,625.00	2,043,625.00	2,242,250.00
06/01/2038			152,500.00	152,500.00	
12/01/2038	1,935,000	5.000%	152,500.00	2,087,500.00	2,240,000.00
06/01/2039			104,125.00	104,125.00	
12/01/2039	2,030,000	5.000%	104,125.00	2,134,125.00	2,238,250.00
06/01/2040			53,375.00	53,375.00	
12/01/2040	2,135,000	5.000%	53,375.00	2,188,375.00	2,241,750.00
	10,030,000		10,699,838.05	20,729,838.05	20,729,838.05

Successor Agency to the Stanton Redevelopment Agency Tax Allocation Refunding Bonds, 2016 Series C

Note: FINAL

Successor Agency to the Stanton Redevelopment Agency Taxable Tax Allocation Refunding Bonds, 2016 Series D

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2017			408,432.08	408,432.08	
12/01/2017	955,000	1.250%	442,878.14	1,397,878.14	1,806,310.22
06/01/2018	,		436,909.39	436,909.39	
12/01/2018	1,115,000	1.625%	436,909.39	1,551,909.39	1,988,818.78
06/01/2019	, ,		427,850.01	427,850.01	, ,
12/01/2019	1,135,000	2.000%	427,850.01	1,562,850.01	1,990,700.02
06/01/2020			416,500.01	416,500.01	
12/01/2020	1,155,000	2.250%	416,500.01	1,571,500.01	1,988,000.02
06/01/2021			403,506.26	403,506.26	
12/01/2021	1,180,000	2.500%	403,506.26	1,583,506.26	1,987,012.52
06/01/2022	, ,		388,756.26	388,756.26	, ,
12/01/2022	1,205,000	2.750%	388,756.26	1,593,756.26	1,982,512.52
06/01/2023	, ,		372,187.51	372,187.51	, ,
12/01/2023	1,240,000	3.000%	372,187.51	1,612,187.51	1,984,375.02
06/01/2024	, ,		353,587.51	353,587.51	, ,
12/01/2024	1,280,000	3.125%	353,587.51	1,633,587.51	1,987,175.02
06/01/2025	,,		333,587.51	333,587.51	,,
12/01/2025	1,320,000	3.250%	333,587.51	1,653,587.51	1,987,175.02
06/01/2026	,,		312,137.51	312,137.51	,,
12/01/2026	1,360,000	3.375%	312,137.51	1,672,137.51	1,984,275.02
06/01/2027	, ,		289,187.50	289,187.50	,,
12/01/2027	1,410,000	4.000%	289,187.50	1,699,187.50	1,988,375.00
06/01/2028	-,,		260,987.50	260,987.50	-,,,
12/01/2028	1,465,000	4.000%	260,987.50	1,725,987.50	1,986,975.00
06/01/2029	1,100,000		231,687.50	231,687.50	1,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
12/01/2029	1,520,000	4.000%	231,687.50	1,751,687.50	1,983,375.00
06/01/2030	-,,		201,287.50	201,287.50	-,,,
12/01/2030	1,580,000	4.000%	201,287.50	1,781,287.50	1,982,575.00
06/01/2031	1,000,000		169,687.50	169,687.50	1,9 02,0 70100
12/01/2031	950,000	4.000%	169,687.50	1,119,687.50	1,289,375.00
06/01/2032	,		150,687.50	150,687.50	-,,_,_,_,
12/01/2032	990,000	4.000%	150,687.50	1,140,687.50	1,291,375.00
06/01/2033			130,887.50	130,887.50	, - ,
12/01/2033	1,030,000	4.000%	130,887.50	1,160,887.50	1,291,775.00
06/01/2034	, ,		110,287.50	110,287.50	, ,
12/01/2034	1,065,000	4.250%	110,287.50	1,175,287.50	1,285,575.00
06/01/2035	,,		87,656.25	87,656.25	,,
12/01/2035	635,000	4.250%	87,656.25	722,656.25	810,312.50
06/01/2036	,		74,162.50	74,162.50	,
12/01/2036	660,000	4.250%	74,162.50	734,162.50	808,325.00
06/01/2037			60,137.50	60,137.50	
12/01/2037	690,000	4.250%	60,137.50	750,137.50	810,275.00
06/01/2038	- ,		45,475.00	45,475.00	.,
12/01/2038	720,000	4.250%	45,475.00	765,475.00	810,950.00
06/01/2039	*		30,175.00	30,175.00	·
12/01/2039	695,000	4.250%	30,175.00	725,175.00	755,350.00
06/01/2040	,		15,406.25	15,406.25	,
12/01/2040	725,000	4.250%	15,406.25	740,406.25	755,812.50
	26,080,000		11,456,779.16	37,536,779.16	37,536,779.16

Note: FINAL



EDMUND G. BROWN JR. - GOVERNOR

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April 9, 2018

Mr. Stephen Parker, Director of Administrative Services City of Stanton 7800 Katella Avenue Stanton, CA 90680

Dear Mr. Parker:

Subject: 2018-19 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Stanton Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19) to the California Department of Finance (Finance) on January 26, 2018. Finance has completed its review of the ROPS 18-19.

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

- Item No. 83 City of Stanton (City) Loan, total outstanding amount of \$2,080,000, is not allowed. The Agency provided Resolution No. 2003-22 and the Stanton Redevelopment Agency Annual Financial Report as of June 30, 2003 to support the creation of the Ioan and the current outstanding Ioan balance; however, these documents are insufficient to support the requested amount because they could not establish the current outstanding Ioan balance. Therefore, the requested amount of \$68,883 is ineligible for Redevelopment Property Tax Trust Fund (RPTTF) funding. To the extent the Agency can provide documentation, such as accounting records, bank statements, or canceled checks, to support the funding of the Ioan and the outstanding Ioan balance, the item may be considered on a future ROPS.
- Item No. 86 Stanton Housing Authority Administration Fee, total outstanding amount of \$150,000, is not allowed. Finance continues to deny this item. Pursuant to HSC section 34177 (p), the housing entity administrative cost allowance is applicable only in cases where the city, county, or city and county that authorized the creation of the Redevelopment Agency (RDA) elected to not assume the housing functions. Because the housing entity to the former RDA of the City is the City-formed Housing Authority (Authority) and the Authority operates under the control of the City, the Authority is considered the City under dissolution law. Additionally, the Agency did not provide new information to support this item. Therefore, this item is not an enforceable obligation and the requested amount of \$150,000 is ineligible for RPTTF funding.

Mr. Stephen Parker April 9, 2018 Page 2

> Item No. 100 – Project Costs; total outstanding amount of \$3,259,523, payable from Bond Proceeds, is not allowed. Finance issued a Finding of Completion on August 15, 2013, and the Agency can now utilize proceeds derived from bonds issued on or after January 1, 2011 in a manner consistent with the original bond covenants.

However, HSC 34191.4 (c) (2) (A) limits the Agency's expenditure authority to five percent of the Stanton RDA Consolidated Redevelopment Project Taxable Tax Allocation Bonds, 2011 Series B proceeds until the Agency has an approved Last and Final ROPS. As such, the Agency may only expend up to \$533,565.

Finance approved \$533,565 on ROPS 16-17, which reduces the allowable amount to zero for ROPS 18-19. Therefore, the requested \$3,259,523 is ineligible for Bond Proceeds funding at this time.

- On the ROPS 18-19 form, the Agency reported cash balances and activity for the period July 1, 2015 through June 30, 2016 (ROPS 15-16). According to our review, the Agency has approximately \$70,136 in RPTTF unexpended from the ROPS 15-16 period available to fund enforceable obligations on the ROPS 18-19. The unexpended RPTTF funds are now considered Reserve Balances. HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF. Therefore, with the Agency's concurrence, the funding source for the following item has been partially reclassified from RPTTF to Reserve Balances in the amount specified below:
 - Item No. 95 Subordinate Tax Allocation Refunding Bonds, 2016 Series A, debt service payment in the amount of \$570,626 is partially reclassified. This item does not require payment from property tax revenues. Therefore, Finance is approving RPTTF in the amount of \$500,490 and the use of Reserve Balances in the amount of \$70,136, totaling \$570,626 for the ROPS 18-19 period.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 18-19. If the Agency disagrees with our determination with respect to any items on the ROPS 18-19, except items which are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$7,028,282 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2018 through December 31, 2018 period (ROPS A period) and one distribution for the January 1, 2019 through June 30, 2019 period (ROPS B period) based on Finance's approved amounts. Since this determination is for the entire ROPS 18-19 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions. Mr. Stephen Parker April 9, 2018 Page 3

Pursuant to HSC section 34186 (c), beginning October 1, 2018, the Agency will be required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2016 through June 30, 2017 period (ROPS 16-17) to the County Auditor-Controller for review. The Agency will report actual payments for ROPS 16-17 on ROPS 19-20. A prior period adjustment may be applied to the Agency's ROPS 19-20 RPTTF distribution. Therefore, the Agency should retain any unexpended RPTTF from the ROPS 16-17 period.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 18-19. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be deemed denied until the matter is resolved.

The ROPS 18-19 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 18-19 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 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 Jackson, Supervisor, or Thong Thao, Analyst, at (916) 322-2985.

Sincerely,

Program Budget Manager

cc: Ms. Suzanne Harrell, Managing Director, City of Stanton Ms. Cindy Wong, Property Tax Manager, Orange County Mr. Stephen Parker April 9, 2018 Page 4

Attachment

Approved RPTTF Distribution For the period of July 2018 through June 2019						
	RC	PS A Period	ROPS B Period	ROPS 18-19 Total		
RPTTF Requested	\$	2,996,449	\$ 4,070,852	\$ 7,067,301		
Administrative RPTTF Requested		125,000	125,000	250,000		
Total RPTTF Requested		3,121,449	4,195,852	7,317,301		
RPTTF Requested		2,996,449	4,070,852	7,067,301		
Adjustments						
Item No. 83		(68,883)	0	(68,883)		
Item No. 86		(150,000)	0	(150,000)		
Item No. 95		(70,136)	0	(70,136)		
		(289,019)	0	(289,019)		
RPTTF Authorized		2,707,430	4,070,852	6,778,282		
Administrative RPTTF Authorized		125,000	125,000	250,000		
Total RPTTF Approved for Distribution	\$	2,832,430	\$ 4,195,852	\$ 7,028,282		



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April 9, 2019

Mr. Stephen Parker, Director of Adminstrative Services City of Stanton 7800 Katella Avenue Stanton, CA 90680

Dear Mr. Parker:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Stanton Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 28, 2019. Finance has completed its review of the ROPS 19-20.

Based on a sample of line items reviewed and application of the law, Finance is approving all of the items listed on the ROPS 19-20 at this time. However, Finance notes the following:

The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in Redevelopment Property Tax Trust Fund (RPTTF) are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 3 includes the prior period adjustment resulting from the County Auditor-Controller's review of the prior period adjustment form submitted by the Agency.

If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items that are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$5,694,975 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

Mr. Stephen Parker April 9, 2019 Page 2

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 19-20 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 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 Jackson, Supervisor, or Veronica Zalvidea, Lead Analyst, at (916) 322-2985.

Sincerely,

JENNIFER WHITAKER Program Budget Manager

cc: Ms. Suzanne Harrell, Managing Director, City of Stanton Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

Attachment

Approved RPTTF Distribution For the period of July 1, 2019 through June 30, 2020						
	RC	PS A Period		ROPS B Period	R	OPS 19-20 Total
RPTTF Requested	\$	3,069,362	\$	4,068,032	\$	7,137,394
Administrative RPTTF Requested		125,000		125,000		250,000
Total RPTTF Requested		3,194,362		4,193,032		7,387,394
RPTTF Authorized		3,069,362		4,068,032		7,137,394
Administrative RPTTF Authorized		125,000		125,000		250,000
Total RPTTF Authorized for Obligations		3,194,362		4,193,032		7,387,394
Prior Period Adjustment		(1,692,419)		0		(1,692,419)
Total RPTTF Approved for Distribution	\$	1,501,943	\$	4,193,032	\$	5,694,975

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 8A

From: Successor Agency to the Garden Grove Redevelopment Agency

Subject: Resolution of the Countywide Oversight Board Approving Amendment to J&G Industries Contract for Project No. S-1232 Brookhurst Triangle Demolition Project - Phase II

Recommended Action:

Approve resolution approving amendment to a contract with J&G Industries, Inc., for Project No. S-1232 – Brookhurst Triangle Demolition Project – Phase II for the Garden Grove Successor Agency.

The Garden Grove Successor Agency requests approval of an amendment to the budget and an extension to the term of a contract with J&G Industries, Inc., ("Contractor") for Project No. S-1232 – Brookhurst Triangle Demolition Project – Phase II (the "Project"), subject to review and approval by the Orange Oversight Board and the State Department of Finance ("DOF").

On April 13, 2018, the Department of Finance (DOF) approved OB Resolution No. 57-18, approving a contract with J&G Industries, Inc., for demolition and related services for Project No. S-1232 Brookhurst Triangle Demolition Project, Phase II, and authorizing certain actions in connection.

During the demolition process, unanticipated changes in conditions to the site resulted in change order requests being submitted by the Contractor for approval.

Change Order #1 – July 15, 2019

Change in site conditions: During slab and footing removals an underground transite asbestos pipe was discovered that required proper removal and remediated by a qualified company. Work immediately stopped in the area and a 3rd party contractor was contacted for a Survey and Preparation of a Procedure 5 Plan as required by the South Coast Management District. Additional cost incurred \$17,561.25. (Attachment 5).

Change Order #2 – August 12, 2019

Change in site conditions: Removal of additional concrete and block building wall found 3 feet below grade surface. The total area is approximately 70ft x 200ft = 14,000 sq. ft. Additional cost incurred \$44,413.00. (Attachment 6).

The total cost for the change orders is \$61,974.25. The original approved contract amount for J&G Industries, Inc., was for \$330,100.00 with a 10% contingency of \$33,010.00. The Successor Agency is now requesting an amendment to J&G Industries, Inc.'s, approved contract budget for the difference between the previously approved contingency amount and the total change order amount, which is \$28,964.25.

Additionally, the Contractor requested an extension to the term of the contract as a result of the additional scope of work resulting from the unanticipated changes in conditions to the site discovered during the demolition process. The contract was to expire on September 8, 2019. The contractor has requested a 1-month extension to his contract for a new expiration date of October 8, 2019.

The Garden Grove Successor Agency resolution approving an amendment to the budget and an extension to the term of a contract with J&G Industries, Inc., for Project No. S-1232 – Brookhurst Triangle Demolition

Project – Phase II, will be voted upon at the September 10, 2019 City of Garden Grove Successor Agency regularly scheduled meeting. Successor Agency approval is subject to submittal to and approval by the Countywide Oversight Board and then by the State Department and Finance (DOF). The Successor Agency also requests authorization to post the approved Resolution to the City's website and to transmit the Amended Contract and corresponding documents to the DOF. Further, the City of Garden Grove's Community and Economic Development Director and her designees, in consultation with legal counsel, shall be authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by DOF.

Impact on Taxing Entities

None until approved by the DOF. If the DOF approves an Amendment to the budget for the contract with J&G Industries, Inc., for Project No. S-1232 – Brookhurst Triangle Demolition Project – Phase II, as submitted, the Successor Agency will increase the contract amount by \$28,964.25. This will result in an increase to ROPS Line Item No. 22 – Brookhurst Triangle DDA, previously authorized RPTTF distribution amount for the period of January 1, 2020 to June 30, 2020, to pay the Successor Agency's enforceable obligations.

Staff Contact(s)

Monica Covarrubias, Project Manager Office of Economic Development City of Garden Grove Phone: 714-741-5788 <u>monicac@ggcity.org</u>

Lisa Kim Assistant City Manager/Community and Economic Development Director City of Garden Grove Phone: 714-741-5121 <u>lisak@ggcity.org</u>

Attachments

- Attachment 1 Oversight Board Resolution
- Attachment 2 Agreement Amendment
- Attachment 3 Original Executed J&G Industries, Inc., Contract
- Attachment 4 Resolution from Garden Grove Successor Agency
- Attachment 5 Change Order #1
- Attachment 6 Change Order #2

Resolution No. 19-____

A RESOLUTION OF THE COUNTYWIDE OVERSIGHT BOARD APPROVING A CONTRACT OF THE SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT WITH J&G INDUSTRIES, INC., FOR DEMOLITION AND RELATED SERVICES FOR PROJECT NO. S-1232 - BROOKHURST TRIANGLE DEMOLITION PROJECT – PHASE TWO AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Garden Grove Agency for Community Development, ("Former Agency") a redevelopment agency formerly existing under Chapter 2 of the Community Redevelopment Law (California Health and Safety Code Section 33000 *et seq.*), acquired certain real property located at 10071 Garden Grove Boulevard, 10081 Garden Grove Boulevard, 12882 Brookhurst Way and also known by Assessor Parcel Numbers: 089-071-06, 089-071-07, 089-071-13, 089-071-14, 089-071-31 (previously Parcel Number 089-661-08 (previously Parcel Number 089-661-05 & 089-071-05), 089-071-32 and 089-661-09 (previously Parcel Number 089-661-05), located in the City of Garden Grove, (the "Property") for redevelopment purposes; and

WHEREAS, the Former Agency and New Age Brookhurst, LLC ("Developer"), entered into a Disposition and Development Agreement ("DDA") on November 23, 2010, establishing the terms and conditions for the disposition of the Property to the Developer and the development of a mixed use retail, commercial, and residential development ("Project") on the Property; and

WHEREAS, pursuant to ABX1-26 and the State of California Supreme Court decision in *California Redevelopment Association vs. Matosantos*, redevelopment agencies in California, including the Former Agency, were dissolved as of February 1, 2012; and

WHEREAS, pursuant to the provisions of ABX1-26, including but not limited to Health and Safety Code Section 34173, the City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development ("Successor Agency") is the successor entity to the Agency; and

WHEREAS, on May 17, 2013, the State of California Department of Finance ("DOF") provided written confirmation to the Successor Agency that the DDA is an enforceable obligation pursuant to Health and Safety Code Section 34171(d)(1)(E); and

WHEREAS, on that written confirmation dated May 17, 2013 provided to the Successor Agency by the DOF approving the DDA as an enforceable obligation, the DOF acknowledged the Successor Agency's obligation to clear all above ground structures before conveying the Property to the Developer; and

WHEREAS, the Successor Agency is required to comply with Federal and State environmental laws and regulations, notwithstanding rules and regulations implemented by the South Coast Air Quality Management District requiring the surveying and eventual abatement of asbestos containing materials prior to demolition activities; and

WHEREAS, the Successor Agency has heretofore entered into a contract (the "Contract") with J&G Industries, Inc., ("Contractor") to abate asbestos containing material and demolition of

structures on the Property pursuant to the DDA as authorized by Successor Agency Board Resolution No. 49-18 (CORRECTED), adopted 2018, for a total Contract amount of Three Hundred Sixty-Three Million One Hundred Ten Thousand Dollars (\$363,110,000) (the "Contract Amount"); and

WHEREAS, due to a series of changed conditions discovered during the demolition process, Change Orders were submitted by the Contractor totaling an addition Twenty-Eight Thousand Nine Hundred Sixty-Four Dollars and Twenty-Five Cents (\$28,964.25) (the "Change Order Amount");

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

Section 1. The foregoing recitals are true and correct and constitute a substantive part of this Resolution.

Section 2. The Oversight Board approves the amendment to the Contract with J&G Industries, Inc., by approving the Change Order and adding the Change Order Amount to the previously approved Contract Amount.

Section 3. The Chair of the Oversight Board shall sign the passage and adoption of this Resolution and thereupon the same shall take effect and be enforced.

Section 4. The Director of the Successor Agency or his authorized designee is directed to post this Resolution on the Successor Agency's website and to provide a copy to the California Department of Finance (DOF) by electronic means and in a manner of choosing of the DOF.

Section 5. The Clerk of the Oversight Board shall certify to the adoption of this Resolution.

FIRST AMENDMENT TO CONSTRUCTION AGREEMENT

This First Amendment to the Construction Agreement ("First Amendment") is made by and between the City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development, a public body ("Successor Agency") and J&G Industries, Inc., ("Contractor").

RECITALS

The parties entered into a Construction Agreement ("Agreement") dated April 18, 2018.

The Parties desire to modify and amend Section 5.11 of the Agreement to provide additional funding for change orders resulting from a series of changed conditions discovered during the demolition process; and Section 5.5 of the Agreement to extend the term.

The Agreement is hereby modified to increase the payment amount from \$363,110 to \$392,074.25 for the purpose of approving the change order requests and completing the demolition work.

The term of the agreement is hereby modified to extend the work completion from 30 working days to 60 working days.

All other conditions of the original Professional Services Agreement remain in full force and effect.

IN WITNESS WHEREOF, this Amendment is signed by each body as above written.

GARI COM A pub	CESSORT AGENCY TO THE DEN GROVE AGENCY FOR MUNITY DEVELOPMENT, lic body CCESSOR AGENCY")	J&G INDUSTRIES, INC. ("Contractor")			
By:		By:			
Title:	Executive Director	Title:			
Date:		Date:			

Attest:

Secretary

CONSTRUCTION AGREEMENT

THIS AGREEMENT is made this <u>b</u> day of <u>4pri</u>, 2018 by the CITY OF GARDEN GROVE AS SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT, a public body, ("SUCCESSOR AGENCY"), and J&G INDUSTRIES, INC., hereinafter referred to as ("CONTRACTOR").

RECITALS:

The following recitals are a substantive part of this Agreement:

- 1. This Agreement is entered into pursuant to Successor Agency Board Authorization dated <u>February 27</u>, 2018.
- 2. The CITY desires to utilize the services of CONTRACTOR to furnish material, equipment, and labor for the **Brookhurst Triangle Demolition Project Phase II, Project No. S-1232**, herein referred to as the "Project".
- 3. CONTRACTOR is qualified by virtue of experience, training, education, and expertise to accomplish services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

5.1 General Conditions. CONTRACTOR certifies and agrees that all the terms, conditions and obligations of the Contract Documents as hereinafter defined, the location of the job site, and the conditions under which the work is to be performed have been thoroughly reviewed, and enters into this Contract based upon CONTRACTOR'S investigation of all such matters and is in no way relying upon any opinions or representations of SUCCESSOR AGENCY. It is agreed that this Contract represents the entire agreement. It is further agreed that the Contract Documents including the Notice Inviting Bids, Special Instructions to Bidders, if any, and CONTRACTOR'S Proposal, are incorporated in this Contract by reference, with the same force and effect as if the same were set forth at length herein, and that CONTRACTOR and its subcontractors, if any, will be and are bound by any and all of said Contract Documents insofar as they relate in any part or in any way, directly or indirectly, to the work covered by this Contract.

"Project" as used herein defines the entire scope of the work covered by all the Contract Documents. If the Contract Documents include Plans and/or Specifications, anything mentioned in the Specifications and not indicated in the Plans, or indicated in the Plans and not mentioned in the Specifications, shall be of like effect as if indicated and mentioned in both. In case of discrepancy in the Plans or Specifications, the matter shall be immediately submitted to SUCCESSOR AGENCY's Senior Project Manager, without whose decision CONTRACTOR shall not adjust said discrepancy save only at CONTRACTOR'S own risk and expense. The decision of the Senior Project Manager shall be final. **5.2 Materials and Labor.** CONTRACTOR shall furnish, under the conditions expressed in the Plans and Specifications, at CONTRACTOR'S own expense, all labor and materials necessary, except such as are mentioned in the Specifications to be furnished by the SUCCESSOR AGENCY, to construct and complete the Project, in good workmanlike and substantial order.

If CONTRACTOR fails to pay for labor or materials when due, SUCCESSOR AGENCY may settle such claims by making demand upon the surety to this Agreement. In the event of the failure or refusal of the surety to satisfy said claims, SUCCESSOR AGENCY may settle them directly and deduct the amount of payments from the Contract price and any amounts due to CONTRACTOR. In the event SUCCESSOR AGENCY receives a stop notice from any laborer or material supplier alleging non-payment by CONTRACTOR, SUCCESSOR AGENCY shall be entitled to deduct all of its costs and expenses incurred relating thereto, including but not limited to administrative and legal fees.

- 5.3 Project. The Project is described as: Brookhurst Triangle Demolition Project – Phase II, Project No. S-1232.
- 5.4 Plans and Specifications. The work to be done is shown in a set of detailed Specifications entitled: Brookhurst Triangle Demolition Project – Phase II, Project No. S-1232.

Said Plans and Specifications and any revision, amendments or addenda thereto are attached hereto and incorporated herein as part of this Contract and referred to by reference. The work to be done must also be in accordance with the General Provisions, Standard Specifications (Caltrans and Greenbook 2012 Edition) and Standard Plans of the CITY, which are also incorporated herein and referred to by, reference.

- **5.5 Time of Commencement and Completion.** CONTRACTOR agrees to commence the Project on date set forth in the "*Notice to Proceed*" issued by the SUCCESSOR AGENCY and shall diligently prosecute the work to completion within **thirty (30) working days** excluding delays caused or authorized by the SUCCESSOR AGENCY as set forth in Sections 5.7, 5.8 and 5.9 hereof.
- 5.6 Time is of the Essence. Time is of the essence of this Contract.

CONTRACTOR shall have seven (7) calendar days from the award of the **Contract** to execute the Contract and supply SUCCESSOR AGENCY with all of the documents and information required by the Instruction to Bidders and the other Contract Documents, including but not limited to, the necessary bonds and insurance certificates and endorsements. Once the SUCCESSOR AGENCY receives the executed Contract and all of the other properly drafted and executed documents and information, it may issue a Notice to Proceed to the CONTRACTOR. If CONTRACTOR refuses or fails to execute the Contract or refuses or fails to provide the required documents and information within the seven (7) calendar days, the SUCCESSOR AGENCY may then rescind the award

of the Contract and then award the Contract to the next lowest responsive and responsible bidder.

As required by the Contract Documents, CONTRACTOR shall prepare and obtain approval of all shop drawings, details and samples, and do all other things necessary and incidental to the prosecution of CONTRACTOR's work in conformance with an approved construction progress schedule. CONTRACTOR shall coordinate the work covered by this Contract with that of all other contractors, subcontractors and of the SUCCESSOR AGENCY, in amanner that will facilitate the efficient completion of the entire work in accordance with Section 5.5 herein. SUCCESSOR AGENCY shall have complete control of the premises on which the work is to be performed and shall have the right to decide the time or order in which the various portions of the work shall be installed or the priority of the work of other subcontractors, and, in general, all matters representing the timely and orderly conduct of the work of CONTRACTOR on the premises.

5.7 Excusable Delays. CONTRACTOR shall be excused for any delay in the prosecution or completion of the Project caused by acts of God; inclement weather; damages caused by fire or other casualty for which CONTRACTOR is not responsible; any act, neglect or default of SUCCESSOR AGENCY; failure of SUCCESSOR AGENCY to make timely payments to CONTRACTOR; late delivery of materials required by this CONTRACT to be furnished by SUCCESSOR AGENCY; combined action of the workers in no way caused by or resulting from default or collusion on the part of CONTRACTOR; a lockout by SUCCESSOR AGENCY; or any other delays unforeseen by CONTRACTOR and beyond CONTRACTOR'S reasonable control.

SUCCESSOR AGENCY shall extend the time fixed in Section 5.5 herein for completion of the Project by the number of days CONTRACTOR has thus been delayed, provided that CONTRACTOR presents a written request to SUCCESSOR AGENCY for such time extension within fifteen (15) calendar days of the commencement of such delay and SUCCESSOR AGENCY finds that the delay is justified. SUCCESSOR AGENCY decision will be conclusive on the parties to this Contract. Failure to file such request within the time allowed shall be deemed a waiver of the claim by CONTRACTOR.

No claims by CONTRACTOR for additional compensation or damages for delays will be allowed unless CONTRACTOR satisfies SUCCESSOR AGENCY that such delays were unavoidable and not the result of any action or inaction of CONTRACTOR and that CONTRACTOR took all available measures to mitigate such damages. Extensions of time and extra compensation as a result of incurring undisclosed utilities would be determined in accordance with the Standard Specifications for Public Works Construction 2012 edition (Greenbook). The SUCCESSOR AGENCY's decision will be conclusive on all parties to this Contract. **5.8 Extra Work.** The Contract price includes compensation for all work performed by CONTRACTOR, unless CONTRACTOR obtains a written change order signed by a designated representative of SUCCESSOR AGENCY specifying the exact nature of the extra work and the amount of extra compensation to be paid all as more particularly set forth in Section 5.9 hereof.

SUCCESSOR AGENCY shall extend the time fixed in Section 5.5 for completion of the Project by the number of days reasonably required for CONTRACTOR to perform the extra work, as determined by SUCCESSOR AGENCY's Finance Director. The decision of the Finance Director shall be final.

5.9 Changes in Project.

- **5.9.1** SUCCESSOR AGENCY may at any time, without notice to any surety, by written order designated or indicated to be a change order, make any change in the work within the general scope of the Contract, including but not limited to changes:
 - a. In the Specifications (including drawings and designs);
 - **b.** In the time, method or manner of performance of the work;
 - **c.** In the City of Garden Grove furnished facilities, equipment, materials, services or site; or
 - **d.** Directing acceleration in the performance of the work.

If CONTRACTOR believes that the written order issued as part of this Section 5.9.1 has caused an increase in costs or time, the CONTRACTOR shall submit a written request for equitable adjustment to the SUCCESSOR AGENCY that includes a detailed cost breakdown and time impact analysis in sufficient detail to allow the SUCCESSOR AGENCY to analyze the request. Said notice shall be submitted via certified mail within twenty (20) calendar days of the CONTRACTOR's receipt of the written change order. CONTRACTOR's failure to submit the written request for equitable adjustment within the required twenty (20) calendar days shall constitute a waiver of any potential change order or claim for said alleged change. The SUCCESSOR AGENCY shall review CONTRACTOR's request and shall provide a written response within thirty (30) days of receipt of the request either approving or denying the request.

5.9.2 A change may also be any other conflict, difficulty or issue which the CONTRACTOR believes caused any change to the CONTRACTOR's costs or project schedule, provided CONTRACTOR gives the SUCCESSOR AGENCY written notice and a request for equitable adjustment that includes a detailed cost breakdown and time impact analysis in sufficient detail to allow the SUCCESSOR AGENCY to analyze the

request. The notice shall also state the date the CONTRACTOR became aware of the issue, circumstances and source of the issue and that CONTRACTOR regards the issue as a change order. Said written notice shall be delivered to the SUCCESSOR AGENCY via certified mail within twenty (20) calendar days of CONTRACTOR's first notice of the issue. CONTRACTOR's failure to submit the notice, which includes the written request for equitable adjustment within the required twenty (20) calendar days shall constitute a waiver of ant potential change order or claim for said alleged change. The SUCCESSOR AGENCY shall review CONTRACTOR's request and shall provide a written response within thirty (30) calendar days of receipt of the request either approving or denying the request.

- **5.9.3** Except as provided in this Section 5.9, no order, statement or conduct of the SUCCESSOR AGENCY or its representatives shall be treated as a change under this Section 5.9 or entitle CONTRACTOR to an equitable adjustment. Said written change order shall be delivered to the SUCCESSOR AGENCY via certified mail.
- **5.9.4** If any change under this Section 5.9 causes an increase or decrease in CONTRACTOR'S actual, direct cost or the time required to perform any part of the work under this Contract, whether or not changed by any order, the SUCCESSOR AGENCY shall make an equitable adjustment and modify the Contract in writing. Except for claims based on defective specifications, no claim for any change under paragraph (5.9.2) above shall be allowed for any costs incurred more than 20 days before the CONTRACTOR gives written notice as required in paragraph (5.9.2). In the case of defective specifications for which the SUCCESSOR AGENCY is responsible, the equitable adjustment shall include any increased direct cost CONTRACTOR reasonably incurred in attempting to comply with those defective specifications.
- **5.9.5** If CONTRACTOR intends to assert a claim for an equitable adjustment under this Section 5.9, it must, within thirty (30) days after receipt of a written change order under paragraph (5.9.1) or the furnishing of a written notice under paragraph (5.9.2), submit a written statement to the SUCCESSOR AGENCY setting forth the general nature and monetary extent of such claim. The SUCCESSOR AGENCY may extend the 30-day period. CONTRACTOR may include the statement of claim in the notice under paragraph (5.9.2) of this Section 5.9.
- **5.9.6** No claim by CONTRACTOR for an equitable adjustment shall be allowed if made after final payment under this Agreement.
- **5.9.7** CONTRACTOR hereby agrees to make all changes, furnish the materials, and perform the work that SUCCESSOR AGENCY may require without nullifying this Contract. CONTRACTOR shall adhere strictly to the Plans and Specifications unless the SUCCESSOR AGENCY

therefrom authorizes a change in writing. Under no condition shall CONTRACTOR make any changes to the Project, either in additions or deductions, without the written order of the SUCCESSOR AGENCY and the SUCCESSOR AGENCY shall not pay for any extra charges made by CONTRACTOR that have not been agreed upon in advance in writing by the SUCCESSOR AGENCY. CONTRACTOR shall submit immediately to the SUCCESSOR AGENCY written copies of its firm's cost or credit proposal for change in the work. Disputed work shall be performed as ordered in writing by the SUCCESSOR AGENCY and the proper cost or credit breakdowns therefor shall be submitted without delay by CONTRACTOR to SUCCESSOR AGENCY.

- **5.10 Liquidated Damages for Delay.** The parties agree that if the total work called for under this Contract, in all parts and requirements, is not completed within the time specified in Section 5.5 herein, plus the allowance made for delays or extensions authorized under Sections 5.7, 5.8 and 5.9 herein, the SUCCESSOR AGENCY will sustain damage which would be extremely difficult and impractical to ascertain. The parties therefore agree that CONTRACTOR will pay to SUCCESSOR AGENCY the sum of five hundred dollars (\$500.00) per day for each calendar day during which completion of the Project is so delayed. CONTRACTOR agrees to pay such liquidated damages and further agrees that SUCCESSOR AGENCY may offset the amount of liquidated damages from any monies due or that may become due CONTRACTOR under the Contract.
- 5.11 Contract Price and Method of Payment. SUCCESSOR AGENCY agrees to pay and the CONTRACTOR agrees to accept as full consideration for the faithful performance of this Contract, subject to any subsequent additions or deductions as provided in approved change orders, the sum of: <u>Three hundred thirty three thousand one hundred dollars (\$333,100) and a 10% contingency of thirty three thousand three hundred and ten dollars (\$33,310)</u>, as itemized in the bid proposal.

Progress payments shall be made to the CONTRACTOR per month for each successive month as the work progresses. The CONTRACTOR shall be paid such sum as will bring the total payments received since the commencement of the work up to ninety-five percent (95%) of the value of the work completed, less all previous payments, provided that the CONTRACTOR submits the request for payment prior to the end of the day required to meet the payment schedule. The SUCCESSOR AGENCY will retain five percent (5%) of the amount of each such progress estimate and material cost until 30 days after the recordation of the Notice of Completion.

Payments shall be made on demands drawn in the manner required by law, accompanied by a certificate signed by the SUCCESSOR AGENCY's Senior Project Manager, stating that the work for which payment is demanded has been performed in accordance with the terms of the Contract. Partial payments of the Contract price shall not be considered as an acceptance of any part of the work.

- **5.12** Substitution of Securities in Lieu of Retention of Funds. Pursuant to California Public Works Contract Code § 22300, the CONTRACTOR will be entitled to post approved securities with the SUCCESSOR AGENCY or an approved financial institution in order to have the SUCCESSOR AGENCY release funds retained by the SUCCESSOR AGENCY to ensure performance of the Contract. CONTRACTOR shall be required to execute an addendum to this Contract together with escrow instructions and any other documents in order to effect this substitution.
- **5.13 Completion.** Within ten (10) working days after the contract completion date of the Project, CONTRACTOR shall file with the SUCCESSOR AGENCY's Senior Project Manager its affidavit stating that all workers and persons employed, all firms supplying materials, and all subcontractors upon the Project have been paid in full, and that there are no claims outstanding against the Project for either labor or material, except those certain items, if any, to be set forth in an affidavit covering disputed claims, or items in connection with Stop Notices which have been filed under the provisions of the statutes of the State of California. SUCCESSOR AGENCY may require affidavits or certificates of payment and/or releases from any subcontractor, laborer or material supplier.

5.14 Contractor's Employees Compensation

5.14.1 General Prevailing Rate.

SUCCESSOR AGENCY has ascertained that the prevailing wage requirements of the California Labor Code, including Sections 1770, 1771.5, 1773, 1777.5, and 1776, apply to this Project. CONTRACTOR shall comply with all applicable requirements of Division 2, Part 7, Chapter 1 of the California Labor Code and all applicable federal requirements respecting the payment of prevailing wages. If there is a difference between the minimum wage rates predetermined by the Secretary of Labor and the prevailing wage rates determined by the Director of the Department of Industrial Relations (DIR) for similar classifications of labor, the CONTRACTOR and its Sucontractors shall pay not less than the higher wage rate. The DIR will not accept lower State wage rates not specifically included in the Federal minimum wage determinations. This includes "helper" (or other classifications based on hours of experience) or any other classification not appearing in the Federal Wage determinations. Where Federal wage determinations do not contain the State wage rate determination otherwise available for use by the CONTRACTOR and Subcontractors, the CONTRACTOR and its Subcontractors shall pay not less than the Federal Minimum wage rate which most closely approximates the duties of the employees in question.

5.14.2 Forfeiture for Violation. CONTRACTOR shall, as a penalty to the SUCCESSOR AGENCY, forfeit one hundred dollars (\$100.00) for each calendar day or portion thereof for each worker paid (either by the CONTRACTOR or any subcontractor under it)) less than the prevailing

rate of per diem wages as set by the Director of Industrial Relations, in accordance with Sections 1770 1780 of the California Labor Code for the work provided for in this Contract, all in accordance with Section 1775 of the Labor Code of the State of California.

5.14.3 Reserved.

- **5.14.4 Apprentices.** Section 1777.5, 1777.6 and 1777.7 of the Labor Code of the State of California regarding the employment of apprentices is applicable to this Contract and the CONTRACTOR shall comply therewith; provided, however, that this requirement shall not apply if and/or to the extent that the Contract of the general CONTRACTOR, or the contracts of specialty contractors not bidding for work through a general or prime contractor involves less than thirty thousand dollars (\$30,000.00).
- 5.14.5 Workday. In the performance of this Contract, not more than eight (8) hours shall constitute a day's work, and CONTRACTOR shall not require more than eight (8) hours of labor in a day from any person employed by him hereunder except as provided in paragraph (5.14.2) above. CONTRACTOR shall conform to Article 3, Chapter 1, Part 7 (Sections 1810 et seq.) of the Labor Code of the State of California and shall forfeit to the SUCCESSOR AGENCY as a penalty, the sum of twenty-five Dollars (\$25.00) for each worker employed in the execution of this Contract by CONTRACTOR or any subcontractor for each calendar day during which any worker is required or permitted to labor more than eight (8) hours in any one calendar day and forty (40) hours in any one week in violation of said Article. CONTRACTOR shall keep an accurate record showing the name and actual hours worked each calendar day and each calendar week by each worker employed by CONTRACTOR in connection with the Project.
- **5.14.6 Record of Wages: Inspection.** CONTRACTOR agrees to maintain accurate payroll records showing the name, address, social security number, work classification, straight-time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed by it in connection with the Project and agrees to require that each of its subcontractors does the same. The applicable contractor or subcontractor or its agent having authority over such matters shall certify all payroll records as accurate. CONTRACTOR further agrees that its payroll records and those if its subcontractors shall be available to the employee or employee's representative, the Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards and shall comply with all of the provisions of Labor Code Section 1776 in general. CONTRACTOR shall comply with all of the

provisions of Labor Code Section 1776, and shall submit payroll records to the Labor Commissioner pursuant to Labor Code section

1771.4(a)(3). The CONTRACTOR shall submit copies of certified payroll reports **and cancelled checks** for laborers every week to the SUCCESSOR AGENCY. If the certified payroll reports are not submitted, the contractor will be notified that compliance is required within five (5) working days or contract work must cease. The SUCCESSOR AGENCY will not be responsible for any delay or acceleration charges or any incurred costs or damages as a result of the work stoppage due to contractor's failure to comply. Work shall be cease in an orderly, safe fashion with all vehicle access restored, should this not accrue, SUCCESSOR AGENCY will correct the deficiencies and deduct the cost from funds due to the contractor. In addition, no progress payment will be made until the copies of certified payroll reports are submitted.

- **5.14.7** <u>Contractor Registration</u>. CONTRACTOR and its subcontractors must be registered with the California Department of Industrial Relations pursuant to Labor Code Section 1725.5. This Agreement shall not be effective until CONTRACTOR provides proof of registration to the SUCCESSOR AGENCY.
- **5.14.8 Posting of Job Site Notices**. CONTRACTOR shall comply with the job site notices posting requirements established by the Labor Commissioner pursuant to Title 8, California Code of Regulations Section 16461(e) or other regulation promulgated pursuant to Labor Code Section 1771.4(a)(2).
- **5.14.9 Notice of DIR Compliance Monitoring and Enforcement.** Pursuant to Labor Code Section 1771.4, this Project is subject to compliance monitoring and enforcement by the California Department of Industrial Relations.
- **5.15 Surety Bonds.** CONTRACTOR shall, upon entering into performance of this Agreement, furnish bonds in the amount of one hundred percent (100%) of the Contract price bid, to guarantee the faithful performance of the work, and the other in the amount of one hundred percent (100%) of the Contract price bid to guarantee payment of all claims for labor and materials furnished. This Contract shall not become effective until such bonds are supplied to and approved by the SUCCESSOR AGENCY.

5.16 Insurance.

5.16.1 COMMENCEMENT OF WORK. CONTRACTOR shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the SUCCESSOR AGENCY. CONTRACTOR shall be responsible to collect and maintain all insurance from all subcontractors. All subcontractors shall obtain and maintain the same insurance as required of CONTRACTOR. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the SUCCESSOR AGENCY of any material change, cancellation, or termination at least thirty (30) days in advance. CONTRACTOR is also aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation, or undertake selfinsurance in accordance with the provisions of that Code, and will comply with such provisions before commencing the performance of the work of this Contract.

- **5.16.2** WORKERS COMPENSATION INSURANCE. For the duration of this Agreement, CONTRACTOR and all subcontractors shall maintain Workers Compensation Insurance in the amount and type required by California law, if applicable for the protection of its employees during the progress of the work. The insurer shall waive its rights of subrogation against the City of Garden Grove, the City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development, and their respective officers, officials, employees, agents, and volunteers and shall issue a certificate to the policy evidencing the same. CONTRACTOR shall provide to SUCCESSOR AGENCY proof of insurance and endorsement forms that conform to SUCCESSOR AGENCY.
- **5.16.3** INSURANCE AMOUNTS. CONTRACTOR shall maintain the following insurance for the duration of this Agreement:
 - a. Commercial general liability, not excluding XCU, in an amount not less than \$5,000,000 per occurrence; (claims made and modified occurrence policies are not acceptable); Insurance companies must be acceptable to SUCCESSOR AGENCY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the SUCCESSOR AGENCY.
 - b. Automobile liability, including mobile equipment if applicable, in an amount not less than \$1,000,000 combined single limit; (claims made and modified occurrence policies are not acceptable); Insurance companies must be acceptable to SUCCESSOR AGENCY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the SUCCESSOR AGENCY.
 - c. Pollution liability in an amount not less than \$5,000,000; (claims made and modified occurrence policies are not acceptable) Insurance companies must be acceptable to SUCCESSOR AGENCY and have a Best's Guide Rating of A-Class VII or better, as approved by the SUCCESSOR AGENCY.
 - d. Excess liability coverage shall be provided for any underlying policy that does not meet the insurance requirements set forth herein; Excess liability coverage shall be Follows Form to the underlying policies. (claims made and modified occurrence policies are not acceptable) Insurance companies must be acceptable to SUCCESSOR

AGENCY and have a Best's Guide Rating of A-Class VII or better, as approved by the SUCCESSOR AGENCY.

An Additional Insured Endorsement, **ongoing and completed operations,** for the policy under section 5.16.3 (a), shall designate the City of Garden Grove, Successor Agency to the Garden Grove Agency for Community Development, and their respective officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR. CONTRACTOR shall provide to SUCCESSOR AGENCY proof of insurance and endorsement forms that conform to SUCCESSOR AGENCY's requirements, as approved by the SUCCESSOR AGENCY.

An Additional Insured Endorsement for the policy under section 5.16.3 (b), including mobile equipment if applicable, shall designate the City of Garden Grove, Successor Agency to the Garden Grove Agency for Community Development, and their respective officers, officials, employees, agents, and volunteers as additional insureds for automobiles owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to SUCCESSOR AGENCY proof of insurance and endorsement forms that conform to SUCCESSOR AGENCY.

An Additional Insured Endorsement for the policy under section 5.16.3 (c) shall designate the City of Garden Grove, the Successor Agency to the Garden Grove Agency for Community Development, and their respective officers, officials, employees, agents, and volunteers as additional insured's for on-going and products-completed operations under the pollution liability policy. CONTRACTOR shall provide to SUCCESSOR AGENCY proof of insurance and endorsement forms that conform to SUCCESSOR AGENCY's requirements, as approved by the SUCCESSOR AGENCY.

In the event any of CONTRACTOR'S underlying policies do not meet policy limits within the insurance requirements, CONTRACTOR shall provide the schedule of underlying polices for a Follows Form excess liability policy, state that the excess policy follows form on the insurance certificate, and an additional insured endorsement for the excess liability policy under 5.16.3(d) designating the City of Garden Grove, the Successor Agency to the Garden Grove Agency for Community Development, and it's respective officers, officials, employees, agents, and volunteers as additional insured's. CONTRACTOR shall provide to SUCCESSOR AGENCY proof of insurance and endorsement forms that conform to SUCCESSOR AGENCY. For any claims related to this Agreement, CONTRACTOR'S insurance coverage shall be primary insurance as respects City of Garden Grove, Successor Agency to the Garden Grove Agency for Community Development and their respective officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City of Garden Grove, the Successor Agency to the Garden Grove Agency for Community Development, and their respective officers, officials, employees, agents, and volunteers shall be excess of the CONTRACTOR'S insurance and shall not contribute with it. CONTRACTOR shall provide to SUCCESSOR AGENCY proof of insurance and endorsement forms that conform to SUCCESSOR AGENCY.

All insurance policies must be endorsed to provide that the insurer will waive all rights of subrogation against the City of Garden Grove, the Successor Agency to the Garden Grove Agency for Community Development, and their respective officers, officials, employees, agents, and volunteers. CONTRACTOR shall provide to SUCCESSOR AGENCY proof of insurance and endorsement forms that conform to SUCCESSOR AGENCY's requirements, as approved by the SUCCESSOR AGENCY.

SUCCESSOR AGENCY or its representatives shall at all times have the right to inspect and receive the original or a certified copy of all said policies of insurance, including certificates. CONTRACTOR shall pay the premiums on the insurance hereinabove required.

If CONTRACTOR maintains higher insurance limits than the minimums shown above, CONTRACTOR shall provide coverage for the higher insurance limits otherwise maintained by the CONTRACTOR.

5.17 Risk and Indemnification. All work covered by this Contract done at the site of construction or in preparing or delivering materials to the site shall be at the risk of CONTRACTOR alone. CONTRACTOR agrees to save, indemnify and keep the City of Garden Grove, the Successor Agency to the Garden Grove Agency for Community Development, and their Officers, Agents, Employees, Engineers, and Consultants for this Contract, and all public agencies from whom permits will be obtained and their directors, Officers, Agents and Employees harmless against any and all liability, claims, judgments, costs and demands, including demands arising from injuries or death of persons (CONTRACTOR'S employees included) and damage to property, arising directly or indirectly out of the obligations herein undertaken or out of the operations conducted by CONTRACTOR, save and except claims or litigation arising through the active negligence or willful misconduct of CITY and Successor Agency, and will make good to reimburse CITY and Successor Agency for any expenditures, including reasonable attorneys' fees CITY and Successor Agency may incur by reason of such matters, and if requested by CITY and Successor

Agency, will defend any such suits at the sole cost and expense of CONTRACTOR.

5.18 Termination.

- **5.18.1** This Contract may be terminated in whole or in part in writing by the SUCCESSOR AGENCY for its convenience, provided that the CONTRACTOR is given (1) not less than ten (10) calendar days written notice (delivered by certified mail, return receipt requested) of intent to terminate, and (2) an opportunity for consultation with the terminating party prior to termination. Termination of contract shall conform to Section 8 of the California, Department of Transportation Standard Specifications.
- **5.18.2** If termination for default or convenience is effected by the SUCCESSOR AGENCY, an equitable adjustment in the price provided for in this Contract shall be made, but (1) no amount shall be allowed for anticipated profit on unperformed services or other work, and (2) any payment due to the CONTRACTOR at the time of termination may be adjusted to cover any additional costs to the SUCCESSOR AGENCY because of the CONTRACTOR'S default. The equitable adjustment for any termination shall provide for payment to the CONTRACTOR for services rendered and expenses incurred in accordance with Section 8 of the California, Department of Transportation Standard Specifications.
- **5.18.3** Upon receipt of a termination action under paragraph (5.18.1) or (5.18.2) above, the CONTRACTOR shall (1) promptly discontinue all affected work (unless the notice directs otherwise), and (2) deliver or otherwise make available to the SUCCESSOR AGENCY all data, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by the CONTRACTOR in performing this Contract whether completed or in process.
- **5.18.4** Upon termination under paragraphs (5.18.1) and (5.18.2) above, the SUCCESSOR AGENCY may take over the work and may award another party an agreement to complete the work under this Contract.
- **5.19 Warranty.** The CONTRACTOR agrees to perform all work under this Contract in accordance with the SUCCESSOR AGENCY's designs, drawings and specifications.

The CONTRACTOR guarantees for a period of one (1) year from the date of the notice of completion of the work that the completed work is free from all defects due to faulty materials, equipment or workmanship and that he shall promptly make whatever adjustments or corrections which may be necessary to cure any defects, including repairs or any damage to other parts of the

system resulting from such defects. The SUCCESSOR AGENCY shall promptly give notice to the CONTRACTOR of observed defects. In the event that the CONTRACTOR fails to make adjustments, repairs, corrections or other work made necessary by such defects, the SUCCESSOR AGENCY may do so and charge the CONTRACTOR the cost incurred. The performance bond shall remain in full force and effect through the guarantee period.

The CONTRACTOR'S obligations under this clause are in addition to the CONTRACTOR's other express or implied assurances of this Contract or state law and in no way diminish any other rights that the SUCCESSOR AGENCY may have against the CONTRACTOR for faulty materials, equipment or work.

- **5.20 Attorneys' Fees.** If any action at law or in equity is necessary to enforce or interpret the terms of this Contract, each party shall be responsible for their own attorneys' fees, costs and necessary expenses. If any action is brought against the CONTRACTOR or any subcontractor to enforce a Stop Notice or Notice to Withhold, which named the SUCCESSOR AGENCY as a party to said action, the SUCCESSOR AGENCY shall be entitled to all attorneys' fees, costs and necessary disbursements arising out of the defense of such action by the SUCCESSOR AGENCY. The SUCCESSOR AGENCY shall be entitled to deduct its costs for any Stop Notice filed, whether court action is involved or not.
- **5.21** Notices. Any notice required or permitted under this Contract may be given by ordinary mail at the address set forth below. Any party whose address changes shall notify the other party in writing.

To SUCCESSOR AGENCY: City of Garden Grove Office of Economic Development Attention: Greg Blodgett 11222 Acacia Parkway Garden Grove, CA 92842

TO CONTRACTOR:

J&G Industries, Inc., Attention: James Cain 18627 Brookhurst Street #302 Fountain Valley, CA 92708

5.22 Agreement Limitations. CONTRACTOR understands and agrees that the implementation and effectiveness of this Agreement shall be subject to approval by the SUCCESSOR AGENCY Oversight Board and the provisions of ABX1-26 and AB 1484. CONTRACTOR further understands and agrees that any and all liability under this Agreement shall be solely that of the SUCCESSOR AGENCY and not the City of Garden Grove, and, in accordance with Health and Safety Code Section 34173(e), shall be limited in scope and amount to the actual property tax revenues received by, and the value of assets transferred

to, the SUCCESSOR AGENCY pursuant to ABX1-26 AND AB 1484 for purposes of payment pursuant to this Agreement.

5.22 Appropriations. This agreement is subject to and contingent upon funds being appropriated therefor by the Garden Grove City Council for each fiscal year covered by the term of the this Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to the SUCCESSOR AGENCY.

(SIGNATURES ON THE FOLLOWING PAGE)

IN WITNESS THEREOF, these parties have executed this Construction Agreement on the day and year first written above.

Date: 4/17/18

"SUCCESSOR AGENCY" SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT, a public body

By:

Scott C. Stiles Executive Director

ATTEST:

Secretary Date:)____

"CONTRACTOR" J&G INDUSTRIES, INC., State License No. 571859 (Expiration Date: 6/30/2019)

B¥. ice president Title 16/18 Date: 4

APPROVED AS TO FORM:

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required.

Date 4-17~18

OVERSIGHT BOARD

RESOLUTION NO. 57-18 CORRECTED

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT APPROVING A CONTRACT TO J&G INDUSTRIES, INC., FOR DEMOLITION AND RELATED SERVICES FOR PROJECT NO. S-1232 - BROOKHURST TRIANGLE DEMOLITION PROJECT – PHASE TWO AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Garden Grove Agency for Community Development, ("Former Agency") a redevelopment agency formerly existing under Chapter 2 of the Community Redevelopment Law (California Health and Safety Code Section 33000 *et seq.*), acquired certain real property located at 10071 Garden Grove Boulevard, 10081 Garden Grove Boulevard, **12882 Brookhurst Way** and also known by Assessor Parcel Numbers: 089-071-06, 089-071-07, 089-071-13, 089-071-14, **089-071-31** (previously Parcel Number 089-071-24), **089-661-08** (previously Parcel Number **089-661-05** & 089-071-05), **089-071-32** and **089-661-09** (previously Parcel Number 089-661-05), located in the City of Garden Grove, (the "Property") for redevelopment purposes;

WHEREAS, the Former Agency and New Age Brookhurst, LLC ("Developer"), entered into a Disposition and Development Agreement ("DDA") on November 23, 2010, establishing the terms and conditions for the disposition of the Property to the Developer and the development of a mixed use retail, commercial, and residential development ("Project") on the Property;

WHEREAS, pursuant to ABX1-26 and the State of California Supreme Court decision in *California Redevelopment Association vs. Matosantos*, redevelopment agencies in California, including the Former Agency, were dissolved as of February 1, 2012; and

WHEREAS, pursuant to the provisions of ABX1-26, including but not limited to Health and Safety Code Section 34173, the City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development ("Successor Agency") is the successor entity to the Agency;

WHEREAS, on May 17, 2013, the State of California Department of Finance ("DOF") provided written confirmation to the Successor Agency that the DDA is an enforceable obligation pursuant to Health and Safety Code Section 34171(d)(1)(E);

WHEREAS, on that written confirmation dated May 17, 2013 provided to the Successor Agency by the DOF approving the DDA as an enforceable obligation, the DOF acknowledged the Successor Agency's obligation to clear all above ground structures before conveying the Property to the Developer;

WHEREAS, the Successor Agency is required to comply with Federal and State environmental laws and regulations, notwithstanding rules and regulations implemented by the South Coast Air Quality Management District requiring the surveying and eventual abatement of asbestos containing materials prior to demolition activities;

WHEREAS, the Successor Agency desires to utilize the services of J&G Industries, Inc., ("Contractor") to abate asbestos containing material and demolition of structures on the Property pursuant to the DDA;

WHEREAS, the Successor Agency is authorized to enter into this Agreement pursuant to ABX1-26 and Successor Agency Board Resolution No. 1-12, adopted February 14, 2012.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT:

<u>Section 1</u>. The foregoing recitals are true and correct and constitute a substantive part of this Resolution.

<u>Section 2</u>. The Oversight Board hereby awards the contract with J&G Industries, Inc., for asbestos abatement and demolition services as part of Project No. S-1232 - Brookhurst Triangle Demolition Project – Phase Two, in furtherance of Section 205.3(g) of the DDA, together with such augmentation, modification, additions or revisions as the Director and/or the Community and Economic Development Director or their authorized designees may find necessary to effectuate the services of the Contractor.

<u>Section 3.</u> The Chair of the Oversight Board shall sign the passage and adoption of this Resolution and thereupon the same shall take effect and be enforced.

<u>Section 4</u>. The Director of the Successor Agency or his authorized designee is directed to post this Resolution on the Successor Agency's website and to provide a copy to the California Department of Finance (DOF) by electronic means and in a manner of choosing of the DOF.

<u>Section 5</u>. The Secretary of the Oversight Board shall certify to the adoption of this Resolution.

Garden Grove Oversight Board Resolution No. 57-18 Page 3

The foregoing Resolution was adopted by the Oversight Board this 28th day of February 2018.

ATTEST:

AYES:

STEVEN R. CHAIR

DEPUTY SECRETARY

STATE OF CALIFORNIA) COUNTY OF ORANGE) SS: CITY OF GARDEN GROVE)

I, LIZABETH VASQUEZ, Deputy Secretary of the Oversight Board to The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development, do hereby certify that the foregoing Resolution was adopted by the Oversight Board, at a meeting held on the 28th day of February 2018, by the following vote:

MEMBERS: (4) BUTTERFIELD, GUERRERO, JONES, SANCHEZ

		~ / / /	
NOES:	MEMBERS:	(0)	NONE
ABSENT:	MEMBERS:	(1)	DUNN
ABSTAIN:	MEMBERS:	(0)	NONE

DEPUTY SECRETARY

GARDEN GROVE SUCCESSOR AGENCY

RESOLUTION NO. 58-19

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT TO AMEND A CONTRACT WITH J&G INDUSTRIES, INC., FOR DEMOLITION AND RELATED SERVICES FOR PROJECT NO. S-1232 -BROOKHURST TRIANGLE DEMOLITION PROJECT – PHASE TWO AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Garden Grove Agency for Community Development, ("Former Agency") a redevelopment agency formerly existing under Chapter 2 of the Community Redevelopment Law (California Health and Safety Code Section 33000 *et seq.*), acquired certain real property located at 10071 Garden Grove Boulevard, 10081 Garden Grove Boulevard, 12882 Brookhurst Way and also known by Assessor Parcel Numbers: 089-071-06, 089-071-07, 089-071-13, 089-071-14, 089-071-31 (previously Parcel Number 089-071-24), 089-661-08 (previously Parcel Number 089-661-05 & 089-071-05), 089-071-32 and 089-661-09 (previously Parcel Number 089-661-05), located in the City of Garden Grove, (the "Property") for redevelopment purposes;

WHEREAS, the Former Agency and New Age Brookhurst, LLC ("Developer"), entered into a Disposition and Development Agreement ("DDA") on November 23, 2010, establishing the terms and conditions for the disposition of the Property to the Developer and the development of a mixed use retail, commercial, and residential development ("Project") on the Property;

WHEREAS, pursuant to ABX1-26 and the State of California Supreme Court decision in *California Redevelopment Association vs. Matosantos*, redevelopment agencies in California, including the Former Agency, were dissolved as of February 1, 2012;

WHEREAS, pursuant to the provisions of ABX1-26, including but not limited to Health and Safety Code Section 34173, the City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development ("Successor Agency") is the successor entity to the Agency;

WHEREAS, on May 17, 2013, the State of California Department of Finance ("DOF") provided written confirmation to the Successor Agency that the DDA is an enforceable obligation pursuant to Health and Safety Code Section 34171(d)(1)(E);

WHEREAS, on that written confirmation dated May 17, 2013 provided to the Successor Agency by the DOF approving the DDA as an enforceable obligation, the DOF acknowledged the Successor Agency's obligation to clear all above ground structures before conveying the Property to the Developer;

WHEREAS, the Successor Agency is required to comply with Federal and State environmental laws and regulations, notwithstanding rules and regulations implemented by the South Coast Air Quality Management District requiring the Garden Grove Successor Agency Resolution No. 58-19 Page 2

surveying and eventual abatement of asbestos containing materials prior to demolition activities;

WHEREAS, the Successor Agency has heretofore entered into a contract (the "Contract") with J&G Industries, Inc., ("Contractor") to abate asbestos containing material and demolition of structures on the Property pursuant to the Agreement as authorized by Successor Agency Board Resolution No. 49-18 (CORRECTED), adopted February 27, 2018, for a total Contract amount of Three Hundred Sixty-Three Million One Hundred Ten Thousand Dollars (\$363,110,000) (the "Contract Amount").

WHEREAS, due to a series of changed conditions discovered during the demolition process, Change Orders were submitted by the Contractor totaling an addition Twenty-Eight Thousand Nine Hundred Sixty-Four Dollars and Twenty-Five Cents (\$28,964.25) (the "Change Order Amount").

NOW, THEREFORE, BE IT RESOLVED BY SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT:

Section 1. The foregoing recitals are true and correct and constitute a substantive part of this Resolution.

Section 2. The Successor Agency Board hereby amends the Contract with J&G Industries, Inc., by approving the Change Order and adding the Change Order Amount to the previously approved Contract Amount.

Section 3. The Director or his authorized designee on behalf of the Successor Agency shall cause this Resolution, together with the contract with J&G Industries, Inc., to be transmitted to the Oversight Board.

Section 4. This Resolution shall be effective immediately upon adoption.

Section 5. The Secretary on behalf of the Successor Agency shall certify to the adoption of this Resolution.

Adopted this 10th day of September 2019.

ATTEST:

<u>/s/ STEVEN R. JONES</u> CHAIR

<u>/s/ TERESA POMEROY, CMC</u> SECRETARY Garden Grove Successor Agency Resolution No. 58-19 Page 3

STATE OF CALIFORNIA) COUNTY OF ORANGE) SS: CITY OF GARDEN GROVE)

I, TERESA POMEROY, Secretary of The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development, do hereby certify that the foregoing Resolution was duly adopted by the Successor Agency, at a meeting held on the 10th day of September 2019, by the following vote:

AYES: MEMBERS: (7) BRIETIGAM, BUI, O'NEILL, NGUYEN T., KLOPFENSTEIN, NGUYEN K., JONES NOES: MEMBERS: (0) NONE ABSENT: MEMBERS: (0) NONE

> <u>/s/ TERESA POMEROY, CMC</u> SECRETARY



July 15, 2019

PHONE: 714-903-2002 FAX: 714-903-2003

City of Garden Grove 11122 Acacia Pkwy Garden Grove, CA 92842

Greg Blodgett, Sr Project Manager

Re: Brookhurst Triangle Demolition Project- Phase II Project No. S-1232

In follow up to our site meeting of July 12, 2019, in regards to changed site conditions, underground transite pipe, we have prepared a Change Order request for your review.

Survey & prepare Procedure 5 Plan by a 3rd party	\$1,500.00
SCAQMD - Notification & Permit	\$1,000.00
Waste Bin	\$1,500.00
1st Day (2) Man crew	\$3,750.00
2nd Day (2) Man crew	\$2,000.00
J&G Mark-up on above	\$975.00
Excavation Costs	\$3,680.00
Water Truck / Labor	\$1,120.00
Supervision	\$1,200.00
Bonds & Insurance costs (All \$16,725.00 above)	\$836.25
Total Change Order Request	\$17,561.25

We would also request additional time to be added to our contract to cover additional scope of work.

Please don't hesitate to contact me with any questions. Thank you,

Eric Cain, VP





August 12, 2019

PHONE: 714-903-2002 FAX: 714-903-2003

City of Garden Grove 11122 Acacia Pkwy Garden Grove, CA 92842

Greg Blodgett, Sr Project Manager

Re: Brookhurst Triangle Demolition Project- Phase II Project No. S-1232

Per job walk on 8/9/19 to discuss additional concrete beneath the asphalt. We request a Change Order outlined below for removal of unforeseen concrete slabs/footings and block building wall.

Area is approximately 70x200 = 14,000 s.f. by up to 3' below grade surface. Note that we will leave open our previous change order for a Procedure 5 for the removal of asbestos containing underground transite pipe in the event we encounter more of this material.

Our breakdown for the above out of scope work is follows:

1/2 day exploratory work to define limits of work (8/8/19)	<u>\$1,420.00</u>
5 Days for removals including dirt, concrete, slabs, footings and block wa	alls. Also
included is breaking & processing of concrete	<u>\$13,600.00</u>
3 Days of backfilling, track rolling and rough grading of area	\$23,600.00
Sub Total	<u>\$38,620.00</u>
15% Mark-up	<u>\$5,793.00</u>

Total Change Order Request

We would also request an extension of time to our contract to cover this additional scope of work.

Please don't hesitate to contact me with any questions. Thank you,

Eric Cain, VP



\$44,413.00

Orange Countywide Oversight Board

Date:	Date: 9/26/2019 Agenda Item No. 9/									
From:	Successor Agency to the Anaheim Redevelopment Agency									
Subject:	Resolution of the Countywide Oversight Board Approving Amendment to Obligation Payment Schedule (ROPS)	o the Recognized								
-	ended Action: resolution approving amendment to FY 2019-20B ROPS for the Anaheim	Successor Agency								

The Anaheim Successor Agency requests approval of the Amended Recognized Obligation Payment Schedule (ROPS) 19-20B for the second half of Fiscal Year 2019-20. The amendment would request RPTTF funds (Line 151) to repair non-routine maintenance issues. The major non-routine items include: repair of the geo membrane layer, replacement of the perimeter methane monitoring system, repair of below grade header line, and replacement of aging and deteriorated landfill gas collection system parts for the remediation of the Westgate Property landfill (LRPMP Property #16).

Part of the landfill gas collection and monitoring system is the shallow subsurface geomembrane layer which deters water infiltration into the land fill. The geomembrane has been damaged in two locations and in order to meet the requirements of Title 27 (§ 20950 – General Closure and Post-Closure Maintenance) it must be repaired. The residential perimeter continuous gas monitoring system (System) is beyond its useful life cycle and as a result, parts are failing and due to its age replacement parts are no longer available. In order to meet the requirements of Title 27 (§ 20931 – Structure Monitoring) the System must be replaced with current technology. Lastly a recent inspection of the landfill gas collection system header shows that differential settlement has caused multiple low spots in the blow-grade header. These low spots have restricted vacuum to a number of the extraction wells and jeopardize the effectiveness of the entire system. In order to meet the requirements of SCAQMD Rule 1150.1 and State AB 32 these low spots must be repaired.

Impact on Taxing Entities

The proposed ROPS Amendment will reduce residual RPTTF to the taxing entities from the January 2, 2020 distribution by \$613,900. The proposed amount is reflective of the proposal received by Tetra Tech BAS, Inc.

Staff Contact(s)

Stephen Stoewer, Senior Project Manager <u>SStoewer@anaheim.net</u>

Stacey Shokri, Financial Accounting Manager <u>SShokri@anaheim.net</u>

Attachments

- 1. Resolution
- 2. Amended ROPS FY19-20B

Resolution No. 19-____

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD APPROVING AN AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE 2019-2020 FISCAL PERIOD OF JANUARY 1, 2020 TO JUNE 30, 2020 FOR THE SUCCESSOR AGENCY TO THE ANAHEIM REDEVELOPMENT AGENCY, SUBJECT TO SUBMITTAL TO, AND REVIEW BY, THE STATE DEPARTMENT OF FINANCE UNDER CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85, AND AUTHORIZING THE POSTING AND TRANSMITTAL THEREOF

WHEREAS, the former Anaheim Redevelopment Agency ("Former Agency") previously was a public body, corporate and politic formed, organized, existing and exercising its powers under the California Community Redevelopment Law, Health and Safety Code, Section 33000, *et seq.*, and was formed by ordinance of the City Council of the City of Anaheim ("City"); and

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation ("Dissolution Law"); and

WHEREAS, unless otherwise stated in this resolution, statutory references are to the California Health and Safety Code; and

WHEREAS, as of February 1, 2012, the Former Agency was dissolved under the Dissolution Law, and as a separate public entity, corporate and politic under Section 34171(g), the Successor Agency to the Anaheim Redevelopment Agency (the "Successor Agency") administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency's affairs; and

WHEREAS, prior to July 1, 2018 under the Dissolution Law, in particular Sections 34179 and 34180, all actions of the Successor Agency were subject to the review and approval by a local seven-member 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 was established through the Orange County Auditor-Controller in compliance with Section 34179(j), which serves as the oversight board to the 25 successor agencies existing and operating in Orange County, including the Successor Agency; and

WHEREAS, every oversight board, both the prior local oversight board and this newly established Orange Countywide Oversight Board, has fiduciary responsibilities to the holders of

enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues under the Dissolution Law, in particular Section 34188; and

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

WHEREAS, Section 34177(o)(1)(E) authorizes that "[o]nce per period, and no later than October 1, a successor agency may submit one amendment to the [ROPS] approved by the department pursuant to this subdivision, if the oversight board makes a finding that a revision is necessary for the payment of approved enforceable obligations during the second one-half of the [ROPS] period, which shall be defined as January 1 to June 30, inclusive. A successor agency may only amend the amount requested for payment of approved enforceable obligations. The revised [ROPS] shall be approved by the oversight board and submitted to the department by electronic means in a manner of the department's choosing. The department shall notify the successor agency and the county auditor-controller as to the outcome of the department's review at least 15 days before the date of the property tax distribution"; and

WHEREAS, the Former Agency was found to be obligated to provide repairs and replacements for remediation of the Westgate Property landfill. The remediation of the Westgate Property landfill requires ongoing efforts and has been previously addressed in line item 151 of several prior ROPS prepared by the Successor Agency, as subsequently approved by the Oversight Board and the DOF; and

WHEREAS, as described in the accompanying staff report, various repairs are now required to the landfill gas collection and monitoring system at the Westgate Property landfill. The amount of revenues requested by the Successor Agency to be included as a revised item 151 of the current ROPS are described further in the accompanying staff report; and

WHEREAS, the Successor Agency has submitted to the Orange Countywide Oversight Board an amendment to ROPS 19-20 reflecting additional payments from RPTTF for ROPS line item 151, to enable the Successor Agency to pay costs necessary to address current remediation needs at the Westgate Property landfill; and

WHEREAS, the objective of this Orange Countywide Oversight Board resolution is to authorize, make findings, and approve the Successor Agency's amendment of ROPS 19-20 to correct and increase line item 151 as reflected on the amendment to the Successor Agency's ROPS 19-20 attached as Attachment No. 1 to this resolution and fully incorporated herein by this reference; and

WHEREAS, the Orange Countywide Oversight Board has reviewed the Successor Agency's amendment of ROPS 19-20, and desires to make certain findings, including: (i) amendment is necessary to pay a DOF-approved enforceable obligation on ROPS 19-20 during the "B" fiscal period, (ii) ROPS 19-20, as amended, is approved, (iii) the Successor Agency or City staff are authorized to post ROPS 19-20, as amended, on the City's website, and (iv) staff is directed to transmit ROPS 19-20, as amended, to the DOF, with copies to the County of Orange

Executive Officer, the County of Orange Auditor-Controller, and the State Controller's Office pursuant to the Dissolution Law;

NOW, THEREFORE, THE ORANGE COUNTYWIDE OVERSIGHT BOARD DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

Section 2. The Orange Countywide Oversight Board hereby finds the revision set forth in amended ROPS 19-20 for funds to be distributed from the Redevelopment Property Tax Trust Fund (RPTTF) for the fiscal period January 1, 2020 to June 30, 2020 is necessary to pay DOF-approved enforceable obligations for such ROPS 19-20B period; in particular, the amendment is to correct and increase the RPTTF authorized for disbursement to the Successor Agency and payment by the Successor Agency for line item 151.

Section 3. Under the Dissolution Law, the Orange Countywide Oversight Board approves the ROPS 19-20, as amended, (Attachment No. 1); provided however, that the ROPS 19-20, as amended, is approved subject to the condition that such ROPS, as amended, is to be submitted to and reviewed by the DOF. Further, the Executive Director of the Successor Agency and his authorized designees, in consultation with legal counsel, shall be authorized to discuss this matter with the DOF and make augmentations, modifications, additions or revisions as may be necessary or directed by DOF.

Section 4. The Orange Countywide Oversight Board authorizes transmittal of ROPS 19-20, as amended, to the DOF with copies to the Orange County Executive Officer, Orange County Auditor-Controller, and State Controller's Office.

Section 5. The Executive Director of the Successor Agency and his authorized designees directed to post this Resolution, including the ROPS 19-20, as amended, on the City's website pursuant to the Dissolution Law.

Section 6. Under Section 34179(h) written notice and information about certain actions taken by the Orange Countywide Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF's choosing. The Orange Countywide Oversight Board's action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

Section 7. The Clerk of the Orange Countywide Oversight Board shall certify to the adoption of this Resolution.

ATTACHMENT NO. 1

ROPS 19-20, AS AMENDED

(attached)

ATTACHMENT NO. 1

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)

Þ
Enforceable
Obligations
Funded a
as
d as Follows (E
(B+C+D)

- C Β Bond Proceeds
- Reserve Balance
- Other Funds
- Redevelopment Property Tax Trust Fund (RPTTF) (F+G)
- RPTTF
- G Administrative RPTTF
- I Current Period Enforceable Obligations (A+E)

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.

Authorized Amounts	Rec Adju	Adjustments	Am	ROPS 19-20B Amended Total
\$ 152,000	\$		69	152,000
-				
152,000		1		152,000
\$ 15,729,277	49	798,900	6 9	16,528,177
15,427,619		798,900		16,226,519
301,658				301,658
\$ 15,881,277 \$	\$	798,900 \$ 16,680,177	\$	16,680,1

Signature	Name
Date	Title

ROPS 19-20B ROPS 19-20B County: Orange

Successor Agency: Anaheim

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

Anaheim Amended Recognized Obligation Payment Schedule (ROPS 19-20B) - ROPS Detail January 1, 2020 through June 30, 2020

					Auth	orized Ar	nounts				Requeste	d Adjus	tments			
Item	Project Name	Obligation Type	Total Outstanding		F	und Sour	ces		Total		Fun	d Sourc	es		Total	Notes
#			Obligation	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	TUtai	Notes
			\$290,624,902	\$-	\$-	\$152,000	\$15,620,545	\$301,658	\$15,881,277	\$-	\$-	\$-	\$798,900	\$-	\$798,900	
50	Tax Allocation Refunding Bonds	Bonds Issued On or Before 12/31/10	\$61,605,613				-		\$-	-	-	-			\$-	
54	Fiscal agent/arbitrage svcs	Fees	\$540,000		-	-	10,000		\$10,000			-	-		\$-	
56	HUD 108 Loan-Capital Projects	CDBG/HUD Repayment to City/ County	\$5,441,212	-	•		81,446		\$81,446	-	÷			-	\$-	
58	HUD 108 Loan-Westgate	CDBG/HUD Repayment to City/ County	\$4,858,520		-		100,473		\$100,473		-	-		-	\$-	
63	External Project Costs	Professional Services	\$521,000		-	-	17,000		\$17,000	s 11 - 13		-			\$-	
64	Plaza Redev. Project Area	OPA/DDA/ Construction	\$20,000	-	-			-	\$-		-	-		-	\$-	
66	River Valley Redev. Proj. Area	OPA/DDA/ Construction	\$3,708,716	-		-	-		\$-	-				-	\$-	
68	Anaheim Westgate Center Proj.	Miscellaneous	\$6,277,789	÷	-		103,952	a sing a	\$103,952	-			-		\$-	
70	8.9-acre SoCal Edison	Miscellaneous	\$16,162,971	-	-		269,140	-	\$269,140			-	-	-	\$-	
71	Shoe City lease	Miscellaneous	\$1,793,789	-	- 10	-	18,402	-	\$18,402		-	-		-	\$-	
75	External Project Costs	Professional Services	\$520,000	-	-	-	2,000		\$2,000		-	-	-		\$-	
103	External Project Costs	Professional Services	\$-		-	-	-	-	\$-	-	-	-	-	-	\$-	
114	Avon Dakota Revitalization	Miscellaneous	\$7,580,400		-	-	2,300,000	-	\$2,300,000	S		-			\$-	
115	Avon Dakota Revitalization	Miscellaneous	\$1,650,000	-			500,000		\$500,000		-	-	-	-	\$-	
116	Project Management	Project Management Costs	\$495,000				150,000		\$150,000			-	-	-	\$-	
117	External Project Costs	Professional Services	\$39,600	-	-	- 1.	12,000	-	\$12,000	-	-		-	-	\$-	
135	Administrative Cost Allowance	Admin Costs	\$603,316					-	\$-	-	÷		-	-	\$-	
137	Coop. Agr Reimb of Costs	Unfunded Liabilities	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
150	Plaza Redev. Project Area (Previous ROPS Line 65)	OPA/DDA/ Construction	\$2,037,835						\$-			•	-		\$-	
151	Westgate Remediation (Previous ROPS Line 100)	Remediation	\$17,237,874			i i i i i i i i i i i i i i i i i i i	185,000	- 1 -	\$185,000	-		-	798,900	-	\$798,900	
180	Cooperation /Loan Agreement - 34173(h) - Retroactive Payments (Previous ROPS Line 153)	City/County Loans After 6/27/11	\$884,429			-			\$-	-	-	-	-	-	\$-	
183	Tax Allocation Refunding Bonds (Previous ROPS Line 51)	Reserves	\$-		- 1				\$-	-	-	-	-	-	\$-	
184	2010 Taxable Recovery Zone Bonds (Previous ROPS Line 53)	Reserves	\$-			*	-		\$-	-		-	-	-	\$-	
185	Administrative Cost Allowance to Housing Successor Per AB 471 (Previous ROPS Line 156)	Housing Entity Admin Cost	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
186	Administrative Cost Allowance to Housing Successor Per AB 471	Housing Entity Admin	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	

			Tetel		Auth	orized Am	ounts				Requeste	d Adjus	tments			
item	Project Name	Obligation Type	Total Outstanding		F	und Sourc	es		Total		Fun	d Sourc	es		Total	Notes
#			Obligation	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds		Other Funds		Admin RPTTF	Iotai	Notes
	(Retroactive Disallowed Allowance) - Previous ROPS Line 156	Cost														
187	Domain Project Area Remediation	Remediation	\$304,000	-	-	152,000	-	-	\$152,000	-	-			-	\$-	
191	Insurance for Westgate LandFill (Related to Line 151)	Remediation	\$-			-			\$-	-	-	-	-	-	\$-	
192	Overreported "Other Funds" From Cash Balance Form	Miscellaneous	\$-	-		-	-	-	\$-	-	4	-	-	-	\$-	
193	2018 Refunding Bonds Series A	Bonds Issued On or Before 12/31/10	\$148,729,500			-	7,076,375	-	\$7,076,375	-	-		-	-	\$-	
194	2018 Refunding Bonds Series B	Bonds Issued On or Before 12/31/10	\$276,480				273,240	-	\$273,240		-	-		-	\$-	
195	Westgate Remediation - Water Control Board	Remediation	\$513,000	l lie	-	-	13,125	-	\$13,125	-				-	\$-	
196	Avon Dakota Revitalization - Retroactive for Line 114	Miscellaneous	\$7,419,600		-		3,709,800	-	\$3,709,800		-	-	-	-	\$-	
197	Avon Dakota Revitalization - Retroactive for Line 115	Miscellaneous	\$588,096			-	294,048	-	\$294,048	-	-	-			\$-	
198	Avon Dakota Revitalization - Retroactive for Line 117	Miscellaneous	\$623,236		-	-	311,618	-	\$311,618	-	-	-	-	-	\$-	
199	Legal Expenses	Legal	\$192,926	-	-	-	192,926	-	\$-	-	-	-	-	-	\$-	

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 9B

From: Successor Agency to the Garden Grove Redevelopment Agency

Subject: Resolution of the Countywide Oversight Board Approving Amendment to the Recognized Obligation Payment Schedule (ROPS)

Recommended Action:

Approve resolution approving amendment to FY 2019-20B ROPS for the Garden Grove Successor Agency

The Garden Grove Successor Agency requests approval of the Amended Recognized Obligation Payment Schedule (ROPS) 19-20B for the second half of Fiscal Year 2019-20. The amendment would increase Redevelopment Property Tax Trust Fund ("RPTTF") funding for the B period for three Line Items. The amended Line Items on ROPS 19-20 B are detailed as follows.

- Line Item No.22 Brookhurst Triangle DDA, increase RPTTF budget by \$28,965. Submittal of multiple change orders due to unanticipated changes in condition to the Brookhurst Triangle Project Site during Phase II demolition, resulted in a need for an amendment to increase the budget for a contract with J&G Industries, Inc., for Project No. S-1232 – Brookhurst Triangle Demolition Project – Phase II. (Attachment 4 – Change Order #1, Attachment 5 – Change Order #2).
- 2. Line Item No.47 Appraisals, increase RPTTF budget by \$13,300. The County Oversight Board is requesting Successor Agencies expedite the process of disposing of any Successor Agency owned properties. Garden Grove Successor Agency still owns four properties listed as "Properties to be Sold" on the Approved Long Range Property Management Plan. The current ROPS appraisal budget of \$4,200 is not sufficient to cover the cost of conducting appraisals on all four properties to determine their value prior to the sale of each property. The Successor Agency is requesting the difference in cost to be able to appraise all four properties. (Attachment 6 Appraisal bid for all four properties).
- 3. Line Item No.55 Successor Agency Legal Fees for Limon Litigation, increase RPTTF Budget by \$25,000. New demands placed by Limon Judgment Plaintiffs' attorneys and financial issues related to the implementation of the Limon Replacement Housing units at Wesley Village result in a need for additional legal services. (Attachment 7 Legal Counsel Memorandum).

The Garden Grove Successor Agency resolution approving the Amended ROPS 19-20B will be voted upon at the September 10, 2019 City of Garden Grove Successor Agency regularly scheduled meeting. Successor Agency approval is subject to submittal to and approval by the Countywide Oversight Board and then by the State Department and Finance (DOF). The Successor Agency also requests authorization to post the approved Resolution and Amended ROPS 19-20 B to the City's website and to transmit the Amended ROPS 19-20 B to the DOF. Further, the City of Garden Grove's Community and Economic Development Director and her designees, in consultation with legal counsel, shall be authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by DOF.

Impact on Taxing Entities

No fiscal impact until approved by DOF. If the DOF approves the Amended ROPS as submitted, the Successor Agency will increase its previously authorized ROPS 19-20B distribution amount of \$8,647,601 to \$8,714,866, a difference of \$67,265 in RPTTF for the period of January 1, 2020 to June 30, 2020, to pay

the Successor Agency's enforceable obligations.

Staff Contact(s)

Monica Covarrubias, Project Manager Office of Economic Development City of Garden Grove Phone: 714-741-5788 <u>monicac@ggcity.org</u>

Lisa Kim Assistant City Manager/Community and Economic Development Director City of Garden Grove Phone: 714-741-5121 <u>lisak@ggcity.org</u>

Attachments

- Attachment 1 Oversight Board Resolution Amending ROPS 19-20B
- Attachment 2 Amended Recognized Obligation Payment Schedule 19-20 B
- Attachment 3 Resolution from Garden Grove Successor Agency
- Attachment 4 Line Item No. 22 Brookhurst Triangle Demolition Contract Change Order #1
- Attachment 5 Line Item No. 22 Brookhurst Triangle Demolition Contract Change Order #2
- Attachment 6 Line Item No. 47 Appraisal Bid
- Attachment 7 Line Item No. 55 Legal Counsel Memorandum

Resolution No. 19-____

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD APPROVING THE AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE 19-20 B FOR THE PERIOD OF JANUARY 1, 2020 TO JUNE 30, 2020 FOR THE SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT, SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE STATE DEPARTMENT OF FINANCE UNDER CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85; AUTHORIZING THE POSTING AND TRANSMITTAL THEREOF; AND AUTHORIZING THE COMMUNITY AND ECONOMIC DEVELOPMENT DIRECTOR, IN CONSULTATION WITH LEGAL COUNSEL, TO MAKE AUGMENTATIONS, MODIFICATIONS, ADDITIONS OR REVISIONS AS MAY BE NECESSARY OR DIRECTED BY DOF.

WHEREAS, the Garden Grove Agency for Community Development ("Former Agency") was established as a community redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Sections 33000, *et seq.*, and previously authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council ("City Council") of the City of Garden Grove ("City"); and

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation, and most recently by Senate Bill 107 (together, the "Dissolution Law"); and

WHEREAS, as of February 1, 2012 the former Agency was dissolved pursuant to the Dissolution Law, and, as a separate public entity, corporate and politic, the Successor Agency to the Garden Grove Agency for Community Development ("Successor Agency") administers the enforceable obligations of the former Agency and otherwise unwinds the former Agency's affairs, all subject to the review and approval by a seven-member oversight board ("Oversight Board"); 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, Sections 34177(m), 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 Law requires that beginning with the annual ROPS for the 16-17 fiscal period of July 1, 2016 to June 30, 2017 ("ROPS 16-17") inclusive, and for each period from July 1 to June 30, inclusive, thereafter, shall be submitted to

the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2016, and each February 1 thereafter; and

WHEREAS, Section 34177(o)(1)(E) provides that once per ROPS period, and no later than October 1, a Successor Agency may submit one amendment to the ROPS if the Oversight Board makes a finding that a revision is necessary for payment of approved enforceable obligations during the second one-half of the ROPS period defined as January 1 to June 30, inclusive. The Successor Agency may only amend the amount requested for payment of approved enforceable obligations; and

WHEREAS, the Orange Countywide Oversight Board has reviewed the Amended ROPS 19-20 B prepared, approved, and presented by the Successor Agency and desires to approve the Amended ROPS 19-20 B, and desires to authorize the Successor Agency, to cause posting of Amended ROPS 19-20 B on the City's website: <u>http://www.ci.garden-grove.ca.us/</u> and to direct transmittal of such ROPS to the DOF, with copies to the County Executive Officer, the County Auditor-Controller, and the State Controller's Office;

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

Section 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part hereof.

Section 2. Pursuant to the Dissolution Law, the Orange Countywide Oversight Board hereby approves Amended ROPS 19-20 B; provided however, that the Amended ROPS 19-20 B is approved subject to the condition such ROPS is to be submitted to and reviewed by the State Department of Finance. Further, the Community and Economic Development Director and her designees, in consultation with legal counsel, shall be authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by DOF.

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

Section 4. The Community and Economic Development Director or her authorized designee is directed to post this Resolution, including the Amended ROPS 19-20 B, on the City/Successor Agency website pursuant to the Dissolution Law.

Section 5. Pursuant to Section 34179(h) written notice and information about all actions taken by the Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF's choosing. An Oversight Board's action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review; provided however, that pursuant to Section 34177(m) as to each ROPS submitted the DOF shall make its determination of the enforceable obligations and the amounts and funding sources of the enforceable obligations thereon no later than 45 days after submittal.

Section 6. The Clerk of the Orange Countywide Oversight Board shall certify to the adoption of this Resolution.

ATTACHMENT 1 TO OVERSIGHT BOARD RESOLUTION NO. 19-____

AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE 19-20 B FOR THE PERIOD OF JANUARY 1, 2020 TO JUNE 30, 2020

(attached)

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

Successor Agency: Garden Grove

County: Orange

	rrent Period Requested Funding for Enforceable Obligations OPS Detail)	Au	PS 19-20B uthorized mounts	Re	PS 19-20B equested ustments	-	PS 19-20B ended Total
Α	Enforceable Obligations Funded as Follows (B+C+D)	\$	12,328	\$	-	\$	12,328
В	Bond Proceeds		-		-		-
С	Reserve Balance		-		-		-
D	Other Funds		12,328		-		12,328
Е	Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$	8,647,601	\$	67,265	\$	8,714,866
F	RPTTF		8,450,025		67,265		8,517,290
G	Administrative RPTTF		197,576		-		197,576
H	Current Period Enforceable Obligations (A+E)	\$	8,659,929	\$	67,265	\$	8,727,194

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

/s/

Title

Date

Signature

Garden Grove Amended Recognized Obligation Payment Schedule (ROPS 19-20B) - ROPS Detail January 1, 2020 through June 30, 2020

				Authorized Amounts					Requeste	d Adjus	tments					
Item	Project Name	Obligation	Total Outstanding		Fi	und Sour	ces		Total		Fund	Source	es		Total	
#		Туре	Obligation	Bond Proceeds	Reserve Balance		RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance		RPTTF	Admin RPTTF		
			\$132,234,336	\$-	\$-	\$12,328	\$8,450,025	\$197,576	\$8,659,929	\$-	\$-	\$-	\$67,265	\$-	\$67,265	
2	Hyatt Regency OPA	Business Incentive Agreements	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
6	Katella Cottages OPA	OPA/DDA/ Construction	\$3,015,342	-	-	-	30,000	-	\$30,000	-	-	-	-	-	\$-	
7	Katella Cottages Note	Bonds Issued On or Before 12/31/10	\$1,125,000	-	-	-	33,750	-	\$33,750	-	-	-	-	-	\$-	
9	Coastline Lease Payments	Miscellaneous	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
14	Union Bank Loan	Third-Party Loans	\$4,066,667	-	-	-	2,033,333	-	\$2,033,333	-	-	-	-	-	\$-	
16	Sycamore Walk DDA	Remediation	\$60,000	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
18	Housing Fund Deficit	SERAF/ERAF	\$13,254,260	-	-	-	3,100,000	-	\$3,100,000	-	-	-	-	-	\$-	
19	Waterpark Hotel DDA	Business Incentive Agreements	\$10,100,000	-	-	-	1,179,119	-	\$1,179,119	-	-	-	-	-	\$-	
20	Site B2 DDA	Business Incentive Agreements	\$3,300,000	-	-	-	450,000	-	\$450,000	-	-	-	-	-	\$-	
22	Brookhurst Triangle DDA	OPA/DDA/ Construction	\$7,898,000	-	-	-	-	-	\$-	-	-	-	28,965	-	\$28,965	Increase in buc S-1232-Brookh from unanticipa
24	Project Management for Item 20 - Site B2	Project Management Costs	\$300,000	-	-	-	83,216	-	\$83,216	-	-	-	-	-	\$-	
25	Project Legal for Items 19-20	Legal	\$75,000	-	-	-	25,000	-	\$25,000	-	-	-	-	-	\$-	
27	Agency Property Maint/Management	Property Maintenance	\$135,000	-	-	12,328	-	-	\$12,328	-	-	-	-	-	\$-	
31	Administrative Allowance	Admin Costs	\$4,500,000	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
33	Brookhurst Triangle DDA	Property Dispositions	\$1,790,971	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
34	Brookhurst Triangle DDA	Property Dispositions	\$1,490,971	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
37	Project Management for Item 22 -	Project Management	\$250,000	-	-	-	83,214	-	\$83,214	-	-	-	-	-	\$-	

Notes
dget to agreement with J&G Industries, Inc., for Project No. hurst Triangle Phase II Demolition, due to change orders resulting ated changes in conditions to the project site.

				Authorized Amounts							Requeste	d Adius	tments			
Item		Obligation	Total			und Sour					-	d Source				
#	Project Name	Туре	Outstanding Obligation	Bond	Reserve	Other	RPTTF	Admin	Total	Bond	Reserve	Other	RPTTF	Admin	Total	
	Draakhurat	Casta		Proceeds	Balance	Funds		RPTTF		Proceeds	Balance	Funds		RPTTF		
20	Brookhurst	Costs	¢00.070.575				EZO 40E		¢570.405						¢	
39	2014 Tax Allocation Refunding Bonds	Refunding Bonds Issued After 6/27/12	\$29,078,575	-	_	-	570,125	-	\$570,125	-	-	-	-	-	\$-	
40	Lim□n Law Suit Settlement	Litigation	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
47	Appraisals(s)	Admin Costs	\$46,000	-	-	-	4,200	-	\$4,200	-	-	-	13,300	-	\$13,300	Oversight Board Successor Agen cover the cost of
49	Lim□n Law Suit Settlement/ Judgement	Litigation	\$-	-	_	-	_	-	\$-	-	-	-	-	-	\$-	
50	Lim□n Law Suit Settlement/ Judgement	Litigation	\$-	-	_	-	-	-	\$-	-	-	-	-	-	\$-	
51	Housing Successor Administration	Admin Costs	\$1,500,000	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
52	Item 39 Trustee Fee (2014 TARB)	Fees	\$162,000	-	-	-	3,327	-	\$3,327	-	-	-	-	-	\$-	
53	Item 19 Trustee Fee (Waterpark Bond)	Fees	\$246,100	-	-	-	2,527	-	\$2,527	-	-	-	-	-	\$-	
54	Item 7 Trustee Fee (Katella Cottages Note)	Fees	\$17,500	-	-	-	800	-	\$800	-	-	-	-	-	\$-	
55	Successor Agency Legal Fees for Limon Litigation (Item 49 & 50)	Legal	\$70,000	-	-	-	25,000	-	\$25,000	-	-	-	25,000	-	\$25,000	Increase due to and financial iss Housing units a
	2016 Tax Allocation Bonds (for Waterpark Hotel, Item 19)	Bonds Issued After 12/31/10	\$49,748,250	-	-	-	826,125	-	\$826,125	-	-	-	-	-	\$-	
	Project Management for Item 19 - Water Park	Business Incentive Agreements	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
58	Item 14 Dissemination Fees	Fees	\$4,700	-	-	-	289	-	\$289	-	-	-	-	-	\$-	
59	Unfunded CalPERS Pension Liabilities 2011-12	Unfunded Liabilities	\$-	-		-	-	-	\$-	-	-	-	-	-	\$-	
60	Unfunded CalPERS Pension Liabilities 2012-13	Unfunded Liabilities	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
61	Unfunded CalPERS Pension Liabilities	Unfunded Liabilities	\$-	-	_	-	-	-	\$-	-	-	-	-	-	\$-	

Notes
rd is requesting Successor Agency expedite disposition of ency owned properties. Current approved budget not sufficient to of appraisals for all properties owned by the Agency.
to new demands placed by Limon Judgment Plaintiffs□ attorneys ssues related to the implementation of the Limon Replacement at Wesley Village result in a need for additional legal services.

					Auth	orized Ar	nounts				Requeste	d Adjust	tments			
lte	n Project Name	Obligation	Total Outstanding		F	und Sour	ces		Total	Fund Sources					Total	Notes
#		Туре	Obligation		Reserve Balance		RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
	2013-14															
62		Unfunded Liabilities	\$-	-	-	-	-	-	\$.		-	-	-	-	\$-	
63		Unfunded Liabilities	\$-	-	-	-	-	-	\$·		-	-	-	-	\$-	
64		Unfunded Liabilities	\$-	-	-	-	-	-	\$·		-	-	-	-	\$-	
6		Unfunded Liabilities	\$-	-	-	-	-	-	\$·	-	-	-	-	-	\$-	

GARDEN GROVE SUCCESSOR AGENCY

RESOLUTION NO. 57-19

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT APPROVING THE AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE 19-20 B FOR THE PERIOD OF JANUARY 1, 2020 TO JUNE 30, 2020, SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE OVERSIGHT BOARD AND THE STATE DEPARTMENT OF FINANCE UNDER CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85; AND, AUTHORIZING THE POSTING AND TRANSMITTAL OF THE ROPS

WHEREAS, the Garden Grove Agency for Community Development ("Former Agency") was established as a community redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Sections 33000, *et seq.* ("CRL"), and previously authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council ("City Council") of the City of Garden Grove ("City");

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation, and most recently by Senate Bill 107 (together, the "Dissolution Law");

WHEREAS, as of February 1, 2012 the Former Agency was dissolved pursuant to the Dissolution Law, and, as a separate public entity, corporate and politic, the Successor Agency to the Garden Grove Agency for Community Development ("Successor Agency") administers the enforceable obligations of the former Agency and otherwise unwinds the Former Agency's affairs, all subject to the review and approval by an oversight board ("Oversight Board");

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;

WHEREAS, Sections 34177(m), 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");

WHEREAS, Section 34177(o) of the Dissolution Law requires that beginning with the annual ROPS for the 16-17 fiscal period of July 1, 2016 to June 30, 2017 ("ROPS 16-17") inclusive, and for each period from July 1 to June 30, inclusive, thereafter, shall be submitted to the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2016, and each February 1 thereafter;

Garden Grove Successor Agency Resolution No. 57-19 Page 2

WHEREAS, Section 34177(E)(o)(I) provides that once per ROPS period, and no later than October 1, a Successor Agency may submit one amendment to the ROPS if the Oversight Board makes a finding that a revision is necessary for payment of approved enforceable obligations during the second one-half of the ROPS period defined as January 1 to June 30, inclusive. The Successor Agency may only amend the amount requested for payment of approved enforceable obligations;

WHEREAS, pursuant to Sections 34179.6 and 34177(I)(2)(B), the Successor Agency is required to submit the ROPS to the DOF with copies to the County Administrative Officer, the County Auditor-Controller, and the State Controller's Office at the same time that the Successor Agency submits the ROPS to the Oversight Board for review;

WHEREAS, the Successor Agency has reviewed the draft Amended ROPS 19-20 B and desires to approve the Amended ROPS 19-20 B and to authorize the Successor Agency staff to transmit the Amended ROPS to the Oversight Board; and

WHEREAS, the Successor Agency staff is directed to post the Amended ROPS 19-20 B on the City/Successor Agency website: https://ggcity.org/

NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT:

Section 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

Section 2. Pursuant to the Dissolution Law, the Successor Agency approves the Amended ROPS 19-20 B, which schedule is incorporated herein by this reference; provided however, that the Amended ROPS 19-20 B is approved subject to transmittal of the Amended ROPS to the Oversight Board for review and approval with copies of the Amended ROPS to be sent concurrently to the DOF, the County Administrative Officer, the County Auditor-Controller, and the State Controller's Office. Further, the Community and Economic Development Director, or her designee, in consultation with legal counsel, is hereby authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by DOF, and changes, if any, will be reported back to the Successor Agency and the Oversight Board.

Section 3. After approval by the Oversight Board, the Successor Agency authorizes transmittal of the approved Amended ROPS 19-20 B to the DOF, the County Administrative Officer, the County Auditor-Controller, and the State Controller's Office.

Garden Grove Successor Agency Resolution No. 57-19 Page 3

Section 4. Community and Economic Development Director, or her designee, is directed to post this Resolution, including the Amended ROPS 19-20 B, on the City/Successor Agency website pursuant to the Dissolution Law.

Section 5. The Secretary of the Successor Agency shall certify to the adoption of this Resolution.

Adopted this 10th day of September 2019.

ATTEST:

<u>/s/ STEVEN R. JONES</u> CHAIR

<u>/s/ TERESA POMEROY, CMC</u> SECRETARY

STATE OF CALIFORNIA) COUNTY OF ORANGE) SS: CITY OF GARDEN GROVE)

I, TERESA POMEROY, Secretary of The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development, do hereby certify that the foregoing Resolution was duly adopted by the Successor Agency, at a meeting held on the 10th day of September 2019, by the following vote:

AYES: MEMBERS: (7) BRIETIGAM, BUI, O'NEILL, NGUYEN T., KLOPFENSTEIN, NGUYEN K., JONES

NOES: MEMBERS: (0) NONE

ABSENT: MEMBERS: (0) NONE

<u>/s/ TERESA POMEROY, CMC</u> SECRETARY

ATTACHMENT 1 to Successor Agency Resolution No. 57-19

AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE 19-20 B FOR SIX-MONTH FISCAL PERIOD JANUARY 1, 2020 TO JUNE 30, 2020

(attached)

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

Successor Agency: Garden Grove

County: Orange

	rrent Period Requested Funding for Enforceable Obligations OPS Detail)	Au	PS 19-20B uthorized mounts	Re	PS 19-20B equested ustments	-	PS 19-20B ended Total
Α	Enforceable Obligations Funded as Follows (B+C+D)	\$	12,328	\$	-	\$	12,328
В	Bond Proceeds		-		-		-
С	Reserve Balance		-		-		-
D	Other Funds		12,328		-		12,328
Е	Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$	8,647,601	\$	67,265	\$	8,714,866
F	RPTTF		8,450,025		67,265		8,517,290
G	Administrative RPTTF		197,576		-		197,576
H	Current Period Enforceable Obligations (A+E)	\$	8,659,929	\$	67,265	\$	8,727,194

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

/s/

Title

Date

Signature

Garden Grove Amended Recognized Obligation Payment Schedule (ROPS 19-20B) - ROPS Detail January 1, 2020 through June 30, 2020

					Auth	orized A	mounts			Requested Adjustments						
Item	Project Name	Obligation	Total Outstanding		F	und Sour	rces		Total		Fund	d Source	es		Total	Notes
#	,	Туре	Obligation	Bond Proceeds	Reserve Balance		RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance		RPTTF	Admin RPTTF		
			\$132,234,336	\$-	\$-	\$12,328	\$8,525,025	\$197,576	\$8,659,929	\$-	· \$-	\$-	\$67,265	\$-	\$67,265	
2	Hyatt Regency OPA	Business Incentive Agreements	\$-	-	-	_	-	-	\$-	-	-	· _	-	_	\$-	
6	Katella Cottages OPA	OPA/DDA/ Construction	\$3,015,342	-	-	-	30,000	-	\$30,000	-	-	-	-	-	\$-	
	Katella Cottages Note	Bonds Issued On or Before 12/31/10	\$1,125,000	-	-	-	33,750	-	\$33,750	-	-	-	-	-	\$-	
	Coastline Lease Payments	Miscellaneous	\$-	-	-	_	-	-	\$-	-	-	-	-	_	\$-	
14	Union Bank Loan	Third-Party Loans	\$4,066,667	-	-	_	2,033,333	-	\$2,033,333	-	-	-	-	-	\$-	
16	Sycamore Walk DDA	Remediation	\$60,000	-	-	-	-	-	\$-	-		-	-	-	\$-	
18	Housing Fund Deficit	SERAF/ERAF	\$13,254,260	-	-	-	3,100,000	-	\$3,100,000	-	-	-	-	-	\$-	
19	Waterpark Hotel DDA	Business Incentive Agreements	\$10,100,000	-	-	_	1,179,119	-	\$1,179,119	-	-	_	-	-	\$-	
20	Site B2 DDA	Business Incentive Agreements	\$3,300,000	-	-	_	450,000	-	\$450,000	-	-	_	-	-	\$-	
	Brookhurst Triangle DDA	OPA/DDA/ Construction	\$7,898,000	-	-	_	-	-	\$-	-	-	_	28,965	-	\$28,965	Increase in budget to agreement with J&G Industries, Inc., for Project No. S-1232-Brookhurst Triangle Phase II Demolition, due to change orders resulting from unanticipated changes in conditions to the project site.
		Project Management Costs	\$300,000	-	-	_	83,216	-	\$83,216	-	-	_	-	-	\$-	
	Project Legal for Items 19-20	Legal	\$75,000	-	-	-	25,000	-	\$25,000	-	-	-	-	-	\$-	
	Agency Property Maint/Management	Property Maintenance	\$135,000	-	-	12,328	-	-	\$12,328	-	-	-	-	-	\$-	
	Administrative Allowance	Admin Costs	\$4,500,000	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
	Brookhurst Triangle DDA	Property Dispositions	\$1,790,971	-	-	-	-	-	\$-	-	-	_	-	-	\$-	
	Brookhurst Triangle DDA	Property Dispositions	\$1,490,971	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
	Project Management for Item 22 - Brookhurst	Project Management Costs	\$250,000	-	-	-	83,214	-	\$83,214	-	-	-	-	-	\$-	

				Authorized Amounts				Requested Adjustments								
Item		Obligation	Total			und Sour						d Source				
#	Project Name	Туре	Outstanding Obligation	Bond	Reserve	Other	RPTTF	Admin	Total	Bond	Reserve	Other	RPTTF	Admin	Total	
			<u> </u>	Proceeds	Balance	Funds		RPTTF		Proceeds	Balance	Funds		RPTTF		
39	2014 Tax Allocation Refunding Bonds	Refunding Bonds Issued After 6/27/12	\$29,078,575	-	-	-	570,125	-	\$570,125	-	-	-	-	-	\$-	
40	Lim□n Law Suit Settlement	Litigation	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
47	Appraisals(s)	Admin Costs	\$46,000	-	_	-	4,200	-	\$4,200	-	-	-	13,300	-	\$13,300	Oversight Board Successor Ager cover the cost o
49	Lim⊡n Law Suit Settlement/ Judgement	Litigation	\$-	-	_	-	-	-	\$-	-	-	-	-	-	\$-	
50	Lim⊡n Law Suit Settlement/ Judgement	Litigation	\$-	-	_	-	-	-	\$-	-	-	-	-	-	\$-	
51	Housing Successor Administration	Admin Costs	\$1,500,000	-	_	-	75,000	-	\$-	-	-	-	-	-	\$-	
52	Item 39 Trustee Fee (2014 TARB)	Fees	\$162,000	-	_	-	3,327	-	\$3,327	-	-	-	-	-	\$-	
53	Item 19 Trustee Fee (Waterpark Bond)	Fees	\$246,100	-	-	-	2,527	-	\$2,527	-	-	-	-	-	\$-	
54	Item 7 Trustee Fee (Katella Cottages Note)	Fees	\$17,500	-	-	-	800	-	\$800	-	-	-	-	-	\$-	
55	Successor Agency Legal Fees for Limon Litigation (Item 49 & 50)	Legal	\$70,000	-	_	-	25,000	-	\$25,000	-	-	-	25,000	-	\$25,000	Increase due to and financial iss Housing units a
	2016 Tax Allocation Bonds (for Waterpark Hotel, Item 19)	Bonds Issued After 12/31/10	\$49,748,250	-	-	-	826,125	-	\$826,125	-	-	-	-	-	\$-	
57	Project Management for Item 19 - Water Park	Business Incentive Agreements	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
58	Item 14 Dissemination Fees	Fees	\$4,700	-	_	-	289	-	\$289	-	-	-	-	-	\$-	
59	Unfunded CalPERS Pension Liabilities 2011-12	Unfunded Liabilities	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
60	Unfunded CalPERS Pension Liabilities 2012-13	Unfunded Liabilities	\$-	-	_	-	-	-	\$-	-	-	-	-	-	\$-	
61	Unfunded CalPERS Pension Liabilities 2013-14	Unfunded Liabilities	\$-	-	_	-	-	-	\$-	-	-	-	-	-	\$-	

Notes
rd is requesting Successor Agency expedite disposition of ency owned properties. Current approved budget not sufficient to of appraisals for all properties owned by the Agency.
to new demands placed by Limon Judgment Plaintiffs attorneys ssues related to the implementation of the Limon Replacement at Wesley Village result in a need for additional legal services.

					Auth	orized Ar	nounts			Requeste	d Adjus	tments				
Item	Project Name	Project Name Obligation Outstanding				und Sour	ces		Total		Func		Total			
#		Туре	Obligation	Bond Proceeds			Admin RPTTF		Bond Proceeds	Reserve Balance		RPTTF	Admin RPTTF			
62	Unfunded CalPERS Pension Liabilities 2014-15	Unfunded Liabilities	\$-	-	-	-	_	-	\$-	-	-	-	-	-	\$-	
63	Unfunded CalPERS Pension Liabilities 2015-16	Unfunded Liabilities	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
64	Unfunded CalPERS Pension Liabilities 2016-17	Unfunded Liabilities	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
65	Unfunded CalPERS Pension Liabilities 2017-18	Unfunded Liabilities	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	





July 15, 2019

PHONE: 714-903-2002 FAX: 714-903-2003

City of Garden Grove 11122 Acacia Pkwy Garden Grove, CA 92842

Greg Blodgett, Sr Project Manager

Re: Brookhurst Triangle Demolition Project- Phase II Project No. S-1232

In follow up to our site meeting of July 12, 2019, in regards to changed site conditions, underground transite pipe, we have prepared a Change Order request for your review.

Survey & prepare Procedure 5 Plan by a 3rd party	\$1,500.00
SCAQMD - Notification & Permit	\$1,000.00
Waste Bin	\$1,500.00
1st Day (2) Man crew	\$3,750.00
2nd Day (2) Man crew	\$2,000.00
J&G Mark-up on above	\$975.00
Excavation Costs	\$3,680.00
Water Truck / Labor	\$1,120.00
Supervision	\$1,200.00
Bonds & Insurance costs (All \$16,725.00 above)	\$836.25
Total Change Order Request	\$17,561.25

We would also request additional time to be added to our contract to cover additional scope of work.

Please don't hesitate to contact me with any questions. Thank you,

Eric Cain, VP





August 12, 2019

PHONE: 714-903-2002 FAX: 714-903-2003

City of Garden Grove 11122 Acacia Pkwy Garden Grove, CA 92842

Greg Blodgett, Sr Project Manager

Re: Brookhurst Triangle Demolition Project- Phase II Project No. S-1232

Per job walk on 8/9/19 to discuss additional concrete beneath the asphalt. We request a Change Order outlined below for removal of unforeseen concrete slabs/footings and block building wall.

Area is approximately 70x200 = 14,000 s.f. by up to 3' below grade surface. Note that we will leave open our previous change order for a Procedure 5 for the removal of asbestos containing underground transite pipe in the event we encounter more of this material.

Our breakdown for the above out of scope work is follows:

1/2 day exploratory work to define limits of work (8/8/19)	<u>\$1,420.00</u>
5 Days for removals including dirt, concrete, slabs, footings and block wa	alls. Also
included is breaking & processing of concrete	<u>\$13,600.00</u>
3 Days of backfilling, track rolling and rough grading of area	\$23,600.00
Sub Total	<u>\$38,620.00</u>
15% Mark-up	<u>\$5,793.00</u>

Total Change Order Request

We would also request an extension of time to our contract to cover this additional scope of work.

Please don't hesitate to contact me with any questions. Thank you,

Eric Cain, VP



\$44,413.00

Kevin Donahue, MAI Executive Director



August 29, 2019

Mr. Paul Guerrero CITY OF GARDEN GROVE 11222 Acacia Parkway P.O. Box 3070 Garden Grove, CA 92842

Re: Proposal for Appraisal Services 4 Potential Projects Garden Grove, CA

Dear Mr. Guerrero:

Thank you for requesting our proposal for appraisal services. This letter is to provide preliminary fees only and is *not intended to be a binding offer of professional services*.

I. PROBLEM IDENTIFICATION

The Parties To This Agreement:	Cushman & Wakefield Western, Inc. ("C&W") and THE CITY OF GARDEN GROVE (the "Client").
Intended Users:	The appraisals will be prepared for the Client and is intended only for the use specified below. The Client agrees that there are no other Intended Users.
Intended Use:	To assist the City of Garden Grove in internal decision-making and possible disposition of the subject properties.
Type of Opinion and Rights Appraised:	Current market value of each property's Fee Simple Interest.
Date of Value:	Date of inspection
Subject of the Assignment and Relevant Characteristics:	Site 1: This subject property is identified as APN 100-504-74 and consists of a 500' X 6" raised planter in an existing alley way. The intended use to determine the property's value for the City's internal use. <i>Approximate fee: \$3,500-\$4,000.</i>
	Site 2: This subject property is identified as APN 089-201-32 and consists of a triangular-shaped parcel of approximately 870 square feet. The intended use to determine the property's value for the City's internal use. <i>Approximate fee: \$3,500-\$4,000.</i>
	Site 3: This subject property is identified as APN 099-091-15 and consists of a trapezoidal-shaped parcel of approximately 11,000 square feet, with two auto shops and on-site parking. Shop A is approximately 800 sf and Shop B is approximately 1300 sf. The

	intended use is possible disposition. <i>Approximate fee: \$4,500-\$5,500.</i>
	Site 4: This subject property is identified as APN 231-471-23 and consists of a rectangular-shaped parcel of approximately 7,200 square feet. It is vacant. The intended use to determine the property's value for the City's internal use. <i>Approximate fee: \$3,500-\$4,000.</i>
Assignment Conditions:	The assignment is based upon the following assignment condition:
	Extraordinary Assumption:
	The properties are to be appraised free and clear of hazardous wastes/ substances
	It may be necessary to add additional relevant assumptions and/or conditions as the assignment progresses.
II. ANTICIPATED SCOPE OF WORK	
USPAP Compliance:	C&W will develop an appraisal in accordance with USPAP and Code of Ethics and Certification Standards of the Appraisal Institute.
General Scope of Work:	• Property Inspections to the extent necessary to adequately identify the real estate
	 Research relevant market data, in terms of quantity, quality, and geographic comparability, to the extent necessary to produce credible appraisal results
	 Consider and develop those approaches relevant and applicable to the appraisal problem. Based on our discussions with the Client, we anticipate developing the following valuation approach:
	 Sales Comparison Approach
III. REPORTING AND DISCLOSURE	
Scope of Work Disclosure:	The actual Scope of Work will be reported within the report.
Reporting Option:	The appraisals will be communicated in Appraisal Report format.
IV. FEE, EXPENSES AND OTHER TEF	
Additional Expenses:	Fee quoted is inclusive of expenses related to the preparation of the report. Should it be necessary, any work beyond the

Fee quoted is inclusive of expenses related to the preparation of the report. Should it be necessary, any work beyond the appraisal assignment shall be billed at hourly rates set forth in the pending On-call service agreement between the City and Cushman & Wakefield. Thank you for your inquiry regarding services and we look forward to working with you.

Sincerely, Cushman & Wakefield Western, Inc.

Fait of 3

Kevin Donahue, MAI Executive Director



STRADLING YOCCA CARLSON & RAUTH A PROFESSIONAL CORPORATION 660 NEWPORT CENTER DRIVE, SUITE 1600 NEWPORT BEACH, CA 92660-6422 SYCR.COM CALIFORNIA NEWPORT BEACH SACRAMENTO SAN DIEGO SAN FRANCISCO SANTA BARBARA SANTA MONICA COLORADO DENVER <u>NEVADA</u> LAS VEGAS RENO <u>WASHINGTON</u> SEATTLE

MEMORANDUM

To: Monica Covarrubias, Project Manager Successor Agency to the Garden Grove Agency for Community Development
FROM: Celeste Stahl Brady, Esq., Successor Agency Counsel July 15, 2019
SUBJECT: Revised Budget for Estimated Fees for Stradling Legal Services for Amendment of ROPS 19-20, Fiscal Period July 1, 2019 to June 30, 2020; Line Item 55 Related to Implementation of the Limon Judgments and Monitoring, Interpretation and Enforcement

This memorandum is presented to you as our long-standing client in connection with the submittal to, and review by, the State Department of Finance's ("DOF") of the Amendment of ROPS 19-20 by the Successor Agency to the Garden Grove Agency for Community Development ("Successor Agency"), which will be submitted to DOF by October 1, 2019 and explains the revised estimated budget and need for an amendment of the current DOF-approved ROPS 19-20 legal services provided and to be provided by Stradling Yocca Carlson & Rauth's ("Stradling") during the fiscal year 2019-2020 ("FY") for direct costs estimated and projected to be incurred for continued implementation, interpretation, monitoring, compliance, and enforcement of those certain enforceable obligations referred to as the *Limon* Judgments (Line Item 55 on the ROPS).

Line Item 55 arises from two judgments issued by California courts in two litigation matters: (1) pre-dissolution litigation entitled *Marina Limon, et al. v. Garden Grove Agency for Community Development*, Orange County Superior Court Case No. 30-2009-00291597 ("Original *Limon Judgment*"), and (2) post-dissolution entitled *Marina Limon, et al v. State of California, et al*, Sacramento Superior Court Case Number: 34-2014-80001994 ("Writ Order to DOF"), and together referred to as the "*Limon Judgments*".

In March 2014, the Successor Agency (as successor to the Former Agency in the Original *Limon* Judgment) and the Plaintiffs in that action executed, and the Superior Court approved, that certain Interlocutory Judgment that, among other obligations, required the Successor Agency: (a) to provide and pay for additional relocation assistance and monetary benefits to all former residents of the Travel Country RV Park; (b) to cause to be developed, operated, maintained and managed thirty-eight (38) additional very low- and low-income replacement housing units by new construction

CELESTE STAHL BRADY 949.725.4141 CSBRADY@SYCR.COM Memorandum to Monica Covarrubias Amendment of ROPS 19-20 re Legal Services to Implement Limon Judgments July 15, 2019 Page Two

with some substantial rehabilitation units based on certain conditions (together the 38 units are referred to as "*Limon* Replacement Housing"); and (c) give priority to all Plaintiffs and *all* former occupants/residents of certain property referred to as the Travel Country RV Park relating to future occupancy and encouraging application for tenancy and becoming tenants at the housing units developed and operated as the *Limon* Replacement Housing and certain other affordable housing obligations in the community.

The Original Limon Judgment also provided that the requirements of the judgment must be treated as "enforceable obligations" of the Former Agency to be listed on the Successor Agency's ROPS and paid with available RPTTF property tax revenues until such judgment was fully implemented, monitored and enforced. In late 2014 to mid-2015, DOF had refused to honor and make certain payments via the ROPS process for the Original Limon Judgment, so the Plaintiffs and their legal counsels in the Original Limon Judgment filed a separate lawsuit against the DOF, the County Auditor-Controller and related parties ("DOF Defendants"), which resulted in the Superior Court issuing the Writ Order to DOF mandating that the Original Limon Judgment is, and always shall be treated as, an *enforceable obligation* and to make payments in the subject ROPS and in *all future ROPS* as necessary to implement, enforce, monitor the Limon Judgments. The Superior Court in the Writ Order to DOF affirmatively found that "all of DOF's arguments lack merit[,]" and "the Dissolution Law commands Respondents [DOF Defendants] to recognize that [Original Limon] Judgment as an enforceable obligation... and 'meets the definition of an 'enforceable obligation' under section 34171(d)(1)(D). (See Health & Saf. Code§§ 34171(d)(1)(D), 34173(g).)"

Further, the Court ruled that "DOF cannot reject [this] enforceable obligation simply because it requires the expenditure of property tax funds that DOF would rather see directed to affected taxing entities." By the Writ Order to DOF, now and in the future it is mandatory for DOF to approve payments (on current or future ROPS, including this Amendment to ROPS 19-20) related to the implementation of the *Limon* Replacement Housing.

Amendment of ROPS 19-20, Line Item No. 55; Stradling increase of DOF-approved \$50,000.00 by \$25,000 for a total of \$75,000 during FY 19-20:

In connection with review and approval of ROPS 19-20 submitted by the Successor Agency prior to February 1, 2019, DOF approved \$50,000 related to Stradling fees for legal services provided under line item 55; however, it is necessary to amend and increase ROPS item 55 by \$25,000 for a total of \$75,000 in Stradling legal fees during FY 19-20. The scope of necessary legal services to be provided by Stradling relates to continued implementation and enforcement of the *Limon* Judgments, in particular the *Limon* Replacement Housing, which units are part of the Wesley Village and Sycamore Court affordable housing developments.

The need for additional legal services is based on new demands by the Plaintiffs' attorneys for additional outreach to Plaintiffs and all former tenants of the RV Park about their interest in prospective tenancy at the *Limon* Replacement Housing units. Further, financial issues exist related to the implementation of the Limon Replacement Housing units at Wesley Village that will require restructuring of existing and providing additional funding to maintain as long-term affordable units the *Limon* Replacement Housing restructuring necessitates preparation of new and amended loan documents, drafting and review of intercreditor and subordination agreements required by state and private funding sources, amendment of affordability covenants, and other financial and legal instruments that will cause the Successor Agency to incur increased costs and fees

Memorandum to Monica Covarrubias Amendment of ROPS 19-20 re Legal Services to Implement Limon Judgments July 15, 2019 Page Three

for legal services in continued implementation of the *Limon* Judgments and *Limon* Replacement Housing. Without the financing restructure, there is a potential for loss of or reduced affordability of one or more *Limon* Replacement Housing units, so the Stradling legal services are keenly necessary (as well as concurrent and coordinated consulting work by the Successor Agency's economic and housing consultant Keyser Marston Associates, which is a separate request for amendment of item 55 on ROPS 19-20.)

Stradling has been and remains lead counsel for all aspects of the *Limon* Judgments and *Limon* Replacement Housing projects, in consultation with the City Attorney's law firm, Woodruff, Spradlin & Smart, and Garden Grove management. For the *Amendment* of ROPS 19-20, fiscal period of July 1, 2019 to June 30, 2020, Stradling estimates an increase of \$25,000 (for a total of \$75,000) to provide legal services related to implementation of the *Limon* Judgments, which represents only about four hours/week, or 16 hours/month, or about 200 hours/19-20 fiscal year for Stradling's legal services relating thereto and to the *Limon* Replacement Housing.

This memorandum is directed at the pending amendment of ROPS 19-20, but we *caveat* that we present an estimate only of additional fees of \$25,000 for FY 19-20 (estimated cumulative total of \$75,000/FY) that we anticipate will be incurred, these estimates are not intended to be binding, are subject to unforeseen circumstances, and are by their nature inexact.

If there are questions about this estimate or memorandum for the amendment of ROPS 19-20, please contact me.

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 10A

From: Successor Agency to the Anaheim Redevelopment Agency

Subject: Straw Vote of the Countywide Oversight Board Regarding Administrative Budget

Recommended Action:

Hold a straw vote regarding FY 2020-2021 Administrative Budget for the Anaheim Successor Agency

The Anaheim Successor Agency requests a straw vote of the Administrative Budget for Fiscal Year 2020-21. The Successor Agency shall return in January with a request for final approval of the Administrative Budget with the Recognized Obligation Payment Schedule (ROPS).

The Administrative Budget accounts for personnel hours for staff conducting business on behalf of the Anaheim Successor Agency. This includes time for the Executive Director who oversees and provides all oversight of the Successor Agency, the Financial Accounting Manager who prepares and submits ROPS, PPA schedules, and serves as the primary DOF contact, the Senior Accountant who prepares all accounting entries, calculates property tax data for enforceable obligations, compiles data for RDA bonds, etc., the Senior Project Manager who manages all remediation for the Westgate landfill, and the Management Assistant who prepares all staff reports and correspondence for Oversight Board meetings, and serves as the liaison between the Board and the Successor Agency.

In addition to personnel costs, the Administrative Budget includes costs allocated for legal counsel, audit fees, offsite document storage, loan servicing fees, and other administrative costs. The Anaheim Successor Agency is requesting from the Department of Finance \$637,000 of the allowable \$945,535 (3% of the FY 19-20 RPTTF) for the Administrative Budget.

Staff Contact(s)

Stacey Shokri Financial Accounting Manager SShokri@anaheim.net

Jessica Garcia Management Assistant Jgarcia3@anaheim.net

Attachments

- 1. Draft Administrative Budget
- 2. FY 2019-20 Approved ROPS and Administrative Budget
- 3. FY 2018-19 Approved ROPS including Administrative Budget
- 4. FY 2019-20 ROPS DOF Final Determination Letter
- 5. FY 2018-19 ROPS DOF Final Determination Letter

			ANAHEIM SUCCESSOR AGENCY
			2020/21 ADMINISTRATIVE BUDGET
CATEGORY	PROJECTED AM	OUNT	NOTES
LABOR (SALARY & BURDEN):			
Executive Director	\$	80,000	Provides overall oversight of the Successor Agency's operations. Budget provides funds for 20% of his time.
Financial Accounting Manager		85,000	Prepares and submits ROPS, PPA schedules, primary contact for DOF reviews, oversees all of the accounting and budgeting for the Successor Agency. Budget provides funds for 30% of her time.
Senior Accountant		70,000	Prepares all of the accounting entries, calculates the property tax data needed for certain enforceable obligations on the ROPS, compiles the annual disclosure reports required for the former RDA bonds, processes all of the invoices and debt service payments, and assists/prepares in ROPS preparation. Budget provides for 30% of his time.
Senior Project Manager		70,000	Manages all of the remediation activities at the Westgate landfill that remains an enforceable obligation of the Successor Agency. Budget provides for 25% of his time.
		70,000	Assists in preparation of the Successor Agency staff reports to the Oversight Board, handles issues related to the LRPMP and serves as the main liasion between
Management Assistant		35,000	the Oversight Board and the Successor Agency. Budget provides for 25% of her time.
LEGAL		80,000	Outstanding unfunded pension obligation lawsuit and general counsel services.
CITY OVERHEAD CHARGES		50,000	Charges from Human Resources, City Clerk, City Manager's Office, and Finance.
RENTS/OFFICE EQUIPMENT/SUPPLIES		40,000	
CAFR AUDIT FEES		10,000	
DOCUMENT OFFSITE STORAGE		5,000	
LOAN SERVICING FEES		1,000	
SHIPPING/MAILING		1,000	
ADMINISTRATIVE COSTS - WESTGATE PROJECT		10,000	
TOTAL BUDGET	\$ 63	37,000	
ADMINSTRATIVE ALLOWANCE	90	64,535	Successor Agency's allowance increased due to 2019/20 ROPS authorization of lawsuit judgement.
(OVER)/UNDER ADMINISTRATIVE ALLOWANCE	32	27,535	

Resolution No. 19-018

RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH OVERSIGHT OF THE SUCCESSOR AGENCY TO THE ANAHEIM REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE JULY 1, 2019 THROUGH JUNE 30, 2020 PERIOD

WHEREAS, the Successor Agency to the Anaheim Redevelopment Agency ("Successor Agency") has been established to take certain actions to wind down the affairs of the Anaheim Redevelopment Agency in accordance with Section 34173 of the Health and Safety Code; 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 seven-member 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 County of Orange through the Orange County Auditor-Controller established the single Orange Countywide Oversight Board (the "Oversight Board") 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, pursuant to Section 34177(o) of the Dissolution Act, the Successor Agency has prepared, approved, and submitted to the Oversight Board for approval its Recognized Obligation Payment Schedule ("ROPS") for the period covering July 1, 2019 through June 30, 2020 (also referred to as "ROPS 19-20"), in the form attached to this Resolution as Attachment No. 1 and incorporated herein by this reference; and

WHEREAS, the ROPS 19-20 sets forth and includes the Administrative Budget prepared by the Successor Agency for the period covering July 1, 2019 through June 30, 2020; and WHEREAS, by this Resolution, pursuant to Section 34177, subdivisions (j) and (o), and Section 34180(g) of the Dissolution Act, the Oversight Board has received the ROPS 19-20 from the Successor Agency;

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

Section 1. The foregoing recitals are incorporated into this resolution by this reference, and constitute a material part hereof.

Section 2. The Oversight Board hereby approves the ROPS 19-20 in the form attached to this Resolution as Attachment No. 1, and authorizes the Successor Agency Director to make such augmentation, modification, additions or revisions as he may deem appropriate.

Section 3. The Successor Agency is directed to transmit the approved ROPS 19-20 to the County Auditor-Controller, the State Controller's Office, and the State Department of Finance, and to post the ROPS 19-20 on the City's website.

Section 4. The Clerk on behalf of the Oversight Board shall certify to the adoption of this Resolution.

Section 5. This Resolution shall become effective five (5) business days after notice of this action is provided to the DOF in the manner specified by DOF, unless the DOF requests a review of this Resolution.

The foregoing was passed and adopted by the following vote of the Orange Countywide Oversight Board on TUESDAY, JANUARY 29, 2019

YES:

CHARLES BARFIELD, CHRIS GAARDER, STEVE JONES, BRIAN PROBOLSKY, DEAN WEST

NOES: EXCUSED:

STEVE FRANKS, PHILLIP E. YARBROUGH

ABSTAINED:

BRIAN PROB

CHAIRMAN

STATE OF CALIFORNIA

COUNTY OF ORANGE

I, KATHY TAVOULARIS, Clerk of the Orange Countywide Oversight Board, Orange County, California, hereby certify that a copy of this document has been delivered to the Chairman of the Board and that the above and foregoing Resolution was duly and regularly adopted by the Orange Countywide Oversight Board.

IN WITNESS WHEREOF, I have hereto set my hand.

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KATH *TAVOULARIS*

Clerk Orange Countywide Oversight Board

Resolution No: 19-018

Agenda Date: Tuesday, January 29, 2019

Item No: 5A

ATTACHMENT NO. 1

(Attach ROPS)

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

Successor Agency: County:

Anaheim Orange

Currer	t Period Requested Funding for Enforceable Obligations (ROPS Detail)	9-20A Total - December)	19-20B Total (January - June)	RC	DPS 19-20 Total
Α	Enforceable Obligations Funded as Follows (B+C+D):	\$ 152,000	\$ 152,000	\$	304,000
В	Bond Proceeds				- 10-11
С	Reserve Balance				-
D	Other Funds	152,000	152,000		304,000
Е	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 17,025,218	\$ 15,922,203	\$	32,947,421
F	RPTTF	16,723,560	15,620,545		32,344,105
G	Administrative RPTTF	301,658	301,658		603,316
Н	Current Period Enforceable Obligations (A+E):	\$ 17,177,218	\$ 16,074,203	\$	33,251,421

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 chairmal Name Title /s Signature Date

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												19-20	A (July - Dece Fund Sources				1475 A. 19	19-	-20B (Jan Fund
			Contract/Agreement	Contract/Agreement				Total Outstanding		ROPS 19-20		1				19-20A			
tem #	Project Name/Debt Obligation	Obligation Type	Execution Date	Termination Date	Payee	Description/Project Scope	Project Area	Debt or Obligation \$ 290.624,902	Retired	Total \$ 33,251.4	21 \$	ds Reserve Balance 0 \$ 0	Other Funds \$ 152,000	RPTTF \$ 16,723,560	Admin RPTTF \$ 301,658	Total \$ 17,177,218	Bond Proceeds \$ 0	Reserve Balanc	ce Other
50 54	Tax Allocation Refunding Bonds Fiscal agenVarbitrage svcs	Bonds Issued On or Before Fees CDBG/HUD Repayment to	12/1/2007 2/25/2010 2/25/2010	2/1/2031 2/1/2031 8/1/2030	U.S. Bank Per Bond Docs The Bank of NY Mellon	DEBT: Debt service on Series B & D DEBT: Fiscal agent/arbitrage services DEBT: Packing House Restoration	Merged Merged Merged	61.605.613 540,000 5,441,212		\$ 5,635.3 \$ 20.0 \$ 514.2	00	-		5.635.316 10,000 432,819		\$ 5,635,316 \$ 10,000 \$ 432,819			-
	HUD 108 Loan-Capital Projects HUD 108 Loan-Westgate	CDBG/HUD Repayment to City/County CDBG/HUD Repayment to	8/7/2003	8/1/2023	The Bank of NY Mellon	DEBT: Anaheim Westgate Project	Merged	4,858,520	N	\$ 1,008,1	10	-		907,676		\$ 907.676			
	External Project Costs	City/County Professional Services	8/7/2003	2/1/2031	Consultants/Other	DEBT: Services/Hard & Soft	Merged	521,000	N	\$ 20.0	E.			3,000		\$ 3,000			+
	Plaza Redev. Project Area	OPADDA/Construction	6/4/2000	6/30/2020	Anaheim Place Partners	Costs/Fees CONTRACTS: Per agreement	Merged	20,000	N	\$ 20,0	00			20,000		\$ 20,000			
66	River Valley Redev. Proj. Area	OPADDA/Construction	6/30/1987 2/1/2003	11/29/2041 2/1/2058	Savi Ranch Valley Irrig. Co. Loan Pham	(Brutoco) CONTRACTS: Note Payable CONTRACTS: Ground lease	Merged	3,708,716	N	\$ 465.1 \$ 103.9	24			465,124		\$ 465,124 \$			
	Anaheim Westgate Center Proj. 8.9-acre SoCal Edison	Miscellaneous Miscellaneous	4/30/2001	2/28/2043	Katella Operating Property	agreement CONTRACTS: Sublease/sublicense	Merged Merged	16,162,971	N	\$ 538.2	3			269,140		\$ 269,140			
1222	Shoe City lease	Miscellaneous	6/1/2003	6/30/2058	II. LLC Leedy Ying Trust	easement agr. CONTRACTS: Lease	Merged	1,793,789	N	\$ 36.8		-		18,402		\$ 18,402			
75	External Project Costs	Professional Services	7/1/2010	6/30/2058	Consultants/Other	CONTRACTS: Services/Hard & Soft Costs/Fees	Merged	520,000	N	\$ 4.0	00			2,000		\$ 2,000		No. of Concession, Name	-
	External Project Costs	Professional Services	3/12/2008	6/30/2017	Consultants/Other Related	WESTGATE: Services/Hard & Soft Costs/Fees AVON DAKOTA: Property acquisition &	Merged	7,550,400	N	5 2.300.0							1.5.8.9		
	Avon Dakota Revitalization	Miscellaneous	6/1/2010	12/31/2075	TBD	development	Merged	1,650,000	N	s 500.0	A REAL					5			
116	Avon Dakota Revitalization Project Management External Project Costs	Project Management Costs Professional Services	6/1/2010 6/1/2010	6/30/2020	Staff Consultants/Other	AVON DAKOTA Project Support AVON DAKOTA. Services/Hard & Soft	Merged	495,000	N	\$ 150.0 \$ 12.0	00			1		5 .			
	Administrative Cost Allowance	Admin Costs	1/1/2014	12/31/1941	City of Anaheim	Costs/Fees ADMIN: Pursuant to AB26 (3% of	Merged	603,316	N	\$ 603.3					301,658	\$ 301,658			
137	Coop, Agr Reimb of Costs	Unfunded Liabilities	2/1/2012	12/21/2049	City of Anaheim	RPTTF) ADMIN: Ongoing pension obligation	Merged	1000-00-01	N	s			CONTRACTOR OF	CTANO 1		5 .	155 (J.208)		a salara
150	Plaza Redev, Project Area (Previous ROPS Line 65)	OPADDA/Construction	12/15/1992	6/30/2027	Kimco Realty Corp.	Contracts: Owner Participation Agreement	Merged	2,037,835	N	\$ 872,4 \$ 370,0	hit .			872,448		\$ 872,448 \$ 185,000			
	Westgate Remediation (Previous ROPS Line 100)	Remediation City/County Loans After	3/12/2008	12/31/2044	Various City of Anaheim	Westgate: Settlement Agreement/Reimbursement PACKING DISTRICT: Loan of funds for		884,429	N	\$ 884.4	19	a second second	Constant of the local diversion of the	884,429	Consecutive Consec	\$ 884.429	ALC: NOT THE OWNER	Care of Care and	
180	Cooperation /Loan Agreement - 34173(h) - Retroactive Payments (Previous ROPS Line 153)	6/27/11	25/2013	12/31/2018	Gity of Ananem	Alley/Parking Lots - Retroactive Payments	mergea				a the second		A CONTRACTOR OF	004.420					
183	Tax Allocation Refunding Bonds (Previous ROPS Line 51)	Reserves	12/1/2007	2/1/2031	U.S. Bank	DEBT: Reserve Account	Merged		Y	5						\$.			
184	2010 Taxable Recovery Zone Bonds (Previous ROPS Line 53)	Reserves	10/13/2010	2/1/2031	U.S. Bank	DEBT: Reserve Account	Merged		Y	\$						\$			
185	Administrative Cost Allowance to Housing Successor Per AB 471	Housing Entity Admin Cost	7/1/2014	6/30/2019	Anaheim Housing Authority	Legally Enacted Administrative Allowance of RPTTF to Housing	Merged		N	A CONTRACT	· State and		東語語の			· · · ·			
186	(Previous RCPS Line 156) Administrative Cost Allowance to Housing Successor Per AB 471 (Retroactive Disallowed Allowance) -	Housing Entity Admin Cost	7/1/2014	6/30/2019	Anaheim Housing Authority	Successor Legally Enacted Administrative Allowance of RPTTF to Housing Successor	Merged		N	5					S.A.	5 .			
187	Previous ROPS Line 156 Domain Project Area Remediation	Remediation	6/22/2012	6/30/2020	Various	EPA Revolving Loan Funds to Use for	Merged	304,000	N	\$ 304.0	00	AND STREET, SALARS	152,000	and the state of the state of	As promine to card	\$ 152.000	and the last of the last	and the second second	-
101	In the Manhata Landress	Remediation	7/1/2017	6/30/2028	Beazley ENVIRO CPL	Allowable Fund Remediation Expenses Westgate: Settlement	Merged	0	N	5						5 .			
191	Insurance for Westgate LandFill (Related to Line 151) Overreported "Other Funds" From	Miscellaneous	1/1/2015	12/31/2017	Insurance	Agreement/Reimbursement Reimburse Agency for Overstated	Merged		N	5			R. Coloresta		an constant	5	Star Barris	the August	
192	Cash Balance Form	Miscelaneous		Tabliadi	Cuty of Paradianti	Cash Reported on ROPS 15-16A Cash Balance Form											1-1-1		
	2018 Refunding Bonds Series A	Bonds Issued On or Before 12/31/10	1/4/2018	2/1/2031	U.S. Bank	DEBT: Debt service on Refunded 2007 Tax Allocation Bonds Series A & C		148,729,500	N	\$ 9,762,7	and the second sec			2,686,375		\$ 2,686,375			
	2018 Refunding Bonds Series B	Bonds Issued On or Before 12/31/10	1/4/2018	2/1/2020	U.S. Bank	DEBT: Debt service on Refunded 2010 Economic Recovery Zone Bonds		276,480	N	\$ 276,4	S			3,240		\$ 3,240 \$ 13,125			
	Westgate Remediation - Water Control Board	Remediation	7/27/2017	12/31/2044	Santa Ana Regional Water Quality Control Board	Westgate: Settlement Agreement/Reimbursement	Merged	513,000	N	\$ 26.2 \$ 7,419.6				13,125		\$ 13,125 \$ 3,709,800			
196	Avon Dakota Revitalization - Retroactive for Line 114	Miscellaneous	6/1/2010	12/31/2075	Related	AVON DAKOTA: Property Acquisition and Development - Retroactive	Melged	7,413,000		3 1,413,0				3,703,000					
197	Avon Dakota Revitalization - Retroactive for Line 115	Miscellaneous	6/10/2010	12/31/2075	TBD	Avon Dakota Relocation Costs - Retroactive	Merged	588,096	N	\$ 588.0				294,048		\$ 294,048			
	Avon Dakota Revitalization - Retroactive for Line 117	Miscellaneous	6/10/2010	12/31/2075	Consultants/Other	Avon Dakota: Services/Hard and Soft Costs/Fees	Merged	623,236	N	5 623.2				311,618		\$ 311,618			
199	Elegal Expenses	Legal	7/1/2013	6/30/2018	Rutan & Tucker	Avon Dakota Revitalization and Cooperation/Loan Agreement for Packing District Alloyway/Parking Lots	Merged	192,926	N	\$ 192,9	26								
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Anaheim Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances July 1, 2016 through June 30, 2017 (Report Amounts in Whole Dollars)

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	urce is available or when payment from property tax revenues	is required by an	enforceable obliga	tion. For tips on ho	w to complete the I	Report of Cash E	Balances Form, see Cash Balance Tips
She	et.						
Α	В	С	D	E	F	G	Н
				Fund Sources			
		Bond P	roceeds	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	23,211,013	0	156,112	(1,568,995)	4.237.515	Balances carryforward from lines 4-6 of prior fiscal year (ended 6/30/2016) cash balance form. Combined total is \$26,035,645.
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller						
		2,265,968	0	0	977,153	22,268,906	
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)	3,483,160	0	156,112	2,848,406	21,800,632	\$2,194,158 (add'I reserves) shown as expenditures under RPTTF (Cell G3) and revenue/income under Bond Proceeds (Cell C2) Prior to 12/31/2010.
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)		£			iii	
		21,993,821	0	0	754,507	0	
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		468,274	
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)						
		\$ 0	\$ 0	\$ 0	\$ (4,194,755) \$	4,237,515	

	Anaheim Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020
Item #	Notes/Comments
	Retired. Going forward, the Anaheim Successor Agency will request annual debt service payments for the first installment of each fiscal year.
	Retired. Going forward, the Anaheim Successor Agency will request annual debt service payments for the first installment of each fiscal year.
	Current Construction Pollution Liability (CPL) insurance is valid through Jul-18-2020. \$0 requested for FY2019-20; however, there will be a requested amount
	(estimated at \$171K) for FY2020-21. Reimbursement for legal services provided by Rutan Tucker starting Jul-1-2013 to current regarding litigation decision.
199	

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Recognized Obligation Payment Schedule (ROPS 18-19) - Summary Filed for the July 1, 2018 through June 30, 2019 Period

Successor Agency:	Anaheim
County:	Orange

urren	t Period Requested Funding for Enforceable Obligations (ROPS Detail)	 -19A Total - December)	18-19B Total anuary - June)	RC	DPS 18-19 Total
Α	Enforceable Obligations Funded as Follows (B+C+D):	\$ 150,000	\$ 150,000	\$	300,000
В	Bond Proceeds	-	-		-
С	Reserve Balance	-	-		-
D	Other Funds	150,000	150,000		300,000
Е	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 13,346,686	\$ 8,399,511	\$	21,746,197
F	RPTTF	12,988,227	8,041,052		21,029,279
G	Administrative RPTTF	358,459	358,459		716,918
н	Current Period Enforceable Obligations (A+E):	\$ 13,496,686	\$ 8,549,511	\$	22,046,197

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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

Anaheim Recognized Obligation Payment Schedule (ROPS 18-19) - ROPS Detail July 1, 2018 through June 30, 2019 (Report Amounts in Whole Dollars) Α в С п F F G н л ĸ м N 0 Р 18-19A (July - December) Fund Sources Contract/Agreement Execution Date Contract/Agreeme Total Outstandin ROPS 18-19 Termination Date RPTTF Admin RPTTF Item # Project Name/Debt Obligation Obligation Type Payee Description/Project Scope Project Area Bond Proceeds Debt or Obligation Retired Total Other Funds Reserve Balance \$ 22,046,197 \$ 5,634,556 \$ 292,072,028 150,000 \$ 12,988,227 \$ 358,459 50 Tax Allocation Refunding Bonds 52 2010 Taxable Recovery Zone Bonds Issued On or Before 12/1/2007 Bonds Issued On or Before 10/13/2010 DEBT: Debt service on Series B & D U.S. Bank U.S. Bank N 5.634.556 Merged 67,240,16 /203 Bonds 2/31/10 DEBT: Fiscal agent/arbitrage services DEBT: Packing House Restoration 54 Fiscal agent/arbitrage svcs 56 HUD 108 Loan-Capital Projects Per Bond Docs The Bank of NY Mellor 560,000 5.962,707 N \$ 20,000 521,495 10,000 434,345 /1/2031 \$ Merged DBG/HUD Repayment to 2/25/2010 \$ /County 58 HUD 108 Loan-Westgate DEBT: Anaheim Westgate Project 5.854.214 DBG/HUD Rena ent to 3/7/2003 /1/2023 he Bank of NY Mellor Ν 995.694 873,018 City/County Professional Services OPA/DDA/Construction OPA/DDA/Construction 63 External Project Costs EBT: Services/Hard & Soft Costs/Fees Merged 536,000 24,000 12,000 8/7/2003 /1/2031 Consultants/Other N S \$ 64 Plaza Redev. Project Area 66 River Valley Redev. Proj. Area 6/4/2000 6/30/1987 6/30/2020 11/29/2018 Anaheim Place Partner Savi Ranch Valley Irrig CONTRACTS: Per agreement (Brutoco) Merged CONTRACTS: Note Payable Merged 20,000 471,140 20,000 471,140 40.000 Ν ഴക N 4,027,729 ONTRACTS: Ground lease agreement Merged 68 Anaheim Westgate Center Proj. 70 8.9-acre SoCal Edison Miscellaneous 2/1/2003 /1/2058 Loan Pham 6.381.740 N \$ 103.952 \$ 269.140 28/2043 ONTRACTS: Suble 16,701,24 538,280 30/200 atella Operating sement agr. \$ /1/2003 /30/2058 Leedy Ying Trust Consultants/Othe ONTRACTS: Lease 1,830,59 Ν 36,804 18,402 71 Shoe City lease Miscellaneous Merged ONTRACTS: Services/Hard & Soft 75 External Project Costs ofessional Services ///2010 /30/2058 540.00 Ν 20.000 10.00 osts/Fees ESTGATE: Services/Hard & Soft xternal Project Costs onsultants/Othe essional Services 2/2008 erged sts/Fees von Dakota Revitalizat ON DAKOTA: Property acquisition & /31/2075 Ν ellaneous elopment ota Revitaliz neous N Ν nagemer ON DAKOTA: Services/Hard & Soft External Project Costs fessional Services rged Ν sts/Fees ADMIN: Pursuant to AB26 (3% of Ν 716,918 135 Administrative Cost Allowance Imin Costs /1/2014 /30/2016 City of Anaheim lerged 716,918 358,459 \$ RPTTE) Coop. Agr. - Reimb of C City of Ana MIN: Ond contracts: Owner Participation 2,684,623 646,788 150 Plaza Redev. Project Area OPA/DDA/Construction 12/15/1992 /30/2027 imco Realty Corp. Ν 646,788 Merged \$ (Previous ROPS Line 65) reement 151 Westgate Remediation (Previous /12/2008 2/31/2044 Various /estgate: Settlement lerged 17,520,53 Ν 340,000 170,000 mediati \$ ROPS Line 100) preement/Reimbursement City of Anaheim CKING DISTRICT: Loan of funds for 884,42 884,42 5/2013 /30/2016 884,42 Cooperation /Loan Agreement ty/County Loans Afte erged 34173(h) - Retroactive Payments (Previous ROPS Line 153) /27/11 ey/Parking Lots - Retroactive 183 Tax Allocation Refunding Bonds 12/1/2007 /1/2031 EBT: Reserve Account U.S. Bank Ν lerged eserves \$ (Previous ROPS Line 51) 184 2010 Taxable Recovery Zone 0/13/2010 /1/2031 J.S. Bank EBT: Reserve Account Ν lerged eserves Bonds (Previous ROPS Line 53) ousing Entity Admin Cost 1/2014 gally Enacted Administrativ /30/2019 naheim Housing Aut ninistrative Cost Allowance to erged ousing Successor Per AB 471 revious ROPS Line 156) vance of RPTTF to Housing ministrative Cost Alle ousing Entity Admin Cost /2014 30/2019 aheim Housing Auth ally Enacted Administrative rged Housing Succesor Per AB 471 wance of RPTTF to Housing etroactive Disallowed Allowand cessor Previous ROPS Line 156 187 Domain Project Area Remediation emediation 6/22/2012 /30/2020 Various PA Revolving Loan Funds to Use for Merged 300,000 Ν \$ 300,000 150,000 \$ llowable Fund Remediation Expenses 191 Insurance for Westgate LandFill (Related to Line 151) /1/2019 7/1/2017 Beazley ENVIRO CPL estgate: Settlement reement/Reimbursement 675.369 Ν \$ 675,369 675,369 mediation \$ Insurance 2 Overreported "Other Funds" From 1/2015 burse Agency for Overstated orted on ROPS 15-16A Cash City of Anaheir cellaneous Cash Balance Form nce Form 193 2018 Refunding Bonds Series A /1/2031 J.S. Bank EBT: Debt service on Refunded 2007 \$ 5,462,296 2,775,92 /4/2018 154,191,79 Ν Bonds Issued On or Before erged 2/31/10 ax Allocation Bonds Series A & C DEBT: Debt service on Refunded 2010 194 2018 Refunding Bonds Series B onds Issued On or Before /1/2031 U.S. Bank 4 853 956 \$ 4.577.476 54.619 1/4/2018 lerged Ν \$ onomic Recovery Zone Bonds 2/31/10 Santa Ana Regional Wate 28,500 195 Westgate Remediation - Water /27/2017 2/31/2044 570.00 Ν \$ estgate: Settlement rgeo 57.000 Control Board areement/Reimbursement Quality Control Board 196 197 N \$ \$ Ν 199 Ν N N 200 201 N 202 203 N N 204 N N 205 206 N : 207 207 208 209 210 211 212 212 213 N N N N Ν N N • • • • 214 215 216 N 217 218 • • • • • N N 219 N N 97

220 221

Q	R	s	т	U	V		W
			<mark>B (January -</mark> Fund Source				
18-19A			18-19B				
Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	¢	Total
13,496,686 5,634,556	\$-	\$-	\$ 150,000	\$ 8,041,052	\$ 358,459	 ф	8,549,511 -
-				40.000			-
10,000 434,345				10,000 87,150		\$	10,000 87,150
873,018				122,676		\$	122,676
12,000				12,000		\$	12,000
20,000 471,140						\$	-
269,140				103,952 269,140		\$	103,952 269,140
18,402 10,000				18,402		\$	18,402
10,000				10,000		\$	10,000
259,450					259.450	¢	259,450
358,459					358,459	\$	358,459
646,788						\$	-
170,000				170,000		\$	170,000
884,429							
						•	
-						\$	-
-						\$	-
150,000			150,000			\$	150,000
675,369						\$	-
2 775 024				2,696,275		¢	2 696 275
2,775,921				2,686,375		\$	2,686,375
54,619				4,522,857		\$	4,522,857
28,500				28,500		\$	28,500
-						\$	-
-						\$	-
-						\$ \$	-
-						\$ \$	-
-						\$	-
-						\$	-
-						\$	-
-						\$	-
-						\$	-
-						\$	-
-						\$	-
-						\$	-
-						\$	-
	<u>.</u>	•				Ŷ	

Anaheim Recognized Obligation Payment Schedule (ROPS 18-19) - Report of Cash Balances July 1, 2015 through June 30, 2016 (Report Amounts in Whole Dollars)

	В	С	D	E	F	G	н	I
		Fund Sources						
		Bond Proceeds		Reserve Balance		Other	RPTTF	
	Cash Balance Information for ROPS 15-16 Actuals	Bonds issued on or before	Bonds issued on or after	Prior ROPS period balances and DDR RPTTF balances	Prior ROPS RPTTF distributed as reserve for future	Rent,	Non-Admin	
	(07/01/15 - 06/30/16)	12/31/10	01/01/11	retained	period(s)	grants, interest, etc.	and Admin	Comments
					P 0.104(0)			
1	Beginning Available Cash Balance (Actual 07/01/15)							
-		23,220,106		4,881,688		3,441,932	4,129,030	Sum: \$35,672,756. Cell H1 = Total of ROPS1 16A PPA (\$2,028,565) and ROPS 15-16B PPA (\$2,100,465).
2	Revenue/Income (Actual 06/30/16) RPTTF amounts should tie to the ROPS 15-16 total distribution from the County Auditor-Controller during June 2015 and January 2016.							
		41,001				2,543,721	23,183,284	Sum: \$25,768,006.
3	Expenditures for ROPS 15-16 Enforceable Obligations (Actual 06/30/16)							
		50,094		4,725,576		7,554,648	23.074.799	Sum: \$35,405,117
4	Retention of Available Cash Balance (Actual 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			, ,, ,, ,, ,		, ,		
		19,729,005				481,707		Sum: \$20,210,712
5	ROPS 15-16 RPTTF Balances Remaining							
		No entry required				108,485		
6	Ending Actual Available Cash Balance (06/30/16) C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)						100,400	€ Combined lines 5 & 6: \$5,824,933 (agrees

	Anaheim Recognized Obligation Payment Schedule (ROPS 18-19) - Notes July 1, 2018 through June 30, 2019					
ltem #	Notes/Comments					
	Effective January 2018, RDA Series A and C TABs were refunded. DOF approved action as of 12/08/2017. 2007 RDA Bonds Series B & D remain on Line #50. Se Line #193 for Refunded Series A & C Bond Debt Service Obligation.					
52	Effective January 2018, 2010 RDA RZBs were refunded. DOF approved action as of 12/08/2017. See Line 194 for Refunded Bond Debt Service Obligation.					
	Appellate Court decision in favor of Successor Agency. For ROPS 17-18, Agency received insurance quote that excluded "taxes and fees". These costs are added to ROPS 18-19. The 2nd required insurance policy,					
	pollution legal liability expires October 2018; this policy including taxes are added to line 191. Effective January 2018, RDA Series A and C TABs were refunded. DOF approved action as of 12/08/2017. 2007 RDA Bonds Series B & D remain on Line #50.					
	Refunded Series A & C Bond Debt Service Obligation added to new Line 193. Effective January 2018, 2010 RDA RZBs were refunded. DOF approved action as of 12/08/2017. Refunded Bond Debt Service Obligation for 2010 RZBs added to new Line 104.					
	new line 194. Westgate Remediation Cost - Santa Ana Regional Water Quality Control Board projected expenditures for oversight of Westgate cleanup activities.					



April 15, 2019

Ms. Stacey Shokri, Finance Manager City of Anaheim 201 South Anaheim Boulevard, Suite 1003 Anaheim, CA 92805

Dear Ms. Shokri:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Anaheim Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 31, 2019. Finance has completed its review of the ROPS 19-20.

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

Item No.199 – Legal Expenses totaling \$192,926 are not necessary. The Agency has stated it is withdrawing its request for the City's reimbursement of legal expenses related to the Judgment and Peremptory Writ of Mandate. Therefore, Finance is reducing the amount requested in Redevelopment Property Tax Trust Fund (RPTTF) from \$192,926 to zero.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 3 includes the prior period adjustment resulting from the County Auditor-Controller's review of the prior period adjustment form submitted by the Agency.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 19-20. If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items that are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$32,286,221 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Ms. Stacey Shokri April 15, 2019 Page 2

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 19-20 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 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 Jackson, Supervisor, or Alexander Watt, Lead Analyst, at (916) 322-2985.

Sincerely,

1114 JENNIFER WHITAKER

Program Budget Manager

cc: Mr. John Woodhead, Executive Director, City of Anaheim Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County Ms. Stacey Shokri April 15, 2019 Page 3

Attachment

Approved RPTTF Distribution For the period of July 1, 2019 through June 30, 2020								
	R	OPS A Period	ROPS B Period	ROPS 19-20 Total				
RPTTF Requested	\$	16,723,560	\$ 15,620,545	\$ 32,344,105				
Administrative RPTTF Requested		301,658	301,658	603,316				
Total RPTTF Requested		17,025,218	15,922,203	32,947,421				
RPTTF Requested		16,723,560	15,620,545	32,344,105				
Adjustment								
Item No. 199		0	(192,926)	(192,926)				
RPTTF Authorized		16,723,560	15,427,619	32,151,179				
Administrative RPTTF Authorized		301,658	301,658	603,316				
Total RPTTF Authorized for Obligations		17,025,218	15,729,277	32,754,495				
Prior Period Adjustment		(468,274)	0	(468,274)				
Total RPTTF Approved for Distribution	\$	16,556,944	\$ 15,729,277	\$ 32,286,221				



EDMUND G. BROWN JR. - GOVERNOR

915 L STREET SACRAMENTO CA 95814-3706 WWW.DOF.CA.GOV

May 17, 2018

Ms. Stacey Shokri, Finance Manager City of Anaheim 201 South Anaheim Boulevard, Suite 1003 Anaheim, CA 92805

Dear Ms. Shokri:

Subject: 2018-19 Annual Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 13, 2018. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Anaheim Successor Agency (Agency) submitted an annual ROPS for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19) to Finance on January 31, 2018. The Agency requested a Meet and Confer on one or more of the determinations made by Finance. The Meet and Confer was held on April 30, 2018.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer, Finance has completed its review of the specific determinations being disputed.

 Item No. 195 – Westgate Remediation-Water Santa Ana Regional Quality Control Board (Control Board) in the total outstanding obligation amount of \$570,000. Finance no longer denies this item.

From 2005 to 2013, the Control Board provided oversight services to the Agency for the Westgate Retail Center. It is our understanding the Control Board intends to resume regulatory oversight of the Westgate Retail Center again, as evidenced by a California Regional Water Quality Control Board, Acknowledgment of Receipt of Oversight Cost Reimbursement Account Letter (Letter) dated August 10, 2017. Finance originally denied this item because the Letter is between the City of Anaheim (City) and the Control Board, not the Agency.

During the Meet and Confer, the Agency provided a revised letter updating the references to the City as the successor to the former Redevelopment Agency. Based on the additional documentation provided during the Meet and Confer, the requested amount of \$57,000 is eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding.

• On the ROPS 18-19 form, the Agency reported cash balances and activity for the period July 1, 2015 through June 30, 2016 (ROPS 15-16). Finance maintains its original determination. It is our understanding that the Agency has Reserve Balances and unexpended RPTTF available to fund enforceable obligations on the ROPS 18-19.

Ms. Stacey Shokri May 17, 2018 Page 2

HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF. During the Meet and Confer, the Agency requested but was unable to support the requested adjustment in the amount of \$2,050,701 from Bond Funds using Bond Reserves on hand to Other Funds. Therefore, until the Agency can provide documentation to properly identify the Agency's cash balances, by fund, to be in line with approved expenditures, the requested adjustment is not allowed at this time.

If it is determined the Agency possesses cash balances that are available to pay approved obligations, the Agency should request the use of these cash balances prior to requesting RPTTF in ROPS 19-20.

The Agency also requested Item No. 180 – City of Anaheim Cooperation Agreement/Loan Agreement (Packing District) be reconsidered during the ROPS 18-19 Meet and Confer review. Pursuant to HSC section 34177 (m) (1), items that have been previously denied by Finance and are the subject of current litigation are ineligible for Meet and Confer.

In addition, per Finance's letter dated April 13, 2018, we continue to make the following determinations not contested by the Agency during the Meet and Confer:

- Item No. 63 External Project Costs in the total requested amount of \$24,000 has been adjusted. Per discussion with Agency staff and a review of documentation provided, the requested amount for the annual ROPS period should be \$15,000. As a result, the total ROPS 18-19 RPTTF funding requested has been decreased by \$9,000 (\$24,000 \$15,000).
- Item No. 180 City of Anaheim Cooperation/Loan Agreements (Packing District) in the total outstanding balance of \$884,429 is not allowed. During ROPS 18-19, the Agency provided the Court of Appeal decision supporting this item as an enforceable obligation. However, until the trial court issues the final writ as directed by the Court of Appeal, the litigation is not final. Therefore, the requested amount of \$884,429 in RPTTF is not allowed at this time.
- Item No. 191 Insurance for Westgate Landfill in the total requested amount of \$675,369 has been adjusted. The Agency requested a revision to agree with the final official quote for Westgate Environmental Liability Insurance coverage. Per discussion with Agency staff and a review of documentation provided, the requested amount for the annual ROPS period should be \$650,033. As a result, the RPTTF funding requested has been decreased by \$25,336 (\$675,369 - \$650,033).

The Agency's maximum approved RPTTF distribution for the reporting period is \$20,827,432 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2018 through December 31, 2018 period (ROPS A period) and one distribution for the January 1, 2019 through June 30, 2019 period (ROPS B period) based on Finance's approved amounts. Since this determination is for the entire ROPS 18-19 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions. Ms. Stacey Shokri May 17, 2018 Page 3

Pursuant to HSC section 34186 (c), beginning October 1, 2018, the Agency will be required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2016 through June 30, 2017 period (ROPS 16-17) to the County Auditor-Controller for review. The Agency will report actual payments for ROPS 16-17 on ROPS 19-20. A prior period adjustment may be applied to the Agency's ROPS 19-20 RPTTF distribution. Therefore, the Agency should retain any unexpended RPTTF from the ROPS 16-17 period.

This is our final determination regarding the obligations listed on the ROPS 18-19. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be deemed denied until the matter is resolved.

The ROPS 18-19 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 18-19 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 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 Cindie Lor, Supervisor, or Jane Xuan, Analyst, at (916) 322-2985.

Sincerely,

Program Budget Manager

cc: Mr. John Woodhead, Executive Director, City of Anaheim Ms. Cindy Wong, Manager, Property Tax Manager, Orange County Ms. Stacey Shokri May 17, 2018 Page 4

Attachment

Approved RPTTF Distribution For the period of July 2018 through June 2019								
	R	OPS A Period	RO	PS B Period	ROPS 18-19 Total			
RPTTF Requested	\$	12,988,227	\$	8,041,052	\$ 21,029,279			
Administrative RPTTF Requested		358,459		358,459	716,918			
Total RPTTF Requested		13,346,686		8,399,511	21,746,197			
RPTTF Requested		12,988,227		8,041,052	21,029,279			
Adjustments								
Item No. 63		(9,000)		0	(9,000)			
Item No. 180		(884,429)		0	(884,429)			
Item No. 191	<	(25,336)		0	(25,336			
		(918,765)		0	(918,765)			
RPTTF Authorized		12,069,462		8,041,052	20,110,514			
Administrative RPTTF Authorized		358,459		358,459	716,918			
Total RPTTF Approved for Distribution	\$	12,427,921	\$	8,399,511	\$ 20,827,432			

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 10B

From: Successor Agency to the Fountain Valley Agency for Community Redevelopment

Subject: Straw Vote of the Countywide Oversight Board Regarding Administrative Budget

Recommended Action:

Hold a straw vote regarding FY 2020-21 Administrative Budget for the Successor Agency to the Fountain Valley Agency for Community Development

The Successor Agency to the Fountain Valley Agency for Community Development ("Fountain Valley Successor Agency") is performing its functions under the Dissolution Law, Parts 1.8 and 1.85 of the Health and Safety Code ("HSC"), as amended by Assembly Bill 1484 and other subsequent legislation (together, "Dissolution Law"), to administer the enforceable obligations and otherwise unwind the affairs of the former Fountain Valley Agency for Community Development ("Former Agency").

The Dissolution Law authorizes an administrative cost allowance to provide funds for successor agencies to wind-down the affairs of the former redevelopment agency. While Section 34171(b)(3) authorizes an allowance of up to 3% of Redevelopment Property Tax Trust Fund ("RPTTF") and not less than \$250,000 in any fiscal year ("FY"), since July 1, 2016 under Section 34171(b)(4) and (5), a successor agency's annual administrative costs and thereby the allowance cannot exceed 50% of RPTTF distributed in the preceding fiscal year to pay enforceable obligations and that amount must be further reduced by the prior fiscal year's administrative cost allowance and City/Agency loan repayments, if any, under Section 34191(b).

Applying the above statutory formula for the ROPS 2020-21 A-B fiscal period, the maximum administrative cost allowance for the Fountain Valley Successor Agency is \$48,448, calculated as follows: \$142,907 (RPTTF received in FY 2019-20 to pay enforceable obligations), *less* \$46,011 (DOF-approved administrative cost allowance), equals \$96,896 x 50% equals \$48,448 (maximum allowance for FY 2020-21).

The Fountain Valley Successor Agency has reevaluated the administrative resources necessary during FY 2020-21 for the continued wind-down of the affairs of the Former Agency. Therefore, the administrative cost allowance requested for ROPS 2020-21 A-B is \$14,283, which is approximately 69% *lower* than the allowance approved in FY 2019-20, and \$34,165 *less* than the amount allowed under the Dissolution Law for FY 2020-21.

The Administrative Budget (Attachment 1) for FY 2020-21 outlines the responsibilities and related costs associated with the administration of the Fountain Valley Successor Agency, which includes personnel costs associated with three employees *directly* involved with administrative activities associated with the Successor Agency and other direct costs including contract services, audit services and legal services.

In connection with its consideration of this agenda item, the Oversight Board requested copies of any letters from the State of California Department of Finance (DOF) related to administrative costs.

Agenda Report to Countywide Oversight Board Fountain Valley Successor Agency FY 2020-21 Administrative Budget September 26, 2019 P a g e | **2**

Attached are five (5) letters from the DOF that were received regarding administrative costs as claimed and as DOF approved on each annual ROPS for the periods FY 2015-16 through 2019-20.

The Oversight Board also requested copies of the Administrative Budgets that were approved in the two previous fiscal years. Therefore, the Administrative Budgets for FY 2018-19 and FY 2019-20 are attached, which included an administrative budget of \$160,000 and \$46,011, respectively, for each fiscal year. However, it should be noted the estimated amount charged for administrative costs amounted to \$19,783 and \$14,500, respectively for FY 2018-19 and FY 2019-20, thus the pared down amount requested for ROPS 2020-21 A-B of \$14,283.

The Fountain Valley Successor Agency requests that the Orange Countywide Oversight Board take a straw vote of the draft Administrative Budget of <u>\$14,283</u> for Fiscal Year 2020-21. The Successor Agency intends to submit to the Oversight Board the final Administrative Budget as a part of ROPS 2020-21 A-B for FY 2020-21 for consideration in January 2020.

Staff Contact

Jason Al-Imam, Finance Director, is the primary staff contact on this item and can be contacted via email at jason.alimam@fountainvalley.org.

Attachments

Attachment 1 - Draft Administrative Budget for FY 2020-21

Attachment 2 – FY 2018-19 Administrative Budget (including estimated actual amounts)

Attachment 3 – FY 2019-20 Administrative Budget (including estimated actual amounts)

Attachment 4 - DOF Determination Letter ROPS 2015-16 A-B

Attachment 5 – DOF Determination Letter ROPS 2016-17 A-B

Attachment 6 – DOF Determination Letter ROPS 2017-18 A-B

Attachment 7 – DOF Determination Letter ROPS 2018-19 A-B

Attachment 8 - DOF Determination Letter ROPS 2019-20 A-B

SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY DEVELOPMENT DRAFT ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2020-21

DIRECT PERSONNEL COSTS									
		Annual							
		Cost of		Successor					
		Salaries	Hourly	Agency	Administrativ	e Allocation			
Employee Classification	Department	& Benefits	Rate	Hours	% Percentage	\$ Amount			
Finance Director	Finance	\$228,845	\$110.02	14	0.67%	\$1,540			
Accounting Manager	Finance	150,287	72.25	32	1.54%	2,312			
Budget Analyst	Finance	138,384	66.53	14	0.67%	931			
TOTAL DIRECT PERSONNEL COSTS									

Primary Responsibilities:

- Process payments for enforceable obligations
- Maintain documentation of Agency financial and other records
- Coordinate with consultant to answer questions and provide documentation as requested by Oversight Board, County Auditor-Controller, and Department of Finance
- Coordinate with auditors to audit the Successor Agency
- Coordinate and hold Successor Agency meetings
- Prepare staff reports, resolutions and the administrative budget

OTHER DIRECT COSTS

Contract Services

Primary Responsibilities:

- Prepare ROPS and PPA
- Coordinate with and answer questions for the Oversight Board, County Auditor-Controller, and Department of Finance
- Monitor and project cash flow to ensure sufficient revenues for obligations and inform Agency staff of expected revenues

Successor Agency Audit Services

Primary Responsibilities:

• Audit the Successor Agency's financial statements, which is performed by an independent certified public accounting firm in accordance with *generally accepted auditing standards* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States

Successor Agency Legal Services

Primary Responsibilities:

- Review staff reports and resolutions
- Provide legal services as needed

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TOTAL ADMINISTRATIVE BUDGET

\$14,283

9,500

3.000

3.000

3,500

SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY DEVELOPMENT ADMINISTRATIVE BUDGET FISCAL YEAR 2018-19 FOR JULY 1, 2018 to JUNE 30, 2019

Expense Category	Responsibilities	FY 2018-19 Approved Budget	FY 2018-19 Estimated Amounts
Salaries and Wages			
Staff salaries, benefits, and payroll taxes	 Process payment of enforceable obligations Maintain documentation of Agency financial and other records Coordinate with consultant to answer questions and provide documentation as requested by Oversight Board, County Auditor-Controller, and Department of Finance Coordinate with auditors to audit Successor Agency fund Coordinate and hold Successor Agency meetings Prepare staff reports, resolutions and the administrative budget 	\$26,017	\$8,024
TOTAL		\$26,017	\$8,024
Maintenance and Operations			
Contract services	 Prepare ROPS and PPA Coordinate with and answer questions for Oversight Board, County Auditor-Controller, and Department of Finance Monitor and project cash flow to ensure sufficient revenues for obligations and to inform Agency staff of expected revenues 	\$64,683	\$5,090
Audit fees	Audit fees for the Successor Agency's portion of the audited financial statements	\$5,000	\$3,050
Legal services	Review staff reports and resolutionsProvide legal services as needed	\$60,000	\$3,619
Operating and overhead costs	Successor Agency share of City Hall overhead and operating costs (supplies, utilities, etc.)	\$4,300	\$0
TOTAL		\$133,983	\$11,759
TOTAL BUDGET		\$160,000	\$19,783

SUCCESSOR AGENCY TO THE FOUNTAIN VALLEY AGENCY FOR COMMUNITY DEVELOPMENT ADMINISTRATIVE BUDGET FISCAL YEAR 2019-20 FOR JULY 1, 2019 to JUNE 30, 2020

Expense Category	Responsibilities	FY 2019-20 Approved Budget	FY 2019-20 Estimated Amounts
Salaries and Wages			
Staff salaries, benefits, and payroll taxes	 Process payment of enforceable obligations Maintain documentation of Agency financial and other records Coordinate with consultant to answer questions and provide documentation as requested by Oversight Board, County Auditor-Controller, and Department of Finance Coordinate with auditors to audit Successor Agency fund Coordinate and hold Successor Agency meetings Prepare staff reports, resolutions and the administrative budget 	\$28,011	\$5,000
TOTAL		\$28,011	\$5,000
Maintenance and Operations			
Contract services	 Prepare ROPS and PPA Coordinate with and answer questions for Oversight Board, County Auditor-Controller, and Department of Finance Monitor and project cash flow to ensure sufficient revenues for obligations and to inform Agency staff of expected revenues 	\$5,000	\$3,000
Audit fees	Audit fees for the Successor Agency's portion of the audited financial statements	\$5,000	\$3,000
Legal services	 Review staff reports and resolutions Provide legal services as needed 	\$5,000	\$3,500
Operating and overhead costs	Successor Agency share of City Hall overhead and operating costs (supplies, utilities, etc.)	\$3,000	\$-
TOTAL		\$18,000	\$9,500
TOTAL BUDGET		\$46,011	\$14,500



EDMUND G. BROWN JR. . GOVERNOR

915 L STREET # SAURAMENTO DA # 95814-3706 # WWW.DOF.DA.BOV

October 23, 2015

Mr. David Cain, Finance Director City of Fountain Valley 10200 Slater Avenue Fountain Valley, CA 92708

Dear Mr. Cain:

Subject: Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (m) (1) (A), the City of Fountain Valley Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule for the period January 1 through June 30, 2016 (ROPS 15-16B) to the California Department of Finance (Finance) on September 23, 2015. Finance has completed its review of the ROPS 15-16B.

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

 Item No. 4 – 2003 Certificates of Participation in the amount of \$2,820,856 requested for ROPS 15-16B and a total outstanding balance of \$8,178,672 is not allowed. Finance continues to deny this item. Finance initially denied this item because the bond is secured solely through lease payments of the City of Fountain Valley (City) and there is no requirement to fund this bond through tax increment. The Agency contends the item is an enforceable obligation because there is an Assignment Agreement, entered into on December 1, 2009, between the former redevelopment agency (RDA) and the City in which the former RDA assumed the City's obligation to make lease payments to the Fountain Valley Financing Authority (Authority) in conjunction with the Authority's 2003 Certificates of Participation.

Pursuant to the Assignment Agreement, the Agency assumed 100 percent of the City's obligation using tax increment as the source of funds to make the lease payments. The Agency contends that the agreement is an enforceable obligation as it meets the exception under HSC section 34171 (d) (2). This section states that written agreements entered into at the time of issuance, but in no event later than December 31, 2010, of indebtedness obligations, and solely for the purpose of securing or repaying those indebtedness obligations may be deemed enforceable obligations. Based on our review, although the Assignment Agreement was entered into before December 31, 2010 and for the sole for the purpose of securing or repaying indebtedness obligations, it was not entered into at the time of issuance of the indebtedness obligations as required in HSC section 34171 (d) (2). Therefore, this item is not an enforceable obligation.

Mr. David Cain October 23, 2015 Page 2

> Item No. 7 – Mike Thompson, Owner Participation Agreement (OPA) in the amount of \$1,157,702 is not allowed. Finance continues to deny this item. The Agency refers to the OPA as a Ground Lease, which was between the City and Mike Thompson's Recreational Vehicle (MTRV). Finance initially denied this item because the former RDA was not a party to the agreement.

The Agency contends the Ground Lease, dated July 18, 2002 between the City and MTRV (Ground Lease), in conjunction with the Agency Payment Agreement, dated July 16, 2002 between the City and the former RDA, creates an obligation of the Agency to MTRV. However, under the Ground Lease, it is the City's obligation to pay the tenant or MTRV fifty percent (50%) of the sales tax generated from the tenant's Fountain Valley sales operations if the total amount exceeds \$300,000.

However, based on our review, the Ground Lease's reference to the City's agreement with the former RDA does not create an obligation of the Agency owed to the tenant. In fact, Section 3.4 of the Ground Lease specifically provides that the former RDA's obligations to the City under the Agency Payment Agreement do not impact or impair the City's obligations to pay the tenant. Additionally, the fact that the former RDA owed no obligation to the tenant is further demonstrated by the tenant's remedies if the tenant did not receive amounts owed under the Ground Lease from the City. Section 3.4 of the Ground Lease states that if the City is "unable for any reason (for example, as a result of the application an existing or new law...)" to pay the tenant its share of the sales tax, the tenant could offset rents owed to the City, or the tenant could treat amounts owed by the City as a Tenant Improvement allowance to be paid in installments by the City for tenant improvements that were to be paid by the tenant. Section 3.4 provides no remedies against the former RDA.

Further, the obligation owed by the former RDA to the City under the Agency Payment Agreement has been invalidated by Dissolution Law. HSC section 34171 (d) (2) states that agreements, contracts, or arrangements between the city, county, or city and county that created the former RDA and the former RDA are not enforceable obligations. Therefore, this item is not an enforceable obligation.

Item No. 17 – Legal Services in the amount of \$25,000 have been reclassified to the administrative cost allowance (ACA), and therefore, claimed administrative costs exceed the allowance by \$25,000. Pursuant to HSC section 34171 (d) (1) (F) (i), legal expenses related to civil actions, including writ proceeding, contesting the validity of the dissolution law, or challenging acts taken pursuant to the dissolution law shall only be payable out of the ACA.

Additionally, HSC section 34171 (b) (2) limits fiscal year 2015-16 administrative expenses to three percent of the RPTTF funds allocated to the Redevelopment Obligation Retirement Fund for the fiscal year or \$250,000. The Orange County Auditor-Controller distributed \$125,000 for the July through December 2015 period, thus leaving a balance of \$125,000 available for the January through June 2016 period. Although \$125,000 is claimed for ACA, Item No. 17 for Legal Services in the amount of \$25,000 is considered a general administrative cost and should be counted toward the cap. Therefore, \$25,000 of excess administrative costs is not allowed.

 Item No. 18 – Housing Successor Entity Administrative Cost Allowance in the amount of \$150,000 is not allowed. Finance continues to deny this item. Pursuant to HSC section Mr. David Cain October 23, 2015 Page 3

34177 (p), the housing entity administrative cost allowance is applicable only in cases where the city, county, or city and county that authorized the creation of the redevelopment agency elected to not assume the housing functions. Because the housing entity to the former redevelopment agency of the City is the City-formed Housing Authority (Authority) and the Authority operates under the control of the City, the Authority is considered the City under Dissolution Law. Therefore, \$150,000 of housing entity administrative allowance is not eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding.

Finally, although the administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (2), Finance notes the oversight board has approved an amount that appears excessive given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the oversight board to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the oversight board to use adequate discretion when evaluating the administrative resources required to successfully wind-down the Agency.

Pursuant to HSC section 34186 (a) (1), the Agency was required to report on the ROPS 15-16B form the estimated obligations versus actual payments (prior period adjustment) associated with the January through June 2015 period (ROPS 14-15B). HSC section 34186 (a) (1) also specifies the prior period adjustment self-reported by the Agency is subject to review by the county auditor-controller (CAC). The amount of RPTTF approved in the table below includes the prior period adjustment resulting from the CAC's review of the Agency's self-reported prior period adjustment.

Except for the items denied in whole or in part or the item that has been reclassified, Finance is not objecting to the remaining items listed on your ROPS 15-16B. If you disagree with Finance's determination with respect to any items on your ROPS 15-16B, except for those items which are the subject of litigation disputing Finance's previous or related determinations, you 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 at Finance's website below:

http://www.dof.ca.gov/redevelopment/meet and confer/

The Agency's maximum approved RPTTF distribution for the reporting period is \$821,715 as summarized in the Approved RPTTF Distribution table below:

Approved RPTTF Distribution	
For the period of January through June 2016	
Total RPTTF requested for non-administrative obligations	5,174,983
Total RPTTF requested for administrative obligations	 125,000
Total RPTTF requested for obligations on ROPS 15-16B	\$ 5,299,983
Total RPTTF requested for non-administrative obligations	5,174,983
Denied Items	
Item No. 4	(2,820,856)
Item No. 7	(1,157,702)
Item No. 18	 (150,000)
	 (4,128,558)
Reclassified Item	
Item No. 17	 (25,000)
Total RPTTF authorized for non-administrative obligations	\$ 1,021,425
Total RPTTF requested for administrative obligations	125,000
Reclassified Item	
Item No. 17	25,000
Administrative costs in excess of the cap (see Admin Cost Cap table below)	 (25,000)
Total RPTTF authorized for administrative obligations	\$ 125,000
Total RPTTF authorized for obligations	\$ 1,146,425
ROPS 14-15B prior period adjustment	 (324,710)
Total RPTTF approved for distribution	\$ 821,715

Administrative Cost Cap Calculation	
Total RPTTF for 15-16A (July through December 2015)	1,011,926
Total RPTTF for 15-16B (January through June 2016)	1,021,425
Less approved unfunded obligations from prior periods	0,
Total RPTTF for fiscal year 2015-2016	2,033,351
Administrative cost cap for fiscal year 2015-16 (Greater of 3% of Total RPTTF or	
\$250,000)	250,000
Administrative allowance for ROPS 15-16A (July through December 2015)	(125,000)
Remaining administrative cost cap for ROPS 15-16B	125,000
ROPS 15-16B administrative obligations after Finance adjustments	(150,000)
Administrative costs in excess of the cap	\$ (25,000)

On the ROPS 15-16B form, the Agency reported cash balances and activity for the period January 1 through December 31, 2015. Finance will perform a review of the Agency's self-reported cash balances on an ongoing basis. Please be prepared to submit financial records and bridging documents to support the cash balances reported upon request. If it is determined the Agency possesses cash balances that are available to pay approved obligations, HSC section 34177 (I) (1) (E) requires these balances be used prior to requesting RPTTF.

Please refer to the ROPS 15-16B schedule used to calculate the total RPTTF approved for distribution:

http://www.dof.ca.gov/redevelopment/ROPS

Absent a Meet and Confer, this is Finance's final determination related to the enforceable obligations reported on your ROPS for January 1 through June 30, 2016. This determination

Mr. David Cain October 23, 2015 Page 5

only applies to items when funding was requested for the six-month period. Finance's determination is effective for this time 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 it was 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 statutes. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Nichelle Thomas, Supervisor or Alexander Watt, Lead Analyst at (916) 445-1546.

Sincerely,

JUSTYN HOWARD Program Budget Manager

cc: Ms. Jane Carlson, Consultant, Rosenow Spevacek Group, Inc. Mr. Frank Davies, Property Tax Manager, Orange County



EDMUND G. BROWN JR. - GOVERNOR

915 L STREET # SACRAMENTO CA # 95814-3706 # WWW.DOF.CA.GOV

April 1, 2016

Mr. David Cain, Finance Director City of Fountain Valley 10200 Slater Avenue Fountain Valley, CA 92708

Dear Mr. Cain:

Subject: 2016-17 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Fountain Valley Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule for the period July 1, 2016 through June 30, 2017 (ROPS 16-17) to the California Department of Finance (Finance) on January 29, 2016. Finance has completed its review of the ROPS 16-17.

Based on our review, Finance is approving all of the items listed on the ROPS 16-17 at this time. However, Finance notes the following:

Although the administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3), Finance notes the oversight board has approved an amount that appears excessive, given the number and nature of the other obligations listed in the ROPS. HSC section 34179 (i) requires the oversight board to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the oversight board to apply adequate oversight when evaluating the administrative resources required to successfully wind-down the Agency.

On the ROPS 16-17 form, the Agency reported cash balances and activity for the period of July 1, 2015 through June 30, 2016. Finance performs a review of the Agency's self-reported cash balances on an ongoing basis. Be prepared to submit financial records and bridging documents to support the cash balances reported upon request. If it is determined the Agency possesses cash balances that are available to pay approved enforceable obligations, HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF.

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,665,042 as summarized in the Approved RPTTF Distribution Table on Page 3 (See Attachment).

ROPS distributions will occur twice annually, one distribution for the July 1, 2016 through December 31, 2016 (ROPS A period), and one distribution for the January 1, 2017 through June 30, 2017 (ROPS B period) based on Finance's approved amounts. Since Finance's determination is for the entire ROPS 16-17 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Mr. David Cain April 1, 2016 Page 2

On the ROPS 16-17 form, the Agency was not required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2015 through December 31, 2015 period (ROPS 15-16A). The Agency will report actual payments for ROPS 15-16A and ROPS 15-16B on the ROPS 18-19 form pursuant to HSC section 34186 (a) (1). A prior period adjustment will be applied to the Agency's future RPTTF distribution. Therefore, the Agency should retain any difference in unexpended RPTTF.

Please refer to the ROPS 16-17 schedule used to calculate the total RPTTF approved for distribution:

http://www.dof.ca.gov/redevelopment/ROPS

Absent a Meet and Confer, this is Finance's determination related to the enforceable obligations reported on your ROPS for the period July 1, 2016 through June 30, 2017. This determination only applies to items when funding was requested for the 12-month period. Finance's determination is effective for this time 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 it was 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 statutes. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Nichelle Thomas, Supervisor, or Alexander Watt, Lead Analyst at (916) 445-1546.

Sincerely ٩RD

Program Budget Manager

cc: Ms. Jane Carlson, RSG (Consultant), City of Fountain Valley Mr. Frank Davies, Property Tax Manager, Orange County Mr. David Cain April 1, 2016 Page 3

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Attachment

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Approved RPT For the period of July 2			017		
	ROF	PS A Period	ROF	PS B Perlod	 Total
Requested RPTTF (excluding administrative obligations) Requested Administrative RPTTF	\$	632,521 125,000	\$	782,521 125,000	\$ 1,415,042 250,000
Total RPTTF requested for 2016-17		757,521		907,521	\$ 1,665,042
Total RPTTF authorized Total Administrative RPTTF authorized		632,521 125,000		782,521 125,000	1,415,042 250,000
Total RPTTF approved for distribution		757,521		907,521	\$ 1,665,042



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April 3, 2017

Mr. David Cain, Finance Director City of Fountain Valley 10200 Slater Avenue Fountain Valley, CA 92708

Dear Mr. Cain:

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Fountain Valley Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2017 through June 30, 2018 (ROPS 17-18) to the California Department of Finance (Finance) on January 25, 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:

- The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the other obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources required to successfully wind-down the Agency.
- On the ROPS 17-18 form, the Agency reported cash balances and activity for the period of January 1, 2016 through June 30, 2016. Pursuant to HSC section 34177 (I) (1) (E), the Agency is required to use all available funding sources prior to Redevelopment Property Tax Trust Fund (RPTTF) funding for payment of enforceable obligations. During our review, which may have included obtaining financial records, Finance determined the Agency possesses funds that should be used prior to requesting RPTTF.

Therefore, with the Agency's concurrence, the funding source for the following item has been reclassified in the amount specified below:

 Item No. 9 – Palm Island Development Agreement in the amount of \$100,000 is partially reclassified from RPTTF to Other Funds. This item is an enforceable obligation for the ROPS 17-18 period. However, the obligation does not require payment from property tax revenues and the Agency has \$22,750 in available Other Funds. Therefore, Finance is approving RPTTF in the amount of \$77,250 and the use of Other Funds in the amount of \$22,750, totaling \$100,000 for the ROPS 17-18 period. Mr. David Cain April 3, 2017 Page 2

Except for the item 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 RPTTF distribution for the reporting period is \$577,250 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 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.

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.

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.

Mr. David Cain April 3, 2017 Page 3

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 Alexander Watt, Lead Analyst, at (916) 322-2985.

Sincerely,

JUŚTYN HOWARD Program Budget Manager

cc: Ms. Jane Carlson, Consultant, Rosenow Spevacek Group, Inc. Mr. Frank Davies, Property Tax Manager, Orange County

Attachment

Approved RPTTF Distribution For the period of July 2017 through June 2018								
	R	OPS A Period	ROPS B Period	ROPS 17-18 Total				
RPTTF Requested	\$	100,000	\$ 250,000	\$ 350,000				
Administrative RPTTF Requested		125,000	125,000	250,000				
Total RPTTF Requested		225,000	375,000	600,000				
RPTTF Requested		100,000	250,000	350,000				
Adjustment								
Item No. 9		(22,750)	0	(22,750)				
RPTTF Authorized		77,250	250,000	327,250				
Administrative RPTTF Authorized		125,000	125,000	250,000				
Total RPTTF Approved for Distribution	\$	202,250	\$ 375,000	\$ 577,250				



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April 6, 2018

Mr. Jason Al-Imam, Finance Director City of Fountain Valley 10200 Slater Avenue Fountain Valley, CA 92708

Dear Mr. Al-Imam:

Subject: 2018-19 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Fountain Valley Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19) to the California Department of Finance (Finance) on January 26, 2018. Finance has completed its review of the ROPS 18-19.

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

- The total administrative costs are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the other obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources required to successfully wind-down the Agency.
- On the ROPS 18-19 form, the Agency reported cash balances and activity for the period July 1, 2015 through June 30, 2016 (ROPS 15-16). According to our review, the Agency has approximately \$257,978 unexpended from Redevelopment Property Tax Trust Fund (RPTTF) from the ROPS 15-16 period available to fund enforceable obligations on the ROPS 18-19. These unexpended RPTTF funds are now considered Reserve Balances.

HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF. Therefore, with the Agency's concurrence, the funding source for the following items has been reclassified from RPTTF to Reserve Balances in the amounts specified below:

ltem No.	Project Name/Debt Obligation	Total Funding Authorized	RPTTF Approved	Reserve Balances Approved
6	Owner Participation Agreement - Fry's	\$250,000	\$ 0	\$250,000
9	Palm Island Development Agreement	100,000	92,022	7,978
			Total	\$257,978

Mr. Jason Al-Imam April 6, 2018 Page 4

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Attachment

Approved RPTTF Distribution For the period of July 2018 through June 2019								
	RO	PS A Period	ROPS	B Period	ROPS 18-19 Total			
RPTTF Requested	\$	100,000	\$	250,000	\$	350,000		
Administrative RPTTF Requested		80,000		80,000		160,000		
Total RPTTF Requested		180,000		330,000		510,000		
RPTTF Requested		100,000		250,000		350,000		
<u>Adjustments</u>			-			,		
Item No. 6		0	-	(250,000)		(250,000		
Item No. 9		(7,978)		0		(7,978		
		(7,978)		(250,000)		(257,978		
RPTTF Authorized		92,022		0		92,022		
Administrative RPTTF Authorized		80,000		80,000		160,000		
Total RPTTF Approved for Distribution	\$	172,022	\$	80,000	\$	252,022		
		- 1		,	•			

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March 22, 2019

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Mr. Jason Al-Imam, Finance Director City of Fountain Valley 10200 Slater Avenue Fountain Valley, CA 92708

Dear Mr. Al-Imam:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Fountain Valley Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 28, 2019. Finance has completed its review of the ROPS 19-20.

Based on a sample of line items reviewed and application of the law, Finance is approving all of the items listed on the ROPS 19-20 at this time. However, Finance notes the following:

The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in Redevelopment Property Tax Trust Fund (RPTTF) are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 3 includes the prior period adjustment resulting from the County Auditor-Controller's review of the prior period adjustment form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$142,907 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Mr. Jason Al-Imam March 22, 2019 Page 3

Attachment

-	-	TF Distribution 019 through Ju		20		
	ROPS A Period ROPS			B Period	ROPS 19-20 Total	
RPTTF Requested	\$	100,000	\$	250,000	\$	350,000
Administrative RPTTF Requested		46,011		0		46,011
Total RPTTF Requested		146,011		250,000		396,011
RPTTF Authorized		100,000		250,000		350,000
Administrative RPTTF Authorized		46,011		0		46,011
Total RPTTF Authorized for Obligations		146,011		250,000		396,011
Prior Period Adjustment		(146,011)		(107,093)		(253,104)
Total RPTTF Approved for Distribution	\$	0	\$	142,907	\$	142,907
		Jun 4		Son Jo		

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 10C

From: Successor Agency to the Fullerton Redevelopment Agency

Subject: Straw Vote of the Countywide Oversight Board Regarding Administrative Budget

<u>Recommended Action:</u> Hold a straw vote regarding FY 2020-21 Administrative Budget for the Fullerton Successor Agency

The Fullerton Successor Agency requests a straw vote of the proposed Administrative Budget for Fiscal Year 2020-21. The Successor Agency shall return in January with a request for final approval of the Administrative Budget with the annual Recognized Obligation Payment Schedule (ROPS).

The administrative budget amount being requested for FY 2020-21 is \$344,679 consistent with the calculated administrative budget allowance amount per the department of finance's guidelines. If approved, this amount will be allocated to staff salaries, direct costs including supplies, postage, printing, legal and professional contractual services, and indirect costs including insurance, facility maintenance and repair, custodial, computer and software, and human resources support costs. Please note that indirect costs were calculated at 1% or less of total costs.

The City Council recently approved reorganizing and modifying staff assignments in order to prioritize completion of Successor Agency wind-down efforts. The hours of staff time is estimated for personnel that work on activities for the successor agency dissolution such as making monthly, quarterly, and yearly payments on enforceable obligations including bond debt service, leases, and rents. Accounting for payments received on loans and notes. Other tasks involved are budget preparation and monitoring, preparation of annual Recognized Obligation Payment Schedules (ROPS), annual Prior Period Adjustment (PPA) reports, financial reconciliation and audits as well as various planning, development and real property related project management including consultant and attorney time for implementing the Long Range Property Management Plan (LRPMP) and future disposition of the remaining five properties/assets. In addition, city clerk staff are needed for items that are presented to the Successor Agency Board and uploaded to the City's website. Information technology staff is needed for computer and software support.

More specifically, the Fullerton Successor Agency has the following three remaining bond payment obligations that are outstanding and require bi-annual payment processing and annual reporting:

ROPS Item	Bond Name	Term Ends
No.		
4	2005 Tax Allocation Bonds	2027-28
6	2010 Taxable Tax Allocation Housing Bonds	2026-27
60	2015 Tax Allocation Refunding Bonds (refunded 1998	2024-25
	Revenue Bonds)	
49	Annual bank trustee fees for bonds	Until all bonds are paid

In addition to the bonds debt service payments there are two property leases and a purchase and sale agreement that require monthly and quarterly payment processing:

ROPS	Lease Reference	Term Ends	Purpose
Item	Name		
No.			
9	Fullerton Arboretum	December 3, 2020	Development and use of park premises
			and facilities.
11	Miller Property Lease	August 1, 2024	Use of premises. Currently used for
			public parking.
62	Miller Property	2024	Purchase and Sale agreement when
	Purchase		lease expires

Another task that requires staff time are the outstanding loans issued by the former redevelopment agency. There are over 50 commercial and seismic rehabilitation loans that staff has to bill monthly and process payments, issue delinquent notices, monitor and report on a quarterly basis. When the loans are going to be paid in full, a demand letter is prepared, final payment is processed and reconveyance of title for deeds need to be prepared, executed and recorded.

As mentioned, the Successor Agency together with the City continues to work on implementing the Long Range Property Management Plan (LRPMP). Specifically, there are five properties/assets that were designated for future economic development:

- Fox Block Theatre Complex Disposition and Development Agreement (DDA) for the rehabilitation of the theatre and tea room. Staff is responsible for monitoring and enforcing the DDA and working with the foundation for the completion of the restoration of the structure. Over the course of the next year, the City will be working with the Fox Theater Foundation to expedite the rehabilitation as well as working with private developers on adjoining parcels for future development which will greatly benefit the overall Fox Block.
- Fox Block Peck Parking Structure Owner Participation Agreement (OPA). Staff is working with a development team to construct a parking structure with ground floor commercial uses. This process will begin in earnest this budget year with expected start of entitlement, plan check, and eventual construction and inspection activities.
- Fox Block Public Parking Lot Staff is working with a development team to incorporate this property with the parking structure and theatre project mentioned above.
- Amerige Court Site Staff is reviewing the feasibility of future uses for this site. The Disposition and Development Agreement expired and the current site remains a public parking lot for surrounding businesses.

• Fullerton Transportation Center – This property consists of 14 assessor parcels developed with a train depot, parking lots and businesses. Staff, together with a developer and legal counsel are currently evaluating a development proposal which will start the entitlement process at the beginning of 2020. Due to the location of the development proposal, this project will involve significant staff time and additional staffing resources as reflected in the administrative budget.

As part of the LRPMP, the City was required to secure a compensation agreement from all public taxing entities that share in the property tax base prior to the disposition of the Successor Agency owned real properties if the property sale is for economic development purposes. Compensation Agreements have been secured from all taxing entities and state that for those properties sold for economic development purposes, the City shall remit all eligible net unrestricted proceeds to the Orange County Auditor-Controller's Office for distribution to the taxing entities. Accordingly, the City did not request any change to the standard distribution of pro rata share of property tax when these properties are sold.

Staff Contact(s)

Fullerton Successor Agency staff contacts are as follows:

Kenneth A. Domer, City Manager 714-738-6310 or via e-mail at KDomer@cityoffullerton.com

Ramona Castaneda, Revenue Manager 714-738-6573 or via e-mail at Ramonac@cityoffullerton.com

Attachments

Attachment 1 – Fullerton Successor Agency FY 2020-21 Proposed Administrative Budget Allowance

Attachment 2 - Fullerton Successor Agency Administrative Budget FY 2019-20

Attachment 3 – Fullerton Successor Agency Administrative Budget FY 2018-19

Attachment 4 – Department of Finance letter of determination dated April 15, 2019 regarding 2019-20 Annual Recognized Obligation Payment Schedule and administrative cost allowance

Attachment 5 – Department of Finance letter of determination dated April 13, 2018 regarding 2018-20 Annual Recognized Obligation Payment Schedule and administrative cost allowance

Attachment 6 – Fullerton Successor Agency Revised Long-Range Property Management Plan dated December 2015

Fullerton Successor Agency FY 2020-21 Proposed Administrative Budget Allowance

Direct Personnel Costs

Position	Department	FY 2020-21 Costs	Hourly Rate	Successor Agency Hours	Successor Agency Admin Cost	% of time SA Admin
City Manager	City Manager	313,236	150.59	108	16,264	5.19%
Deputy City Manager	City Manager	218,733	105.16	108	11,357	5.19%
Administrative Analyst	City Manager	122,369	58.83	108	6,354	5.19%
Executive Assistant	City Manager	119,269	57.34	108	6,193	5.19%
City Clerk	City Clerk	174,338	83.82	12	1,006	0.58%
Assistant City Clerk	City Clerk	105,204	50.58	12	607	0.58%
Administrative Services Director	Administrative Services	266,107	127.94	48	6,141	2.31%
Revenue Manger	Administrative Services	191,288	91.97	240	22,072	11.54%
Fiscal Services Manager	Administrative Services	158,258	76.09	48	3,652	2.31%
Budget Analyst	Administrative Services	113,234	54.44	48	2,613	2.31%
Accounting Supervisor	Administrative Services	147,459	70.89	48	3,403	2.31%
Accountant II	Administrative Services	119,716	57.56	48	2,763	2.31%
Account Clerk II (AP)	Administrative Services	68,095	32.74	12	393	0.58%
Account Clerk II (AR)	Administrative Services	50,802	24.42	12	293	0.58%
Payroll Technician	Administrative Services	92,210	44.33	12	532	0.58%
Information Technology Webmaster	Administrative Services	121,432	58.38	12	701	0.58%
Information Systems Assistant	Administrative Services	79,290	38.12	12	457	0.58%
Director	Community Development	218,733	105.16	240	25,238	11.54%
Deputy Director	Community Development	194,981	93.74	360	33,747	17.31%
Planning Manager	Community Development	180,336	86.70	120	10,404	5.77%
Analyst	Community Development	113,234	54.44	240	13,065	11.54%
HR Manager I	Human Resources	152,423	73.28	12	879	0.58%
Real Property Agent	Public Works - Engr.	143,363	68.92	168	11,579	8.08%

Total Direct Personnel Costs:

179,713

Other Direct Costs

Attorney Fees	50,000
Consultant Fees	50,000
Audit Fees	4,400
Postage	50
Auto Expense	50
Office Supplies	966
Printing	500
Total Other Direct Costs:	105,966

Indirect Costs

(Applied	at	1%	or	less	of	total	costs)
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Total Indirect Costs:	59,000
Human Resources (non-payroll)	2,000
IT/Computer Allocations	10,000
Facility Capital Repair	5,000
Custodial	5,000
Facility Maintenance (Bldg and VOIP Phone)	13,000
Liability Insurance	15,000
Worker's Compensation Insurance	9,000

Total Successor Agency Admin Allowance Cost: 344,679

Fullerton Successor Agency

Administrative Budget FY 2019-20 (July 1, 2019- June 30, 2020)

Type of Expense	2019-20	Source of Funds
Salaries and Overhead	233,042	RPTTF - Administrative Cost Allowance
Auto Expense/Mileage Reimbursement (6202)	50	RPTTF - Administrative Cost Allowance
Legal Services (6301)	12,000	RPTTF - Administrative Cost Allowance
Professional & Contractual Services (6319)	14,000	RPTTF - Administrative Cost Allowance
Supplies (6401)	1,200	RPTTF - Administrative Cost Allowance
Postage (6408)	100	RPTTF - Administrative Cost Allowance
Printing, Binding & Duplication (6443)	500	RPTTF - Administrative Cost Allowance
Fees and Charges (6717)	1,800	RPTTF - Administrative Cost Allowance
Miscellaneous (6719)	35	RPTTF - Administrative Cost Allowance
Facilities and VOIP Phone (6804)	5,310	RPTTF - Administrative Cost Allowance
Computer/IT Allocation (6809)	3,800	RPTTF - Administrative Cost Allowance
Total Admin:	271,837	

Fullerton Successor Agency

Administrative Budget FY 2018-19 (July 1, 2018- June 30, 2019)

Type of Expense	2018-19	Source of Funds
Salaries and Overhead	215,864	RPTTF - Administrative Cost Allowance
Auto Expense/Mileage Reimbursement (6202)	50	RPTTF - Administrative Cost Allowance
Legal Services (6301)	15,000	RPTTF - Administrative Cost Allowance
Professional & Contractual Services (6319)	12,000	RPTTF - Administrative Cost Allowance
Supplies (6401)	100	RPTTF - Administrative Cost Allowance
Postage (6408)	50	RPTTF - Administrative Cost Allowance
Printing, Binding & Duplication (6443)	100	RPTTF - Administrative Cost Allowance
Property Tax (6707)	2,500	RPTTF - Administrative Cost Allowance
Fees and Charges (6717)	3,000	RPTTF - Administrative Cost Allowance
Miscellaneous (6719)	21,979	RPTTF - Administrative Cost Allowance
Liability Insurance (6802)	69,440	RPTTF - Administrative Cost Allowance
Total Admin:	340,083	



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April 15, 2019

Ms. Ramona Castaneda, Revenue Manager City of Fullerton 303 West Commonwealth Avenue Fullerton, CA 92832

Dear Ms. Castaneda:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Fullerton Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 31, 2019. Finance has completed its review of the ROPS 19-20.

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

 Item Nos. 19 and 20 – City of Fullerton (City) and Agency Cooperation Agreements (Agreements) dated January 29, 2011 and June 7, 2011 with outstanding obligation amounts totaling \$15,500,000 (\$14,000,000 and \$1,500,000, respectively), are not allowed. Finance continues to deny these items. The Agency contends the Agreements committed the former Redevelopment Agency (RDA) to fund the related capital improvement projects.

However, HSC 34171 (d) (2) states agreements, contracts, or arrangements between the former RDA and the city that created the RDA are not enforceable unless issued within two years of the RDA creation date or for issuance of indebtedness to third-party investors or bondholders. Further, the Agency did not provide any new documentation during the ROPS 19-20 review. Therefore, these line items are not enforceable obligations and the total requested amount of \$3,500,000 (\$2,000,000 + \$1,500,000) is ineligible for Redevelopment Property Tax Trust Fund (RPTTF) funding.

- Item Nos. 23 and 28 Affordable Housing Monitoring, Administration, and Reporting Contracts, outstanding obligation amounts totaling \$10,214,000 (\$9,954,000 and \$260,000, respectively) are not allowed. Finance continues to deny these items. HSC section 34176 requires "all rights, powers, duties, obligations, and housing assets...be transferred" to the new housing entity. Since the City Housing Division assumed the housing functions, this transfer of "duties and obligations" necessarily includes the transfer of administrative obligations. Further, the Agency did not provide any new documentation during the ROPS 19-20 review. Therefore, the total requested amount of \$380,000 (\$120,000 + \$260,000) is ineligible for RPTTF funding.
- Item No. 24 Commercial Seismic and Rehab Loan Monitoring in the requested amount of \$12,000 has been reclassified from RPTTF to Administrative RPTTF. Although enforceable, the types of services requested are considered general and administrative in nature.

Ms. Ramona Castaneda April 15, 2019 Page 2

- Item No. 30 Capital Improvement Projects, total outstanding obligation amount of \$95,000, is not allowed. Finance continues to deny this item for the following reasons:
 - The contract was entered into between the City and Griffin Structures; the former redevelopment agency (RDA) was not a party to the contract.
 - The cooperation agreement the RDA entered into with the City, dated January 29, 2011, which commits RDA funding to the City, was not enforceable pursuant to HSC 34171(d) (2), which states agreements, contracts, or arrangements between the former RDA and the city that created the RDA are not enforceable unless issued within two years of the RDA creation date or for issuance of indebtedness to third-party investors or bondholders.

Further, the Agency did not provide any new documentation during the ROPS 19-20 review. Therefore, this item is not an enforceable obligation and the requested amount of \$95,000 is ineligible for RPTTF funding.

 The Agency's claimed administrative costs exceed the allowance by \$12,000. HSC section 34171 (b) (3) limits the fiscal year Administrative Cost Allowance (ACA) to three percent of actual RPTTF distributed in the preceding fiscal year or \$250,000, whichever is greater, not to exceed 50 percent of the RPTTF distributed in the preceding fiscal year. As a result, the Agency's maximum ACA is \$271,837 for the fiscal year 2019-20. Although \$271,837 is claimed for the ACA, Item No. 24 is considered an administrative cost and should be counted toward the cap as explained above. Therefore, as noted in the table below, \$12,000 of excess ACA is not allowed:

Administrative Cost Allowance Calculation					
Actual RPTTF distributed for fiscal year 2018-19	\$	9,401,300			
Less distributed Administrative RPTTF		(340,083)			
RPTTF distributed for 2018-19 after adjustment		9,061,217			
ACA Cap for 2019-20 per HSC section 34171 (b)		271,837			
ACA requested for 2019-20		271,837			
Plus amount reclassified to ACA		12,000			
Total ACA		283,837			
ACA in Excess of Cap	\$	(12,000)			

Further, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

- On the ROPS 19-20 form, the Agency reported cash balances and activity for the period July 1, 2016 through June 30, 2017 (ROPS 16-17). According to our review, the Agency has approximately \$120,389 from Other Funds available to fund enforceable obligations on the ROPS 19-20. HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF. Therefore, the funding source for the following item has been reclassified in the amount specified below:
 - Item No. 4 2005 Tax Allocation Bonds, debt service payment in the amount of \$6,463,953 is partially reclassified from RPTTF to Other Funds. This item does not require payment from property tax revenues. Therefore, Finance is approving RPTTF in the amount of \$6,343,564 and the use of Other Funds in the amount of \$120,389, totaling \$6,463,953.

Ms. Ramona Castaneda April 15, 2019 Page 3

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 4 includes the prior period adjustment resulting from the County Auditor-Controller's review of the prior period adjustment form submitted by the Agency.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 19-20. If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items which are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$11,761,122 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 19-20 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 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 Jackson, Supervisor, or Veronica Zalvidea, Lead Analyst, at (916) 322-2985.

Sincerely, JENNIFER WHITAKER Program Budget Manager

cc: Mr. Christine Pilapil, Project Manager, City of Fullerton Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County Ms. Ramona Castaneda April 15, 2019 Page 4

Attachment

		TTF Distribution 2019 through Ji		e 30, 2020	
	RO	PS A Period		ROPS B Period	ROPS 19-20 Total
RPTTF Requested	\$	11,379,097	\$	4,231,743	\$ 15,610,840
Administrative RPTTF Requested		135,919		135,918	271,837
Total RPTTF Requested		11,515,016		4,367,661	15,882,677
RPTTF Requested		11,379,097		4,231,743	15,610,840
Adjustments					
Item No. 4		(120,389)		0	(120,389)
Item No. 19		(1,000,000)		(1,000,000)	(2,000,000)
Item No. 20		(500,000)		(1,000,000)	(1,500,000)
Item No. 23		(60,000)		(60,000)	(120,000)
Item No. 24		(6,000)		(6,000)	(12,000)
Item No. 28		(130,000)		(130,000)	(260,000)
Item No. 30	(47,500) (4		(47,500)	(95,000)	
	-	(1,863,889)		(2,243,500)	(4,107,389)
RPTTF Authorized		9,515,208		1,988,243	11,503,451
Administrative RPTTF Requested		135,919		135,918	271,837
Adjustment					
Item No. 24		6,000		6,000	12,000
Excess Administrative Costs	0 (12,000)		(12,000)		
Administrative RPTTF Authorized	141,919 129,918		271,837		
Total RPTTF Authorized for Obligations	9,657,127 2,118,161 1		11,775,288		
Prior Period Adjustment		(14,166))	0	(14,166
Total RPTTF Approved for Distribution	\$	9,642,961	\$	2,118,161	\$ 11,761,122



EDMUND G. BROWN JR. - GOVERNOR

915 L STREET # SACRAMENTO CA # 95814-3706 # WWW.DOF.CA.GOV

April 13, 2018

Ms. Ramona Castaneda, Revenue Manager City of Fullerton 303 West Commonwealth Avenue Fullerton, CA 92832

Dear Ms. Castaneda:

Subject: 2018-19 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Fullerton Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19) to the California Department of Finance (Finance) on January 31, 2018. Finance has completed its review of the ROPS 18-19.

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

- Item Nos. 19 and 20 City of Fullerton (City) and Agency Cooperation Agreements (Agreements) dated January 29, 2011 and June 7, 2011 with outstanding obligation amounts totaling \$15,500,000, are not allowed. Finance continues to deny these items. The Agency contends the Agreements committed the former Redevelopment Agency (RDA) to fund the related capital improvement projects. However, HSC 34171 (d) (2) states agreements, contracts, or arrangements between the former RDA and the city that created the RDA are not enforceable unless issued within two years of the RDA creation date or for issuance of indebtedness to third-party investors or bondholders. Further, the Agency did not provide any new documentation during the ROPS 18-19 review. Therefore, these line items are not enforceable obligations and the total requested amount of \$3,500,000 (\$2,000,000 + \$1,500,000) is ineligible for Redevelopment Property Tax Trust Fund (RPTTF) funding.
- Item Nos. 23 and 28 Affordable Housing Monitoring, Administration, and Reporting Contracts with outstanding obligation amounts totaling \$260,000, are not allowed. Finance continues to deny these items. HSC section 34176 requires "all rights, powers, duties, obligations, and housing assets...be transferred" to the new housing entity. Since the City Housing Division assumed the housing functions, this transfer of "duties and obligations" necessarily includes the transfer of administrative obligations. Further, the Agency did not provide any new documentation during the ROPS 18-19 review. Therefore, these items are not enforceable obligations and the total requested amount of \$260,000 is ineligible for RPTTF funding.

Ms. Ramona Castaneda April 13, 2018 Page 2

- Item No. 24 Commercial Seismic and Rehab Loan Monitoring in the requested amount of \$12,000, has been reclassified from RPTTF to Administrative RPTTF with the Agency's consent. Although enforceable, the types of services requested are considered general and administrative in nature.
- Item No. 30 Capital Improvement Projects, total outstanding obligation amount of \$95,000, is not allowed. Finance continues to deny this item for the following reasons:
 - The contract was entered into between the City and Griffin Structures; the former RDA was not a party to the contract.
 - The cooperation agreement the RDA entered into with the City, dated January 29, 2011, which commits RDA funding to the City, was not enforceable pursuant to HSC 34171(d) (2), which states agreements, contracts, or arrangements between the former RDA and the city that created the RDA are not enforceable unless issued within two years of the RDA creation date or for issuance of indebtedness to third-party investors or bondholders.

Further, the Agency did not provide any new documentation during the ROPS 18-19 review. Therefore, this item is not an enforceable obligation and the requested amount of \$95,000 is ineligible for RPTTF funding.

 The Agency's claimed administrative costs exceed the allowance by \$11,999. HSC section 34171 (b) (3) limits the fiscal year Administrative Cost Allowance (ACA) to three percent of actual RPTTF distributed in the preceding fiscal year or \$250,000, whichever is greater, not to exceed 50 percent of the RPTTF distributed in the preceding fiscal year. As a result, the Agency's maximum ACA is \$340,083 for the fiscal year 2017-18. Although \$340,082 is claimed for the ACA, Item No. 24 is considered an administrative cost and should be counted toward the cap as explained above. Therefore, as noted in the table below, \$11,999 of excess ACA is not allowed:

Administrative Cost Allowance Calcu	lation	
Actual RPTTF distributed for fiscal year 2017-18	\$	11,586,092
Less distributed Administrative RPTTF		(250,000)
RPTTF distributed for 2017-18 after adjustment		11,336,092
ACA Cap for 2018-19 per HSC section 34171 (b)		340,083
ACA requested for 2018-19		340,082
		12,000
Total ACA		352,082
ACA in Excess of Cap	\$	(11,999)

Further, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

- On the ROPS 18-19 form, the Agency reported cash balances and activity for the period July 1, 2015 through June 30, 2016 (ROPS 15-16). According to our review, the Agency has approximately \$148,498 in RPTTF unexpended from the ROPS 15-16 period and \$2,184,353 in Other Funds, totaling \$2,332,851, available to fund enforceable obligations on the ROPS 18-19. The unexpended RPTTF is considered Reserve Balances. HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF. Therefore, with the Agency's concurrence, the funding source for the following item has been reclassified in the amounts specified below:
 - Item No. 4 2005 Tax Allocation Bonds, debt service payment in the amount of \$6,293,488, has been reclassified. This item does not require payment from property tax revenues. Therefore, Finance approves \$3,960,637 from RPTTF, \$148,498 from Reserve Balances, and \$2,184,353 from Other Funds, totaling \$6,293,488.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 18-19. If the Agency disagrees with our determination with respect to any items on the ROPS 18-19, except items that are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$9,401,300 as summarized in the Approved RPTTF Distribution table on Page 5 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2018 through December 31, 2018 period (ROPS A period) and one distribution for the January 1, 2019 through June 30, 2019 period (ROPS B period) based on Finance's approved amounts. Since this determination is for the entire ROPS 18-19 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Pursuant to HSC section 34186 (c), beginning October 1, 2018, the Agency will be required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2016 through June 30, 2017 period (ROPS 16-17) to the County Auditor-Controller for review. The Agency will report actual payments for ROPS 16-17 on ROPS 19-20. A prior period adjustment may be applied to the Agency's ROPS 19-20 RPTTF distribution. Therefore, the Agency should retain any unexpended RPTTF from the ROPS 16-17 period.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 18-19. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be deemed denied until the matter is resolved.

The ROPS 18-19 form submitted by the Agency and this determination letter will be posted on our website:

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

Ms. Ramona Castaneda April 13, 2018 Page 4

This determination is effective for the ROPS 18-19 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 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 Jackson, Supervisor, or Veronica Zalvidea, Lead Analyst, at (916) 322-2985.

Sincerely,

ERIKAL Program Budget Manager

cc: Mr. Christine Pilapil, Project Manager, City of Fullerton Ms. Cindy Wong, Manager, Property Tax Section, Orange County Ms. Ramona Castaneda April 13, 2018 Page 5

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Attachment

	The second states of the second states and second states and second states and second states and second states	TTF Distributior 2018 through J		
	RC	PS A Period	ROPS B Period	ROPS 18-19 Total
RPTTF Requested	\$	11,174,029	\$ 4,087,039	\$ 15,261,068
Administrative RPTTF Requested		170,041	170,041	340,082
Total RPTTF Requested		11,344,070	4,257,080	15,601,150
RPTTF Requested		11,174,029	4,087,039	15,261,068
Adjustments				
item No. 4		(2,332,851)	0	(2,332,851
Item No. 19		(1,000,000)	(1,000,000)	(2,000,000
Item No. 20		(750,000)	(750,000)	(1,500,000
Item No. 24		(6,000)	(6,000)	(12,000
Item No. 28		(130,000)	(130,000)	(260,000
Item No. 30		(47,500)	(47,500)	(95,000
		(4,266,351)	(1,933,500)	(6,199,851
RPTTF Authorized		6,907,678	2,153,539	9,061,217
Administrative RPTTF Requested		170,041	170,041	340,082
Adjustment				Marca I. Marca I. La Ca
Item No. 24	-	6,000	6,000	12,000
Adjusted Administrative RPTTF		176,041	176,041	352,082
Excess Administrative Costs		0	(11,999)	(11,999
Administrative RPTTF Authorized		176,041	164,042	340,083
Total RPTTF Approved for Distribution	\$	7,083,719	\$ 2,317,581	\$ 9,401,300

REVISED LONG-RANGE PROPERTY MANAGEMENT PLAN

FULLERTON SUCCESSOR AGENCY



Prepared By:

SUCCESSOR AGENCY TO THE FULLERTON REDEVELOPMENT AGENCY 303 W. COMMONWEALTH AVENUE FULLERTON, CA 92832

DECEMBER 2015

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1.0 Introduction

1.1 Background & Purpose

Health and Safety Code Section 34191.5, added by AB 1484 (signed into law on June 27, 2012), requires each Successor Agency to prepare and approve a Long-Range Property Management Plan ("LRPMP") that addresses the disposition and use of the real properties of the former redevelopment agency. Properties held by a successor agency cannot be disposed of until the State Department of Finance ("DOF") has approved the LRPMP. This revised document is the LRPMP for the Fullerton Successor Agency to the former Fullerton Redevelopment Agency.

On November 6, 2013, the Oversight Board for the Successor Agency for the Fullerton Redevelopment Agency, by Resolution No. OB 2013-06, approved the LRPMP and authorized Successor Agency staff to transmit the LRPMP to the DOF for their review. On October 20, 2015, the DOF submitted a letter stating that the LRPMP is not approved until the LRPMP addresses issues identified in their October 20, 2015 letter (see Appendix A). Therefore, this revised LRPMP replaces and supersedes the LRPMP approved by the Oversight Board on November 6, 2013. In addition, the property assets (Asset # 1-15) described in the following Section 2.0 includes, where applicable, explanations as to how this revised LRPMP addresses the October 20, 2015 DOF letter.

Park Van Nuys Aimort Lo CA NADA FUNTRIDGE	
Jarzana- Alfport Van Nuys Burbank	SIERRA MADRE
odland Hills Encine Oaks North Hollywood Glendale	210 ARCADIA MONROVIA GLENDORA
Studio Lity Pasadena	DUARTE AZUSA
SOUTH PASADENA	TEMPLE CITY Cothill ENTLY SAN DIMAS R.
Topanga WEST HOLLYWOOD ALHAMBRA	ELMonte BALDWIN PARK LA VERNE
Wilshire Blud 101	Airport EI Monte COVINA CLAREMON
MALIBU BRENTWOOD CULVER-CITY	MONTEREY PARK West Covina Onta
BRENTWOOD GULVER-CITY LOS Angeles	South EL MONTE Pomona Onta
SANTA MONICA + Santa Monica	MONTEBELLO LA PUENTE WALNUT CHINI
Venice Mut Airport HUNTINGTON PARK	PICO RIVERA HAGIENDA HEIGHTS CHINO
Marina Del Rey MAYWOOD BELL	
Los Angeles LENNOX BELL GARDENS	SOUTH WHITTIER DIAMOND DAR
Int Airport LYNWOOD, CUDAH	Y SANTA FE SPRINGS 57 142
EL SEGUNDO Northrop T	I A HABRA
FIG Hawthome Mun HAWTHORNE COMPTON	BELLELOWER - H
MANHATTAN BEACH LAWNDALE PARAMOUN	
HERMOSA BEACH	ARTESIAER S Muni Airport
REDONDO BEACH	N GARDENS
	Fullerton TON Anaheim Villa Park
PALOS VERDES ESTATES . FIC SIGNAL HILL	That Aat Orange
107 LOMITA Wilmington	westminsjer Garden Grove
RANCHO PALOS VERDES LONG Beach	SEAL BEACH Midway City Santa Ana
San Pedro	Surfside Strin
our reno	Sunset Beach
	1 Firvine East Irvine
	El Tor

1.2 Successor Agency Asset Summary

There are fifteen (15) assets owned and controlled by the Fullerton Successor Agency ("SA"). All fifteen (15) assets entail fee simple land. It should be noted that each of the 15 assets identified in the following Section 2.0 may include more than one identified property/parcel. See next page for a map indicating the locations of the 15 assets.

1.3 Recent State of California Legislation

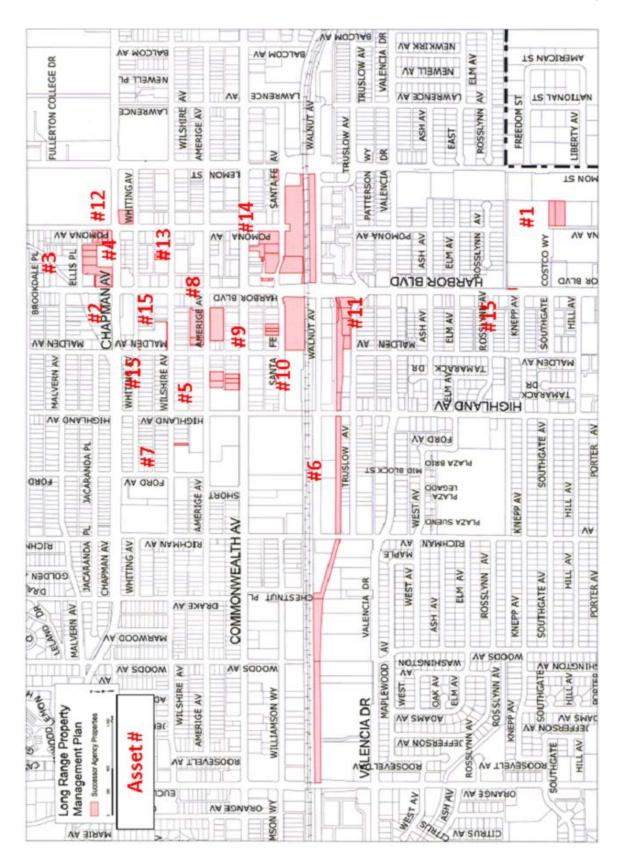
Recent State of California legislation has been approved that impacts the determination of property assets related to governmental uses. Senate Bill 107 (SB 107) was signed into law in September 2015 that modified the definition of the governmental use category (as chaptered in California Health and Safety Code (H&SC) Section 34181(a)(1) and (2)) as follows:

34181. The oversight board shall direct the successor agency to do all of the following:

(a) (1) Dispose of all assets and properties of the former redevelopment agency; provided, however, that the oversight board may instead direct the successor agency to transfer ownership of those assets that were constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, parking facilities and lots dedicated solely to public parking, and local agency administrative buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset. Any compensation to be provided to the successor agency for the transfer of the asset shall be governed by the agreements relating to the construction or use of that asset. Disposal shall be done expeditiously and in a manner aimed at maximizing value. Asset disposition may be accomplished by a distribution of income to taxing entities proportionate to their property tax share from one or more properties that may be transferred to a public or private agency for management pursuant to the direction of the oversight board.

(2) "Parking facilities and lots dedicated solely to public parking" do not include properties that generate revenues in excess of reasonable maintenance costs of the properties.

This revised LRPMP considers SB 107 and where appropriate implements the provisions of SB 107 as described above when addressing each of the Successor Agency's property assets outlined in Section 2.0.



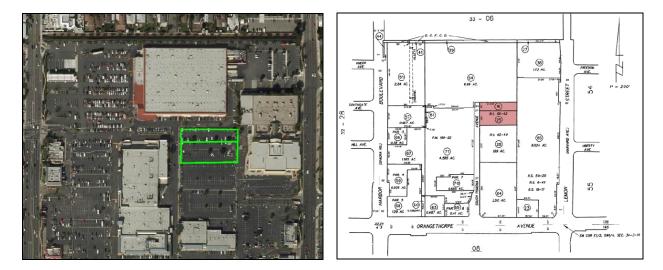
		APN	Purpose			
#	Address/Description	APN	Gov't Use	Econ. Dev.	Liquid.	Enf. Oblig.
	Costco / AMC Theatre Parking Lot Parcels	073-060-16 073-060-25	X (per SB 107)			
2	Fox Block – Fox Theatre Complex	029-033-20 029-033-21		Х		
3	Fox Block- Peck Parking Structure Site	029-033-09 029-033-10 029-033-27 029-033-28 029-033-35		х		
4	Fox Block- Public Parking Lot	029-033-03 029-033-04 029-033-05 029-033-06		Х		
5	Police Station Parking Lot	032-233-15 032-233-16 032-233-17 032-233-24 032-233-26	X (per SB 107)			
6	Independence Park / Union Pacific Park Trail	031-150-48 032-091-13 032-091-17 032-171-37 032-171-38 032-251-40 032-251-48	X (per H&SC 34181(a))			
7	City Hall Parking	032-152-30	X (per SB 107)			
8	Amerige Court Site	032-232-13 032-232-29 032-234-28		х		
9	Santa Fe Avenue (north side between Harbor and Malden) Public Parking	032-242-15 032-242-16 032-242-17	X (per SB 107)			
10	SOCO West Parking Structure	032-243-20	X (per SB 107)			
11	Union Pacific Park	032-251-29 032-251-30 032-251-36 032-251-37 032-251-46	X (per H&SC 34181(a))			

Long-Range Property Management Plan City of Fullerton Successor Agency December 2015 Page 7 of 53

12	Plummer Public Parking Structure	033-013-23	X (per SB 107)		
13	Museum Plaza Park	033-012-13	X (per H&SC 34181(a))		
14	Fullerton Transportation Center	033-030-14 033-030-17 033-030-18 033-031-23 033-031-24 033-031-26 033-031-29 033-031-37 033-031-39 033-031-40 033-031-27 033-032-23 033-030-19		Х	
15	Street Right-of-Ways	032-224-36 032-224-37 073-060-44	X (per H&SC 34181(a))		

2.0 Long-Range Property Management Plan (PMP)

Asset #1: Costco / AMC Theatre Parking Lot Parcels



Parcel Data – Asset #1	
Address	N/A
APN	073-060-16, 073-060-25
Lot Size	43,770 square feet
Use	Public Parking Lot
Zoning	C-2 (General Commercial)
Current Title	Fullerton Successor Agency

Future TitleCity of Fullerton ("City")

Acquisition & Valuation Information – Asset #1		
Purchase Date	Acquired throughout the 1980's	
Purchase Price	\$180,500	
Funding Source	Tax increment revenues and/or bond proceeds.	
Purpose	Acquired for the purpose of redeveloping the site with commercial uses and providing parking and implementing the Orangefair Redevelopment Plan.	
Estimate of Current Value	\$70,000	
Method of Valuation	Appraisal (see Appendix B)	

Revenues Generated by Property & Contractual Requirements – Asset #1

City / Successor Agency Lease Agreement

No revenue generated. Parking is free.

History of Environmental Contamination or Remediation Efforts – Asset #1

None There is no known history of environmental contamination or remediation on this site.

Transit-Oriented Development & Advancement of Agency Planning Objectives – Asset #1		
Potential for TOD	Not Applicable	
Agency Planning Objectives Supporting economic development in the area.		

Brief History of Previous Development Proposals and Activities – Asset #1

History Encumbered by a parking lot agreement requiring that parking spaces be provided for the adjacent AMC 20 Theatre with no rental income. The public parking lot was initially intended (per the original LRPMP submitted November 7, 2013) to be sold to Kimco Realty (surrounding property owner); however, during DOF review Kimco Realty sold the surrounding property.

Recommendation for Disposition – Asset #1

Retain for

Government Use Transfer to City of Fullerton for governmental use per SB 107, as a parking facility or lot dedicated solely to public parking.

DOF Directive (per October 20, 2015 letter)

DOF states that pursuant to H&SC Section 34191.5, the SA is required to provide the purchase value and estimated current value for each property/parcel (asset) identified in the LRPMP, including the basis (source) for the estimated current value.

Response: This revised LRPMP includes the purchase value, estimated value, and source of the estimated current value for Asset No. 1 as required.

Asset #2: Fox Block – Fox Theatre Complex





Parcel Data – Asset #2		
Address	500, 510 and 512 N. Harbor Boulevard	
APN	026-033-20, 029-033-21	
Lot Size	31,600 square feet	
Use	Vacant commercial space and historic theatre	
Zoning	C-3 (Central Business District Commercial)	
Current Title	Fullerton Successor Agency	

Future Title Fullerton Historic Theatre Foundation (upon full loan repayment)

Acquisition & Valuation Information – Asset #2		
Purchase Date	2009	
Purchase Price	\$3,200,000	
Funding Source	2005 Tax Allocation Revenue bonds	
Purpose	Seismically stabilize and rehabilitate historic theatre complex for commercial uses and provide cultural activities.	
Estimate of Current Value	\$7,931,600	
Method of Valuation	Comparable Property Sales	

Revenues Generate	d by Property & Contractual Requirements – Asset #2
City / Successor Agency Lease Agreement	None, the City currently maintains the structure. Once leases are executed, the rental income will be divided per the Second Amendment to the Disposition and Development Agreement (DDA) as follows: loan repayment, property management and maintenance fund and a portion goes to the Fullerton Historic Theatre Foundation ("Foundation") for its operations.

History of Environmental Contamination or Remediation Efforts – Asset #2

None There is no known history of environmental contamination or remediation on this site.

Transit-Oriented Development & Advancement of Agency Planning Objectives – Asset #2	
Potential for TOD	None
Agency Planning Objectives	Complete rehabilitation and lease commercial tenant spaces. As identified in the 2010-2014 Five-Year Implementation Plan, one of the objectives was to support planning efforts for the redevelopment of the Fox Theatre block, including restoration of the Fox Theatre complex.

Brief History of Pre	vious Development Proposals and Activities – Asset #2
History	On October 19, 2004, the Fullerton Redevelopment Agency ("Agency") and Foundation entered into a DDA which provided for the Foundation to acquire and rehabilitate the Fox Theatre Complex (comprised of the Fox Theatre, Tea Room and Firestone Building). On January 17, 2006, the Agency approved the First Amendment to the DDA to provide funding for the seismic retrofitting of the Fox Theatre and Tea Room. On August 4, 2009, the Redevelopment Agency approved a Second Amendment to the DDA which required the following: subdivide the property into condominium units, convey to the Agency fee title to the Tea Room and Firestone Building condominium units and provide a \$6 million rehabilitation loan to the Foundation for the seismic stabilization of the structures and rehabilitation of the Tea Room and Firestone Building. Per the Second Amendment, the property gets transferred back to the Foundation upon repayment of the Ioan.

Recommendation for Disposition – Asset #2

Economic Development	Transfer to City to be retained for future economic development per DDA and subsequent amendments listed above and as identified in the 2010-2014 Five- Year Implementation Plan. It should be noted that prior to the transfer of this property to the City, the City will enter into compensation agreements with affected taxing entities.
	Year Implementation Plan. It should be noted that prior to the transfer of the

DOF Directive (per October 20, 2015 letter)

DOF states that pursuant to H&SC Section 34191.5, the SA is required to provide the purchase value and estimated current value for each property/parcel (asset) identified in the LRPMP, including the basis (source) for the estimated current value.

Response: This revised LRPMP includes the purchase value, estimated value, and source of the estimated current value for Asset No. 2 as required.

DOF states that the SA did not provide sufficient documentation to support the transfer of this asset as the fulfillment of an enforceable obligation. The SA is required to select another permissible disposition for this property.

Response: As described above, the SA has recommended that Asset No. 2 be retained for economic development/future development purposes. As described above, pursuant to Section 7.3 of the Second Amendment to the DDA, the SA is required to transfer the property to the Foundation upon the Foundation's repayment of the outstanding \$6.0 million loan.

Asset #3: Fox Block – Peck Parking Structure Site





Parcel Data – Asset #3	
Address	Ellis Place between Harbor Boulevard and Pomona Avenue
APN	029-033-09, 029-033-10, 029-033-27, 029-033-28, 029-033-35 (portion of Lot 4)
Lot Size	48,170 square feet
Use	Public Parking Lot
Zoning	C-3 (Central Business District Commercial)
Current Title	Fullerton Successor Agency
Future Title	Unknown Developer

Acquisition & Valuation Information – Asset #3		
Purchase Date	1991	
Purchase Price	\$1,291,709	
Funding Source	Tax Increment Revenue and/or bond proceeds.	
Purpose	To construct a 200-space public parking structure as required by the Owner Participation Agreement (OPA).	
Estimate of Current Value	\$1,763,022	
Method of Valuation	Comparable Property Sales	

Revenues Generated by Property & Contractual Requirements – Asset #3

City / Successor
Agency Lease
AgreementNo revenue is generated. The parking is free to the public. The City
currently maintains public parking lot. In fiscal year 2014-15, the City
spent \$330,850 to maintain the public parking lots in the Central
Business District (downtown area), which includes this lot.

History of Environmental Contamination or Remediation Efforts – Asset #3	
None	There is no known history of environmental contamination or
NOTIC	remediation on this site.

Transit-Oriented Development & Advancement of Agency Planning Objectives – Asset #3	
Potential for TOD	None
	Construct 200-space public parking structure as required by the OPA.
Agency Planning Objectives	As identified in the 2010-2014 Five-Year Implementation Plan, one of the objectives was to support planning efforts for the redevelopment of the Fox Theatre block, including restoration of the Fox Theatre complex.

Brief History of Previous Development Proposals and Activities – Asset #3

On June 4, 1991, the Fullerton Redevelopment Agency entered into an OPA with Steven Peck, as Trustee of the Steven Peck Inter Vivos Trust which requires the Agency to construct a 200-space public parking structure (per Section 6.2.2 of the OPA). In order to provide for the development of this site with the 200-space public parking structure required by the OPA and other potential residential, retail and/or commercial office development, a Request for Qualifications (RFQ) was transmitted in October 2015 to qualified developers to plan and design the future development of this site to meet the criteria of the OPA.

Recommendation for Disposition – Asset #3

Transfer to City to be retained for future economic development per the OPA
described above and identified in the 2010-2014 Five-Year Implementation
Plan. It should be noted that prior to the transfer of this property to the City, the
City will enter into compensation agreements with affected taxing entities.**Development**Staff acknowledges that although the current use qualifies as governmental use
pursuant to SB 107, the SA desires to retain Asset No. 3 for future
development of residential, retail and/or commercial office space in addition to
the 200-space public parking structure that is required pursuant to the OPA.

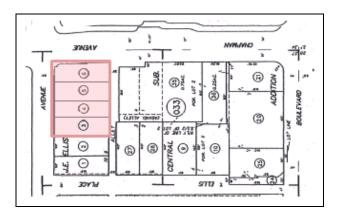
DOF Directive (per October 20, 2015 letter)

DOF states that pursuant to H&SC Section 34191.5, the SA is required to provide the purchase value and estimated current value for each property/parcel (asset) identified in the LRPMP, including the basis (source) for the estimated current value.

Response: This revised LRPMP includes the purchase value, estimated value, and source of the estimated current value for Asset No. 3 as required.

DOF states that the SA did not provide sufficient documentation to support the transfer of this asset as the fulfillment of an enforceable obligation. The SA is required to select another permissible disposition for this property.

Response: As described above, the SA has recommended that Asset No. 3 be retained for future economic development of residential, retail and/or commercial office space in addition to the 200-space public parking structure that is required pursuant to the OPA. As previously noted, staff acknowledges that although the current use qualifies as governmental use pursuant to SB 107, the SA desires to retain Asset No. 3 for future development.



Asset #4: Fox Block – Public Parking Lot



(It should be noted that the SA's DOF Analyst requested additional maps/graphics to be prepared. These maps/graphics are included in Appendix C)

Parcel Data – Asset #4	
Address	Northwest corner of E. Chapman Avenue & N. Pomona Avenue.
APN	029-033-03, 029-033-04, 029-033-05, 029-033-06
Lot Size	28,000
Use	Public Parking Lot
Zoning	C-3 (Central Business District Commercial)
Current Title	Fullerton Successor Agency

Future Title Unknown Developer

Acquisition & Valuation Information – Asset #4		
Purchase Date	2004-2005	
Purchase Price	\$2,900,767	
Funding Source	Tax Increment Revenue and/or bond proceeds.	
Purpose	To provide parking for the public, primarily Fullerton High School and Fullerton College.	
Estimate of Current Value	\$1,024,800	
Method of Valuation	Comparable Property Sales	

Revenues Generated by Property & Contractual Requirements – Asset #4

	No revenue is generated. The parking is free to the public. The City currently maintains public parking lots. In fiscal year 2014-15, the City
	spent \$330,850 to maintain the public parking lots in the Central
	Business District (downtown area), which includes this lot. These
	properties are included within the Downtown Restaurant Overlay District
City / Successor	(ROD). The ROD, formed on December 3, 2002 by Ordinance No. 3022
Agency Lease	and described in Chapter 15.67 of the Fullerton Municipal Code, was
Agreement	established as a tool for the City to use when implementing its
	redevelopment goals, objectives, and programs (see Appendix D). The
	ROD is intended to allow restaurants to expand and/or locate in and
	around the Central Business District without the need to provide on-site
	parking or to obtain a Conditional Use Permit, as part of the City's
	broader effort to revitalize the Downtown.

History of	Environmental Contamination or Remediation Efforts – Asset #4
None	There is no known history of environmental contamination or
	remediation on this site.

Transit-Oriented Development & Advancement of Agency Planning Objectives – Asset #4	
Potential for TOD	None
Agency Planning Objectives	Maintain public parking and continue to work toward increasing parking to address current and future parking needs in the Downtown and Fullerton Transportation Center areas.
	As identified in the 2010-2014 Five-Year Implementation Plan, one of the objectives was to support planning efforts for the redevelopment of the Fox Theatre block, including restoration of the Fox Theatre complex.

Brief History of Previous Development Proposals and Activities – Asset #4	
History	These parcels were acquired and assembled to provide public parking to serve the surrounding uses such as Fullerton High School, Fullerton College and businesses. Similar to Asset No. 3, Asset No. 4 is included in the current planning efforts for the area as part of the RFQ that was transmitted to qualified developers in October 2015. As previously stated, the Fox Block (which includes Asset Nos. 2, 3 & 4) is considered a future economic development site that will include, but not limited to, the development of a 200-space public parking structure per the Peck OPA (Asset No. 3).

Recommendation for Disposition – Asset #4

Transfer to City to be retained for future economic development per the planning efforts described above and identified in the 2010-2014 Five-Year Implementation Plan. It should be noted that prior to the transfer of this property to the City, the City will enter into compensation agreements with affected taxing entities.

Economic Development

Staff acknowledges that although the current use qualifies as governmental use pursuant to SB 107, the SA desires to retain Asset No. 4 for future development of residential, retail, and/or commercial office space in addition to retaining public parking on the site.

DOF Directive (per October 20, 2015 letter)

DOF states that pursuant to H&SC Section 34191.5, the SA is required to provide the purchase value and estimated current value for each property/parcel (asset) identified in the LRPMP, including the basis (source) for the estimated current value.

Response: This revised LRPMP includes the purchase value, estimated value, and source of the estimated current value for Asset No. 4 as required.

Asset #5: Police Station Parking Lot





(It should be noted that the SA's DOF Analyst requested additional maps/graphics to be prepared. These maps/graphics are included in Appendix C)

Parcel Data – Asset #5	
Address	221 W. Commonwealth Avenue
APN	032-233-15, 032-233-16, 032-233-17, 032-233-24, 032-233-26
Lot Size	48,886 square feet
Use	Public Parking lot
Zoning	PL (Public Land)
Current Title	Fullerton Successor Agency

Future Title City of Fullerton

Acquisition & Valuation Information – Asset #5	
Purchase Date	1998
Purchase Price	\$1,001,150
Funding Source	Tax Increment revenue and/or bond proceeds.
Purpose	Acquired for the purpose of expanding and supporting the Fullerton Police Station.
Estimate of Current Value	\$1,525,461
Method of Valuation	County Assessor Data

Revenues Generated by Property & Contractual Requirements – Asset #5

City / Successor	No revenue is generated as this is a public facility. The City incurs
Agency Lease	
Agreement	maintenance costs annually.

History of Environmental Contamination or Remediation Efforts – Asset #5 None There is no known history of environmental contamination or remediation on this site.

Transit-Oriented Development & Advancement of Agency Planning Objectives – Asset #5Potential for TODNot Applicable

Agency Planning ObjectivesContinue use as police station parking lot.

Brief History of Previous Development Proposals and Activities – Asset #5

History The current Police Station used to be the location of City Hall. In the 1960s a new City Hall was built across the street and the Police Department occupied the former City Hall space. In the late 1990s, the Police Department was expanded to include additional facilities and parking. The subject parcels that comprise Asset No. 5 were acquired for the expansion.

Recommendation for Disposition – Asset #5

Retain for
GovernmentTransfer to City of Fullerton for governmental use per SB 107, as a parking facility
or lot dedicated solely to public parking, for continuation as the City's police station
parking lot.

DOF Directive (per October 20, 2015 letter)

DOF states that pursuant to H&SC Section 34191.5, the SA is required to provide the purchase value and estimated current value for each property/parcel (asset) identified in the LRPMP, including the basis (source) for the estimated current value.

Response: This revised LRPMP includes the purchase value, estimated value, and source of the estimated current value for Asset No. 5 as required.

DOF states that the SA did not provide a brief history of previous development proposals or activities for Asset No. 5.

Response: As described above, the SA has provided a brief history of the activities occurring on the properties associated with Asset No. 5.

Asset #6: Independence Park / Union Pacific Park Trail



(It should be noted that the SA's DOF Analyst requested additional maps/graphics to be prepared. These maps/graphics are included in Appendix C)

Parcel Data – Asset #6		
Address	W. Walnut Avenue & S. Richmond Avenue, north of S. Highland Avenue & W. Truslow Avenue	
APN	031-150-48, 032-091-13, 032-091-17, 032-171-37, 032-171-38, 032-251-40, 032-251-48	
Lot Size	291,905 square feet	
Use	Public Park Trail	
Zoning	P-L & M-G (Public Land & Manufacturing, General)	
Current Title	Fullerton Successor Agency	

Future Title City of Fullerton

Acquisition & Valuation Information – Asset #6	
Purchase Date	1998 and 12/22/1993
Purchase Price	\$1,534,598
Funding Source	Tax Increment Revenue and/or bond Proceeds
Purpose	Recreational Park Trail
Estimate of Current Value	\$2,919,905
Method of Valuation	Comparable Property Sales

City / Successor	This property does not generate revenue; it costs the City of Fullerton	
Agency Lease	maintenance fees including insurance, general maintenance, and other	
Agreement	related costs.	

History of Environmental Contamination or Remediation Efforts – Asset #6	
None	There is no known history of environmental contamination or
	remediation on this site.

Transit-Oriented Development & Advancement of Agency Planning Objectives – Asset #6	
Potential for TOD	None. These properties are proposed for a recreational public trail that links Union Pacific Park and Independence Park and also provides access to the Fullerton Transportation Center.
Agency Planning Objectives	Provide recreational trails for public use and to increase open space in the City of Fullerton. Improve and augment Fullerton's quality of life through the provision of public facilities and infrastructure.

Brief History of Previous Development Proposals and Activities – Asset #6 History None

Recommendation for Disposition – Asset #6

Retain ForTransfer to City of Fullerton pursuant to H&SC 34181(a) to retain as a proposedGovernmentrecreational trail connecting Independence Park to Union Pacific Park to be used
by the public.

DOF Directive (per October 20, 2015 letter)

DOF states that pursuant to H&SC Section 34191.5, the SA is required to provide the purchase value and estimated current value for each property/parcel (asset) identified in the LRPMP, including the basis (source) for the estimated current value.

Response: This revised LRPMP includes the purchase value, estimated value, and source of the estimated current value for Asset No. 6 as required.

Asset #7: City Hall Parking





(It should be noted that the SA's DOF Analyst requested additional maps/graphics to be prepared. These maps/graphics are included in Appendix C)

Parcel Data – Asset #7	
Address	W. Wilshire Avenue (south side between Ford Ave and Highland Ave)
APN	032-152-30
Lot Size	2,800 square feet
Use	City Hall Parking Lot
Zoning	R-5 (Multiple Residential, Maximum Density)
Current Title	Fullerton Successor Agency

Future Title City of Fullerton

Acquisition & Valuation Information – Asset #7	
Purchase Date	9/8/1977
Purchase Price	\$410,350
Funding Source	Tax Increment and/or bond proceeds
Purpose	City Hall Parking Lot
Estimate of Current Value	\$93,636
Method of Valuation	County Assessor Data

Revenues Generated by Property & Contractual Requirements – Asset #7	
City / Successor Agency Lease Agreement	No revenue is generated as this is a public facility. The City incurs maintenance costs annually.

History of Environmental Contamination or Remediation Efforts – Asset #7

None There is no known history of environmental contamination or remediation on this site.

Transit-Oriented Development & Advancement of Agency Planning Objectives – Asset #7

Potential for TODNoneAgency Planning ObjectivesSupport Fullerton City Hall by providing parking for both
employees and the public.

Brief History of Previous Development Proposals and Activities – Asset #7

History Acquired to provide public parking for Fullerton City Hall.

Recommendation for Disposition – Asset #7

Retain For
GovernmentTransfer to City of Fullerton for governmental use per SB 107, as a parking facility
or lot dedicated solely to public parking, for continuation as the Fullerton City Hall
parking lot.

DOF Directive (per October 20, 2015 letter)

DOF states that pursuant to H&SC Section 34191.5, the SA is required to provide the purchase value and estimated current value for each property/parcel (asset) identified in the LRPMP, including the basis (source) for the estimated current value.

Response: This revised LRPMP includes the purchase value, estimated value, and source of the estimated current value for Asset No. 7 as required.

Asset #8: Amerige Court Site



Parcel Data – Asset #8	
Address	100 W. Amerige Avenue
APN	032-232-13, 032-232-29, 032-234-28
Lot Size	103,079
Use	Public Parking Lot
Zoning	C-3 (Central Business District Commercial)
Current Title	Fullerton Successor Agency
Future Title	Pelican Laing/Fullerton, LLC

Acquisition & Valuation I	nformation - Assot #8
Purchase Date	8/1/2006
Purchase Date	
	\$0 (Property conveyed in 2006 from City of Fullerton to the
Purchase Price	former Fullerton Redevelopment Agency per existing DDA with
	Pelican-Laing/Fullerton, LLC)
Funding Source	N/A
-	Provide parking to surrounding properties and to support
	downtown Fullerton businesses. These properties are included
	within Parking District No. 1 and the previously described ROD.
	Parking District No. 1 was formed by Ordinance No. 941 on April
	15, 1958 and parking improvements were paid for by way of a
	bond issuance in which debt service payments were paid by
	surrounding property owners (see Appendix E). The ROD,
Purpose	formed on December 3, 2002 by Ordinance No. 3022 and
i dipece	
	described in Chapter 15.67 of the Fullerton Municipal Code, was
	established as a tool for the City to use when implementing its
	redevelopment goals, objectives, and programs (see Appendix
	D). The ROD is intended to allow restaurants to expand and/or
	locate in and around the Central Business District without the
	need to provide on-site parking or to obtain a Conditional Use
	Permit, as part of the City's broader effort to revitalize the

	Downtown.
Estimate of Current Value	\$3.8 million
Method of Valuation	Draft Appraisal for south portion of Amerige Court boundaries (\$1.9 million).

Revenues Generated by Property α Contractual Requirements – Asset #	enues Generated by Property & Contractual Require	ements – Asset #8
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City / Successor Agency Lease Agreement	No revenue is generated as public parking is free. In addition, City incurs
	annual maintenance and property insurance costs. In FY 2014-15, the
	City spent \$330,850 to maintain the public parking lots in the Central
	Business District (downtown area), which includes this lot.

History of Environmental Contamination or Remediation Efforts – Asset #8

None	There is no known history of environmental contamination or
NOTIE	remediation on this site.

Transit-Oriented Development & Advancement of Agency Planning Objectives – Asset #8		
Potential for TOD	High potential for transit oriented development. The property is located within close proximity (0.3 miles/ 5 minute walk) of the Fullerton Transportation Center, which provides access to Amtrak, Metrolink, and the OCTA bus system.	
Agency Planning Objectives	As identified in the 2010-2014 Five-Year Implementation Plan, continue to work with developers on transit-oriented mixed use residential/commercial/parking projects planned within the Downtown area including Amerige Court and the Fullerton Transportation Center. The redevelopment agency planned to use this space to help revitalize the Central Business District. Initially, the property was to provide free parking to the public to support circulation in nearby commercial businesses. Subsequently, on February 7, 2006, the Agency executed a DDA with Pelican-Laing/Fullerton, LLC for development of the properties which requires replacement of 300 public parking spaces created by Parking District No. 1.	

Brief History of Previous Development Proposals and Activities – Asset #8

	Up until 2006, there have been no previous development attempts as
	the property is encumbered with a parking district and restaurant
History	overlays. The parking district overlay reduces the value of the property
	due to a 1 to 1 parking replacement cost. In 2006, the Agency's DDA with Pelican-Laing/Fullerton, LLC required that the developer replace the
	existing parking on a 1 to 1 basis.

Recommendation for Disposition – Asset #8

	Transfer to City to be retained for future economic development per the planning efforts described above and identified in the 2010-2014 Five-Year Implementation Plan. It should be noted that prior to the transfer of this property to the City, the
Economic	City will enter into compensation agreements with affected taxing entities.
Development	
Development	
	Staff acknowledges that although the current use qualifies as governmental use pursuant to SB 107, the SA desires to retain Asset No. 8 for future development of residential, retail, and/or commercial office space in addition to retaining public parking on the site.

DOF Directive (per October 20, 2015 letter)

DOF states that the SA did not provide sufficient documentation to support the transfer of this asset as the fulfillment of an enforceable obligation. The SA is required to select another permissible disposition for this property.

Response: As described above, the SA has recommended that Asset No. 8 be retained for economic development of residential, retail, and/or commercial office space pursuant to the DDA. As previously noted, staff acknowledges that although the current use qualifies as governmental use pursuant to SB 107, the SA desires to retain Asset No. 8 for future development.

Asset #9: Santa Fe Avenue (north side between Harbor and Malden) Public Parking





(It should be noted that the SA's DOF Analyst requested additional maps/graphics to be prepared. These maps/graphics are included in Appendix C)

Parcel Data – Asset #9	
Address	131 W. Santa Fe Avenue
APN	032-242-15, 032-242-16, 032-242-17
Lot Size	17,500
Use	Public Parking Lot
Zoning	C-3 (Central Business District Commercial)
Current Title	Fullerton Successor Agency
Future Title	City of Fullerton

Acquisition & Valuation Information – Asset #9		
Purchase Date	1997 & 2002	
Purchase Price	\$79,037	
Funding Source	Tax increment revenue and/or bond proceeds.	
Purpose	Provide public parking to support Fullerton Central Business District per the Restaurant Overlay District.	
Estimate of Current Value	\$609,182	
Method of Valuation	County Assessor Data	

Revenues Generated by Property & Contractual Requirements – Asset #9

No revenue is generated. The parking is free to the public. The City currently maintains public parking lots. In fiscal year 2014-15, the City spent \$330,850 to maintain the public parking lots in the Central Business District (downtown area), which includes this lot. These properties are included within the previously described Downtown Restaurant Overlay District. The ROD, formed on December 3, 2002 by City / Successor Agency Lease Ordinance No. 3022 and described in Chapter 15.67 of the Fullerton Agreement Municipal Code, was established as a tool for the City to use when implementing its redevelopment goals, objectives, and programs (see Appendix D). The ROD is intended to allow restaurants to expand and/or locate in and around the Central Business District without the need to provide on-site parking or to obtain a Conditional Use Permit, as part of the City's broader effort to revitalize the Downtown.

History of Environmental Contamination or Remediation Efforts – Asset #9	
None	There is no known history of environmental contamination or
	remediation on this site.

Transit-Oriented Development & Advancement of Agency Planning Objectives – Asset #9		
Potential for TOD	High potential for transit oriented development. The property is located within close proximity (0.2 miles/ 4 minute walk) of the Fullerton Transportation Center, which provides access to Amtrak, Metrolink, and the OCTA bus system.	
Agency Planning Objectives	Maintain public parking and continue to work toward increasing parking to address current and future parking needs in the Downtown and Fullerton Transportation Center areas. In addition, continue to be in compliance with the ROD.	

History There have been no previous development attempts as the property is encumbered with a restaurant overlay. This overlay states that under the city's classification of restraint, no additional parking has to be provided when restaurants move to the area.

Recommendation for Disposition – Asset #9		
Retain For Government Use	Property to be transferred to City of Fullerton for governmental use pursuant to SB 107, as a parking facility or lot dedicated solely to public parking.	

DOF Directive (per October 20, 2015 letter)

DOF states that pursuant to H&SC Section 34191.5, the SA is required to provide the purchase value and estimated current value for each property/parcel (asset) identified in the LRPMP, including the basis (source) for the estimated current value.

Response: This revised LRPMP includes the purchase value, estimated value, and source of the estimated current value for Asset No. 9 as required.

Asset #10: SOCO West Parking Structure



(It should be noted that the SA's DOF Analyst requested additional maps/graphics to be prepared. These maps/graphics are included in Appendix C)

Parcel Data – Asset #10	
Address	150 W Santa Fe Avenue
APN	032-243-20
Lot Size	118,810
Use	Public parking for transit users.
Zoning	M-G (Manufacturing, General)
Current Title	Fullerton Successor Agency

Future TitleCity of Fullerton

Acquisition & Valuation Information – Asset #10	
Purchase Date	2009
Purchase Price	\$10,500,000
Funding Source	Tax Increment revenue and/or bond proceeds plus – Proposition 116 State funds, State Transportation Investment Fund, State Public Transportation Account, and local Measure M funds.
Purpose	Public Parking for Transit Users
Estimate of Current Value	\$22,062,306
Method of Valuation	County Assessor Data

Revenues Generated by Property & Contractual Requirements – Asset #10	
City / Successor	No revenue is generated. The parking is free to the public and transit
Agency Lease	riders. The City currently maintains public parking structures. In fiscal
Agreement	year 2014-15, the City spent \$58,421 to maintain this parking structure.

History of Environmental Contamination or Remediation Efforts – Asset #10 None There is no known history of environmental contamination or

remediation on this site.

Transit-Oriented Development & Advancement of Agency Planning Objectives – Asset #10	
Potential for TOD	This parking structure was constructed for the sole purpose of providing parking for transit riders and is adjacent to the Fullerton Transportation Center including the Metrolink and Amtrak stations as well as the OCTA bus terminal.
Agency Planning Objectives	Per the funding agreement with OCTA, this parking structure must provide parking for transit riders.

Brief History of Previ	ious Development Proposals and Activities – Asset #10
	This parking structure was constructed for the sole purpose of providing parking for transit riders and is adjacent to the Fullerton Transportation Center including the Metrolink and Amtrak stations as well as the OCTA bus terminal. Per the funding and Cooperative agreements with OCTA and the State, this parking structure must provide parking for transit riders.
	The City entered into the following agreements relative to this asset:
	Cooperative Agreement No. C-9-0404 dated July 7, 2009 between the Orange County Transportation Authority (Authority) and the City of Fullerton to define the specific terms, conditions and funding responsibilities between the Authority and the City for completion of an 810 space minimum parking structure at the Fullerton Transportation Center, providing parking benefits for Metrolink and Amtrak passengers and the City.
	Amendment No. 1 to Cooperative Agreement No. C-9-0404 between the Authority and the City dated December 18, 2009 to specify roles and responsibilities of the parties as they pertain to funding responsibilities.
History	An Intercity Rail Passenger Facility contract was entered into between the State of California and the City of Fullerton on September 7, 2007 (Agreement No. 75A0270) to authorize \$1,000,000 expenditure for the plans, specifications and environmental phase of the parking structure.
	An Intercity Rail Passenger Facility contract was entered into between the State of California and the City of Fullerton on September 7, 2007 (Agreement No. 75A0270 A1) to authorize \$7,500,000 for property acquisition for the parking structure.
	An Intercity Rail Passenger Facility contract was entered into between the State of California and the City of Fullerton on July 1, 20107 (Agreement No. 75A0313) to authorize \$18,110,000 for construction of the parking structure.
	The parking structure project consists of approximately 810 spaces to serve the patrons of intercity and commuter rail service. Per the agreements, the City is obligated to continue operation and maintenance of the parking structure dedicated to public transportation purposes.

Recommendation for Disposition – Asset #10

Retain For Government Use Transfer to City of Fullerton for governmental use pursuant to SB 107, as a parking facility or lot dedicated solely to public parking.

DOF Directive (per October 20, 2015 letter)

DOF states that pursuant to H&SC Section 34191.5, the SA is required to provide the purchase value and estimated current value for each property/parcel (asset) identified in the LRPMP, including the basis (source) for the estimated current value.

Response: This revised LRPMP includes the purchase value, estimated value, and source of the estimated current value for Asset No. 10 as required.

Asset #11: Union Pacific Park



(It should be noted that the SA's DOF Analyst requested additional maps/graphics to be prepared. These maps/graphics are contained in Appendix C)

Parcel Data – Asset #11	
Address	129 W. Truslow Avenue
APN	032-251-29 , 032-251-30, 032-251-36, 032-251-37, 032-251-46
Lot Size	56,160 square feet
Use	Public Park
Zoning	M-G (Manufacturing, General)
Current Title	Fullerton Successor Agency

Future TitleCity of Fullerton

Acquisition & Valuation Information – Asset #11	
Purchase Date	9/15/1998
Purchase Price	\$1,275,540
Funding Source	Tax increment revenues and/or bond proceeds.
Purpose	To increase public park facilities for general public.
Estimate of Current Value	\$1,219,842.
Method of Valuation	County Assessor Data

Revenues Generated by Property & Contractual Requirements – Asset #11

City / Successor	No revenue is generated as this site is a public park. The City incurs
Agency Lease	annual maintenance and property insurance costs.
Agreement	annual maintenance and property insurance costs.

History of Environmental Contamination or Remediation Efforts – Asset #11

	During construction of Union Pacific Park, the Department of Toxic and
	Substance Control (DTSC) notified the City that contamination was
	found just north of the park on industrial property. At the time, there was
	no indication that any contamination would be found on the City's
	property. However, there was soil contamination. The former Fullerton
	Redevelopment Agency began negotiations with Sempra Energy and
	Union Pacific Railroad (UPRR), the previous owners of the contaminated
	property, for the cleanup of the park. After DTSC's investigation of the
None	history of the park site, they issued a remedial action of the park site to
	all of the previous owners and users of the park site. DTSC required that
	the park be cleaned up at the level that will allow unrestricted use of the
	property including public park and public school use. Negotiations led to
	a lawsuit with the RDA/City winning a settlement that made Sempra
	Energy and UPRR responsible for funding the clean-up/remediation of
	the park site. The contamination at Union Pacific Park has been
	remediated per the Settlement Agreement with Sempra Energy and
	UPRR. The City plans to re-open the park.

Transit-Oriented Development #11	t & Advancement of Agency Planning Objectives – Asset
Potential for TOD	None as the lot is fully developed as public park.
Agency Planning Objectives	To help improve network of public parks in Fullerton. Improve and augment Fullerton's quality of life through the provision of public facilities and infrastructure.

Brief History of Previous Development Proposals and Activities – Asset #11

History

None

Recommendation for Disposition – Asset #11

Retain For	Tree (and a Other (E. Warten (an annual televice annual televice) (an annual televice) (an
Government	Transfer to City of Fullerton for governmental use pursuant to H&SC 34181(a), for
Use	continued use as a public park.
036	

DOF Directive (per October 20, 2015 letter)

DOF states that pursuant to H&SC Section 34191.5, the SA is required to provide the purchase value and estimated current value for each property/parcel (asset) identified in the LRPMP, including the basis (source) for the estimated current value.

Response: This revised LRPMP includes the purchase value, estimated value, and source of the estimated current value for Asset No. 11 as required.

Asset #12: Plummer Public Parking Structure



(It should be noted that the SA's DOF Analyst requested additional maps/graphics to be prepared. These maps/graphics are included in Appendix C)

Parcel Data – Asset #12	
Address	400 N. Pomona Avenue
APN	033-013-23
Lot Size	222,147 square feet
Use	Public Parking Structure
Zoning	P-L (Public Land)
Current Title	Fullerton Successor Agency
Future Title	City of Fullerton

Acquisition & Valuation Information – Asset #12	
Purchase Date	12/24/1986
Purchase Price	\$525,000
Funding Source	Tax Increment revenue and/or bond proceeds
Purpose	Public Parking Structure
Estimate of Current Value	\$764,694
Method of Valuation	County Assessor Data

Revenues Generated by Property & Contractual Requirements – Asset #12

History of Environmental Contamination or Remediation Efforts – Asset #12	
None	There is no known history of environmental contamination or
	remediation on this site.

Transit-Oriented Development #12	t & Advancement of Agency Planning Objectives – Asset
Potential for TOD None, lot is fully developed as parking structure.	
Agency Planning Objectives	Provide public parking for Fullerton College and the public to support local commercial areas.

Brief History of Prev	vious Development Proposals and Activities – Asset #12
	As previously stated, the City, Fullerton Redevelopment Agency and the District entered into a Parking Agreement dated April 19, 1988 for the purpose of constructing the Plummer Parking Structure and to provide a joint use, occupancy and maintenance of the Plummer Parking Structure by City and District. In addition, the Parking Agreement states that the City was to acquire the parking structure from the Agency when completed.
History	On April 1, 2003, the First Amendment to the Joint Use Agreement between the City, Fullerton Redevelopment Agency and the District for the maintenance and operation of the Plummer Parking Structure was approved. The amendment addressed issues with the maintenance and operation of the structure and the original twenty-five year term was memorialized as beginning on November 13, 1990. District may, at its option, at any time during said initial term, extend the agreement for two additional ten year terms, and both parties may extend the term for subsequent ten years terms, provided that both parties agree.

Recommendation for Disposition – Asset #12

Retain ForTransfer to City of Fullerton as required pursuant to the Parking Agreement.GovernmentProperty to continue to be used for governmental use pursuant to SB 107, as a
parking facility or lot dedicated solely to public parking.

DOF Directive (per October 20, 2015 letter)

DOF states that pursuant to H&SC Section 34191.5, the SA is required to provide the purchase value and estimated current value for each property/parcel (asset) identified in the LRPMP, including the basis (source) for the estimated current value.

Response: This revised LRPMP includes the purchase value, estimated value, and source of the estimated current value for Asset No. 12 as required.

DOF states that the SA did not indicate the annual estimate of income/revenue generated by this parcel and the contractual requirements for the use of this income revenue.

Response: Although, there are gross receipts for parking fees collected by Fullerton College at the Plummer Parking Structure of approximately \$31,000 per year, the maintenance and operations expenses far exceed the gross receipts, resulting in a net cost to the SA.

The contractual requirement for use of the income is stated in the First Amendment to Joint Use Agreement between the City, Fullerton Redevelopment Agency and the District dated April 1, 2003 in Section 5. a. as follows:

City shall utilize the funds deposited into the Trust Account by District and City to fund the maintenance and operating expenses for the Project. For purposes of this Agreement, the term "maintenance and operating expenses" shall include (i) all maintenance, repair and utility expenses incurred by City and a reasonable reserve for the same, (ii) the costs incurred by City for all personnel required to patrol the Plummer Parking Structure to provide security and enforce City's parking regulations, (iii) the City's insurance costs set forth in Section 4.03, (iv) the capital improvement costs set forth in Section 4.04, and (v) City's reimbursement to District for the costs incurred by District in operating, maintaining, repairing, and replacing the ticket machines as more fully described in the following paragraph.

As required by the Parking Agreement, the District, City, and Redevelopment Agency have used the parking fees collected at the structure strictly for maintenance, operations, and enforcement. As shown in Attachment F, please find a jointly executed letter dated August 28, 2014 documenting a review of reimbursable expenses incurred by the District and concurrence to conduct a final review of the expenses in November 2015. In addition to the maintenance and operations cost incurred by the District, the City incurred \$27,042 in maintenance costs alone during FY 2014-15 as shown in the attachment titled "Plummer Parking Structure Maint. Cost 7868." Further, in addition to maintenance costs, the City incurs property insurance expenses and electrical bills for this property. With annual gross collections totaling approximately \$31,000, as evidenced in the attached letter, the costs of owning and maintaining this property exceed the gross parking fee collections, and there is no net revenue to report.

The table below summarizes the annual estimated gross receipts and expenses.

Estimated Gross Receipts	\$31,000
Less:	\$2,710
District Expenses (ticket tape,	
labor, ticket machine	
maintenance)	
Less:	\$27,042
City Maintenance Costs	
Less: Electricity	\$4,179
Net:	- \$2,931*

Note: Property insurance, security and parking enforcement costs are not currently available and have not been included.

Asset #13: Museum Plaza Park



(It should be noted that the SA's DOF Analyst requested additional maps/graphics to be prepared. These maps/graphics are contained in Appendix C)

Parcel Data – Asset #13	
Address	125 E. Wilshire Avenue
APN	033-012-13
Lot Size	7,000
Use	Museum Plaza – Public Open Space
Zoning	C-3 (Central Business District Commercial)
Current Title	Fullerton Successor Agency

Future TitleCity of Fullerton

Acquisition & Valuation Information – Asset #13	
Purchase Date	8/4/1986
Purchase Price	\$183,217
Funding Source	Tax Increment revenue and/or bond proceeds
Purpose	To provide public open space and support the adjacent Fullerton Museum.
Estimate of Current Value	\$208,080.
Method of Valuation	County Assessor Data

Revenues Generated by Property & Contractual Requirements – Asset #13	
City / Successor Agency Lease Agreement	None as lot is fully developed as public plaza. The City incurs annual maintenance and property insurance costs.

History of Environmental Contamination or Remediation Efforts – Asset #13	
None	There is no known history of environmental contamination or
	remediation on this site.

Transit-Oriented Development #13	& Advancement of Agency Planning Objectives – Asset
Potential for TOD	None, property is fully developed as a public plaza and supports the Fullerton Museum.
Agency Planning Objectives	Improve and augment Fullerton's quality of life through the provision of public facilities and infrastructure.

Brief History of Previous Development Proposals and Activities – Asset #13 History None

Recommendation for Disposition – Asset #13

Retain ForTransfer to City of Fullerton as governmental use per H&SC 34181(a), as there isGovernmentno intrinsic value and property consists of a portion of the public plaza thatUsesupports the Fullerton Museum.

DOF Directive (per October 20, 2015 letter)

DOF states that pursuant to H&SC Section 34191.5, the SA is required to provide the purchase value and estimated current value for each property/parcel (asset) identified in the LRPMP, including the basis (source) for the estimated current value.

Response: This revised LRPMP includes the purchase value, estimated value, and source of the estimated current value for Asset No. 13 as required.

Asset #14: Fullerton Transportation Center Transit Parking / Development



(It should be noted that the SA's DOF Analyst requested additional maps/graphics to be prepared. These maps/graphics are contained in Appendix C)

Parcel Data – Asset #14	
Address	120 E. Santa Fe Avenue
APN	033-030-14, 033-030-17, 033-030-18, 033-030-19, 033-031-23, 033-031-24, 033-031-26, 033-031-27, 033-031-29, 033-031-37, 033-031-39, 033-031-40, 033-032-23
Lot Size	Approximately 333,156 square feet
Use	Transportation Center and Public Parking
Zoning	SPD (Specific Plan Development)
Current Title	Fullerton Successor Agency

Future Title Unknown Developer

Acquisition & Valuation Information – Asset #14		
Purchase Date	Approximately 1981-2000	
Purchase Price	\$3,165,499	
Funding Source	Tax Increment and/or bond proceeds, and possible State public transit funds.	
Purpose	To provide public transit and parking.	
Estimate of Current Value	\$8,030,675	
Method of Valuation	County Assessor Data/Comparable Property Sales	

Revenues Generated by Property & Contractual Requirements – Asset #14

	Lease revenue is generated from the Amtrak Lease and the Bushala	
	Brothers Lease totaling \$37,935.90 in fiscal year 2014-15 (see General	
City / Successor	Ledger in Appendix G). No revenue is generated from the parking lots.	
Agency Lease	The parking is free to the public and transit riders. The City currently	
Agreement	maintains the public parking lots. In fiscal year 2014-15, the City spent	
	\$133,805.16 to maintain these parking lots (see Appendix G). See	
	below response to DOF regarding revenue and contractual use.	

None	There is no known history of environmental contamination or
NONE	remediation on this site.

Transit-Oriented Development #14	& Advancement of Agency Planning Objectives – Asset		
Potential for TOD	The Fullerton Transportation Center is a transit oriented development. On October 19, 2010 the City approved the Fullerton Transportation Center Specific Plan (Specific Plan). The overall purpose and intent of the specific plan is to create a sustainable transit oriented district (TOD) that is a compact, walkable, community located near public transit.		
Agency Planning Objectives	 The Specific Plan intent is as follows: Focus growth and development around the transportation center to link land use, housing, and transit per Senate Bill 375 (CA, 2008). Increase walking, bicycling, and transit ridership. Capitalize on the mobility options provided by the Downtown's walkable environment and transit services. Create opportunities for new businesses and jobs by providing new commercial and office space near the transportation center. Diversify the City's housing options by providing urban housing opportunities for a range of socioeconomic levels. In addition, as identified in the 2010-2014 Five-Year Implementation Plan, continue to work with developers on transit-oriented mixed use residential/commercial/parking projects planned within the Downtown area including Amerige Court and the Fullerton Transportation Center. 		

Brief History of Prev	ious Development Proposals and Activities – Asset #14
	On March 21, 2006 the Redevelopment Agency entered into an Exclusive Negotiation Agreement with JMI Realty LLC to plan for the Development of the Fullerton Transportation Center (ENA). This ENA is currently an enforceable obligation.
	Over time, the former redevelopment agency and/or City of Fullerton entered into the following agreements for properties located at the transportation center:
	 <u>Amtrak Lease Agreement</u> – A lease agreement dated July 1, 2006 between the Fullerton Redevelopment Agency and the National Rail Passenger Corporations (Amtrak) for certain real property at the Fullerton Transportation center and use of public parking immediately in front of the station.
	 <u>Old Spaghetti Factory Lease</u> – Standard Industrial/Commercial Single-Tenant Lease dated April 5, 2010 between the City of Fullerton and Fullerton Spaghetti Restaurant for use of the historic building and use of adjacent public parking.
History	 Orange County Transportation Authority (formerly the Orange County Transit District) Agreement – A disposition and development agreement dated July 30, 1979 between the Fullerton Redevelopment Agency and the Orange County Transit District for the lease and development of a public bus terminal together with provision for public parking on property adjoining the site.
	Bushala Brothers, Inc. Lease – On February 20, 1990 a lease agreement between the former Fullerton Redevelopment Agency and Bushala Brothers, Inc. was entered into; however, on July 7, 1992 the parties entered into the First Amended Agreement to Lease which replaced and superseded the original 1990 lease it its entirety. The First Amended Lease provides for the lease of certain portions of the historic train depot and a portion of the loading dock. In addition to leasing certain premises, the lease agreement provides for the provision of a minimum of forty five nonexclusive parking spaces in the public parking lots adjacent to the north side of the train station. On March 21, 2006 the Redevelopment Agency entered into an Exclusive Negotiation Agreement with JMI Realty LLC to plan for the Development of the Fullerton Transportation Center (ENA).

Recommendat	tion for Disposition – Asset #14
	Transfer to City to be retained for future economic development per the planning efforts described above and identified in the 2010-2014 Five-Year
	Implementation Plan. It should be noted that prior to the transfer of this
Feenemie	property to the City, the City will enter into compensation agreements with
Economic	affected taxing entities.
Development	
	Staff acknowledges that although the current use qualifies as governmental use pursuant to SB 107, the SA desires to retain Asset No. 14 for future development of residential, retail and/or commercial office space in addition to retaining public parking on the site.

DOF Directive (per October 20, 2015 letter)

DOF states that pursuant to H&SC Section 34191.5, the SA is required to provide the purchase value and estimated current value for each property/parcel (asset) identified in the LRPMP, including the basis (source) for the estimated current value.

Response: This revised LRPMP includes the purchase value, estimated value, and source of the estimated current value for Asset No. 14 as required.

DOF states that the SA did not indicate the annual estimate of income/revenue generated by this parcel and the contractual requirements for the use of this income revenue.

Response: As described above, the SA receives rental income from the following two leases:

Tenant	Annual Revenue	Rental
Amtrak Station (\$1,744.00 per month)	20,928.00	
Bushala Brothers (\$1,429.27 per month)	17,151.24	
Total:	38,079.24	

Amtrak Lease

Pursuant to Section 10.a. of the Lease Agreement (Fullerton Station) dated July, 2006 between the Fullerton Redevelopment Agency (now the Fullerton Successor Agency) and the National Railroad Passenger Corporation (Amtrak), the Lessor (Fullerton Successor Agency) shall maintain or have maintained by others the interior maintenance for the Premises in a first-class manner. Interior maintenance shall include replacement of doors and windows when necessary due to normal wear and tear, both interior and exterior sides, maintenance of restroom plumbing equipment in good working order, painting and bulb replacement in the public waiting area, maintenance of heating, ventilation and air conditioning ("HVAC") systems, and capital improvements to the Station building.

In addition, per Section 10.c. additional obligations at lessor's expense include: (i) HVAC for the Station, including the Premises, during all hours of scheduled passenger train (and bus) operations, and to maintain temperatures in the interior portions of the Station at commercially reasonable levels; (ii) Hot and cold water sufficient for drinking, lavatory, toilet and ordinary cleaning purposes; (iii) Electricity and lighting to the Premises in quantities necessary for Amtrak's purposes and use permitted hereunder; and (iv) Replacement of lighting tubes, lamp ballasts, starters and bulbs on the Premises.

The annual revenue of approximately \$21,000 is applied towards annual maintenance expenses of the building and premises totaling approximately \$47,700 (as shown in the table below; Maint. Serv. Project Nos. 7857 & 7795), but falls significantly short of covering all maintenance expenses.

Bushala Brothers Lease

Per Section 10.1 of the First Amended Agreement to Lease by and between The Fullerton Redevelopment Agency ("Landlord") and Bushala Brothers, Inc. ("Tenant") dated July 7, 1992, the Landlord shall (a) maintain between Santa Fe Street and the Station the access driveways, the

water and sanitary sewer facilities which are under the City's jurisdiction, and all other utilities required for the use and operation of the Premises (to the extent not maintained by the utility company with primary jurisdiction), (b) provide a minimum of forty-four (44) nonexclusive parking spaces in the public parking lot(s) adjacent to the north side of the Station, and (c) cause the parking lot, walkways, and driveways in such area to be well-illuminated during the hours Tenant is open for business and maintained in a safe, clean, orderly and first-class manner, including but not limited to sweeping, striping, resurfacing, patching and sealing.

The annual rental revenue of approximately \$17,000 is applied towards annual maintenance expenses of the premises totaling over \$86,000 (as shown below in the table below; Maint. Serv. Project Nos. 7863, 7784, 7799, and 7783), but falls significantly short of covering all maintenance expenses.

Please note that all parking at the transportation center is free. The rental income listed above is used towards offsetting maintenance costs that far exceed the rental revenue of the Fullerton Transportation Center. Below is the maintenance costs incurred for FY 2014-15:

Maint. Serv. Project No.	Area Description	FY 2014-15 Act. Maint. Cost
7863	Spaghetti Factory Parking	5,885.48
7784	FTC Parking-S/side Santa Fe	13,293.49
7799	FTC Parking-N/side Santa Fe	8,056.65
7783	Trans. Center Parking	24,945.72
7785	Train Depot Platform & Bridge	33,856.64
7857	Amtrak Area	1,512.61
7795	Amtrak Station	46,254.57
	Total	133,805.16

Appendix G includes the general ledger showing the rental income and the maintenance expenses for FY 2014-15.

Asset #15: Street Right-of-Ways



(It should be noted that the SA's DOF Analyst requested additional maps/graphics to be prepared. These maps/graphics are included in Appendix C)

Parcel Data – Asset #15		
Address	100 block of W. Wilshire Avenue, 300 block of N. Malden Avenue, 700 block of S. Harbor Boulevard	
APN	032-224-36 (86 sf), 032-224-37 (2,900 sf), 073-060-044 (1,000 sf)	
Lot Size	3,986 square feet (breakdown above)	
Use	Street Right-of-Ways	
Zoning	N/A	
Current Title	Fullerton Successor Agency	

Future TitleCity of Fullerton

Acquisition & Valuation Information – Asset #15	
Purchase Date	1991
Purchase Price	\$2,500
Funding Source	Tax increment and/or bond proceeds.
Purpose	Right-of-ways for the City of Fullerton
Estimate of Current Value	\$3,986
Method of Valuation	County Assessor Data

Revenues Generated by Property & Contractual Requirements – Asset #15

City / Successor	
Agency Lease	None. These parcels consist of public right-of-ways.
Agreement	

History of Environmental Contamination or Remediation Efforts – Asset #15

None There is no known history of environmental contamination or remediation on these sites.

Transit-Oriented Development #15	& Advancement of Agency Planning Objectives – Asset
Potential for TOD	None
Agency Planning Objectives	To provide public right-of-ways for the City of Fullerton

Brief History of Previous Development Proposals and Activities – Asset #15

	These are remnant parcels from previous development and are now
History	needed for right of way purposes, they should have been transferred to
	the City when the adjacent developments were completed.

Recommendation for Disposition – Asset #15

Retain For Government Use Property to be transferred to City pursuant to H&SC 34181(a) for continued use of right-of-ways.

DOF Directive (per October 20, 2015 letter)

DOF states that pursuant to H&SC Section 34191.5, the SA is required to provide the purchase value and estimated current value for each property/parcel (asset) identified in the LRPMP, including the basis (source) for the estimated current value.

Response: This revised LRPMP includes the purchase value, estimated value, and source of the estimated current value for Asset No. 15 as required.

3.0 Appendices

Appendix A: Letter from the State of California – Department of Finance dated October 20, 2015

Appendix B: Appraisal for the Costco / AMC Theater Parking Lot Parcels

Appendix C: Additional Maps prepared for Asset Nos. 4-7 & 9-15

Appendix D: Chapter 15.67 of the Fullerton Municipal Code (Restaurant Overlay District) & Ordinance No. 3022 forming the Restaurant Overlay District Parking District

Appendix E: Chapter 15.56.105 of the Fullerton Municipal Code (Public Parking Districts) & Ordinance No. 941 forming Parking District No. 1

Appendix F: Plummer Parking Structure Revenue/Cost Information

Appendix G: Fullerton Transportation Center Parking Revenue/Cost Information

APPENDIX A

Letter from the State of California – Department of Finance dated October 20, 2015



EDMUND G, BROWN JR. . GOVERNOR 915 L STREET & BACRAMENTO CA # 95814-3706 # WWW.DOF.CA.GOV

October 20, 2015

Ms. Ramona Castaneda, Fiscal Services Manager City of Fullerton 303 West Commonwealth Avenue Fullerton, CA 92832

Dear Ms. Castaneda:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the City of Fullerton Successor Agency (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on November 7, 2013. Finance has completed its review of the LRPMP, which may have included obtaining clarification for various items. HSC section 34191.5 defines the requirements of the LRPMP. Based on our review and application of the law, the Agency's LRPMP is not approved as follows:

- Property Nos. 1 through 7, 9, 10, and 12 through 15. Pursuant to HSC section 34191.5, the Agency is required to provide the Purchase Value and the Estimated Current Value for each parcel/property identified on the LRPMP. The Agency indicated the Purchase Value and the Estimated Current Value are 'Unknown'. Please provide additional information to support why the Purchase Value/Estimated Current Values are Unknown or provide a Purchase Value and Estimated Current Value. Be sure to provide the basis for the Estimated Current Value as well (e.g., Appraisal, Agency Estimate, Broker's Opinion, etc.).
- Property No. 2 Fox Block /Fox Theatre Complex. The Agency selected Enforceable Obligation as the disposition for this property. However, the Agency was unable to provide sufficient documentation to support the transfer of this asset as fulfillment of an enforceable obligation. The Agency should select another permissible disposition for this property: (1) Sale, (2) Future Development, or (3) Governmental Purpose.
- Property No. 3 Fox Block/Peck Parking Structure Site. The Agency selected Enforceable Obligation as the disposition for this property. However, the Agency was unable to provide sufficient documentation to support the transfer of this asset as the fulfillment of an enforceable obligation. The Agency should select another permissible disposition for this property: (1) Sale, (2) Future Development, or (3) Governmental Purpose.
- Property No. 5 Police Station Parking Lot. Pursuant to HSC section 34191.5, the Agency is required to provide a Brief History of Previous Development Proposals and Activities for each parcel/property identified on the LRPMP. However, the Agency did not provide a Brief History of Previous Development Proposals and Activities for the Police Station Parking Lot. Please provide a brief history, or indicate why a Brief History of Previous Development Proposals is not applicable.

Ms. Ramona Castaneda October 20, 2015 Page 2

- Property No. 8 Amerige Court Site. The Agency selected Enforceable Obligation as the disposition for this property. However, the Agency was unable to provide sufficient documentation to support the transfer of this asset as fulfillment of an enforceable obligation. The Agency should select another permissible disposition for this property: (1) Sale, (2) Future Development, or (3) Governmental Purpose.
- Property Nos. 12 and 14. Pursuant to HSC section 34191.5, the Agency is required to provide an Annual Estimate of Income/Revenue Generated by the Parcel, and identify contractual requirements for the use of the income revenue. The Agency did not provide an annual estimate of income/revenue generated from the parking structure, and/or did not indicate if contractual requirements for the use of the income/revenue exist. Please provide the annual estimate of income/revenue generated and indicate whether or not there are contractual requirements for the use of this income/revenue.

Therefore, as authorized by HSC section 34191.5 (b), Finance is not approving the LRPMP. The Dissolution Act does not allow a Meet and Confer for Finance's review of the LRPMP. Therefore, the Agency should revise the LRPMP to address the issues noted above and resubmit an OB approved revised LRPMP to Finance for approval.

Please direct inquiries to Nichelle Thomas, Supervisor or Alexander Watt, Lead Analyst at (916) 445-1546.

Sincerely, JUŚTYN HÓWĂRD Program Budget Manager

cc: Mr. Charles Kovac, Project Manager, City of Fullerton Mr. Frank Davies, Property Tax Manager, Orange County

APPENDIX B

Appraisal for the Costco / AMC Theater Parking Lot Parcels

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SUMMARY APPRAISAL REPORT

COVERING

E/S Pomona Ave., 670' N/O Orangethorpe Ave. City of Fullerton (APN 073-060-16 & 25)

DATE OF VALUE:

June 20, 2012

SUBMITTED TO:

City of Fullerton Engineering Department 303 W. Commonwealth Ave. Fullerton, CA 92832-1775

Attn: Linda Mansfield, SR/WA Real Property Agent

DATE OF REPORT:

SUBMITTED BY:

June 21, 2012

Stephen G. White, MAI 1370 N. Brea Blvd., Suite 255 Fullerton, CA 92835

DRAFT

Stephen G. White, MAI



Real Estate Appraiser

1370 N. BREA BLVD., SUITE 255 · FULLERTON, CALIFORNIA 92835-4173 (714) 738-1595 · FAX (714) 738-4371

June 21, 2012

City of Fullerton Engineering Department 303 W. Commonwealth Ave. Fullerton, CA 92832-1775 Re: E/S Pomona Ave., 670' N/O Orangethorpe Ave., Fullerton (APN 073-060-16 & 25)

Attn: Linda Mansfield, SR/WA Real Property Agent

Dear Ms. Mansfield:

In accordance with your request, I have completed an appraisal of the above-referenced property. This property consists of two contiguous parcels containing 16,414 s.f. and 27,356 s.f. or a total site of 43,770 s.f. or 1.005 acres. The site is currently part of the paved parking area comprising the central part of Fullerton Town Center, which lies to the south of the Costco store, to the west of the AMC 20 Theaters and to the east or rear of the Toys R Us/Babies R Us store.

The purpose of this appraisal is to estimate the market value and the market rent of the subject property <u>as if unencumbered</u> by the "Parking Lot Agreement", and also the market value of the property <u>as encumbered</u> by the "Parking Lot Agreement". This Agreement potentially encumbers the property until March 2037, requiring it to provide parking spaces for the adjacent AMC 20 Theaters, and with no rental income. It is noted that the estimate of market rent reflects a long-term lease basis, a typical triple net basis for ground leases, and indicating the starting annual rental amount.

Based on the inspections of the property and analysis of matters pertinent to value, the following conclusions of market value and market rent have been arrived at, subject to the Assumptions and Limiting Conditions, and as of June 20, 2012:

	Market <u>Value</u>	Market <u>Rent</u>
As If Unencumbered by "Parking Lot Agreement"	\$900,000	\$72,000/yr.
As Encumbered by "Parking Lot Agreement"	\$70,000	N/A



MS. LINDA MANSFIELD JUNE 21, 2012 PAGE 2

The following is the balance of this 30-page Summary Appraisal Report which includes the Certification, Assumptions and Limiting Conditions, definitions, property data, exhibits, valuation and market data from which the value conclusions were derived.

Sincerely,

Stephen G. White, MAI (State Certified General Real Estate Appraiser No. AG013311)

SGW:sw Ref: 12002



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CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I have no bias with respect to the properties that are the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this Certification, other than data research by my associate, Kirsten Patterson.
- I have not performed a previous appraisal of the subject property within the three years prior to this assignment.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report, I have completed the requirements of the continuing education program of the Appraisal Institute.

Stephen G. White, MAI (State Certified General Real Estate Appraiser No. AG013311)

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ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal has been based upon the following assumptions and limiting conditions:

- 1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
- 2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
- 3. Responsible ownership and competent property management are assumed.
- 4. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
- 5. All engineering studies, if applicable, are assumed to be correct. Any plot plans or other illustrative material in this report are included only to help the reader visualize the property.
- 6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render them more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.
- 7. It is assumed that the property is in full compliance with all applicable federal, state and local environmental regulations and laws unless the lack of compliance is stated, described and considered in the appraisal report.
- 8. It is assumed that the property conforms to all applicable zoning and use regulations and restrictions unless a nonconformity has been identified, described and considered in the appraisal report.
- 9. It is assumed that all required licenses, certificates of occupancy, consents and other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in the report are based.
- 10. It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the property described and that there are no encroachments or trespasses unless noted in the report.
- 11. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. However, the appraiser is not qualified to detect such substances. The presence of such substances may affect the value of the property, but the values estimated in this



ASSUMPTIONS AND LIMITING CONDITIONS, Continuing

appraisal are based on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. The client should retain an expert in this field, if desired.

- 12. Possession of this report, or a copy thereof, does not carry with it the right of publication, unless otherwise authorized.
- 13. The appraiser, by reason of this appraisal, is not required to give further consultation or testimony or to be in attendance in court with reference to the properties in question unless arrangements have previously been made.

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PURPOSE AND INTENDED USE/USER OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value and the market rent of the subject property <u>as if unencumbered</u> by the "Parking Lot Agreement", and also the market value of the property <u>as encumbered</u> by the "Parking Lot Agreement". This Agreement potentially encumbers the property until March 2037, requiring it to provide parking spaces for the adjacent AMC 20 Theaters, and with no rental income.

It is intended that this Summary Appraisal Report is to be used by the client as part of their Project: Costco Way Extension, in the possible sale or lease of the subject property.

SCOPE OF THE APPRAISAL

It is the intent of this appraisal that all appropriate data considered pertinent in the valuation of the subject property be collected, confirmed and reported in a Summary Appraisal Report, in conformance with the Uniform Standards of Professional Appraisal Practice. This has included an inspection of the subject property and its surroundings; obtaining of pertinent property data on the subject property; obtaining of comparable land sales and comparable land rental/lease data from a variety of sources; and analysis of all of the data to the value conclusions.

DATE OF VALUE

The date of value for this appraisal is June 20, 2012.

PROPERTY RIGHTS APPRAISED

This appraisal is of the fee simple interest in the subject property for both the market value and the market rent, as unencumbered by lease, but considering the subject property both as encumbered and unencumbered by the "Parking Lot Agreement".

DEFINITION OF MARKET VALUE

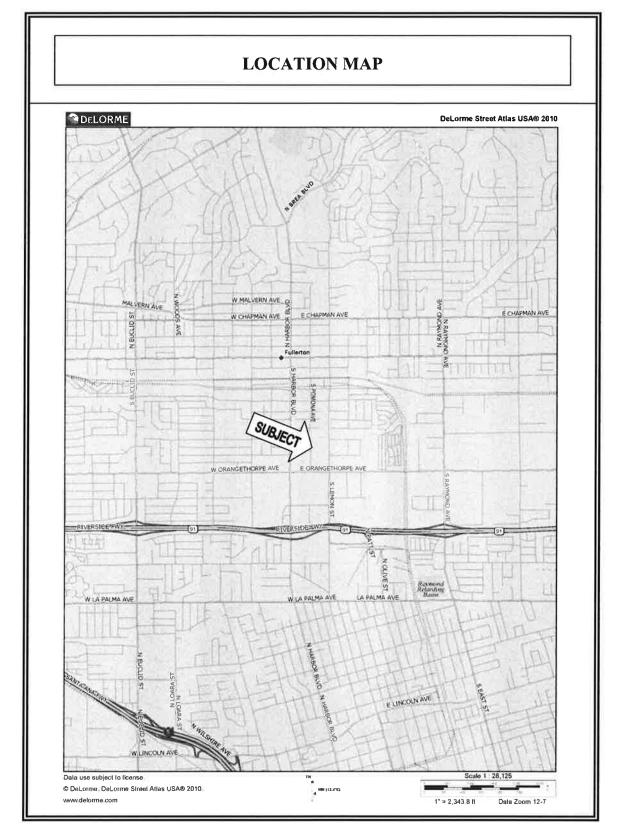
The most probable price that the specified property interest should sell for in a competitive market after a reasonable exposure time, as of a specified date, in cash, or in terms equivalent to cash, under all conditions requisite to fair sale, with the buyer and seller each acting prudently, knowledgeably, for self-interest, and assuming that neither is under duress. (The Dictionary of Real Estate Appraisal, Fifth Edition)

DEFINITION OF MARKET RENT

The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal and purchase options, and tenant improvements. (The Dictionary of Real Estate Appraisal, Fifth Edition)

PROPERTY OWNERSHIP/SALES HISTORY

The subject property is owned by the City of Fullerton. This property has been owned by the City for over 20 years, thus there have been no recent sales of the property.



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PROPERTY DATA

LOCATION

The subject property is located on the east side of Pomona Ave., 670' north of Orangethorpe Ave., in the City of Fullerton. This location is within the Fullerton Town Center retail center and is ± 310 ' west of Lemon St. and ± 650 ' east of Harbor Blvd. (Note: While Pomona Ave. is indicated on maps, it physically appears as a driveway within the retail center.)

DESCRIPTION OF SURROUNDINGS

As previously indicated, the subject property is located within the central part of the Fullerton Town Center, which is a major retail center that comprises approximately 33 acres and is anchored by Costco, AMC 20 Theaters, Toys R Us/Babies R Us, Office Depot and Chuck E. Cheese's. The subject property comprises part of the parking area that is within the central part of this retail center.

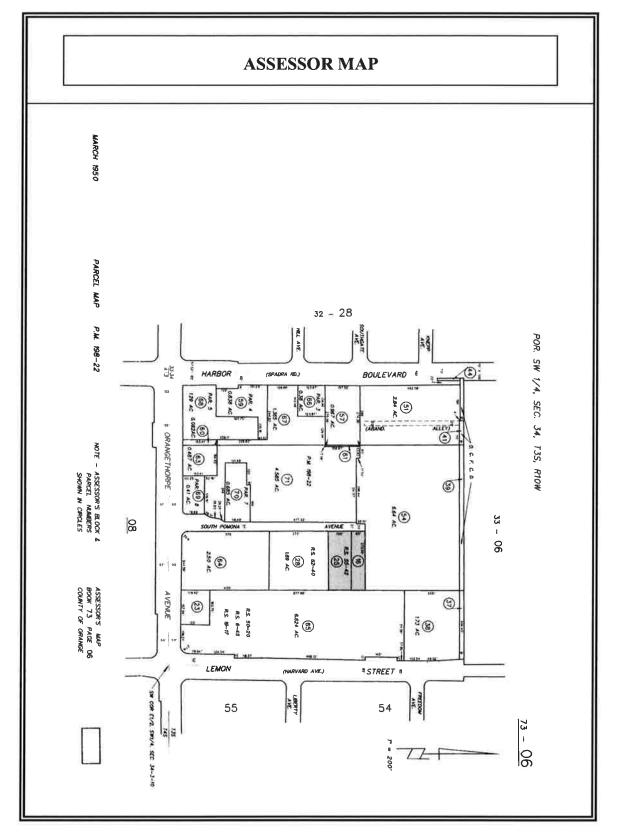
To the north of the subject property is the rear part of the Costco store. There is also some parking and loading area at the rear of the building, including driveway access with Lemon St. To the east of the subject property is the AMC 20 Theaters complex that fronts along Lemon St., and includes parking to the south with driveway access with Lemon St. To the south of the subject property is parking area that extends to the rear of a multi-tenant retail building that faces to the south.

To the west of the subject property is the rear of the large building occupied by Toys R Us/Babies R Us and Chuck E. Cheese's, and to the southwest is the rear of the building occupied by Office Depot. The balance of Fullerton Town Center includes multi-tenant space to the south of Office Depot, as well as multi-tenant space and various free-standing restaurants along the Harbor Blvd., Orangethorpe Ave. and Lemon St. frontages.

LEGAL DESCRIPTION

<u>North Parcel</u>: This parcel is described by metes and bounds as the north 60' of a parcel of land within Section 34, Township 3 South, Range 10 West, in the Rancho San Juan Cajon De Santa Ana as shown on a map recorded in Book 51, Page 7 of Miscellaneous Maps, County of Orange; excepting any portion of land not included in the West 30 Acres or the Southwest ¹/₄ of the Southwest ¹/₄ of said Section 34.

<u>South Parcel</u>: The description of this parcel is similar to the above, except that this parcel comprises the south 100' of the north 160' of the parcel of land described above within Section 34, Township 3 South, Range 10 West. In addition, a portion of this land is included within the area shown on a map filed in Book 55, Page 42 of Record of Surveys, County of Orange.



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ASSESSOR DATA-2011/12

The subject property comprises Assessor Parcel Nos. 073-060-16 & 25. The current assessed value for parcel 16 is \$294,317 for land and \$0 for improvements, and for parcel 25 is \$338,862 for land and \$46,622 for improvements or a total of \$385,484. Thus, the overall total assessed value for both parcels is \$679,801. The tax rate area is 03-057 which indicates a current tax rate of 1.05822%.

LAND SIZE AND SHAPE

Per the dimensions on the Assessor Map, the parcels contain the following land areas:

North Parcel: 60' x 273.56' =	16,414 s.f.		0.377 acre
South Parcel: 100' x 273.56' =	<u>27,356 s.f.</u>		0.628 acre
Assembled Site:	43,770 s.f.	or	1.005 acres

As indicated by the Assessor map on the previous page, each parcel as well as the assembled site are rectangular in shape.

STREETS AND ACCESS

Pomona Ave. is shown on the Assessor map as a 30' to 37' dedicated right-of-way along the subject frontage, and then widening to a ± 80 ' right-of-way as it approaches Orangethorpe Ave. Along the subject frontage and for most of the distance south to Orangethorpe Ave. it is a two-lane paved driveway, and at Orangethorpe Ave. it is a signalized entrance into Fullerton Town Center, with four lanes and landscaped median.

The subject property has direct access at various points from the Pomona Ave. driveway. In addition, there is access by Costco Way which is a driveway that extends east from Harbor Blvd. to Pomona Ave. at the north end of the subject property, and access by the driveway along the east side of the subject property that connects with the driveway extending east to Lemon St.

UTILITIES

Sewer and water are available in Pomona Ave. and are provided by the City of Fullerton. Gas is provided by Southern California Gas Co., and electricity is provided by Southern California Edison Co.

ZONING AND GENERAL PLAN

The subject property has a zoning designation of C-2 which indicates General Commercial. The purpose of this zone is to provide for a wide range of commercial goods and services for the community at large, primarily through a shopping center



ZONING AND GENERAL PLAN, Continuing

concept. A wide range of commercial uses are permitted, including retail, office, restaurant, financial institutions and automotive.

The General Plan designation is Commercial. The purpose of this designation is to establish and protect opportunities for convenient commerce within both neighborhood and regional shopping centers. Potential land uses include retail, service and/or office. The minimum FAR is .30 and the maximum is .35, but subject to change based on focus area policies or an approved specific plan and excluding structured parking.

SOIL, TOPOGRAPHY & DRAINAGE

Soil: Soil tests have not been reviewed on the subject property. Thus, it has been assumed that there is no soil contamination on the subject site or on adjacent sites, or any other abnormal soil conditions which would negatively impact the valuation.

Topography: The subject site is fairly flat and approximately at grade of the street and surrounding properties. The general area has a gradual slope down to the south and west.

Drainage: The subject property appears to drain to the street and driveways and ultimately to the south.

Flood Hazard: Per FEMA Flood Insurance Rate Map No. 060219-0131J, dated 12/3/09, the subject property is located in Zone X500 which is out of the Special Flood Hazard Area.

CURRENT USE AND IMPROVEMENTS

The subject property is currently improved as a paved parking lot that is used in conjunction with the AMC 20 Theaters. There are 136 marked parking spaces on the subject site, including 5 handicapped spaces, plus a trash enclosure at the northeast corner of the site. There are five rows of parking spaces, with access to the drive aisles from Pomona Ave. at the west side and a private driveway along the east side. There are also light fixtures and various small planters with shrubs and large trees within the parking area.

TITLE REPORTS/PARKING LOT AGREEMENT

Separate title reports on each of the two subject parcels have been reviewed, both of which were prepared by North American Title Company and dated February 2, 2012. The pertinent exceptions to title on the north parcel include an easement for road and incidental purposes over the Pomona Ave. right-of-way; an easement recorded in 1957 for pole lines, conduits and incidental purposes to Southern California Edison



TITLE REPORTS/PARKING LOT AGREEMENT, Continuing

over an unspecified area; and an easement to The Price Company recorded in 1997 over the north 7.5' of the subject parcel to enable the grantee to comply with setback requirements relative to their warehouse expansion on the property adjacent to the north. It is concluded that the first two easements do not materially affect the use of the subject parcel, and while the third easement likely precludes permanent structures on the north 7.5', paving and/or landscaping use is still permitted.

The pertinent exceptions to title on the south parcel, per the Amended report, include the easement for the Pomona Ave. right-of-way, and the terms and provisions contained in the document "Agreement Containing Covenants Affecting Real Property" recorded April 20, 1987. This Agreement results in a significant impact on the overall subject property, as discussed below.

Subsequently, various other documents affecting the subject property were discovered by the City Planning Department, and provided to the Deputy City Attorney for review and to provide legal input. The legal conclusion was that certain documents impose a requirement of providing parking spaces on the City-owned property that are currently still in effect. These specific documents are the original Disposition and Development Agreement between the Redevelopment Agency of the City of Fullerton and Dicker-Warmington Properties (recorded February 21, 1984), particularly the Fifth Amendment thereto (recorded November 7, 1986) and the "Parking Lot Agreement" (Covenants Affecting Real Property recorded April 20, 1987).

It is noted that, best as can be determined from available documents, the required number of parking spaces to be provided on the subject property is either 147 or 157. However, as previously indicated, there are currently 136 parking spaces on the subject property, which appears to reflect a more recent decrease due to the addition of 5 handicap parking spaces and the trash enclosure at the northeast corner of the site. The conclusion is that the entire subject property is required for provision of the necessary parking spaces.

It is also noted that the "Parking Lot Agreement" is for a 50-year term that commenced on March 25, 1987. Thus, this term would extend until March 25, 2037 or just under 25 years from current date. However, the agreement would be terminated if the adjacent property to the east is no longer used for theater purposes. The discontinuance would be deemed such if a theater has not operated continuously during normal theater business hours for a period of not less than two years. As of current date, the theater use is still in operation.

HIGHEST AND BEST USE

The term highest and best use is defined as the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately

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HIGHEST AND BEST USE, Continuing

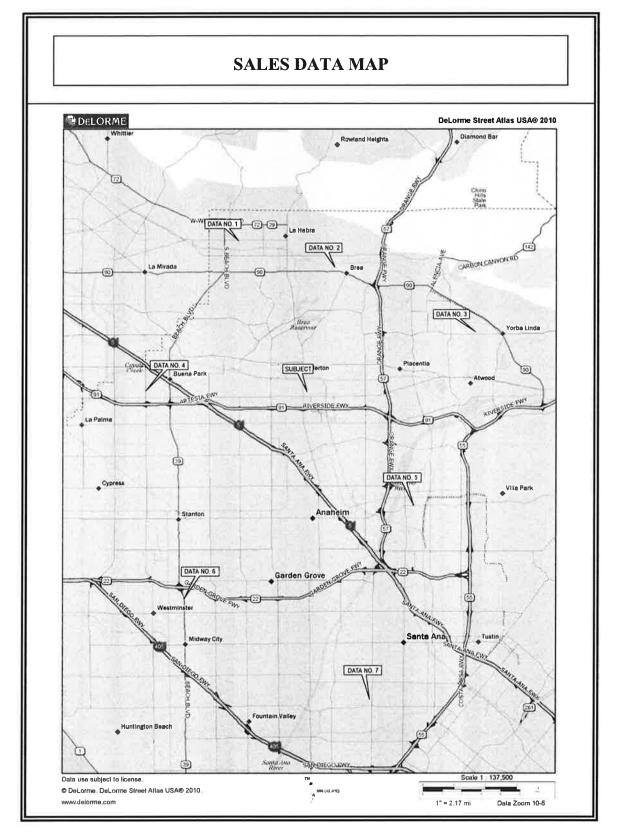
supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Furthermore, the highest and best use of land or a site as though vacant is defined as among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination.

As discussed under Highest and Best Use, the subject property is encumbered by the "Parking Lot Agreement" which effectively restricts the property to use as parking for the adjacent theater complex until the theater operation is discontinued for a period of at least two years or until March 25, 2037, whichever comes first. As previously indicated, this appraisal is to hypothetically consider the subject property as if unencumbered by the "Parking Lot Agreement" and also to consider the property as encumbered by the Agreement.

As if unencumbered by the "Parking Lot Agreement", the zoning and general plan would permit commercial uses primarily within a shopping center concept. These uses would be physically possible due to the fairly flat topography as well as the availability of streets and utilities. These uses would also be financially feasible at the appropriate price points, and would represent the maximum productivity of the site.

Thus, as unencumbered by the Agreement, the highest and best use is concluded to be for some type of commercial development consistent with the location within the Fullerton Town Center. However, it is noted that this is a secondary location due to the lack of street exposure, backing to the rear of the stores to the west and south and to the Costco store to the north, though at the front entrance to the theater complex. Thus, due to the limited exposure, potential uses would be somewhat restricted.

As encumbered by the "Parking Lot Agreement", the subject property is restricted to parking use for the theater complex until March 25, 2037, with no rental income during this period of time. While this period of time could be less if the theater operation was to be discontinued, this is highly speculative. Thus, considering the encumbrance by the Agreement, the highest and best use would be to hold as a long-term investment with no rental income for just under 25 years, and then reversion of the property in March 2037 and available for commercial development at that point in time.



VALUATION

MARKET VALUE – UNENCUMBERED BY AGREEMENT

Method of Analysis

The valuation of the subject property is concluded to be as land value, with nominal value allocation to the existing parking lot improvements. Thus, the pertinent method of valuation is the Sales Comparison Approach, which compares recent sales of similar properties to the subject property. A search was made over a widespread area for recent sales of vacant or marginally improved commercial sites, and primarily focused on secondary commercial locations. The pertinent data is first tabulated, with discussion and analysis of the data following thereafter.

Tabulation of Sales Data

The pertinent data is tabulated as follows, with the unit of comparison being the price per s.f. of land:

<u>No.</u>	Location	Sale <u>Date</u>	Size (Acres)	Price/ S.F.	Remarks
1	S/S La Habra Blvd., 112' W/O Idaho St., La Habra	12/29/11	2.152	\$16.96	48-yr. old, 16,825 s.f. retail building plus much vacant land; buyer plans Korean Market
2	SEC Berry St. & Mercury Ln., Brea	5/11/12	1.012	\$20.76	Vacant land; office/industrial area; buyer to hold as investment
3	Wraps around NEC Yorba Linda Bl. & Valley View Ave., Yorba Linda	5/1/12	6.501	\$23.98	39-yr. old, ±69,000 s.f. former Von's Market; buyer plans 24 Hour Fitness; mostly land value
4	W/S Knott Av ₁ , ±780' N/O Orange- thorpe Ave., Buena Park	5/6/11	1.074	\$15.11	Vacant land; mostly office/industrial area; buyer's plans unknown
5	W/S Batavia St. at S/S Katella Ave., Orange	Escrow	.79	±\$31.38	Vacant land; triangular shape; no Katella access; buyer plans drive-thru restaurant
6	W/S Beach Blvd., ±290' S/O Trask Ave., Westminster	9/27/11	.631	\$16.73	Vacant land; ell-shaped with narrow street front- age; buyer's plans unknown
7	S/S St. Gertrude PI., 237' W/O Bristol St., Santa Ana	3/13/12	.624	\$11.03	Vacant land; at north end of older retail center with minimal exposure; buyer plans retail/office
	Subject		1.005		

Discussion and Analysis of Data

Data No. 1 is located on the south side of La Habra Blvd., 112' west of Idaho St. in La Habra, with a 30' wide strip for access extending east to Idaho St. along the south side of the immediate corner parcel. This is an average commercial area, with older homes to the west and south, retail and apartment buildings along Idaho St., and office uses to the north. It is a 2.152-acre site that was improved with a 48-year old, 16,825 s.f. retail building and paved parking on the east side of the site plus much vacant land comprising the west part of the site. This was a lender sale that closed in late December 2011 at the price of \$1,590,000 or \$16.96 per s.f. of land. Reportedly,

MARKET VALUE – UNENCUMBERED BY AGREEMENT, Continuing

the buyer plans a Korean Market though it is unknown to what extent the existing building will be utilized.

In comparison to the subject, the general commercial location is considered to be inferior and more than offsetting to the frontage on La Habra Blvd., the size is much larger which tends to result in a lower price per s.f., the irregular shape is inferior, and the existing improvements are considered to contribute minimally to the property value and only a slightly superior factor to the subject. Lastly, the price was likely on the conservative side due to being a lender sale. Overall, the indication at \$16.96 per s.f. supports a firm lower limit indication for the subject.

Data No. 2 is located at the southeast corner of Berry St. and Mercury Ln. in Brea, in a mostly office-industrial area and with only moderate traffic exposure along Berry St. It is a 1.012-acre vacant and rectangular-shaped site for which the zoning would permit office or industrial uses. The sale recently closed in May 2012 at the price of \$915,000 or \$20.76 per s.f. of land. Reportedly, the buyer plans to hold the land as an investment and was looking to lease the land.

In comparison to the subject, the secondary commercial location is similar, and while this sale has superior street frontage it has inferior development potential which is limited to office or industrial uses. The size is very similar to the subject, the shape is similar, and the lack of improvements is similar. Overall, the indication at \$20.76 per s.f. supports a fairly close indication for the subject.

Data No. 3 wraps around the northeast corner of Yorba Linda Blvd. and Valley View Ave. in Yorba Linda, in an average commercial area with a large community park to the north. This site is irregular in shape and has limited frontage and exposure on heavily-traveled Yorba Linda Blvd. and most of the street frontage on lightly-traveled Valley View Ave. It is a 6.501-acre site that was improved with a 39-year old, $\pm 69,000$ s.f. former Von's Market which was vacant at time of sale. The sale recently closed in May 2012 at the price of \$6,790,000 or \$23.98 per s.f. of land. Reportedly, the buyer plans a 24 Hour Fitness facility for this site, but it is uncertain to what degree the existing improvements will be utilized. The listing broker considered that the existing improvements contributed only minimally, if at all, over and above land value.

In comparison to the subject, the secondary commercial location is considered to be superior in terms of the general area as well as the street frontage, including at least a minor amount of frontage on Yorba Linda Blvd. The size is significantly larger than the subject which could result in a lower price per s.f., the irregular shape is inferior, but the existing improvements are considered to be at least a minor superior factor. Overall, the indication at \$23.98 per s.f. supports a firm upper limit for the subject.



MARKET VALUE – UNENCUMBERED BY AGREEMENT, Continuing

Data No. 4 is located on the west side of Knott Ave., nearby to the north of Orangethorpe Ave. in Buena Park, in a mixed office/business park/industrial area with several apartment properties across Knott Ave. to the east. This is a 1.074-acre vacant and rectangular-shaped site which is zoned and general planned for commercial-office and the City was not open to changing this to residential. The sale closed in May 2011 at the price of \$707,000 or \$15.11 per s.f., and the buyer's plans were unknown.

In comparison to the subject, the general location is considered to be inferior from a commercial standpoint, more than offsetting to the frontage on Knott Ave., the size and shape are fairly similar, and the lack of improvements is similar. Overall, the indication at \$15.11 per s.f. supports a firm lower limit for the subject.

Data No. 5 is located on the west side of Batavia St. in Orange, with the north end of the site coming to a point at the south side of Katella Ave., where the flood control channel angles to the southwest. Thus, there is visibility but no access from Katella Ave. This is a good commercial area along Katella Ave. and mostly an office-industrial area along Batavia St. It is a .79-acre vacant site that is triangular in shape due to the flood control channel that runs diagonally along the northwest side. The property is currently in escrow at a price of \pm \$1,080,000 or \pm \$31.38 per s.f., with the sale due to close in October. The buyer plans a drive-thru restaurant.

In comparison to the subject, the location is considered to be far superior due to the general commercial area as well as the exposure from Katella Ave., resulting in the superior development potential of a drive-thru restaurant. In addition, the size is slightly smaller, the triangular shape is inferior, and the lack of improvements is similar. Overall, the indication at \pm \$31.38 per s.f. supports a far upper limit for the subject.

Data No. 6 is located on the west side of Beach Blvd., nearby to the south of Trask Ave. in Westminster, in a good commercial area with much traffic exposure. This is a vacant, ell-shaped .631-acre site with narrow frontage on Beach Blvd. and the larger part of the site ells behind the adjacent property to the south. The sale closed in September 2011 at the price of \$460,000 or \$16.73 per s.f., and the buyer's plans were unknown.

In comparison to the subject, the general commercial location is considered to be superior including the minor frontage on Beach Blvd., the size is smaller but the ellshape with most land area to the rear of adjacent properties is far inferior, and the lack of improvements is similar. Overall, the inferior shape which significantly affects the usability is more than offsetting to the superior location, resulting in a firm lower limit for the subject at \$16.73 per s.f.



MARKET VALUE – UNENCUMBERED BY AGREEMENT, Continuing

Data No. 7 is located on the south side of St. Gertrude Pl., 237' west of Bristol St. in Santa Ana. This location is mostly hidden at the north end of an older ± 12 -acre shopping center, with no exposure from Bristol St. and minimal exposure from the balance of the center, and with St. Gertrude Pl. being a lightly-traveled residential street. It is a vacant .624-acre site that is relatively narrow and deep, and part of which is common driveway area at the front and rear. The site had been marketed for several years, and after several failed pending deals the sale closed in March 2012 at the price of \$300,000 or \$11.03 per s.f., and the buyer plans a retail-office development.

It comparison to the subject, the general commercial location and lack of exposure are considered to be far inferior, the size is smaller but the narrow and deep shape is inferior, and the lack of improvements is similar. In addition, due to the lengthy marketing period, the relatively low price likely reflects a highly motivated seller. Overall, this sale supports a far lower limit for the subject at \$11.03 per s.f.

A summary of the foregoing analysis of the data is shown in the following table:

Data No.	1	2	<u>3</u>	4	5	<u>6</u>	Z
Price/S.F.	\$16.96	\$20.76	\$23.98	\$15.11	±\$31.38	\$16.73	\$11.03
Location Land Size Land Shape Existing Improvements Conditions of Sale	Inferior Inferior Inferior Slightly Sup. Inferior	Similar Similar Similar Similar Similar	Superior Inferior Inferior Superior Similar	Inferior Similar Similar Similar Similar	Far Superior Slightly Sup. Inferior Similar Similar	Superior Slightly Sup. Far Inferior Similar Similar	Far Inferior Slightly Sup. Inferior Similar Inferior
Overall Comparability	Inferior	Similar	Superior	Inferior	Far Superior	Inferior	Far Inferior
Indication for Subject	Firm Lower Limit	Close Indication	Firm Upper Limit	Firm Lower Limit	Far Upper Limit	Firm Lower Limit	Far Lower Limit

Conclusion of Value

In summary, the analysis of the data results in a far lower limit at \$11.03 per s.f., closer but firm lower limits \$15.11 to \$16.96 per s.f., a close indication at \$20.76 per s.f., a firm upper limit at \$23.98 per s.f., and a far upper limit at \pm \$31.38 per s.f. The most supportable range for the subject is concluded to be the range of \$20.00 to \$21.00 which results in the following:

43,770 s.f. @ \$20.00 to \$21.00/s.f. = \$875,400 to \$919,170

Thus, as the result of this analysis, I have arrived at the following conclusion of market value, subject to the Assumptions and Limiting Conditions, and as of June 20, 2012:

\$900,000

(NINE HUNDRED THOUSAND DOLLARS)

MARKET RENT – UNENCUMBERED BY AGREEMENT

The estimate of market rent can be based on direct comparisons from recent leases of similar commercial land, and can also be based on a reasonable and supportable return on value, in this case the previous estimate of market value of the subject property.

Direct Comparisons

Research took place to obtain ground lease data on commercial land with secondary commercial locations. A limited amount of this type of data was found, since most ground leases on commercial land are on well-located prime sites that are far superior to the subject property. The best available data is discussed in the following paragraphs:

<u>S/S Chapman Ave., $\pm 425^{\circ}$ E/O Raymond Ave., Fullerton:</u> This is a 1.23-acre site consisting of unimproved land with old paving, in an average commercial area with a Walgreens store adjacent to the west and strip retail to the east. It is currently available at an asking rent of \$.19 per s.f. per month, and there has been good interest at that asking rate, primarily for fast food restaurant use.

In comparison to the subject, the general commercial location is slightly inferior but this is more than offset by the far superior exposure along Chapman Ave., and the size and shape are fairly similar. Overall, the indication at \$.19 per s.f. per month supports a firm upper limit for the subject.

SEC Euclid St. & Southgate Ave., Fullerton: This is a 1.38-acre site consisting of a fenced and paved parking lot, in an average commercial area including residential and park/school uses along Euclid St. in this area. It has been available for lease since last October at an asking rent of \$.15 per s.f. per month but with limited interest due to the average commercial location with adjacent hotel and residential uses.

In comparison to the subject, the general commercial location is inferior but this is offset by the superior exposure along Euclid St. and at a signalized intersection, and the size and shape are fairly similar. Overall, the indication at \$.15 per s.f. per month is a close indication to close upper limit for the subject since it only represents an asking rent.

SEC State College Blvd. & Fender Ave., Fullerton: This is a 4.026-acre site with much asphalt paving and an older truck terminal building. It is located on a major street at a secondary intersection, and in a mixed retail, industrial and residential area. The site is currently available for lease as land with the potential for industrial or office development, at an asking rent of \$.13 per s.f. per month. The property was to be available in June 2012, and it is unknown what the level of market interest has been.

In comparison to the subject, the general commercial location is inferior but this is mostly offset by the good frontage on State College Blvd., the site is much larger which would tend to result in a lower rent per s.f., and the shape is similar. Overall, the indication at \$.13 per s.f. per month would tend to support a close but firm lower limit for the subject.

<u>NWC La Mirada Blvd. & Mulberry Dr., Whittier:</u> This is a .53-acre site consisting of vacant land in a secondary commercial area, surrounded by a small older multi-tenant retail-office center, and with mostly residential uses in the immediate area. The site is currently available for lease at an asking rent of \$.18 per s.f. per month, but there is no current activity.



MARKET RENT – UNENCUMBERED BY AGREEMENT, Continuing

In comparison to the subject, the general commercial location is inferior but this is more than offset by the corner location at a signalized though secondary intersection, the site is much smaller which would tend to result in a higher rent per s.f., and the shape is similar. Overall, the indication at \$.18 per s.f. per month supports a firm upper limit for the subject.

In summary, this data indicates the range of rental rates from \$.13 to \$.19 per s.f. per month, and the low end of the range is most supportable for the subject, or \$.13 to \$.15 per s.f. per month which results in the following:

43,770 s.f. @ \$.13 to \$.15/s.f. = \$5,690.10 to \$6,565.50/mo. or \$68,281 to \$78,786/yr.

Return on Value

Research took place to obtain data on typical terms in the marketplace of rates of return on value for long-term ground leases on commercial land. The data which was obtained includes general information from brokers and others who are knowledgeable about and/or actively involved with ground lease deals, as well as several specific properties involved in ground lease sales and listings. From all of this data, a reasonable rate of return on value is concluded which is then applied to the previous estimate of market value of the subject property.

The pertinent data is discussed in the following paragraphs:

Terry O'Shea @ O'Shea Properties: Typical terms would be ground rent based on a 6.5% to 8.5% annual return on value. On the commercial land he is marketing at the northeast corner of Harbor Blvd. and Ball Rd. in Anaheim, they are looking at the high end of the range or an 8.5% return due to the prime location.

Ken Gould (a) Lee & Associates: Typical terms would be ground rent based on a 7.0% to 8.5% annual return on value, with the specific return depending on the location among other factors.

Don Nourse @ CBRE: Typical terms would be ground rent based on a 6.0% to 8.0% annual return on value.

Todd Leger (a) Commerce Realty: Typical terms would be ground rent based on a $\pm 10.0\%$ annual return on value, but many of the deals he is involved with are based on prevailing rents for the land on a rental amount per s.f. basis, rather than a percentage return on value.

Ron Beard @ Southland Equities: Typical terms in the past have been ground rent based on an 8.0% to 10.0% annual return on value. However, he is currently working on a ground lease on a prime corner site which is highly desired by the prospective tenant, in which he is trying to achieve slightly higher than a 10.0% annual return.

800 N. Brookhurst St., Anaheim: This is a .774-acre site located on the east side of Brookhurst St., just south of the 5 Freeway in Anaheim, and on the front of the site that includes a fairly new Home Depot store. Burger King signed a long-term ground lease on this site at a starting rent of \$130,000 per year. At an assumed value of \$40.00 to \$45.00 per s.f. as a finished site, or \$1,350,000 to \$1,520,000, the indicated annual return on value is 8.6% to 9.6%.

MARKET RENT - UNENCUMBERED BY AGREEMENT, Continuing

W/S Lakeview Ave., 2nd Parcel N/O Orangethorpe Ave., Placentia: This is a .589-acre site that is part of a larger retail center covering just under 5 acres which includes various shops, offices and several restaurants. The site had been marketed for sale at an asking price of \$1,200,000 or for ground lease at a starting rental rate of \$95,000 per year which indicates a return on value of 7.9%. It is noted that neither a sale or lease transaction has taken place on this site.

W'ly Corner of Newport Ave. & Walnut Ave., Tustin: This is a .517-acre site at a major signalized intersection and in a desirable area. The site is currently available for long-term ground lease at an asking rent of \$110,700 per year, which reflects \$.41 per s.f. per month and was not based on a specific return on value. At an assumed land value of \$45.00 per s.f. or \$1,012,500 the indicated return on value is 10.9%. However, it is noted that the asking rent is on the high side and there has been minimal interest or activity on the listing.

In summary, the data indicates the fairly wide range from 6.0% to 10.9%. However, the high end of the range is from an asking rent that appears to be on the high side and based on an assumed land value, thus not an actual negotiation or transaction. Most of the other indications are under 10%, and the exception would tend to be a motivated lessee who highly desired a specific site. In my experience, these rates of return were typically 10% and even up to 12% at the peak of the market some years ago, but in more recent years the rates of return have declined to well under 10%.

The supportable range is concluded to be over 7% but under 9%, and I have concluded on a reasonable and supportable annual return on value of 8.0%, which results in the following indication for the subject property:

900,000 (estimate of market value) x .08 = $72,000/yr_{\odot}$

Conclusion of Market Rent

Within the indicated range from \$68,281 to \$78,786 per year, the lower mid-part of the range is concluded to be most supportable. Thus, as the result of this analysis, the following conclusion of market rent has been arrived at, subject to the Assumptions and Limiting Conditions, and as of June 20, 2012:

\$72,000 PER YEAR

(SEVENTY-TWO THOUSAND DOLLARS PER YEAR)

(Note: This indication reflects the starting rent on a typical long-term lease which would have an initial term of 15 to 25 years, with four or five 5-year options to extend. In addition, this would be on a triple net basis with all expenses (primarily property taxes) paid by the lessee, and with typical rent adjustments of $\pm 10\%$ increase each five years.)

MARKET VALUE – AS ENCUMBERED BY AGREEMENT

Method of Analysis

As previously discussed, as encumbered by the Parking Lot Agreement, it is assumed that the property is unavailable for use or development until the termination of the Agreement in March 2037. While this is 24 years and 9 months from current date, this period of time is rounded to 25 years in order to simplify the calculations.

Thus, the market value of the property is essentially in the future reversion of the property at the termination of the Agreement, or the estimated future value of the reversion discounted to a present value. However, during the 25-year holding period, there is no rental income to the property owner, and while the maintenance of the parking lot is by others the property owner would have the expense of property taxes (assuming a sale of the property to a non-public entity).

Based on the foregoing, the valuation consists of a discounted cash flow analysis in which the property taxes are considered as a negative annual cash flow for 25 years, and the future reversion value is a positive cash flow at the end of the 25th year.

Cash Flows

The negative annual cash flows consist of the property taxes which are based on the estimated market value and at the tax rate of 1.058%. Thus, an annual amount of \$800 is used, which is slightly on the high side initially, but this amount is then held constant over the 25-year period.

Reversion

The reversion is based on the current estimate of market value of \$900,000. Typically, consideration could be given to a projected appreciation over the 25-year holding period. However, this would result in much greater risk that would need to be reflected in a higher discount rate, particularly given the market conditions of the past 5 years with significant depreciation in land values. Thus, no value change has been considered in the calculations.

Discount Rate

Lastly, a supportable discount rate must be estimated with which to discount to a present value the negative cash flows for 25 years and the positive reversion value at the end of the 25th year. Thus, this rate must reflect the required return to attract an investor to such a unique investment. Initially, there are the undesirable factors of the minor negative cash flow for 25 years as well as the lengthy period of time until the reversion will take place. However, there is the positive factor that the reversion is based on current market value with no projected increase over that period of time.



MARKET VALUE – AS ENCUMBERED BY AGREEMENT, Continuing

Per the PwC Real Estate Investor Survey for the second quarter of 2012, discount rates on power centers and strip shopping centers ranged from 6.0% to 12.5% or an average in the range of 8.32% to 8.41%. For single-tenant net leased investments, the discount rates ranged from 7.0% to 9.0% or an average of 8.16%. However, it is noted that these rates reflect a typical projected holding period of 10 years, which is far shorter than the subject holding period of 25 years.

For the National Development Land Market, including residential and commercial projects, the discount rate range is 15.0% to 30.0%, with an average of 20.42%. However, these are typically much larger projects with significant cash outflows prior to the commencement of sales or cash inflows, and with absorption periods of 10 to 20 years. In addition, the discount rates include a factor for profit.

In summary, it is concluded that the subject property reflects a much greater risk than the investments indicating discount rates averaging 8.2% to 8.4% due to the negative cash flows and the lengthy holding period of 25 years. However, it is also concluded that the subject property reflects much less risk than the land development market indications which are much larger projects with significant early negative cash flows and lengthy absorption periods, and also include profit factors within the discount rates. Thus, I have concluded on a reasonable discount rate for the subject property of over 8.4% but far under 20.4%, or a discount rate in the range of 10.0% to 11.0%.

Present Value Calculations

Based on annual discounting, the calculations of the present value of the negative annual cash flows and the future reversion are shown as follows:

At 10.0%:

	Period	Amount	x	Present Value Factor	=	Present <u>Value</u>
Cash Flows: Reversion:	Per yr. for 25 yrs. At end 25 th yr.	-\$800 \$900,000		9.0770 .0923		-\$ 7,262 <u>\$83,070</u>
Present Value:						\$75,808
<u>At 11.0%:</u>						
	Period	Amount	x	Present Value Factor	=	Present Value
Cash Flows: Reversion:	Per yr. for 25 yrs. At end 25 th yr.	-\$800 \$900,000		8.4217 .0736		-\$ 6,737 <u>\$66,240</u>
Present Value:						\$59,503

MARKET VALUE - AS ENCUMBERED BY AGREEMENT, Continuing

Conclusion of Value

In summary, within the range of \$59,503 to \$75,808, the conclusion is at the upper mid-part of the range. Thus, as the result of this analysis, I have arrived at the following conclusion of market value, subject to the Assumptions and Limiting Conditions, and as of June 20, 2012:

\$70,000

(SEVENTY THOUSAND DOLLARS)

ADDENDA



QUALIFICATIONS OF STEPHEN G. WHITE, MAI

PROFESSIONAL EXPERIENCE

Real Estate Appraiser since 1976.

1983 through current date: Self-employed; office located at 1370 N. Brea Blvd., Suite 255, Fullerton, CA 92835 (Phone: 714-738-1595)

1976-1982: Employed by Cedric A. White, Jr., MAI, independent appraiser located in Anaheim.

Real estate appraisals have been completed on most types of properties for purposes of fair market value, leased fee value, leasehold value, easement value, partial acquisitions and severance damages.

PROFESSIONAL ORGANIZATIONS

Member, Appraisal Institute; MAI designation obtained 1985

Affiliate Member, Pacific West Association of Realtors

LICENSES

Licensed by the State of California as a Certified General Real Estate Appraiser; OREA ID No. AG013311; valid through September 22, 2012.

EDUCATION

B.A. Economics & Business, Westmont College, Santa Barbara (1976)

Appraisal Institute Courses: Basic Appraisal Principles, Methods and Techniques Capitalization Theory and Techniques Urban Properties Litigation Valuation Standards of Professional Appraisal Practice

Numerous seminars and continuing education on various appraisal subjects, including valuation of easements and leased fee interests, litigation, the money market and its impact on real estate, and standards of professional appraisal practice.

COURT/TESTIMONY EXPERIENCE

Qualified as an expert witness in the Superior Courts of Orange, Los Angeles, Riverside and San Bernardino Counties; also for the Assessment Appeals Board of Orange and Los Angeles Counties.

TYPES OF PROPERTY APPRAISED

Residential: vacant lots, acreage and subdivisions; single family residences, condominiums, townhomes and apartment complexes.

Commercial: vacant lots/acreage; office buildings, retail/shopping centers, restaurants, hotels/motels.

Industrial: vacant lots and acreage; warehouses, manufacturing buildings, R&D buildings, industrial parks, mini-warehouses.

Special Purpose: mobilehome parks, churches, automobile agencies, medical buildings, convalescent hospitals, easements, leased fee and leasehold interests.

QUALIFICATIONS, Page 2

CLIENT LIST

Corporations:

Aera Energy British Pacific Properties BSI Consultants Crown Central Petroleum Eastman Kodak Company Firestone Building Materials Foodmaker Realty Corp. Greyhound Lines Holiday Rambler Corp. International Baking Co. Johnson Controls Kampgrounds of America La Habra Products, Inc.

Developers:

Brighton Homes Brookfield Citation Builders Davison-Ferguson Investment Devel. D.T. Smith Homes Irvine Company Kathryn Thompson Developers

Law Firms:

Baldikoski, Klotz & Dragonette Best, Best & Krieger LLP Bowie, Arneson, Wiles & Giannone Bradshaw, John Bye, Hatcher & Piggott Callahan, McCune & Willis Cooksey, Coleman & Howard Hamilton & Samuels Horgan, Rosen, Beckham & Coren Kent, John Kirkland & Ellis Latham & Watkins LLP McKee, Charles C. Mosich, Nicholas J. Long, David M. Nossaman, Guthner, Knox & Elliott, LLP

Financial Institutions:

Ahmanson Trust Company Barclays Bank Chino Valley Bank Continental Bank First Interstate Mortgage First Wisconsin Bank National Credit Union Admin.

- MCP Foods Merrill Lynch Relocation Orangeland RV Park Pacific Scientific Penhall International Pic 'N Save Stores Sargent-Fletcher Co. Shell-Western E&P Southern Distributors Corp. Southern California Edison The Home Depot Tooley and Company Wastewater Disposal Co.
- Mark Taylor, Inc. Mission Viejo Co. Premier Homes Presley Homes Rockefeller & Associates Taylor Woodrow Homes Unocal Land & Development
- Oliver, Barr & Vose Ollestad, Freedman & Taylor Palmieri, Tyler, Wiener, Wilhelm & Waldron LLP Paul, Hastings, Jonofsky & Walker LLP Piggott, George B. Pothier, Rose Rosenthal & Zimmerman Rutan & Tucker, LLP Sikora & Price, Inc. Smith & Politiski Williams, Gerold G. Woodruff, Spradlin & Smart, P.C. Yates, Sealy M.
- Pacific Western Bank San Clemente Savings & Loan Security Pacific Bank Sunwest Bank United Calif. Savings Bank Washington Square Capital

QUALIFICATIONS, Page 3

Cities:

Anaheim **Baldwin Park** Buena Park Cypress Dana Point Duarte Fontana Fullerton

La Habra Laguna Beach Long Beach Mission Viejo Orange Placentia Riverside Seal Beach

San Clemente Santa Ana Santa Fe Springs Stanton Temecula Tustin Yorba Linda

Counties:

County of Orange

County of Riverside

Other Governmental:

Agua Mansa Industrial Growth Association El Toro Water District Federal Deposit Insurance Corporation (FDIC) Kern County Employees Retirement Association Lee Lake Water Dist.

Metropolitan Water District Orange County Water District Trabuco Canyon Water District U.S. Postal Service

School Districts:

Alvord Unified School Dist. Anaheim Union High School Dist. Anaheim City School Dist. Banning Unified School Dist. Capistrano Unified School Dist. Castaic Union School Dist. Cypress School Dist. Etiwanda School Dist. Fullerton College Fullerton Joint Union High School Dist. Fullerton School Dist. Garden Grove Unified School Dist. Irvine Unified School Dist. Lake Elsinore Unified School Dist. Moreno Valley Unified School Dist. Newhall School Dist.

Churches/Church Organizations:

Orange Unified School Dist. Palm Springs Unified School Dist. Placentia-Yorba Linda Unified Dist. Poway Unified School Dist. Rialto Unified School Dist. Romoland School Dist. Saddleback Valley Unif. School Dist. San Jacinto Unified School Dist. Santa Ana Unified School Dist. Saugus Union School Dist. So. Orange Cnty. Comm. College Dist. Westside Union School Dist. William S. Hart Union High Schl. Dist. Victor Elementary School Dist.

Newport-Mesa Unified School Dist.

Calvary Church, Santa Ana Central Baptist Church, Pomona Christian & Missionary Alliance Church, Santa Ana St. Mark's Lutheran Church, Hac. Hts. Christian Church Foundation Congregational Church, Fullerton First Church of the Nazarene

Lutheran Church, Missouri Synod Presbytery of Los Rancho Vineyard Christian Fellowship Yorba Linda United Methodist Church

Garden Grove Boys' Club The Sheepfold

Other:

Biola University Cedars-Sinai Medical Center

APPENDIX C

Additional Maps prepared for Asset Nos. 4-7 & 9-15

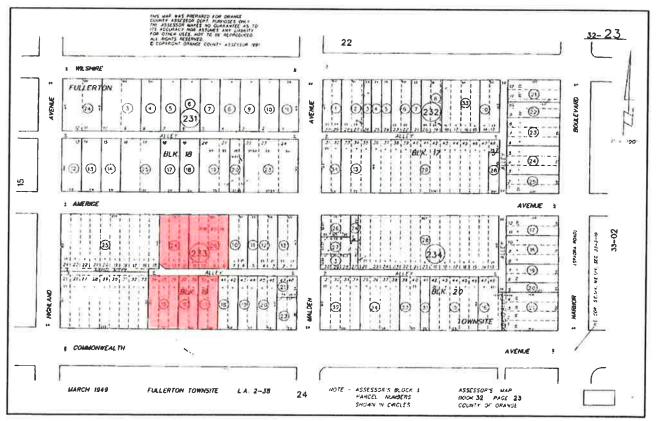






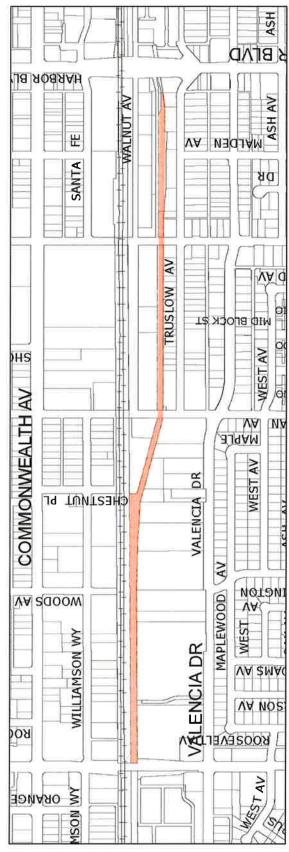


Asset #5 – Police Station Parking



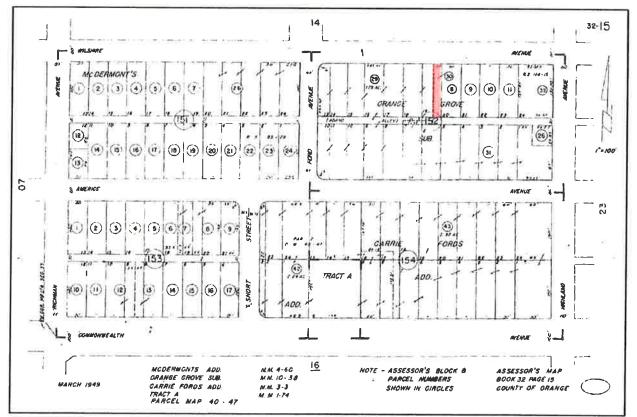
Asset #6 – Independence Park/Union Pacific Park Trail





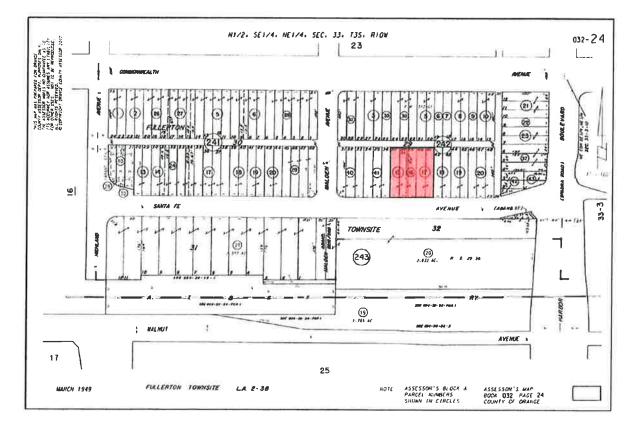


Asset #7 – City Hall Public Parking



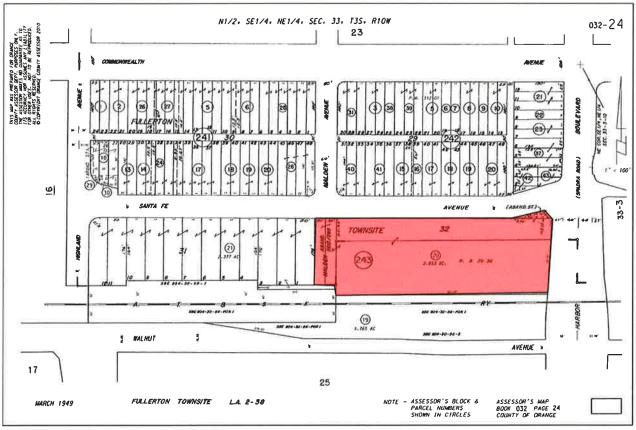


Asset #9 - Santa Fe Avenue Public Parking



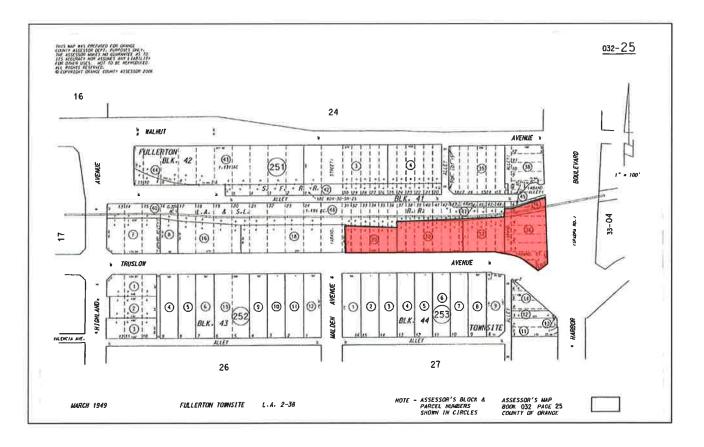
Asset #10 – SOCO West Parking Structure





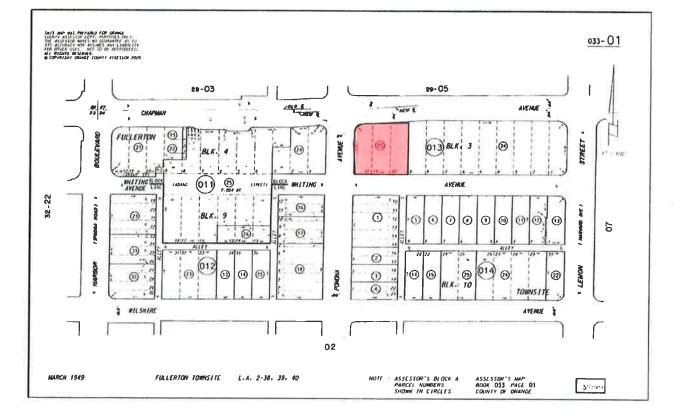
Asset #11 – Union Pacific Park (Public Parking)

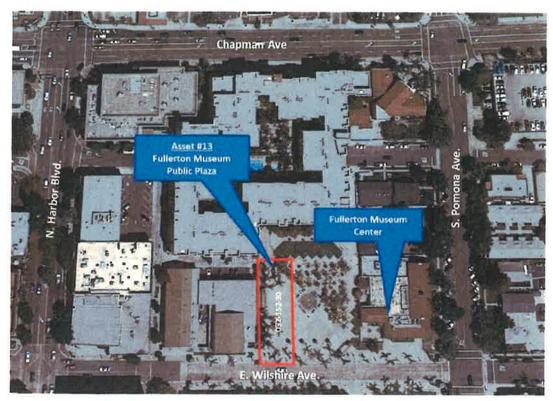




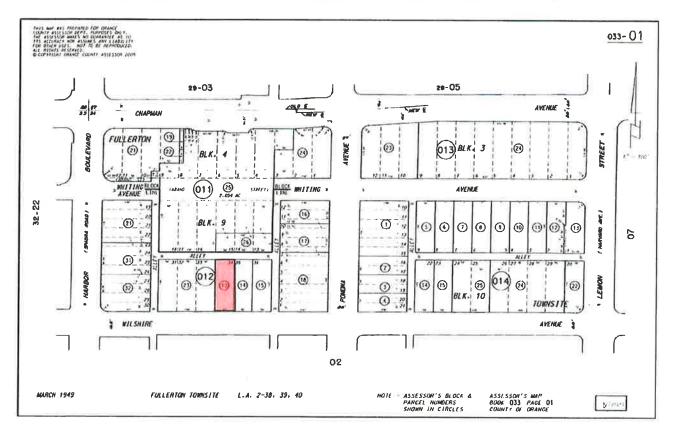


Asset #12 – Plummer Public Parking Structure



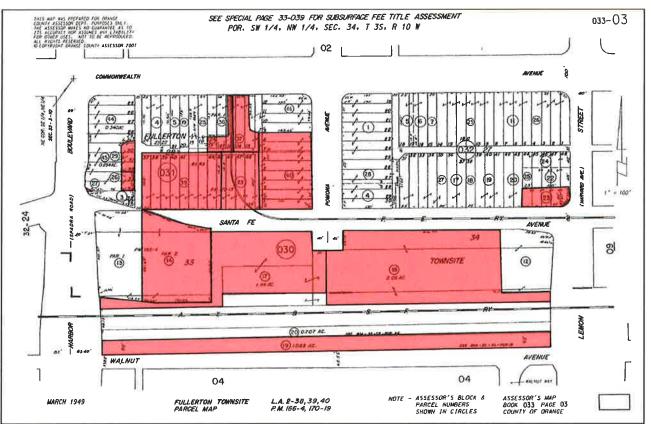






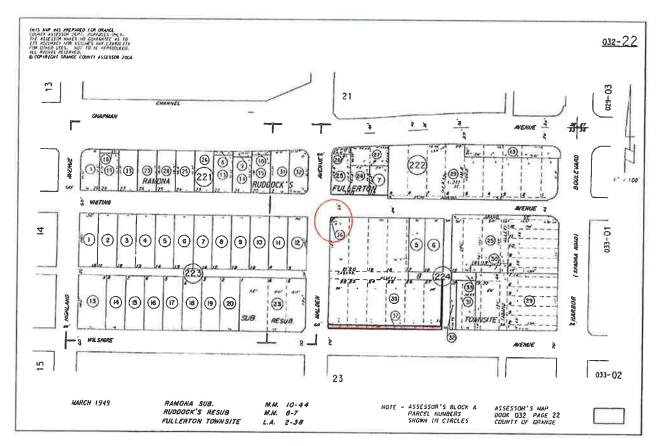


Asset #14 – Fullerton Transportation Center Public Parking

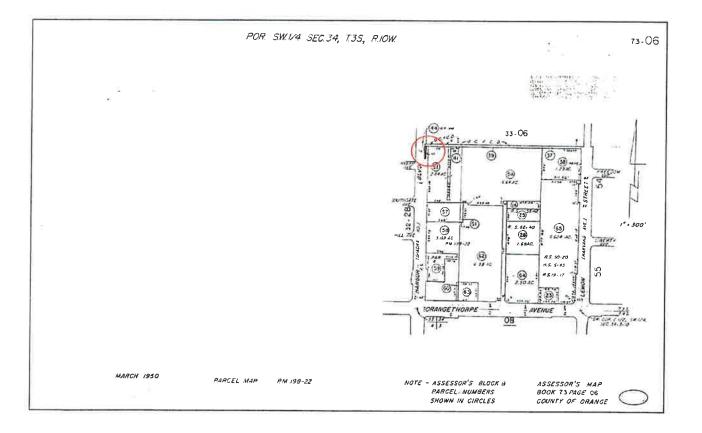




Asset #15 – Street Rights-of-Way



W. Rosslyn Ave W. Rosslyn Ave



Asset #15 – Street Rights-of-Way

APPENDIX D

Chapter 15.67 of the Fullerton Municipal Code (Restaurant Overlay District) & Ordinance No. 3022 forming the Restaurant Overlay District Parking District

ORDINANCE NO. 3022

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FULLERTON ADDING CHAPTER 15.67 AND AMENDING CHAPTERS 15.30, 15.40, AND 15.46 OF THE FULLERTON MUNICIPAL CODE TO ESTABLISH A RESTAURANT OVERLAY DISTRICT.

AMENDMENT PRJ02-00257 & LRP02-00010

1. That a new Chapter 15.67 shall be added to read:

RESTAURANT OVERLAY DISTRICT

Sections:

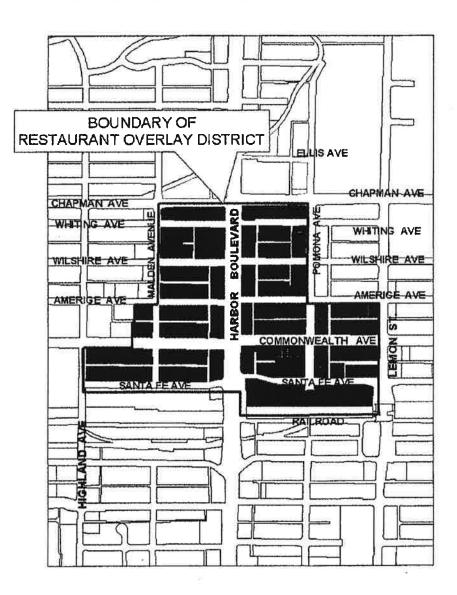
15.67.010. Intent and purpose 15.67.020. Overlay district boundary

15.67.010. Intent and purpose

- A. An overlay district classification, hereinafter referred to as the Restaurant Overlay District (ROD), has been established as a tool for the City to use when implementing its redevelopment goals, objectives, and programs under the provisions of the Community Redevelopment Law, Section 33000 et seq. of the California Health and Safety Code.
- B. The Restaurant Overlay District is intended to allow restaurants to expand and/or locate in and around the Central Business District without the need to provide on-site parking or to obtain a Conditional Use Permit as part of the City's broader effort to revitalize the downtown.
- C. The Restaurant Overlay District affects only those properties depicted in Section 15.67.020, which are in and around the Central Business District and have hereby been determined by the City Council to be within a reasonable distance of the City's existing ample public parking supply.
- D. The provisions of this chapter shall apply to a "restaurant" as that term is defined by Chapter 15.04.040 so long as the "restaurant" is located within the geographic boundaries of the Restaurant Overlay District described in Section 15.67.020 below.
- E. The provisions of this Chapter specifically do not apply to drivethrough restaurants, restaurants with more than 200 seats, or restaurants with dance floors. (Ord. 3022, 2002).

15.67.020. Overlay district boundary

A. The geographic boundaries of the Restaurant Overlay District are as follows: (Ord. ³⁰²², 2002)



2. That the portion of <u>Table 15.30.030 A</u> pertaining to permitted uses in commercial zone classifications shall be amended to add an asterisk in the table, directly after the sentence that reads:

2

Restaurant without dance floor(s)

so that the amended sentence reads:

Restaurant without dance floor(s)*

and a portion of <u>Table 15.30.030 A</u> shall be further amended to add a new sentence at the bottom of the table, following the sentence, "Permit pursuant to Chapter 15.68 of this title." to read as follows:

* Restaurants located within the Restaurant Overlay District may be approved or conditionally approved by the Director of Development Services without a Conditional Use Permit as set forth in Chapter 15.67. (Ord. 3022, 2002)

3. That paragraph 1 in <u>Section 15.30.060 A</u> pertaining to parking standards in commercial zone classifications shall be amended to read as follows:

1. Any building in any commercial Zone (other than an officially designated parking district, or a restaurant within the Restaurant Overlay District) which is constructed, reconstructed, structurally altered or subject to a change of occupancy or use shall be provided with permanently maintained, on-site automobile parking facilities as described in this subsection, by Table 15.30.060.A, and in Chapter 15.56 of this title. Such parking facilities shall be made permanently available and maintained for parking purposes.

4. That a portion of <u>Table 15.30.060 A</u> pertaining to parking requirements for restaurants that currently reads:

Restaurants: a. Fast food, donut shop take-out establishment and others with 12 seats or less	1 per 250, with a minimum of six spaces
 b. Any eating/food establishment having 13 or more seats. 	1 per 100

shall be amended to read as follows:

Restaurants: a. Fast food, donut shop take-out establishment and others with 12 seats or less	1 per 250, with a minimum of six spaces *
 b. Any eating/food establishment having 13 or more seats. 	1 per 100 * * An exemption from on-site parking may be considered under the terms of Chapter 15.67 for restaurants within the Restaurant Overlay District.

5. That paragraph 1 in <u>Section 15.30.060 C</u> (pertaining to the location of parking in commercial zone classifications) shall be amended to read as follows:

1. All required on-site parking spaces shall be located on the same lot or building site, except that such spaces may be permitted at other locations when and as authorized by a Conditional Use Permit or without a Conditional Use Permit when and if authorized for restaurants within the Restaurant Overlay District as set forth by Chapter 15.67 (Ord. 3022, 2002).

6. That a portion of <u>Table 15.40.020 A</u>, which pertains to non-classified uses permitted located within industrial zones, that currently reads:

....

1

Non-Classified Uses	
	M-P or M-G Zone
Additional non-residential use not provided for as a permitted or accessory use	CUP
Caretaker's residence	X
Central administrative office (an establishment primarily engaged in management and general	х
administrative functions performed centrally for other establishments of the same company)	
Heliport	CUP
Joint/mixed use development, predominantly industrial in scope, with limited accessory	CUP
residential and/or commercial components	
Outdoor storage (pursuant to Subsection 15.40.020.E of this chapter)	X
Satellite dish antenna (pursuant to Section 15.55.030 of this title)	×
TV transmitter and equipment building	х
Notes:	
X denotes that the use is permitted.	
MSP denotes that the use is permitted with the appro	oval of a Minor
Site Plan in accordance with Chapter 15.47 of this titl	
CUP denotes that the use is permitted with the approva	
Conditional Use Permit in accordance with Chapter 1 title.	5.70 of this

shall be amended to add a discussion about restaurants within the Restaurant Overlay District pursuant to Chapter 15.67 to read as follows:

Non-Classified Uses	
NON-CIASSINGU USES	<i>M-P or</i> M-G Zone
Additional non-residential use not provided for	CUP
as a permitted or accessory use	
Caretaker's residence	Х
Central administrative office (an establishment	Х
primarily engaged in management and general	
administrative functions performed centrally for	
other establishments of the same company)	
Heliport	CUP
Joint/mixed use development, predominantly	CUP
industrial in scope, with limited accessory	
residential and/or commercial components	
Outdoor storage (pursuant to Subsection	X
15.40.020.E of this chapter)	N N
Restaurants within the Restaurant Overlay	X
District pursuant to Chapter 15.67	V
Satellite dish antenna (pursuant to Section	Х
15.55.030 of this title)	V
TV transmitter and equipment building	X
Notes:	
X denotes that the use is permitted.	proval of a Minor
MSP denotes that the use is permitted with the ap	
Site Plan in accordance with Chapter 15.47 of this	
CUP denotes that the use is permitted with the appr Conditional Use Permit in accordance with Chapter	
title.	
uu c .	

6. That <u>Table 15.40.050 A</u>, which pertains to parking requirements for industrial zone classifications, that currently reads:

6

Table 15 Parking Requirements for Uses in	40.050.A the Industrial Zone Classifications
Type of Activity	Parking Requirement (spaces/gross square feet)
General manufacturing	1 per 800
Warehousing, wholesaling, and storage	1 per 2,000
Administrative and business office, retail or service areas	1 per 250
Trade schools, including but not limited to, vocational training, real estate, art and professional schools	Subject to approval of a Minor Site Plan or Minor Development Project pursuant to Chapter 15.46 or 15.47 of this title, as applicable.
Research and development, including, but not limited to: contractors offices, industrial development planning services, industrial management services, management engineering, systems engineering and systems research and development	Uses shall be broken into component parts (office, manufacturing, etc.) and shall meet the cumulative parking requirements of all parts
Self-service storage facility	At least six spaces, accessible at all times as "visitor" parking

shall be amended to add a discussion about restaurants within the Restaurant Overlay District pursuant to Chapter 15.67 to read as follows:

1

Parking Requirements for Uses in	dill050.A the Undustrial Zone Classifications
Type of Activity	Parking Requirement (spaces/gross square feet)
General manufacturing	1 per 800
Warehousing, wholesaling, and storage	1 per 2,000
Administrative and business office, retail or service areas	1 per 250
Trade schools, including but not limited to, vocational training, real estate, art and professional schools	Subject to approval of a Minor Site Plan or Minor Development Project pursuant to Chapter 15.46 or 15.47 of this title, as applicable.
Research and development, including, but not limited to: contractors offices, industrial development planning services, industrial management services, management engineering, systems engineering and systems research and development	Uses shall be broken into component parts (office, manufacturing, etc.) and shall meet the cumulative parking requirements of all parts
Restaurant with up to 200 seats (non-drive-through) within the Restaurant Overlay District pursuant to Chapter 15.67	May be eligible for a parking exemption pursuant to 15.67.030
Self-service storage facility	At least six spaces, accessible at all times as "visitor" parking

85

PASSED BY THE FULLERTON CITY COUNCIL ON December 3,

2002.

Don Bankhead, Mayor

ATTEST:

Chris Meyer, Interim City Clerk

CERTIFICATE OF CLERK

I HEREBY CERTIFY that the foregoing Ordinance was duly introduced by the Fullerton City Council at its regular meeting on November 19, 2002 and duly passed at its regular meeting on ______ December 3 _____, 2002 by the following vote:

AYES: COUNCILMEMBERS: Bankhead, Flory, Clesceri, Jones

COUNCILMEMBERS: None NOES:

COUNCILMEMBERS: None ABSENT:

IN WITNESS WHEREOF, I have set my hand this 4th day of December, 2002.

Chris Meyer, Interim City Clerk

APPROVED

Richard D. Jones, City Attorney

F. Paul Dudley, Director **Development Services**

Search

Search

Choose search form

Links: Go to ... Fullerton, CA Municipal Code

Title 15 ZONING Chapter 15.67 RESTAURANT OVERLAY DISTRICT

Chapter 15.67 RESTAURANT OVERLAY DISTRICT

DocumentSections:Prev Doc15.67.010Intent and purposeNext Doc15.67.020Overlay district boundaryTable of Contents15.67.020Overlay district boundarySync TOCFramed VersionResults115.67.010Intent and purpose.Prev HitA. An overlay district classificatioDistrict (ROD), has been established at the second se

A. An overlay district classification, hereinafter referred to as the Restaurant Overlay District (ROD), has been established as a tool for the City to use when implementing its redevelopment goals, objectives and programs under the provisions of the Community Redevelopment Law, Section 33000 et seq. of the California Health and Safety Code.

B. The Restaurant Overlay District is intended to allow restaurants to expand and/or locate in and around the Central Business District without the need to provide on-site parking or to obtain a Conditional Use Permit as part of the City's broader effort to revitalize the downtown.

C. The Restaurant Overlay District affects only those properties depicted in Section 15.67.020, which are in and around the Central Business District and have hereby been determined by the City Council to be within a reasonable distance of the City's existing ample public parking supply.

D. The provisions of this chapter shall apply to a "restaurant" as that term is defined by Section 15.04.040 so long as the "restaurant" is located within the geographic boundaries of the Restaurant Overlay District described in Section 15.67.020 below.

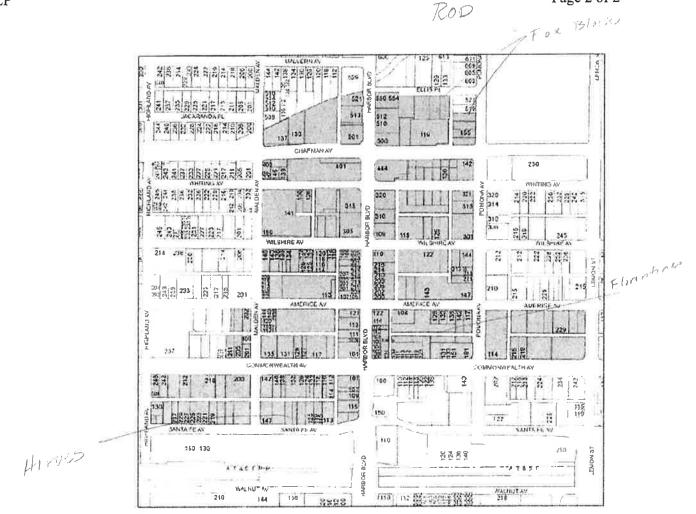
E. The provisions of this chapter specifically do not apply to drive-through restaurants, restaurants with more than 200 seats, or restaurants with dance floors.

(Ord. 3022, 2002).

15.67.020 Overlay district boundary.

The geographic boundaries of the Restaurant Overlay District are as follows:

Page 1 of 2





Disclaimer:

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APPENDIX E

Chapter 15.56.105 of the Fullerton Municipal Code (Public Parking Districts) & Ordinance No. 941 forming Parking District No. 1

ORDINANCE NO. 941

AN ORDINANCE OF THE CITY OF FULLERTON CALIFORNIA, DECLARING THE INTENTION OF THE CITY COUNCIL OF SAID CITY TO FORM VEHICLE PARKING DISTRICT NO. 1 OF SAID CITY AND TO ACQUIRE AND IMPROVE LANDS FOR PARKING, PLACES, AS PROPOSED IN THE PETITION THEREFOR, AND FIXING THE TIME AND PLACE FOR HEARING AND GIVING NOTICE THEREOF.

WHEREAS, on February 13, 1958, a petition for the formation of a vehicle parking district under the provisions of the Vehicle Parking District Law of 1943 (Part 1 of Division 18 of the Streets and Highways Code) was filed in the Office of the City Clerk, and said petition was duly signed by the requisite number of qualified signers and contained all of the matters and things required by law and was in every respect sufficient; and

WHEREAS, said petition was checked by said City Clerk, and said Clerk made a certificate to the effect that said petition is signed by the requisite number of qualified signers and presented said petition and said certificate to this City Council; and

WHEREAS, proceedings have been duly taken under the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (being Division 4 of the Streets and Highways Code) and pursuant thereto a report has been prepared and filed and a hearing set thereon for the same time and place as the time and place herein fixed for hearing of protests and objections;

NOW, THEREFORE, the City Council of the City of Fullerton, California, does ORDAIN as follows:

Section 1. That this City Council hereby finds and declares that the public interest and necessity require the acquisition and improvement described in said petition and hereinafter described and that the property to be acquired as described in said petition and as hereinafter described is necessary for the purpose, and this City Council hereby declares its intention to form the vehicle parking district proposed in said petition and to acquire the lands and construct the improvements proposed in said petition.

Section 2. That the number of the proposed vehicle parking district shall be No. 1 and such district shall be designated "Vehicle Farking District No. 1 of the City of Fullerton.

Section 3. That said proposed vehicle parking district lies entirely within the boundaries of said city and that a general

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description of the exterior boundaries of said proposed district

is as follows, towit:

All that portion of the Townsite of Fullerton as same is shown on a map recorded in Book 22 at Pages 3, 4 and 5, Miscellaneous Records of Los Angeles County, in the City of Fullerton, County of Orange, State of California, more particularly described as follows, to-wit:

Beginning at the intersection of the centerline, of Spadra Road, 80 feet wide, with the centerline of Commonwealth Avenue, 100 feet wide, as same are shown on said map of the Townsite of Fullerton; thence, along the centerline of said Commonwealth Avenue, Westerly 670 feet, more or less, to a point in the centerline of Malden Avenue, 60 feet wide, as same is shown on said map of the Townsite of Fullerton; thence, along the centerline of said Malden Avenue, Northerly 740 feet, more or less, to a point in the centerline of Wilshire Aven e, said centerline being 30.00 feet northerly of and parallel with the southerly right of way line of Wilshire Avenue as same is shown on said map of the Townsite of Fullerton; thence, along said centerline of Wilshire Avenue, Easterly 670 feet, more or less, to a point in aforesaid centerline of Spadra Road; thence, along last said centerline, SoutherEly 740 feet, more or less to the point of beginning.

Section 4: That a general description of the lands in said city to be acquired for parking places, which lands are to be acquired in fee simple, is as follows, to wit:

- PARCEL A: Lots 36, 37, 38, 39, 40, 41, 42, 43, and 44, in Block 17, as shown on the map of the Townsite of Fullerton as recorded in Book 22, Pages 3, 4, and 5, Miscellaneous Records of the county of Los Angeles.
- PARCEL B: The northerly 34 feet of Lot 48, in Block 17, said Townsite of Fullerton.
- PARCEL C: Lots 22, 23, 24, 25 and 26 and the easterly 7 feet of Lot 27, in Block 20, said Townsite of Fullerton.
- PARCEL D: Lots 13, 14, 15, 16, 17 and the easterly one-half of Lot 18, in Block 20, said Townsite of Fullerton.

Section 5. That the above described parking places are proposed to be improved by the construction thereon of work and improvement, and a general description of the improvements proposed to be made and constructed thereon is as follows, to wit:

1. Clearing and grading all portions not presently improved as parking lots, including the removal of any existing structures or other obstructions.

2. Paving all portions with asphaltic concrete pavement, except portions with existing pavement.

3. Construction of cement concrete driveways, as required, to provide ingress to and egress from said parking lots. 4. Removal, construction and reconstruction of sidewalks, curbs and gutters as required,

5. Construction of bumpers as required.

6. Painting stall lines and directional lines and arrows, and installation of appropriate information signs.

7. Installation of lighting systems on all parcels.

8. Any necessary work and materials appurtemant to any of the foregoing.

Section 6. That the estimated cost and expense of the proposed acquisition and improvement is the sum of \$195,500 of which sum \$183,970 is the estimate of the cost and \$11,530 is the estimate of the expense.

Section 7. That pursuant to Section 31569.1 of the Streets and Highways Code said petition contains a request that if the petition is signed by owners, as defined in Sections 31530, 31530.1 and 31537.3 of said Code, owning lands and improvements thereon of an assessed value of not less than 60% of the total assessed value of all assessable lands in the proposed district and the improvements thereon, as defined in said Sections 31530 and 31530.1, which lands also constitute more than one-half of the area of all assessable lands in the proposed district, then in lieu of the limit provided by Section 31569 of said Code, the limit on the assessment shall be an amount not exceeding 35% of the assessed valuation of all land in the district subject and all improvements on such land, as shown by the last equalized county assessment roll, determined in accordance with the provisions of Section 31569.2 of said code. This City Council has determined and hereby determines that said petition is signed as specified in such request and accordingly the limit stated in said Section 31569.1 shall be substituted for the limit stated in said Section 31569 and shall be applicable to the district formed pursuant to said petition.

Section 8. That an assessment will be levied pursuant to said Vehicle Parking District Law of 1943 upon all property in the proposed vehicle parking district subject to assessment under said law to pay the costs and expenses of the acquisition and improvement.

Section 9. That serial bonds, bearing interest at a rate not to exceed six per cent (6%) per annum, shall be issued under

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and as provided in said Vehicle Parking District Law of 1943 to represent assessments not paid within thirty (30) days after the date of recordation of the assessment. The bonds shall extend over a period o term of nineteen (19) years from the 2nd day of January next succeeding the next October 15th following their date. In accordance with the terms of said petition, theredemption provisions of said bonds shall require the payment of a premium of three per cent (3%) of the unpaid principal, as provided in Section 31682 of said law.

Section 10. Notice is hereby givent that the 17th day of June, 1958, at the hour of 7:30 o'clock P.M., is the date and hour and the Council Chambers of the City Council of said city in the City Hall in said city is the place for the hearing of protests and objections by said City Council. Not later than the hour set for hearing, any owners of, or person interested in, any land within the proposed district may severally or with other owners file with the clerk of said City Council written objection to the things proposed to be done, the extent of the proposed district, or both.

Section 11. That the report filed under the said Special Assessment Investigation, Limitation and Majority Protest Act of 1931 on the acquisition and improvement above described is on file in the office of the City Clerk of said city in the City Hall in said city and may be examined at said office.

Section 12. That the City Clerk shall cause this ordinance to be published once a week for two successive weeks in the DAILY NEWS TRIBUNE, A newspaper of general circulation published in said city, the first publication to be not less than thirty days prior to the date herein fixed for the hearing of protests. The City Clerk shall also cause copies of this ordinance to be posted upon all open streets within the proposed district in the time, form and manner as required by law, said notices to be not more than three hundred feet apart and to be posted at least thirty days prior to the date of said hearing. The City Clerk shall also mail a copy of this ordinance, postage prepaid, to each person to whom land in the proposed assessment district is assessed as shown on the last equalized county assessment roll, at his address as shown upon such roll, and to any person, whether owner in fee or having a lien upon or legal or equitable interest in any land within said district, whose name and address and designation of the land in which he is interested is on file in the office of said Clerk.

Section 13, That said Vehicle Parking District is to be formed under and pursuant to the provisions of the said Vehicle Parking District Law of 1943 and the acquisition of the lands herein described for parking places and the construction of the improvements herein described shall be under the provisions of said law.

Section 14. This ordinance shall take effect upon completion of publication thereof.

...............

ADOPTED, SIGNED AND APPROVED this 16th day of May, 1958.

Howard M. Cornwell MAYOR of the City of Fullerton, Calif.

ATTEST:

Virginia Fitzsimmons CITY OLERK of said city. (SEAL)

STATE OF CALIFORNIA) COUNTY OF ORANGE) SS CITY OF FULLERTON)

I, VIRGINIA FITZSIMMONS, City Clerk of the City of Fullerton, California, DO HEREBY CERTIFY that the foregoing ordinance was introduced and read at a regular meeting of the City Council duly held on the 15th day of April, 1958, and thereafter at a regular meeting of said City Council duly held on the 6th day of May, 1958, was reread, duly passed and adopted by said City Council and signed and approved by the Mayor of said City, and that said ordinance was passed and adopted by the following vote, to wit:

AYES: Councilmen: Wood, Farnsworth, Herbst, Winters, Cornwell NOES: Councilmen: None ABSENT: Councilmen: None

> Virginia Fitzsimmons CITY CLERK of the City of Fullerton California

(SEAL)

I, VIRGINIA FITZSIMMONS, CITY CLERK of the City of Fullerton, do hereby certify that the foregoing Ordinance No. 941, is a true and correct copy of an Ordinance which was passed and adopted by the City Council on the 6th day of May, 1958 and which was published once in the Daily News Tribune, \mathbf{z} on the <u>1346</u> day of <u>Macy</u>, 1958.

1000

CITY CLERK of the City of Fullerton

•

is approved by the Director of Development Services.

E. Cash deposit:

A cash deposit shall be posted with the city to guarantee removal of any temporary structure permitted under this provision. The amount of the deposit shall be determined based on an actual bid as determined by licensed contractor, provided by the applicant, for removal of the structure.

(Ord. 2982, 2001)

15.56.100. Height and setback exceptions.

A. Penthouses or roof structures for the housing of elevators, stairways, tanks, ventilating fans or similar equipment required to operate and maintain the building, fire or parapet walls, skylights, towers, steeples, roof signs, flagpoles, chimneys, smokestacks, wireless masts and similar structures may be erected above the height limits prescribed for the zone in which the building is located, but no penthouse or roof structure, or any other space above the height limit prescribed for the zone in which the building is located shall be allowed for the purpose of providing additional floor space.

B. No yard or open space provided around any building for the purpose of complying with the provisions of this title shall be considered as providing a yard or open space for any other building, and no yard or open space on any adjoining property shall be considered as providing a yard or open space on a building site whereon a building is to be erected.

C. When the common boundary line separating two contiguous lots is covered by a building or permitted group of buildings, such lots shall constitute a single building site and the yard or setback space as required by this title shall then not apply to such common boundary line.

(Ord. 2982, 2001)



15.56.105 Public parking districts.

A. A public parking district may consist of an area or structure that provides parking spaces for use by the general public. Such an area or structure may satisfy the parking requirements for the uses on specified private property. Figure 19 shows the limits of Parking Districts #1 and #2 in the Central Business District.

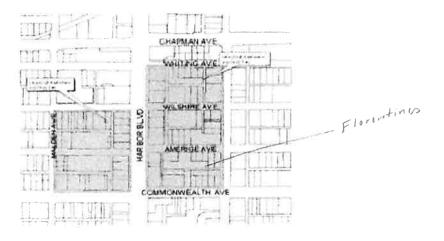


Figure 19

B. A private property within a public parking district may not be improved with building area that exceeds two-stories without the approval of a Conditional Use Permit.

(Ord. 2982, 2001)

15.56.110. Illumination of premises.

Lighting provided to illuminate any parking area shall be arranged so as to reflect the light and glare away from adjacent properties.

(Ord. 2982, 2001)

15.56.115. Trash storage and disposal.

A. The development of each property shall take into account the need to dispose of solid waste in accordance with the management plan and system approved by the city. Solid waste shall be stored and placed on the property in a manner that facilitates its disposal on a regular basis.

B. When required, trash enclosures for the storage of containers of solid waste shall be designed in accordance with or similar to an approved detail drawing on file at the Development Services Department and finished in a manner that complements the main structure on the property.

(Ord. 2982, 2001)

15.56.120. Location and screening of mechanical equipment.

APPENDIX F

Plummer Parking Structure Revenue/Cost Information



City of fullerton

Administrative Services Department

Administration (714) 738-6521 Fiscal Services (714) 738-6523 Information Technology (714) 738-6538 Purchasing (714) 738-6535

August 28, 2014

Richard Storti, CPA Vice President, Administrative Services Fullerton College 321 E. Chapman Avenue Fullerton, CA 92832-2095

RE: Plummer Parking Structure - Joint Use Agreement and Fees

Dear Mr. Stori:

Thank you for meeting with us and providing all the detailed information regarding the Plummer Parking Structure revenue and expenses. After reviewing the information that you provided and checking our limited records, we agree that Fullerton College is owed \$35,877.90 for costs incurred. More specifically, Fullerton College should not have been paying for electric utility bills. The City took over the electricity payments as soon as this was brought to our attention in March 2014. We are agreeing to give Fullerton College credit for prior electric utility payments. In addition, we have reviewed all the invoices, receipts and documentation for gross collections and costs incurred since 2003-04 and agree to the amounts shown in the Financial Recap table attached.

In lieu of a payment to Fullerton College, we propose that the amount owed be used to offset this current fiscal year's 2014-15 payment to the City estimated at \$25,000 and the additional partial payment estimated at \$9,375 (July through November 2015 when the agreement term expires). At the end of fiscal year 2014-15, we should meet and review the lease revenue and expenditures for the current fiscal year and credit the payment amount due to the City against the \$35,877.90 due to Fullerton College. Subsequently, we should meet in mid to late November and do a final reconciliation to figure out which entity is owed an amount. If this is acceptable to you, please countersign below indicating that you agree.

Last but not least, we cannot negotiate a new use agreement with Fullerton College at this time because a portion of the property is tied up with the redevelopment dissolution process. The property is part of the long range property plan that is currently under review by the State Department of Finance. We do not anticipate a determination from the State until later this year at the earliest.

> 1775 EDUCATION COMMUNITY 303 West Commonwealth Avenue, Füllerton, California 92832-1775 Fax (714) 738-3168 • Web Site: www.cl.fullerton.ca.us

Plummer Parking Structure August 28, 2014 Page 2

If you have any questions, please contact me at (714) 738-6881.

Sincerely, CITY OF FULLERTON

Ramon Cartande

Ramona Castañeda Acting Revenue and Utility Services Manager

8/28/14

Agreed and Accepted by Richard Storti, Vice President Fullerton College

Attachment - Plummer Parking Financial Recap Table

cc: Julia James, Administrative Services Director Cheri Davis, Account Clerk

*					1							•	
*	1000						Prior Peri	Prior Period Reimburgements					í
*								Unclaimed Amount	Int				
	Gross Collections	Expenses Netted Amount Against Collections Remitted to City	Amount Remitted to City	Baliance	Overclaimed Amount	Ticket Machine Tape	Labor to Pick Up Cash	Ticket Machine Annual Maintenance	New Machine / Upgrade	Total Reimbursab	KOS	Utilities Paid By FC	DueFC
2003/04	23,985.49		(23,965.49)							8	No. State	6,158.21	6,158.21
50/900	26,918.65		(26,918,65)	0		378,00	716.00	2,800.00		3,894,00	00.746,6	AF. TOE.T	9,254.74
2005/06	32,522,51		(32,522,51)	×	the first state	378.00	716.00	2,800:00		3,894.00	1,947.00	6,094.43	6,041,43
20/900	33,236.24		(33,236.24)	×		378.00	716.00	2,800.00		3,894,00	007961	6,322,00	8,269.60
80/100	30,280.23	(2,580.00)	(27,700.23)	50	(00 062,1)	378,00	716.00			1.094.00	\$47.00	6,351.74	5,648.74
50/900	35,188,79		(32'188'Ja)	1	5	378.00	716.00	2,800:00		3,894.00	1,947.00	5,865.06	7,642.06
01/600	50'SEN'2E		(37,435,03)	x		378.00	715.00	2,800:00	5,144,92	13,038.92	6,519:46	6,589.04	13,108,50
11/010	34,285.40	(00 0127)	(31,575.40)	¥0	(1,355.00)	378.00	716.00			1,094.00	547.00	6,619.25	5,811.25
11/12	28,037,68		(33,037.68)	4	1	378,00:	716.00	2,710.00		3,804,00	1,902.00	LSYES'L	16'928'6
2012/13	26,222.06	(33,699.40)		12,522.66									10
2013/14	30,926,61	(5,956.33)		24,970.28					. 12.55				
Total	339,038.69	(EL'SM6'92)	(276,600.02)	37,492.94	[2,645.00]	3,024.00	5.728.00	16,710.00	9,144.52	34,606.92	34.505.11	58,712.38	48.075.EC

ND OLE ET	(37,492.94)	35,877.90
Ous FC - Reindingenhle Fureirées	Due City (2012/13 & 2013/14)	Net Due FC

Plummer Parking financial Recap FY 2003/04 - 2013/14

7868 PLUMMER PARKING

Date Range: 7/1/2014 thru 6/30/2015

Project Number

		2						
Work Co	Work Code/Description	Production Units	Labor Hrs	Labor Cost	Equipment Cost	Material Cost	Other Cost	Total Cost
13080	HVAC	0 Hour	7	\$50.97	\$0.00	\$0.00	\$0.00	\$50.97
13085	GENERAL REPAIRS BLDG	0 Hour	1.5	\$38.24	\$ 8.97	\$ 0.00	\$0.00	\$47.21
13088	PARKING STRUC CLEANING	2 Hour	478	\$15,404.46	\$2,624.65	\$318.14	\$0.00	\$18,347.25
13186	LIGHTING REPLACEMENT	0 Hour	0.5	\$16.61	\$2.74	\$0,00	\$0.00	\$19.35
14086	ELECTRICAL REPAIRS	0 Hour	26	\$1,159.52	\$191.80	\$0.00	\$0.00	\$1,351.32
23043	IRRIGATION	0 Hour	24	\$717.68	\$106.20	\$0.00	\$0.00	\$823.88
23052	GROUNDSKEEPING	0 Hour	179.5	\$4,950.66	\$1, 251.96	\$0,00	\$0 .00	\$6,202.62
23060	TRASH	0 Hour	0.5	\$12.75	\$3.96	\$0.00	\$0.00	S16.71
13086	ELEC REPAIRS BLDG	0 Hour	0	\$0.00	\$0.00	\$183.50	\$0.00	\$183.50
		Grand Totals:	712	\$22,350.89	\$4,190.28	\$501.64	\$0.00	\$27,042.81

NOCCCD Utilities Fiscal Year 2013-2014

So Cal Edison @00631126

(14 BILLS) - ELECIRICITY				
2-04-032-4402	11200-7440-52510-6570	JUL	07/11/13-08/09/13	434.69-
3-002-4622-50		AUG	08/09/13-09/10/13	485.17
METER# 242-000278		SEP	09/10/13-10/09/13	455.05
		OCT	10/09/13-11/08/13	477.90
230 W CHAPMAN AVE		NON	11/08/13-12/11/13	550.66
FULLERTON, CA 92832		DEC	12/11/13-01/13/14	555 12
NEW METER#222013-599931		JAN	01/13/14-02/11/14	469.56
		FEB B	02/11/14-03/13/14	465.91
		MAR	03/13/14-04/01/14	285.27.4
	Per Linda Baxter	APR		
	Closed	MAY		
	ACCRUE YEAR END	NNr		A CONTRACTOR OF A CONTRACTOR A
				4,179.33

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APPENDIX G

Fullerton Transportation Center Parking Revenue/Cost Information

						Net
System Reference	PEID	Description	Reference 2	Debits	Credits	Amount
Amtrak Depot						
AR115260	C0000811	MO RENTAL OF CITY PROP AUG		0.00	1.744.00	-1 744 00
AR115452	C0000811	MO RENTAL OF CITY PROP SEPT		0.00	1.744.00	-1.744.00
AR117032	C0000811	MO RENTAL OF CITY PROP OCT '14		0.00	1.744.00	-1 744 00
AR117230	C0000811	MO RENTAL OF CITY PROP NOV '14		0.00	1,744.00	-1.744.00
AR118007	C0000811	MO RENTAL OF CITY PROP DEC		0.00	1.744.00	-1.744.00
AR118694	C0000811	MO RENTAL OF CIT PROP JAN		0.00	1.744.00	-1.744.00
AR120235	C0000811	MO RENTAL OF CITY PROP FEB '15		0.00	1,744.00	-1,744.00
AR121648	C0000811	MO RENTAL OF CITY PROP MAR '15		0.00	1,744.00	-1,744.00
AR122466	C0000811	MO RENTAL OF CITY PROP APRIL		0.00	1,744.00	-1,744.00
AR123275	C0000811	MO RENTAL OF CITY PROP MAY '15		0.00	1,744.00	-1,744.00
AR124090	C0000811	MO RENTAL OF CITY PROP JUNE		0.00	1,744.00	-1,744.00
AR124966	C0000811	MO RENTAL OF CITY PROP JULY		0.00	1,744.00	-1,744.00
			TOTAL RENTS	0.00	20,928.00	-20,928.00
		TOTALA	TOTAL AMTRAK DEPOT	0.00	20,928.00	-20,928.00
Bushala Brothers						
AR115236	C0002942	MO RENTAL OF CITY PROP AUG		0.00	1.405.38	-1.405.38
AR115430	C0002942	MO RENTAL OF CITY PROP SEPT		0.00	1,405.38	-1.405.38
AR117007	C0002942	MO RENTAL OF CITY PROP OCT		0.00	1,405.38	-1.405.38
AR117201	C0002942	MO RENTAL OF CITY PROP NOV		0.00	1,405.38	-1,405.38
AR117983	C0002942	MO RENTAL OF CITY PROP DEC		0.00	1,405.38	-1,405.38
AR118672	C0002942	MO RENTAL OF CITY PROP JAN		0.00	1,405.38	-1,405.38
AR120209	C0002942	MO RENTAL OF CITY PROP FEB '15		0.00	1,429.27	-1,429.27
AR121622	C0002942	MO RENTAL OF CITY PROP MAR '15		0.00	1,429.27	-1,429.27
AR122439	C0002942	MO RENTAL OF CITY PROP APRIL		0.00	1,429.27	-1,429.27
AR123250	C0002942	MO RENTAL OF CITY PROP MAY '15		0.00	1,429.27	-1,429.27
AR124063	C0002942	MO RENTAL OF CITY PROP JUNE		0.00	1,429.27	-1,429.27
AR124943	C0002942	MO RENTAL OF CITY PROP JULY		0.00	1,429.27	-1,429.27
			TOTAL RENTS	0.00	17,007.90	-17,007.90
		TOTAL BUSH	TOTAL BUSHALA BROTHERS	0.00	17,007.90	-17,007.90
			Grand Total	000	37 035 00	37 025 00

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Page:

Time: 09:43:01 **Date:** 11/02/2015

User: RAMONAC Report:GL0010

7863 SPAGHETTI FACTORY

Date Range: 7/1/2014 thru 6/30/2015

Project Number

Work Co	Work Code/Description	Production Units	Labor Hrs	Labor Cost	Equipment Cost	Material Cost	Other Cost	Total Cost
23052	GROUNDSKEEPING	0 Hour	157	\$3,608.98	\$1,144.55	\$131.82	\$0.00	\$4,885.35
23059	SPECIAL EVENTS	0 Hour	+*	\$25.50	\$5.69	S 0.00	\$ 0.00	\$31.19
23060	TRASH	0 Hour	29.5	\$749.91	\$219.03	\$0.00	\$0.00	\$968.94
		Grand Totals:	187.5	\$4,384.39	\$1,369.27	\$131.82	\$0.00	\$5,885.48

Project Number

7784 TRANSPORTATION CENTER PARKING

Date Range: 7/1/2014 thru 6/30/2015

Work Co	Work Code/Description	Production Units	Labor Hrs	Labor Cost	Equipment Cost	Material Cost	Other Cost	Total Cost
23052	GROUNDSKEEPING	0 Hour	208	\$4,552.79	\$1,506.03	\$0.00	\$0.00	\$6,058.82
23060	TRASH	0 Hour	223	\$5,678.37	\$1,556.30	\$0.00	\$0.00	\$7,234.67
		Grand Totals:	431	\$10,231.16	\$3,062.33	\$0.00	\$0.00	\$13,293.49

Project Number

7799 TRANSPORTATION CENTER

Date Range: 7/1/2014 thru 6/30/2015

Work Co	Work Code/Description	Production Units	Labor Hrs	Labor Cost	Equipment Cost	Material Cost	Other Cost	Total Cost
23043	IRRIGATION	0 Hour	64.5	\$2,030.76	\$304.57	\$241.32	\$0.00	\$ 2,576.65
23048	WEED ABATEMENT	0 Hour	2	\$76.26	\$17.70	\$0 .00	\$0.00	\$93.96
23052	GROUNDSKEEPING	0 Hour	91.5	\$1,924.86	\$607.03	\$404.76	\$0.00	\$2,936.65
23060	TRASH	0 Hour	12.5	\$265.58	\$83.77	SO.00	\$0.00	\$349.35
23085	GENERAL REPAIRS	0 Hour	6	\$229.48	\$66,69	\$0.00	\$0.00	\$296.17
23102	DIRECT INSPECTION	0 Hour	36	\$1,542.79	\$261.08	\$0.00	\$0.00	\$1,803.87
		Grand Totals:	215.5	\$6,069.73	\$1,340.84	\$646.08	\$0.00	\$8,056.65

7783 TRANSPORTATION CENTER PKG STRU

Date Range: 7/1/2014 thru 6/30/2015

Project Number

	nate Mange. It is an a min a more of a	2						
Work Coo	Work Code/Description	Production Units	Labor Hrs	Labor Cost	Equipment Cost	Material Cost	Other Cost	Total Cost
13060	HVAC	0 Hour	4	\$101.95	\$14.95	\$0.00	\$0.00	\$116.90
13083	PLUMBING	0 Hour	1.5	\$49.82	\$8.54	\$0.00	\$0.00	\$58.36
13085	GENERAL REPAIRS BLDG	0 Hour	15.5	\$433.68	\$81.65	\$0.00	\$0.00	\$515.33
13088	PARKING STRUC CLEANING	0 Hour	472	\$14,910.03	\$2,395.97	\$43.71	\$0.00	\$17,349,71
13182	LOCKS & SECURITY RPR	0 Hour	0.5	\$18.87	\$2.84	\$0.00	\$ 0.00	\$21.71
14086	ELECTRICAL REPAIRS	0 Hour	38	\$1,668.20	\$337.43	\$0.00	\$0.00	\$2,005.63
23043	IRRIGATION	0 Hour	9	\$199.26	\$23.34	\$0.00	\$0.00	\$222.60
23052	GROUNDSKEEPING	0 Hour	83.5	\$1,728.38	\$558.14	\$0.00	\$0.00	\$2,286.52
23102	DIRECT INSPECTION	0 Hour	4.5	\$193.73	\$33.34	\$0.00	\$0.00	\$227.07
13046	PEST CONTROL - BLDG	0 Hour	0	\$0.00	\$ 0.00	\$1,980.00	\$0.00	\$1,980.00
13086	ELEC REPAIRS BLDG	0 Hour	0	\$0.00	\$0,00	\$161.89	\$0.00	\$161.89
		Grand Totals:	625.5	\$19,303.92	\$ 3,456.20	\$2,185.60	\$0.00	\$24,945.72

Project Number

7785 TRAIN DEPOT PLATFORM & BRIDGE

Date Range: 7/1/2014 thru 6/30/2015

Work Co	Work Code/Description	Production Units	Labor Hrs	Labor Cost	Equipment Cost	Material Cost	Other Cost	Total Cost
13088	PARKING STRUC CLEANING	0 Hour	0.5	\$16.61	\$2.74	\$0.00	\$0.00	\$19.35
14080	HVAC	0 Hour	-	\$46.20	\$9.23	S 0.00	\$0.00	\$55.43
23043	IRRIGATION	0 Hour	6	\$357.78	\$66.69	\$31.61	\$0.00	\$456.08
23052	GROUNDSKEEPING	0 Hour	445.5	\$10,317.37	\$2,927.34	\$ 9,603.02	\$0.00	\$22,847.73
23060	TRASH	0 Hour	264.75	\$5,841.93	\$1,746.71	\$653.20	\$0.00	\$8,241.84
23085	GENERAL REPAIRS	0 Hour	34	\$ 866.92	\$251.94	\$18.34	\$0.00	\$1 ,137.20
23102	DIRECT INSPECTION	0 Hour	20	\$860.98	\$142.99	\$0.00	\$0.00	\$1,003.97
23048	WEED ABATEMENT	0 Hour	0	\$ 0.00	\$0.00	\$95.04	\$0.00	\$95.04
		Grand Totals:	774.75	\$18,307.79	\$5,147.64	\$10,401.21	\$0.00	\$33,856.64

7857 AMTRAK AREA

Date Range: 7/1/2014 thru 6/30/2015

Project Number

Work Co	Work Code/Description	Production Units	Labor Hrs	Labor Cost	Equipment Cost	Material Cost	Other Cost	Total Cost
13080	HVAC	0 Hour	0.5	\$16.61	\$2.74	\$0.00	\$0.00	\$19.35
13083	PLUMBING	0 Hour	1.5	\$49.82	\$ 8.23	\$0.00	20.00	\$58.05
13084	ELEVATORS	dol. O	3.5	\$116.25	\$19.20	\$0.00	\$0.00	\$135.45
13085	GENERAL REPAIRS BLDG	0 Hour	0.5	\$16.61	\$2.74	\$ 0.00	2 0'00	\$19.35
13086	ELEC REPAIRS BLDG	0 Hour	1.5	\$49.82	\$8.23	\$0.00	\$0.00	\$58.05
13176	AUTOMATIC GATES/DOORS	0 Hour	2	\$66.42	\$10.98	\$ 0.00	\$0.00	\$77.40
14080	HVAC	0 Hour	22	\$880.02	\$128.53	<u>\$0.00</u>	\$0.00	\$1,008.55
23042	LG. FIELD MOWING	2 Acre	3	\$48.57	\$87.84	\$0.00	\$ 0.00	\$136.41
		Grand Totals:	33.5	\$1,244.12	\$268.49	\$0.00	\$0.00	\$1,512.61

Project Number

7795 TRAIN DEPOT/STRUCTURES

Date Range: 7/1/2014 thru 6/30/2015

Lale Kange:	de: 11/2014 mm 0/20/2013	0							
Work Co	Work Code/Description	Production Units	Labor Hrs	Labor Cost	Equipment Cost	Material Cost	Other Cost	Total Cost	
13030	PREVENT MAINT - BLDG	0 Hour	v	\$203.79	\$34.14	\$0.00	\$0.00	\$237.93	
13083	PLUMBING	0 Hour	44.5	\$1,528.37	\$284.87	\$627,57	\$0.00	\$2,440.81	
13085	GENERAL REPAIRS BLDG	0 Hour	19.5	\$688.09	\$140.26	\$152.06	\$0.00	\$980.41	
13086	ELEC REPAIRS BLDG	0 Hour	0.5	\$16.61	\$2.74	\$ 990.41	\$0.00	\$1,009.76	
13068	PARKING STRUC CLEANING	0 Hour	3.5	\$133.42	\$19.71	\$0.00	\$0.00	\$153.13	
13176	AUTOMATIC GATES/DOORS	0 Hour	1.5	\$84.89	\$8.24	\$1,129.25	\$0.00	\$1,222.38	
13181	WINDOWS	0 Hour	1.5	\$56.60	\$8.5 4	\$187.70	\$0.00	\$252.84	
13182	LOCKS & SECURITY RPR	0 Hour	R	\$1,427.13	\$223.60	\$720.09	\$0.00	\$2,370.82	
13186	LIGHTING REPLACEMENT	0 Hour	23.5	\$832.45	\$174.42	\$230.45	\$0.00	\$1,237.32	
14030	PREVENTATIVE MAINT	0 Hour	0.5	\$19.96	\$9.42	\$ 0.00	\$0.00	\$29.38	
14080	HVAC	0 Hour	138	\$5,440.41	\$654.71	\$0.00	\$0.00	\$6,095.12	
14086	ELECTRICAL REPAIRS	1.5 Hour	155.2	\$7,203.56	\$1,202.40	\$0.00	\$0.00	\$8,405.96	
14176	AUTOMATIC DOORS/GATES	0 Hour	-	\$37.73	\$5.49	\$0.00	\$0.00	\$43.22	
23043	IRRIGATION	0 Hour	7	\$278.27	\$51.87	\$223.72	\$0.00	\$553.86	
23052	GROUNDSKEEPING	0 Hour	269	\$6,401.52	\$1,782.80	\$0.00	\$0.00	\$8,184.32	
23059	SPECIAL EVENTS	0 Hour	87	\$3,249.51	\$235.60	\$0.00	\$ 0.00	\$3,485.11	
23060	TRASH	0 Hour	6/	\$1,896.83	\$503.09	\$ 0.00	\$0.00	\$2,399.92	
23102	DIRECT INSPECTION	0 Hour	0.5	\$21.52	\$ 3.70	\$0.00	\$0.00	\$25.22	
13061	ELEVATOR MAINTENANCE	0 Hour	0	\$0.00	\$0.00	\$1,560.00	\$0.00	\$1,560.00	
13080	HVAC	0 Hour	0	\$0.00	\$0.00	\$5,567.06	\$0.00	\$5,567.06	
		Grand Totals:	875.7	\$29,520.66	\$5,345.60	\$11,388.31	\$0.00	\$46,254.57	

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 10D

From: Successor Agency to the Garden Grove Redevelopment Agency

Subject: Straw Vote of the Countywide Oversight Board Regarding Administrative Budget

Recommended Action:

Hold a straw vote regarding FY 2020-21 Administrative Budget for the Garden Grove Successor Agency

The Garden Grove Successor Agency requests a straw vote of the Administrative Budget for Fiscal Year 2020-21. The Successor Agency shall return in January with a request for final approval of the Administrative Budget with the Recognized Obligation Payment Schedule (ROPS).

Garden Grove's Successor Agency administrative budget consists of labor, direct costs, and indirect costs. The Agency is requesting an administrative cost allowance of \$512,917 of the maximum 3 percent allowed (\$533,194), pursuant to HSC Section 34171 (b).

A total of 28 city staff members and 7 council members contribute to Successor Agency activities in some capacity. A general summary is described as follows:

Finance

Finance staff is responsible for the day to day financial transactions resulting from Successor Agency activities. Tasks include, but are not limited to, processing and issuing payments, reviewing and approving insurance for agreements, preparing and maintain all financial records. Additional details:

- The Finance Director Reviews Successor Agency agenda reports, budget documents and financial records; attends meetings; and approves check register.
- The Budget Manager Prepares, reviews and monitors budgetary items related to Successor Agency tasks. Attends meetings as needed.
- The Accounting Supervisor-Special Projects/Payroll and the Sr. Accountant-Budget/Revenue are responsible for preparing, reviewing and monitoring budgetary items related to successor agency activities; monitoring revenue and expense items in the broader range of successor agency transactions, including pass-through revenues and outstanding long-term obligations; maintaining accounting and financial records for Agency transactions; preparing periodic financial and operational reports; reconciling Agency general ledger accounts; preparing prior period adjustments as required; preparing and managing payroll for the Successor Agency employees; and special projects as assigned.
- The Business Tax Supervisor Monitors Transient Occupancy Tax in relation to certain Successor Agency development and disposition agreements, ensuring compliance with contractual obligations and accuracy of information/report submitted to the City/Agency.

CEDD

All Community & Economic Development staff responsibilities include, but are not limited to, assisting in payment processing, execution of agreements, budget administration, and attending Successor Agency project meetings.

- The CEDD Director/Assistant City Manager participates in every Successor Agency project meeting (e.g., Brookhurst Triangle, Site B2); reviews and approves all agreements, staff reports and memos; and regularly updates City Council on Successor Agency related items.
- The Project Planner holds the primary responsibility of all things related to Redevelopment Dissolution and Successor Agency Activities. This position is responsible for preparing all ROPS and ROPS Amendments, including obtaining any bids and/or back-up documentation; preparing and analyzing future ROPS distribution projections; preparing, processing, and presenting all staff reports, agreements, and resolutions to the Successor Agency and Countywide Oversight Board for approval; liaison to the Countywide Oversight Board and the Department of Finance; oversees all consultations with legal counsel; and interacts regularly with any city staff working on any Successor Agency related items.

Additional Support Functions

- The City Manager and Deputy City Manager attend regularly scheduled Successor Agency meetings twice a month, review all agendas and periodically attend Successor Agency project update meetings.
- City Clerk staff are responsible for posting and publishing Successor Agency agendas for all regularly scheduled meetings twice a month; taking and transcribing minutes at all meetings twice a month; processing and archiving agreement, minutes, and resolutions; proofreading agenda reports, agendas, and resolutions; maintaining former Agency and Successor Agency files and including them in the retention schedule; and responding to agency public records requests.
- The Mayor, Mayor Pro Tem and 5 Council Members attend regularly scheduled Successor Agency meetings twice a month; review agendas; approve meeting minutes; review and approve all Successor Agency payments, agreements, ROPS, ROPS Amendments, and resolutions; as well as, periodically attend Successor Agency project update meetings.

Direct Costs

- Legal fees This includes continued work by our legal counsel on ROPS Line Item 19 Waterpark Hotel DDA, Line Item 20 Site B2, Line Item 22 Brookhurst Triangle DDA, and miscellaneous administrative items pertaining to Redevelopment Dissolution and Successor Agency administration.
- Consultants Provide engineering services related to the review and approval of grading plans as required for Successor Agency projects.
- Audit fees The allocation is a fair share of the cost for auditing services, since the City does not issue a separate audited financial statement for the Successor Agency. All SA financial activities are included in the annual financial audit. All Successor Agency activities are reported separately in the financials including separate Notes to the Financial Statement.

- Banking fees and services The City pools all accounts and operating funds under one contract, the banking service fee is a percentage of total cost based on amount of cash/investment held on hand.
- Property Tax Administration/HdL The property tax administration is covered under one contract, the amount allocated to the Successor Agency represents its fair share of the properties held by the Agency, to ensure compliance.
- General Liability Insurance The City's policy covers Successor Agency operations, the allocation represents the Agency's fair share of annual insurance administration and premium.
- Fidelity Bond Bond purchased for Employee Dishonesty/Theft coverage for all City employees, including Successor Agency. The allocation represents the Agency's fair share,
- Property Insurance The City's policy covers Successor Agency operations, the allocation represents the Agency's fair share of annual insurance administration and premium.

Indirect Costs

- Indirect Cost Allocation includes use of city facility, equipment, and centralized services, including but not limited to printing, mailing, janitorial, and utilities.
- Computer Cost & Telephone Cost include the cost of computer and telephone hardware and software maintenance and support provided by the City's IT department. Allocation based on percentage of direct labor cost.

Staff Contact(s)

Monica Covarrubias, Project Manager Office of Economic Development City of Garden Grove Phone: 714-741-5788 monicac@ggcity.org

Lisa Kim Assistant City Manager/Community and Economic Development Director City of Garden Grove Phone: 714-741-5121 lisak@ggcity.org

Attachments

- Attachment 1 Draft Garden Grove Successor Agency Administrative Budget for FY 2020-21
- Attachment 2 Garden Grove Successor Agency Administrative Budget for FY 2019-20
- Attachment 3 Garden Grove 2019-20 ROPS DOF Final Determination Letter
- Attachment 4 Garden Grove Successor Agency Administrative Budget for FY 2018-19
- Attachment 5 Garden Grove 2018-19 ROPS DOF Final Determination Letter

City of Garden Grove Successor Agency Administrative Cost Allowance FY 20/21

Direct Personnel Cost

				-				<u>SA</u>	
Profile a	Devil Dia	-			ully Burdened	CA 11-	Ad	ministration	o(T '
Position	<u>Dept/ Div</u>	F	Y 20/21 Costs		Hourly Rate	SA Hours		<u>Costs</u>	<u>% Time Used in SA</u>
Accounting Manager	Finance	\$	215,164.83	\$	103.44	51	\$	5,275.68	2.5%
Accounting Supervisor - AP/AR/General Ledger	Finance	\$	162,843.50	\$	78.29	40	\$	3,131.61	1.9%
Accounting Supervisor - Special Projects & Payroll	Finance	\$	162,843.50	\$	78.29	340	\$	26,618.65	16.3%
Accountant	Finance	\$	141,619.05	\$	68.09	56	\$	3,812.82	2.7%
Principal Account Specialist	Finance	\$	107,194.18	\$	51.54	80	\$	4,122.85	3.8%
Sr. Account Specialist - AP/AR	Finance	\$	97,025.63	\$	46.65	80	\$	3,731.76	3.8%
Sr. Account Specialist - Payroll	Finance	\$	97,025.63	\$	46.65	40	\$	1,865.88	1.9%
Sr. Account Specialist - Revenue	Finance	\$	97,025.63	\$	46.65	72	\$	3,358.58	3.5%
Finance Director	Finance	\$	343,102.58	\$	164.95	104	\$	17,155.13	5.0%
Budget Manager	Finance	\$	215,164.83	\$	103.44	104	\$	10,758.24	5.0%
Sr. Accountant - Budget/ Revenue	Finance	\$	158,036.58	\$	75.98	200	\$	15,195.83	9.6%
Risk Management Supervisor	Finance	\$	175,501.91	\$	84.38	40	\$	3,375.04	1.9%
Business Tax Supervisor - Revenue	Finance	\$	147,405.93	\$	70.87	144	\$	10,205.03	6.9%
City Clerk	City Clerk	\$	204,755.94	\$	98.44	161	\$	15,848.90	7.7%
Deputy City Clerk	City Clerk	\$	138,139.89	\$	66.41	40	\$	2,656.54	1.9%
Principal Office Assistant	City Clerk	\$	111,038.75	\$	53.38	40	\$	2,135.36	1.9%
Project Planner	Comm & Econ Dev	\$	179,889.46	\$	86.49	549	\$	47,490.82	26.4%
Sr. Project Planner	Comm & Econ Dev	\$	200,447.30	\$	96.37	83	\$	7,998.62	4.0%
Sr. Econ Dev Specialist	Comm & Econ Dev	\$	144,466.35	\$	69.45	38	\$	2,639.29	1.8%
CEDD Director/ Assistant City Manager	Comm & Econ Dev	\$	343,102.58	\$	164.95	200	\$	32,990.63	9.6%
Sr. Program Specialist	Comm & Econ Dev	\$	147,405.93	\$	70.87	75	\$	5,315.12	3.6%
Sr. Admin Analyst	Comm & Econ Dev	\$	147,405.93	\$	70.87	12	\$	850.42	0.6%
City Manager	City Manager	\$	432,823.37	\$	208.09	49	\$	10,196.32	2.4%
Deputy City Manager/ Assistant City Manager	City Manager	\$	326,460.31	\$	156.95	12	\$	1,883.42	0.6%
Mayor	City Mayor/Council				per meeting		\$	334.42	2.5%
Mayor Pro Temp	City Mayor/Council				per meeting		\$	286.78	2.5%
5 Council members	City Mayor/Council				per meeting		\$	1,433.91	2.5%
HR Manager	HR	\$	215,164.83	\$	103.44	10	\$	1,075.82	0.5%
Principal Personnel Analyst	HR	\$	179,889.46	\$	86.49	10	\$	899.45	0.5%
	Total Direct Personnel Costs						\$	242,642.89	-
									_
Other Direct Costs	Legal Fees	\$	80,000.00				\$	80,000.00	100.0%
	Consultants	\$	10,000.00				\$	10,000.00	
	Audit Fee	\$	50,460.00				\$	7,569.00	15.0%
	Banking Fees & Services	\$	50,000.00				\$	4,800.00	9.6%
	Property Tax Administration - HDL	\$	22,500.00				\$	675.00	3.0%
	General Liability Insurance	\$	388,616.00				\$	11,775.06	3.0%
	Fidelity Bond	\$	11,372.00				\$	344.57	3.0%
	Property Insurance	\$	439,877.00				\$	13,328.27	3.0%
	Total Other Direct Cost						\$	128,491.91	
Other Indirect Costs	Indirect Cost Allocation	\$	1,321,970.00				\$	133,651.00	10.1%
	Computer Cost Allocation	Ś	156,497.34				\$	7,230.53	% of direct labor
	Telephone Cost Allocation	\$	18,782.16				\$	900.53	% of direct labor
	Total Indirect Cost	Ŷ	10,702.10				\$	141,782.06	
							7	,00	
Total Successor Agency Admin Cost							\$	512,916.86	-
									•

Garden Grove Successor Agency Administrative Budget FY 19-20

SUCCESSOR AGENCY ADMINISTRATIVE BUDGET

ADMINISTRATIVE LABOR	FY19-20
Economic Development	\$362,739
Finance	\$ 32,414
Total Labor	\$395,153
Total Administrative Budget	\$395,153



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April 9, 2019

Ms. Monica L. Covarrubias, Project Manager City of Garden Grove 11222 Acacia Parkway Garden Grove, CA 92840

Dear Ms. Covarrubias:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Garden Grove Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 25, 2019. Finance has completed its review of the ROPS 19-20.

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

- Item No. 51 Housing Successor Administration in the total outstanding amount of \$1,500,000 is not allowed. Finance continues to deny this item. Pursuant to HSC section 34171 (p), the housing successor administrative cost allowance is applicable only in cases in which the city, county, or city and county that authorized the creation of the Redevelopment Agency (RDA) elected to not assume the housing functions. Here the housing successor to the former RDA of the City of Garden Grove (City) is the City formed Housing Authority, and the Authority operates under the control of the City. Consequently, the Authority is considered the City under dissolution law pursuant to HSC section 34167.10. Therefore, the Housing Authority is not eligible for the housing successor administrative cost allowance in the requested amount of \$150,000 in Redevelopment Property Tax Trust Fund (RPTTF).
- On the ROPS 19-20 form, the Agency reported cash balances and activity for the period July 1, 2016 through June 30, 2017 (ROPS 16-17). According to our review, the Agency has approximately \$296,778 from Other Funds available to fund enforceable obligations on the ROPS 19-20. HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF. Therefore, the funding source for the following item has been reclassified in the amount specified below:
 - Item No. 14 Union Bank Loan in the amount of \$4,066,667 is partially reclassified. This item does not require payment from property tax revenues. Therefore, Finance is approving RPTTF in the amount of \$3,769,889 and the use of Other Funds in the amount of \$296,778, totaling \$4,066,667.

Ms. Monica L. Covarrubias April 9, 2019 Page 2

• The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 4 includes the prior period adjustment resulting from the County Auditor-Controller's review of the prior period adjustment form submitted by the Agency.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 19-20. If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items which are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$18,168,297 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 19-20 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 RPTTF is the same as the amount of property tax increment available prior to the enactment of 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 RPTTF.

Ms. Monica L. Covarrubias April 9, 2019 Page 3

Please direct inquiries to Nichelle Jackson, Supervisor, or Alexander Watt, Lead Analyst, at (916) 322-2985.

Sincerely,

JENNIFER WHITAKER Program Budget Manager

cc: Ms. Lisa Kim, Community and Economic Development Director, City of Garden Grove Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

Attachment

Approved RPTTF Distribution For the period of July 1, 2019 through June 30, 2020								
	ROPS A Period ROPS B Period ROPS 19-20 Total							
RPTTF Requested	\$	11,354,344	\$	8,525,025	\$ 19,879,369			
Administrative RPTTF Requested		197,577		197,576	395,153			
Total RPTTF Requested		11,551,921		8,722,601	20,274,522			
RPTTF Requested		11,354,344		8,525,025	19,879,369			
Adjustments								
Item No. 14		(296,778)		0	(296,778)			
Item No. 51		(75,000)		(75,000)	(150,000)			
		(371,778)		(75,000)	(446,778)			
RPTTF Authorized		10,982,566		8,450,025	19,432,591			
Administrative RPTTF Authorized		197,577		197,576	395,153			
Total RPTTF Authorized for Obligations		11,180,143		8,647,601	19,827,744			
Prior Period Adjustment		(1,659,447)		0	(1,659,447)			
Total RPTTF Approved for Distribution	\$	9,520,696	\$	8,647,601	\$ 18,168,297			

Garden Grove Successor Agency Administrative Budget FY 18-19

SUCCESSOR AGENCY ADMINISTRATIVE BUDGET

ADMINISTRATIVE LABOR	FY18-19
Finance	156,058
Administration Economic Development	39,500 295,644
Total Labor	491,202
ADMINISTRATION	
Legal	85,000
Consultants	12,000
	97,000
Total Administrative Budget	588,202



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915 L STREET SACRAMENTO CA 95814-3706 WWW.DOF.CA.GOV

April 13, 2018

Ms. Monica L. Covarrubias, Project Manager City of Garden Grove 11222 Acacia Parkway Garden Grove, CA 92840

Dear Ms. Covarrubias:

Subject: 2018-19 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Garden Grove Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19) to the California Department of Finance (Finance) on January 30, 2018. Finance has completed its review of the ROPS 18-19.

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

- Item No. 9 Coastline Lease Payments in the requested amount of \$100,000 is partially allowed. The Agency requested to revise its estimate to agree with the final invoice received after the ROPS was submitted; the final invoice amount is \$30,676. As a result, the total ROPS 18-19 Redevelopment Property Tax Trust Fund (RPTTF) request in the amount of \$100,000 has been decreased by \$69,324 (\$100,000 \$30,676).
- Item No. 18 Housing Fund Deficit in the total outstanding amount of \$13,729,749 is not allowed. HSC section 34171 (d) (1) (G) requires the Oversight Board (OB) to approve a repayment schedule for the amounts borrowed. The Agency has not submitted an OB Resolution approving the repayment schedule. Once the OB approves the loan and loan repayment schedule, and if 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 \$1,500,000 is ineligible for RPTTF.
- Item No. 51 Housing Successor Administration in the total outstanding amount of \$1,500,000 is not allowed. Finance continues to deny this item. Pursuant to HSC section 34171 (p), the housing successor administrative cost allowance is applicable only in cases in which the city, county, or city and county that authorized the creation of the Redevelopment Agency (RDA) elected to not assume the housing functions and the housing functions were transferred to a local housing authority in the territorial jurisdiction of the RDA. Here, however, the City elected to be the housing successor to the RDA and retained the housing assets by submitting the Housing Asset Transfer Form to Finance on August 1, 2012. Therefore, this item is not an enforceable obligation and the Agency is ineligible for the housing successor administrative cost allowance of \$150,000 from RPTTF.

- On the ROPS 18-19 form, the Agency reported cash balances and activity for the period July 1, 2015 through June 30, 2016 (ROPS 15-16). According to our review, the Agency has approximately \$2,912,771 in RPTTF unexpended from the ROPS 15-16 period available to fund enforceable obligations on the ROPS 18-19. The unexpended RPTTF funds are considered Reserve Balances. HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF. Therefore, with the Agency's concurrence, the funding source for the following item has been reclassified in the amounts specified below:
 - Item No. 2 Hyatt Regency Owner Participation Agreement in the requested amount of \$3,368,280 from RPTTF is reclassified. This item does not require payment from RPTTF. Therefore, Finance is approving \$455,509 from RPTTF and \$2,912,771 from Reserve Balances for a total of \$3,368,280.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 18-19. If the Agency disagrees with our determination with respect to any items on the ROPS 18-19, except items which are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$13,759,951 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2018 through December 31, 2018 period (ROPS A period) and one distribution for the January 1, 2019 through June 30, 2019 period (ROPS B period) based on Finance's approved amounts. Since this determination is for the entire ROPS 18-19 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Pursuant to HSC section 34186 (c), beginning October 1, 2018, the Agency will be required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2016 through June 30, 2017 period (ROPS 16-17) to the County Auditor-Controller for review. The Agency will report actual payments for ROPS 16-17 on ROPS 19-20. A prior period adjustment may be applied to the Agency's ROPS 19-20 RPTTF distribution. Therefore, the Agency should retain any unexpended RPTTF from the ROPS 16-17 period.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 18-19. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be deem denied until the matter is resolved.

The ROPS 18-19 form submitted by the Agency and this determination letter will be posted on our website:

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

Ms. Monica L. Covarrubias April 13, 2018 Page 3

This determination is effective for the ROPS 18-19 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 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 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 Jackson, Supervisor, or Medy Lamorena, Lead Analyst, at (916) 322-2985.

Sincerely,

ERIKA

Program Budget Manager

cc: Ms. Lisa Kim, Community and Economic Development Director, City of Garden Grove Ms. Cindy Wong, Manager, Property Tax Manager, Orange County Ms. Monica L. Covarrubias April 13, 2018 Page 4

Attachment

Approved RPTTF Distribution For the period of July 2018 through June 2019								
ROPS A Period ROPS B Period ROPS 18-19 Tota								
RPTTF Requested	\$	8,119,804	\$ 9,684,040	\$ 17,803,844				
Administrative RPTTF Requested		294,101	294,101	588,202				
Total RPTTF Requested		8,413,905	9,978,141	18,392,046				
RPTTF Requested		8,119,804	9,684,040	17,803,844				
Adjustments								
Item No. 2		(1,684,140)	(1,228,631)	(2,912,771)				
Item No. 9		(69,324)	0	(69,324)				
Item No. 18		(750,000)	(750,000)	(1,500,000)				
Item No. 51		(75,000)	(75,000)	(150,000)				
		(2,578,464)	(2,053,631)	(4,632,095)				
RPTTF Authorized		5,541,340	7,630,409	13,171,749				
Administrative RPTTF Authorized		294,101	294,101	588,202				
Total RPTTF Approved for Distribution	\$	5,835,441	\$ 7,924,510	\$ 13,759,951				

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 10E

From: Successor Agency to the Huntington Beach Redevelopment Agency

Subject: Straw Vote of the Countywide Oversight Board Regarding Administrative Budget

Recommended Action:

Hold a straw vote regarding FY 2020-21 Administrative Budget for the Huntington Beach Successor Agency

The Huntington Beach Successor Agency requests a straw vote of the Administrative Budget for Fiscal Year 2020-21. The Successor Agency shall return in January with a request for final approval of the Administrative Budget with the Recognized Obligation Payment Schedule (ROPS).

Under ABX1 26 and AB 1484, the Huntington Beach Successor Agency has a fiduciary duty to the holders of enforceable obligations (such as bond holders and parties to existing enforceable contracts) to ensure that these obligations are met and the taxing entities that benefit from distribution of property tax to ensure that proper amounts are passed through. After February 1, 2012, tax increment formerly collected by Redevelopment Agencies is held by the County Controller for distribution to pay off enforceable obligations of the former Redevelopment Agencies and passed through to special taxing entities such as school districts and other special districts.

The Successor Agency staff and Board has specific duties relating to the management of former Redevelopment Agency assets required under California Health and Public Safe Code Sections 34180 and 34181. The minimum administrative allowance of \$250,000 distributed to the Huntington Beach Successor Agency each year is used to offset a portion of the administrative costs associated with the wind-down of the Successor Agency.

Staff submits the annual ROPS, Prior Period Adjustment form, and other related reports and documentation to the County and State Department of Finance as required. The Huntington Beach's Recognized Obligation Payment Schedule ("ROPS") currently has over 36 outstanding enforceable obligations totaling over \$126 million. These obligations include bonds, loans, property tax sharing agreements, among other items. The Successor Agency Administrative allowance is currently \$250,000, the minimum amount authorized per Health and Safety Code Section 34171(a)(2).

The current Successor Agency administrative budget includes personnel costs is \$219,000 and operating expenditures of \$31,000 for professional contract services. However, this amount does not represent the full cost of administering the "wind down" of the Successor Agency. The direct and indirect costs of our Agency Counsel, Successor Agency Board Members, Board Clerk, Executive Director, Chief Financial Officer, City Treasurer, and other staff is not included. Additionally, no other costs, such as insurance, office use, and supplies have been included in the \$250,000 administrative budget. Since the dissolution of the former Redevelopment Agency, staff have dedicated a significant number of hours managing and

providing information for the ROPS, Housing Asset Transfer review, Long-Range Property Management Plan, and other projects associated with the wind down of the Successor Agency. The cost of these activities far exceed the \$250,000 minimum annual administrative allowance provided to the Agency.

A brief summary of the job duties performed by 25 staff members associated with ROPS administration is included below:

- City Manager/Executive Director and the Assistant City Manager- General oversight of the entire dissolution process. Attends Successor Agency (SA), Oversight Board (OB) Meetings and Meet and Confer meetings as well as numerous staff meetings regarding the winding down of the Successor Agency.
- Executive Assistant to the City Manager Direct assistant to the City Manager and Assistant City Manager in SA and OB related meetings, transaction processing (i.e. meet and confer related travel requests), document prep, scheduling meetings and entering payroll hours.
- City Council/Successor Agency Board Members (seven members) Attendance at Successor Agency Meeting, reviewing of all related materials, signing necessary Resolutions and other documents.
- City Clerk/Board Clerk and Deputy City Clerk Preparation, distribution and attendance of Successor Agency Meetings, certifying and filing all documents (ROPS, etc.), management of 700 Forms and processing all Successor Agency public records requests.
- City Treasurer and Finance Manager Treasury Review daily cash in bank account on a daily basis and prepare report for review by Treasury Manager and Chief Financial Officer, Process/Review/Approve wire transfers, Monthly Treasurer's reporting, attendance at meetings.
- Chief Financial Officer and Assistant Chief Financial Officer Review Annual ROPS, review and approve all bond payments and wire transfers, review and approve CAFR, annual budget, and attend Successor Agency meetings as required.
- Controller Review and approve all journal entries for monthly close, review and approve monthly bank reconciliation, review payroll entries, review payroll entries in general ledger, create and maintain chart of accounts for Successor Agency, and review Successor Agency information in the annual CAFR.
- Assistant Controller Review of the two bond statements and journal entries, analytical review of all monthly financial transactions, review and approve monthly bank reconciliation, update two bond spreadsheets, create and review Property Tax Sharing Agreements, prepare Successor Agency documents for annual audit; prepare wire transfers, prepare the annual ROPS, participate in Successor Agency meetings as required.
- Senior Accountants Prepare and process journal entries for monthly close, preparation of monthly bank reconciliation.

- Deputy Director of Office of Business Development Oversees all Successor Agency operations, from day to day questions to ROPS development. The Strand project is currently for sale and the Successor Agency will need to approve numerous assignments and submit the required documentation for Successor Agency, Oversight Board, and DOF approval.
- Economic Development Project Manager Assists in the oversight and the winding down of Successor Agency actions, projects and agreements. Process and manage purchase orders and contracts.
- Real Estate Project Manager Clear titles and other issues related to the former Redevelopment Project area. Assists with property tax sharing agreements.

Staff Contact(s)

Sunny Rief, Assistant Controller, <u>sunny.rief@surfcity-hb.org</u> Kellee Fritzal, Deputy Director of Office of Business Development, <u>kfritzal@surfcity-hb.org</u>

Attachments

- 1. ROPS 20-21 Proposed Administrative Budget
- 2. ROPS 19-20 Administrative Budget and DOF Determination Letter
- 3. ROPS 18-19 Administrative Budget and DOF Determination Letter

Attachment 1

Successor Agency

Administrative Budget Department Budget Summary Other Funds by Object Account

OTHER FUNDS

Expenditure Object Account	ROPS 20-21 Budget
RORF Administration (350)	
PERSONAL SERVICES	
Salaries/Benefits - Permanent	219,000
PERSONAL SERVICES	219,000
OPERATING EXPENSES	
Other Professional Services/Operating	31,000
OPERATING EXPENSES	31,000
Total	250,000
TOTAL	
Revenue Summary	ROPS 20-21 Budget
Administrative Allowance	250,000
Total	250,000

Significant Changes

Pursuant to AB x126 and AB 1484, the Successor Agency receives RPTTF funding from the County Auditor-Controller to pay Enforceable Obligations. The Successor Agency also receives a 3% of actual distributed RPTTF in the preceding fiscal year, or a minimum of \$250,000 for administration of the winding down of the former Redevelopment Agency per fiscal year. Administrative costs associated with the "wind down" and dissolution of the Redevelopment Agency that exceed the administrative cost allowance will be funded by Other Funds, pursuant to State rules. Administrative expenses include: personnel costs, legal, and other professional services expenses associated with the dissolution and administration of the Successor Agency. Attachment 2

Successor Agency

Administrative Budget Department Budget Summary Other Funds by Object Account

OTHER FUNDS

Expenditure Object Account	ROPS 19-20 Budget
RORF Administration (350)	
PERSONAL SERVICES	
Salaries/Benefits - Permanent	225,000
PERSONAL SERVICES	225,000
OPERATING EXPENSES	
Legal Services	
Other Professional Services/Operating	25,000
OPERATING EXPENSES	25,000
Total	250,000
Revenue Summary	ROPS 19-20 Budget
Administrative Allowance	250,000
Other Funds	-
Total	250,000

Significant Changes

Pursuant to AB x126 and AB 1484, the Successor Agency receives RPTTF funding from the County Auditor-Controller to pay Enforceable Obligations. The Successor Agency also receives a 3% of actual distributed RPTTF in the preceding fiscal year, or a minimum of \$250,000 for administration of the winding down of the former Redevelopment Agency per fiscal year. Administrative costs associated with the "wind down" and dissolution of the Redevelopment Agency that exceed the administrative cost allowance will be funded by Other Funds, pursuant to State rules. Administrative expenses include: personnel costs, legal, and other professional services expenses associated with the dissolution and administration of the Successor Agency.



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April 11, 2019

Ms. Lori Ann Farrell, Director of Finance City of Huntington Beach 2000 Main Street Huntington Beach, CA 92648

Dear Ms. Farrell:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Huntington Beach Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on February 1, 2019. Finance has completed its review of the ROPS 19-20.

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

Item Nos. 105 and 106 – Unfunded Employee Pension and Retirement Obligations, outstanding obligation amounts totaling \$3,655,295, are not allowed. The Agency previously requested funding as Item Nos. 23, 24, and 26, and as Item Nos. 90 and 91; no funding is requested for these duplicated items on the current ROPS. Finance continues to deny these items. Finance originally denied these items as the agreement entered into on March 17, 2008 with respect to these obligations is between the California Public Employees' Retirement System (CalPERS) and the City Council of the City of Huntington Beach (City Council). The Agency did not provide any other documentation to support the items as enforceable during this period.

Absent a contract or agreement, the Agency's responsibility for payment of these obligations is not legally enforceable. Because the only agreement provided to Finance is between the City Council and CalPERS, the Agency's request for payment of these obligations is not allowed. Therefore, these items are not enforceable obligations and requested amounts of \$138,054 from Other Funds and \$233,712 from Redevelopment Property Tax Trust Fund (RPTTF) funding, totaling \$371,766, are not allowed as specified below:

Item No.	Project / Obligation Name	Total Outstanding	RPTTF Requested	Other Funds Requested
105	Unfunded Pension Liabilities	\$3,438,056	\$138,054	\$138,054
106	Unfunded Retirement Liabilities	217,239	95,658	0
	Total	\$3,655,295	\$233,712	\$138,054

- Item Nos. 107 through 118 Loan payments to the City of Huntington Beach (City), outstanding obligation amounts totaling \$71,556,290, are not allowed. Finance continues to deny these items. The Agency previously requested funding for these as Item Nos. 32, 41 through 44, 46 through 49, 79 through 89, and 93 through 104; no funding is requested for these duplicate items on the current ROPS. Finance previously denied these items for the following reasons:
 - Oversight Board (OB) Resolution Nos. 2017-03 through 2017-14, inclusive, finding loans made by the City to the former Redevelopment Agency (RDA) in the amounts of \$55,395,638 as enforceable obligations and finding the loans were for legitimate redevelopment purposes, were denied in our determination letter dated March 10, 2017.
 - The Agency was unable to provide documentation supporting these items as loans pursuant to HSC section 34191.4 (b). Specifically, the Agency was unable to support the outstanding principal balance of the loans and it was not clear whether the loans were monetary loans or a transfer of interest in real property.
 - The Agency was unable to substantiate the periodic amounts loaned by the City as well as the amounts periodically repaid by the Agency to the City.
 - OB Resolution Nos. 2017-15 through 2017-26, finding that loans made by the City to the former RDA were for legitimate redevelopment purposes and approving the loans as enforceable obligations and the schedule for repayment of said loans, in accordance with HSC section 34191.4 (b), were denied in our determination letter dated May 17, 2017.

The Agency did not provide any new documentation during ROPS 19-20. Therefore, these items are not enforceable obligations and the requested amounts totaling \$7,646,815 are not allowed as specified below:

ltem No.	Project Name/ Debt Obligation	RPTTF Amount Requested
107	Land Sale Emerald Cove	\$ 606,608
108	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds	390,038
109	Huntington Center Redevelopment Plan Development	200,948
110	Main-Pier Redevelopment Project Phase II	241,080
111	Development of Downtown Main-Pier Project Area	179,426
112	Third Block West Commercial/Residential Project	1,025,834
113	Second Block Alley and Street Improvement Project	16,932
114	Strand Project	6,268
115	Pierside Hotel/Retail/Parking Structure Project	27,320
116	Waterfront Commercial Master Site Plan	4,082,201
117	Strand Project	839,896
118	Operative Agreement for the Huntington Beach Redevelopment Project	30,264
	Total	\$7,646,815

- On the ROPS 19-20 form, the Agency reported cash balances and activity for the period July 1, 2016 through June 30, 2017 (ROPS 16-17). According to our review, the Agency has approximately \$853,460 from Reserve Balances available to fund enforceable obligations on the ROPS 19-20, and an additional \$138,054 from Other Funds now available from Item No. 105, totaling \$991,514. HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF. Therefore, the funding source for the following item has been reclassified in the amount specified below:
 - Item No. 3 2002 Tax Allocation Refunding Bonds, debt service payment in the amount of \$1,615,000 has been partially reclassified. This item does not require payment from property tax revenues. Therefore, Finance is approving RPTTF in the amount of \$623,486, the use of Reserve Balances in the amount of \$853,460, and the use of Other Funds in the amount of \$138,054, totaling \$1,615,000.
- Finance notes the Agency has listed several item numbers several times on the ROPS. Pursuant to HSC section 34177 (m) (1), the Agency is required to complete the ROPS in a manner provided by Finance. ROPS Instructions state that Agencies must maintain the existing line item numbers and should only create a new line item for a new obligation that was not on a prior ROPS. Future ROPS not completed in a manner provided by Finance may be rejected in its entirety and returned to the OB for reconsideration. The Agency should make an effort to identify and retire all duplicated line items from the ROPS.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 5 includes the prior period adjustment resulting from the County Auditor-Controller's review of the prior period adjustment form submitted by the Agency.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 19-20. If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items that are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$6,543,050 as summarized in the Approved RPTTF Distribution table on Page 5 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 19-20 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 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 Jackson, Supervisor, or Alexander Watt, Lead Analyst, at (916) 322-2985.

Sincerely,

JENNIFER WHITAKER

Program Budget Manager

cc: Ms. Kellee Fritzal, Deputy Director of Economic Development, City of Huntington Beach Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

Attachment

-	Approved RPTTF Distribution For the period of July 1, 2019 through June 30, 2020						
	RO	PS A Period	ROP	S B Period	ROPS	5 19-20 Total	
RPTTF Requested	\$	7,335,920	\$	7,853,182	\$	15,189,102	
Administrative RPTTF Requested	-	125,000		125,000		250,000	
Total RPTTF Requested		7,460,920		7,978,182		15,439,10	
RPTTF Requested		7,335,920		7,853,182		15,189,102	
Adjustments							
Item No. 3		(991,514)		0		(991,51	
Item No. 105		0		(138,054)		(138,05	
Item No. 106		(47,829)		(47,829)		(95,65	
Item No. 107		(303,304)		(303,304)		(606,60	
Item No. 108		(195,019)		(195,019)		(390,03	
Item No. 109		(100,474)		(100,474)		(200,94	
Item No. 110		(120,540)		(120,540)		(241,08	
Item No. 111		(89,713)		(89,713)		(179,42	
Item No. 112		(512,917)		(512,917)		(1,025,83	
Item No. 113		(8,466)		(8,466)		(16,93	
Item No. 114		(3,134)		(3,134)		(6,26	
Item No. 115		(13,660)		(13,660)		(27,32	
Item No. 116		(2,041,100)		(2,041,101)		(4,082,20	
Item No. 117		(419,948)		(419,948)		(839,89	
Item No. 118		(15,132)	ç.	(15,132)		(30,26	
		(4,862,750)		(4,009,291)		(8,872,04	
RPTTF Authorized		2,473,170		3,843,891		6,317,06	
Administrative RPTTF Authorized		125,000		125,000		250,00	
Total RPTTF Authorized for Obligations		2,598,170		3,968,891		6,567,06	
Prior Period Adjustment		(24,011)		0		(24,01	
Total RPTTF Approved for Distribution	\$	2,574,159	\$	3,968,891	\$	6,543,05	

Attachment 3

Successor Agency

Administrative Budget Department Budget Summary Other Funds by Object Account

OTHER FUNDS

Expenditure Object Account	ROPS 18-19 Budget
RORF Administration (350)	
PERSONAL SERVICES	
Salaries/Benefits - Permanent	250,000
	250,000
OPERATING EXPENSES	
Legal Services	-
Other Professional Services/Operating	-
OPERATING EXPENSES	-
Total	250,000
Revenue Summary	ROPS 18-19 Budget
Administrative Allowance	250,000
Other Funds	-
Total	250,000

Significant Changes

Pursuant to AB x126 and AB 1484, the Successor Agency receives RPTTF funding from the County Auditor-Controller to pay Enforceable Obligations. The Successor Agency also receives a 3% of actual distributed RPTTF in the preceding fiscal year, or a minimum of \$250,000 for administration of the winding down of the former Redevelopment Agency per fiscal year. Administrative costs associated with the "wind down" and dissolution of the Redevelopment Agency that exceed the administrative cost allowance will be funded by Other Funds, pursuant to State rules. Administrative expenses include: personnel costs, legal, and other professional services expenses associated with the dissolution and administration of the Successor Agency.



915 L STREET SACRAMENTO CA 95814-3706 WWW.DOF.CA.GOV

April 13, 2018

Ms. Lori Ann Farrell, Director of Finance City of Huntington Beach 2000 Main Street Huntington Beach, CA 92648

Dear Ms. Farrell:

Subject: 2018-19 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Huntington Beach Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19) to the California Department of Finance (Finance) on January 31, 2018. Finance has completed its review of the ROPS 18-19.

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

- Item No. 21 Abdelmudi Owner Participation Agreement (OPA)/Rent Differential Agreement, requested amount of \$10,000, is not allowed. It is our understanding the existing OPA expired on December 31, 2017 and the Agency is requesting funding for any 'catch up' payments that may occur. Currently, there is no amount due and allocating funds for unknown contingencies is not an allowable use of funds. To the extent the Agency can provide supporting documentation, such as a final invoice, to support the requested amount, this item may be eligible for funding on a future ROPS. Therefore, the requested amount of \$10,000 from Redevelopment Property Tax Trust Fund (RPTTF) is not allowed.
- Item No. 27 Obligation for Unused Employee General Leave (Earned and Vested) in the total outstanding obligation amount of \$82,249 is not allowed. It is our understanding the Memoranda of Understanding entered into with respect to these obligations are between the Management Employees' Organization, Municipal Employees' Organization, and the City of Huntington Beach (City); the former Redevelopment Agency (RDA) is not a party to the contract. Therefore, these items are not enforceable obligations and the requested amount of \$22,426 in RPTTF is not allowed.
- Item Nos. 51 and 52 Property Maintenance Fencing and Weed Control, outstanding obligation amounts totaling \$7,500, is not allowed. It is our understanding the Agency no longer owns the properties subject to these maintenance agreements. Therefore, the requested amount of \$7,500 (\$3,500 +\$4,000) from Other Funds is not allowed.

> Item Nos. 90 through 92 – Unfunded Employee Pension, Retirement, and Other Post-Employment Benefit Obligations in the total outstanding obligation amount of \$4,354,360. The Agency previously requested funding for these as Item Nos. 23, 24, and 26 and, as requested, Item Nos. 23, 24, and 26 have been retired. Finance continues to deny these items. Finance originally denied these items as the agreement entered into on March 17, 2008 with respect to these obligations is between the California Public Employees' Retirement System (CalPERS) and the City Council of the City of Huntington Beach (City Council). The Agency did not provide any other documentation to support the items as enforceable during this period.

Absent a contract or agreement, the Agency's responsibility for payment of these obligations is not legally enforceable. Because the only agreement provided to Finance is between the City Council and CaIPERS, the Agency's obligation for payment of these obligations is not allowed. Therefore, these items are not enforceable obligations and requested amounts totaling \$468,214 (\$238,710 + \$143,696 + \$82,808) from RPTTF are not allowed.

- Item Nos. 93 through 104 Loan payments to the City totaling \$71,556,290.
 Finance continues to deny these items. The Agency previously requested funding for these as Item Nos. 32 and 79 through 89, and, as requested, Item No. 32 has been retired. The remaining lines, Item Nos. 79 through 89, have been retired as well. Finance previously denied these items for the following reasons:
 - Oversight Board (OB) Resolution Nos. 2017-03 through 2017-14, inclusive, finding loans made by the City to the former RDA in the amounts of \$55,395,638 as enforceable obligations and finding the loans were for legitimate redevelopment purposes, were denied in our determination letter dated March 10, 2017.
 - The Agency was unable to provide documentation supporting these items as loans pursuant to HSC section 34191.4 (b). Specifically, the Agency was unable to support the outstanding principal balance of the loans and it was not clear whether the loans were monetary loans or a transfer of interest in real property.
 - The Agency was unable to substantiate the periodic amounts loaned by the City as well as the amounts periodically repaid by the Agency to the City.
 - OB Resolution Nos. 2017-15 through 2017-26, finding that loans made by the City to the former RDA were for legitimate redevelopment purposes and approving the loans as enforceable obligations and the schedule for repayment of said loans, in accordance with HSC section 34191.4 (b), were denied in our determination letter dated May 17, 2017.

The Agency did not provide any other documentation during ROPS 18-19. Therefore, these items are not enforceable obligations and the requested amount totaling \$5,523,266 is ineligible for RPTTF funding as specified below:

ltem No.	Project Name/ Debt Obligation	Amount
93	Land Sale Emerald Cove	\$ 20,000
94	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds	20,000
95	Huntington Center Redevelopment Plan Development	20,000
96	Main-Pier Redevelopment Project Phase II	367,095
97	Development of Downtown Main-Pier Project Area	261,379
98	Third Block West Commercial/Residential Project	1,251,426
99	Second Block Alley and Street Improvement Project	24,604
100	Strand Project	7,314
101	Pierside Hotel/Retail/Parking Structure Project	31,507
102	Waterfront Commercial Master Site Plan	2,414,659
103	Strand Project	1,085,282
104	Operative Agreement for the Huntington Beach Redevelopment Project	20,000
104	Total	\$5,523,266

- On the ROPS 18-19 form, the Agency reported cash balances and activity for the period July 1, 2015 through June 30, 2016 (ROPS 15-16). According to our review, the Agency has approximately \$23,741 from RPTTF unexpended from the ROPS 15-16 period available to fund enforceable obligations on the ROPS 18-19. These unexpended funds are considered Reserve Balances. Additionally, the Agency has \$7,500 in Other Funds from Item Nos. 51 and 52, making a total of \$31,241 (\$23,741 + \$7,500) available. HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF. Therefore, with the Agency's concurrence, the funding source for the following item has been reclassified in the amounts specified below:
 - Item No. 2 Hyatt Regency Huntington Beach Project Disposition and Development Agreement in the requested amount of \$720,458 from RPTTF is partially reclassified. This item does not require payment from RPTTF. Therefore, Finance is approving RPTTF in the amount of \$689,217, Reserve Balances in the amount of \$23,741, and Other Funds in the amount of \$7,500, for a total of \$720,458.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 18-19. If the Agency disagrees with our determination with respect to any items on the ROPS 18-19, except items which are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$9,316,519 as summarized in the Approved RPTTF Distribution table on Page 5 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2018 through December 31, 2018 period (ROPS A period) and one distribution for the January 1, 2019 through June 30, 2019 period (ROPS B period) based on Finance's approved amounts. Since this determination is for the entire ROPS 18-19 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Pursuant to HSC section 34186 (c), beginning October 1, 2018, the Agency will be required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2016 through June 30, 2017 period (ROPS 16-17) to the Orange County Auditor-Controller for review. The Agency will report actual payments for ROPS 16-17 on ROPS 19-20. A prior period adjustment may be applied to the Agency's ROPS 19-20 RPTTF distribution. Therefore, the Agency should retain any unexpended RPTTF from the ROPS 16-17 period.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 18-19. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be deem denied until the matter is resolved.

The ROPS 18-19 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 18-19 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 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 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 Jackson, Supervisor, or Alexander Watt, Lead Analyst, at (916) 322-2985.

Sincerely,

ERIK/

Program Budget Manager

cc: Ms. Kellee Fritzal, Deputy Director of Economic Development, City of Huntington Beach Ms. Cindy Wong, Manager, Property Tax Manager, Orange County

Attachment

F			TTF Distribution 2018 through J		
		PS A Period	ROPS B Period	ROPS 18-19 Total	
RPTTF Requested		\$	6,239,938	\$ 8,881,728	\$ 15,121,666
Administrative RPTTF Requested			125,000	125,000	250,000
Total RPTTF Requested	1		6,364,938	9,006,728	15,371,666
RPTTF Requested			6,239,938	8,881,728	15,121,666
Adjustments					
Item No. 2			(27,491)	(3,750)	(31,241)
Item No. 21			0	(10,000)	(10,000)
Item No. 27			(11,213)	(11,213)	(22,426)
Item No. 90			(119,355)	(119,355)	(238,710)
Item No. 91			(71,848)	(71,848)	(143,696)
Item No. 92			(42,904)	(42,904)	(85,808)
Item No. 93			(10,000)	(10,000)	(20,000)
Item No. 94			(10,000)	(10,000)	(20,000)
Item No. 95			. (10,000)	(10,000)	(20,000)
Item No. 96			(121,291)	(245,804)	(367,095)
Item No. 97			(86,362)	(175,017)	(261,379)
Item No. 98			(413,482)	(837,944)	(1,251,426)
Item No. 99			(8,129)	(16,475)	(24,604)
Item No. 100			(2,417)	(4,897)	(7,314)
Item No. 101			(10,410)	(21,097)	(31,507)
Item No. 102			(1,207,329)	(1,207,330)	(2,414,659)
Item No. 103			(358,587)	(726,695)	(1,085,282)
Item No. 104			(10,000)	(10,000)	(20,000)
			(2,520,818)	(3,534,329)	(6,055,147)
RPTTF Authorized			3,719,120	5,347,399	9,066,519
Administrative RPTTF Authorized	· ·		125,000	125,000	250,000
Total RPTTF Approved for Distribut	ion	\$	3,844,120	\$ 5,472,399	\$ 9,316,519

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 10F

From: Successor Agency to the La Habra Redevelopment Agency

Subject: Straw Vote of the Countywide Oversight Board Regarding Administrative Budget

Recommended Action:

Hold a straw vote regarding FY 2020-21 Administrative Budget for the La Habra Successor Agency

The La Habra Successor Agency (Successor Agency) requests a straw vote of the Administrative Budget for Fiscal Year 2020-21. The Successor Agency shall return in January with a request for final approval of the Administrative Budget with the Recognized Obligation Payment Schedule (ROPS).

The Successor Agency requests a total of \$123,140 for Fiscal Year 2020-21 Administrative Budget as follows:

Administrative Budget	FY 20/21			
Direct Payroll Costs (Salaries and benefits)				
Community Development Director (6%)	\$	13,085		
Director of Finance (6%)		13,679		
Deputy Community Development Director (6%)		12,184		
Housing and Econ Dev Manager (18%)		26,462		
Finance Manager (14%)		22,815		
Annual Audit		1,540		
Attorney Fee		8,000		
Arbitrage Rebate Report (2016 TABs)		4,000		
Consultant Fee (HDL)		1,375		
Appraisal Fee		5,000		
Property Survey/Marketing - Professional Services		5,000		
Administrative Overhead		10,000		
Total Administrative Budget	\$1	23,140		

The direct payrolls of Community Development Director, Director of Finance, and Deputy Community Development Director are budgeted at 6% to account for time that the Directors spent on participating in meetings, reviewing, and approving works completed by Housing and Economic Development Manager and Finance Manager.

The direct payroll of Housing and Economic Development Manager is budgeted at 18%. The cost represents time that the Housing and Economic Development Manager is expected to spend on Successor Agency related affairs such as processing, coordinating, and negotiating a disposal of the remaining Successor Agency's property, preparing staff reports, attending and presenting reports to the Oversight Board.

The direct payroll of Finance Manager is budgeted at 14%. The cost represents time that the Finance Manager is expected to spend on preparing, reconciling, and submitting ROPS and Prior Period Adjustment Form required by the County and the State Department of Finance (DOF). This cost is also accounted for time spent on coordinating and responding to the County and the DOF when questions arise in the ROPS reviewing process.

The cost of an annual audit is allocated to the Successor Agency based on the proportionate share of the Successor Agency assets to the City's entire assets which is approximately 2%. Annual audit cost of \$1,540 represents 2% of the annual audit contract of \$76,975.

The attorney fee of \$8,000 is budgeted for FY2020-21. It represents a retainer fee for potential legal services relating to Successor Agency's affairs such as disposal of Successor Agency's property, ROPS Meet and Confer, etc.

The arbitrage rebate report of \$4,000 represent the cost to have arbitrage rebate report prepared by a consultant for 2016 Tax Allocation Bonds. This report is required every 5 years.

The consultant fee of \$1,375 represents the cost for property tax consulting services such as tax increment projection, cash flow projection, and monitor distribution of tax-sharing revenues. This cost is allocated to the Successor Agency based on the proportionate share of the Successor Agency assessed property value to the City's entire assessed property value, which is approximately 10%.

The appraisal fee of \$5,000 represents the cost for appraisal services relating to the remaining Successor Agency's property.

The professional services fee of \$5,000 represents the cost for survey and marketing services relating to the remaining Successor Agency's property

Administrative overhead of \$10,000 represents administrative support services provided by the City to the Successor Agency such as City Council, City Manager, City Clerk, and financial services (accounting, banking, accounts payable, etc.).

Staff Contact(s)

Miranda Cole-Corona, Housing and Economic Development Manager <u>mcole@lahabraca.gov</u>, (562) 383-4110

Jack Ponvanit, Finance Manager jponvanit@lahabraca.gov, (562) 383-4051

Attachments

- 1. Approved ROPS 18-19
- 2. Approved Administrative Budget in ROPS 18-19
- 3. DOF Letter Approving ROPS 18-19
- 4. Approved ROPS 19-20
- 5. Approved Administrative Budget in ROPS 19-20
- 6. DOF Letter Approved ROPS 19-20

Recognized Obligation Payment Schedule (ROPS 18-19) - Summary Filed for the July 1, 2018 through June 30, 2019 Period

Successor Agency:	La Habra
County:	Orange

Currer	t Period Requested Funding for Enforceable Obligations (ROPS Detail)	-	-19A Total - December)	18-19B To (January - Ju		ROPS 18-19 Total		
А	Enforceable Obligations Funded as Follows (B+C+D):	\$	324,921	\$	7,800	\$	332,721	
В	Bond Proceeds		-		-		-	
С	Reserve Balance		-		-		-	
D	Other Funds		324,921		7,800		332,721	
Е	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$	1,649,086	\$ 2,1	06,282	\$	3,755,368	
F	RPTTF		1,530,386	1,9	81,282		3,511,668	
G	Administrative RPTTF		118,700	1	25,000		243,700	
н	Current Period Enforceable Obligations (A+E):	\$	1,974,007	\$ 2,1	14,082	\$	4,088,089	

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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 /s/	Title
	Signature	Date

							La Habra		-		(ROPS 18-19) - ROPS Detail										
								July 1, 2018	8 thro	ough June 30,	2019										
								(Report Am	ounts	s in Whole Do	lars)										
В		С	D	E	F	G	н	I J		К	L M	N	0	Р	Q	R	S	Т	U	V	W
											18-19	A (July - Dece	ember)				18-19	9B (January -	June)		
												Fund Sources			1			Fund Sources			
			Contract/Agreeme	ent Contract/Agreement	t			Total Outstanding		ROPS 18-19					18-19A				-		18-19B
n # Project Name/Deb	bt Obligation	Obligation Type	Execution Date		Payee	Description/Project Scope	Project Area	ş	red	Total	Bond Proceeds Reserve Balance			Admin RPTTF	1	Bond Proceeds	Reserve Balance		RPTTF	Admin RPTTF	Total
1 1998 COP B/C Loan	Debt Service	City/County Loan (Prior	9/15/1998	9/1/2022	City of La Habra		LHRA	\$ 15,077,666 2,070,000 N		\$ 4,088,089 \$ 375,000	\$ - \$ -	\$ 324,921	\$ 1,530,386 \$ 375,000	\$ 118,700	\$ 1,974,007 \$ 375,000	، -		\$ 7,800	\$ 1,981,282	\$ 125,000	\$.
2 1998 COP B/C Loan		City/County Loan (Prior 06/28/11), Other	9/15/1998	9/1/2022	City of La Habra	1998 COP B/C Future Interest on Loan Agreement	LHRA	273,818 N	9	\$ 95,851			52,663		\$ 52,663				43,188		\$ 43,188
	Debt Service	City/County Loan (Prior	9/15/1998	9/1/2022	City of La Habra	1998 COP B/C principal due but	LHRA	1,674,769 N		371,861									371,861		371,861
4 1998 COP B/C Loan		06/28/11), Other City/County Loan (Prior	9/15/1998	9/1/2022	City of La Habra	unpaid on Loan Agreement 1998 COP B/C Interest due but	LHRA	275,755 N		275,755			275,755		275,755						
Interest	0	06/28/11), Other				unpaid on Loan Agreement				-,			.,		<u>,</u>						<u>_</u>
11 1001 Imperial purch L		City/County Loan (Prior 06/28/11), Property	6/15/2009	7/5/2038	City of La Habra	Promissory Note (Due in June 2014)	LHRA	1,401,700 N		\$-					\$ -						\$
12 1001 Imperial purch L	•	ransaction City/County Loan (Prior	6/15/2009	7/5/2038	City of La Habra	Promissory Note (Due in June 2014)		628,581 N		¢					۹		-				¢
	0	06/28/11), Property	0/13/2009	113/2030				020,001	Ì	φ -					Ψ -						Ψ
13 Bond Fees		ransaction Fees	11/1/2000	10/1/2032	Bank of New York	Trustee Fees	LHRA	9,000 N	9	\$ 9,000			6,000		\$ 6,000				3,000		\$ 3,000
16 OPA Marketplace Pro	roperty Tax C	OPA/DDA/Construction	2/8/1992	5/17/2017	La Habra Associates LLC	Owner Participation Agreements	LHRA	923,991 N		\$ 396,693		52,071	344,622		\$ 396,693				0,000		\$
17 Employee Costs 20 1999 CFD Refunding	g bonds E	Admin Costs Bonds Issued On or Before	1/1/2014 1/1/1999	7/5/2038 9/1/2019	Employees of the Agency Bank of New York	Payroll for Employees Bond Obilgation - Principal Payment	LHRA LHRA	48,846 N 505,000 N	0, 0,	\$ 48,846 \$ 245,000		245,000	++	24,423	3 \$ 24,423 \$ 245,000			+		24,423	\$ 24,423 \$
21 1999 CFD Refunding	1	12/31/10 Bonds Issued On or Before		9/1/2019	Bank of New York		LHRA	30,750 N		\$ 22,950		15,150			\$ 15,150			7,800			\$ 7,80
	1	12/31/10																7,800			φ 7,80
22 Consulting CFD Prep 23 Bond fees for 1999 C		Professional Services Bonds Issued On or Before	7/1/2012	6/30/2015 9/1/2019	NBS Bank of New York	CFD Special Assessment Preparation Trustee Fees-Mello Roos	LHRA LHRA	3,900 N 2,500 N	0,00	\$3,900 \$2,500		3,900 2,500			\$ 3,900 \$ 2,500			+			\$
	1	12/31/10																ļ ļ			ф.
24 Administrative Costs25 900 Block Landscape		Admin Costs Property Maintenance	1/1/2014 6/1/2011	7/5/2016 7/5/2038	City of La Habra Arcadia Landscape		LHRA LHRA	92,170 N 6,690 N	9	\$85,870 \$6,690		6,300		36,635 3,345	5 \$ 3,345			+		42,935 3,345	\$ 3,34
26 Contract Audit 27 Contract Attorney	F	Professional Services	6/17/2013	6/30/2014 7/5/2016	White Nelson Diehl Evans	Annual Financial Audit	LHRA LHRA	10,000 N 63,332 N		\$ 10,000 \$ 63,332				5,000	\$ 5,000					5,000 31,666	\$ 5,000
28 Contract Arbitrage Re	Rebate Report F	₋egal Professional Services	4/12/2012 9/22/2004	10/1/2032	Best Best and Krieger Bond Logistix	Arbitrage analysis	LHRA	N		\$-				31,666	\$ -						\$
29 Consulting Service P	Property Tax F	Professional Services	3/10/1998	6/30/2014	Hinderlighter and De Llamas	Research and anaylsis of RDA Prop	LHRA	14,914 N	0,	\$ 14,914				7,457	7 \$ 7,457					7,457	\$ 7,45
30 General Operations		Admin Costs	6/1/2011	7/5/2016	Various		LHRA	5,700 N	9	\$ 5,700				2,850) \$ 2,850					2,850	\$ 2,850
31 Fencing Rentals	F	Project Management Costs	6/1/2011	7/5/2038	Cal-State Rent A Fence, Inc.	Fencing Rentals	LHRA	Y		\$-					\$-						\$
32 Property Taxes		Fees	1/1/2014	6/30/2014	County of Orange		LHRA	14,648 N	0	\$ 14,648				7,324	\$ 7,324				440.000	7,324	
40 1998 COP B/C Intere Service Principal	est on Debt 0	City/County Loan (Prior 06/28/11), Other	9/15/1998	9/1/2022	City of La Habra	1998 COP B/C Loan - Interest on due but unpaid principal balance	LHRA	119,068 N		\$ 119,068					\$ -				119,068		\$ 119,068
41 1998 COP B/C Intere Service Interest		City/County Loan (Prior 06/28/11), Other	9/15/1998	9/1/2022	City of La Habra	1998 COP B/C Loan - Interest on due but unpaid interest balance	LHRA	600,100 N		600,100			251,343		251,343				348,757		348,757
43 2016 Tax Allocation F		Bonds Issued After 12/31/1	0 12/13/2016	10/1/2032	Bank of New York		LHRA	4,307,500 N	9	\$ 372,500			122,500		\$ 122,500				250,000		\$ 250,000
Bonds Principal 44 2016 Tax Allocation F	Refundina B	Bonds Issued After 12/31/1	0 12/13/2016	10/1/2032	Bank of New York	Bond Obligation	LHRA	1,294,544 N		\$ 247,521			84,957		\$ 84,957		+		162,564		\$ 162,564
Bonds Interest 5 Legal Fees - Litigation	-						LHRA			¢					•						<u>.</u>
		_egal	3/1/2015	12/31/2016	Best Best and Krieger	Number 34-2015-80002208		- 1		φ -					Φ -						φ
46 2000 Tax Allocation E unfunded 2016 debt s	,	RPTTF Shortfall	9/15/1998	9/1/2022	City of La Habra	RPTTF Shortfall (ROPS 16-17B) for 1998 COP B/C Loan Debt Service	LHRA	- Y	9	\$-					\$-						\$
payment						Principal (Item #3)															
1998 COP B/C Intere Service Principal	est on Debt	RPTTF Shortfall	9/15/1998	9/1/2022	City of La Habra	RPTTF Shortfall (ROPS 17-18) for 1998 COP B/C Loan - Interest on due	LHRA	682,844 N		\$ 682,844					\$ -				682,844		\$ 682,844
						but unpaid principal balance (Item															
48 OPA Vons/Smith's Fo	-ood C	DPA/DDA/Construction	3/17/1992	5/17/2017	Smith's Food and Drug	Owner Participation Agreements	LHRA	17,546 N	9	\$ 17,546			17,546		\$ 17,546						\$
49 50										\$ - \$			<u> </u>		\$ - \$						\$
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La Habra Recognized Obligation Payment Schedule (ROPS 18-19) - ROPS Detail

La Habra Successor Agency Approved Administrative Budget ROPS 18-19

Administrative Budget	ł	Amount				
Salaries and benefits	\$	48,846				
Annual Audit		10,000				
Attorney Fees		63,332				
Property Maintenance		6,690				
Consultant Fee (HDL)		14,914				
Administrative Overhead		85,270				
Property Taxes (Sewer Assessment)		14,648				
Total Administrative Budget	\$	243,700				



April 11, 2018

Mr. Carlos Jaramillo, Deputy Director of Community & Economic Development City of La Habra 201 East La Habra Boulevard La Habra, CA 90631

Dear Mr. Jaramillo:

Subject: 2018-19 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of La Habra Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19) to the California Department of Finance (Finance) on January 25, 2018. Finance has completed its review of the ROPS 18-19.

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

- Item Nos. 43 and 44 2016 Tax Allocation Refunding Bonds debt service payments totaling \$413,739 in Other Funds. It is our understanding the Agency requested the funding source for these items in error. Per discussion with Agency staff and a review of documentation provided, the source of the \$413,739 Other Funds requested for the annual period is Redevelopment Property Tax Trust Fund (RPTTF). As a result, Other Funds requested has been adjusted to zero and RPTTF funding has been increased by \$413,739 (\$247,500 and \$166,239, respectively) for the ROPS 18-19 period.
- The claimed administrative costs exceed the allowance by \$6,300. HSC section 34171 (b) (3) limits the fiscal year Administrative Cost Allowance (ACA) to three percent of actual RPTTF distributed in the preceding fiscal year or \$250,000, whichever is greater not to exceed 50 percent of the RPTTF distributed in the preceding fiscal year. As a result, the Agency's maximum ACA is \$250,000 for the fiscal year 18-19. Although \$256,300 is claimed for ACA, only \$250,000 is available pursuant to the cap:

Administrative Cost Allowance Calculat	tion	
Actual RPTTF distributed for fiscal year 2017-18	\$	3,149,823
Less distributed Administrative RPTTF	8	(250,000)
RPTTF distributed for 2017-18 after adjustment		2,899,823
ACA Cap for 2018-19 per HSC section 34171 (b)		250,000
ACA requested for 2018-19		256,300
Total ACA		256,300
ACA in Excess of Cap	\$	(6,300)

The Agency's administrative costs totaled \$256,300, consisting of \$250,000 payable from Administrative RPTTF and \$6,300 from Other Funds. Therefore, \$6,300 of excess administrative costs payable from RPTTF for Item No. 24 is not allowed.

- On the ROPS 18-19 form, the Agency reported cash balances and activity for the period July 1, 2015 through June 30, 2016 (ROPS 15-16). According to our review, the Agency has approximately \$52,071 from Other Funds available to fund enforceable obligations on the ROPS 18-19. HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF. Therefore, with the Agency's concurrence, Finance has reclassified the funding source for the following item from RPTTF to Other Funds in the amount specified below:
 - Item No. 16 Owner Participation Agreement, Marketplace Property Tax in the amount of \$396,693 is partially reclassified. This item does not require payment from property tax revenues. Therefore, Finance is approving RPTTF in the amount of \$344,622 and the use of Other Funds in the amount of \$52,071, totaling \$396,693.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 18-19. If the Agency disagrees with our determination with respect to any items on the ROPS 18-19, except items which are the subject of litigation disputing our 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 our website:

http://dof.ca.gov/Programs/Redevelopment/Meet_And_Confer/

The Agency's maximum approved RPTTF distribution for the reporting period is \$3,755,368 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2018 through December 31, 2018 period (ROPS A period) and one distribution for the January 1, 2019 through June 30, 2019 period (ROPS B period) based on Finance's approved amounts. Since this determination is for the entire ROPS 18-19 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Pursuant to HSC section 34186 (c), beginning October 1, 2018, the Agency will be required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2016 through June 30, 2017 period (ROPS 16-17) to the Orange County Auditor-Controller for review. The Agency will report actual payments for ROPS 16-17 on ROPS 19-20. A prior period adjustment may be applied to the Agency's ROPS 19-20 RPTTF distribution. Therefore, the Agency should retain any unexpended RPTTF from the ROPS 16-17 period.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 18-19. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be deemed denied until the matter is resolved.

Mr. Carlos Jaramillo April 11, 2018 Page 3

The ROPS 18-19 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 18-19 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 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 Jackson, Supervisor, or Thong Thao, Analyst, at (916) 322-2985.

Sincerely,

FRIKA

Program Budget Manager

cc: Mr. Jack Ponvanit, Finance Manager, City of La Habra Ms. Cindy Wong, Property Tax Manager, Orange County

Attachment

Approved RPTTF Distribution For the period of July 2018 through June 2019									
ROPS A Period ROPS B Period ROPS 18-19 Total									
RPTTF Requested	\$	1,375,000	\$ 1,775,000	\$ 3,150,000					
Administrative RPTTF Requested		125,000	125,000	250,000					
Total RPTTF Requested		1,500,000	1,900,000	3,400,000					
RPTTF Requested		1,375,000	1,775,000	3,150,000					
Adjustments									
Item No. 16		(52,071)		(52,071)					
Item No. 43		122,500	125,000	247,500					
Item No. 44		84,957	81,282	166,239					
		155,386	206,282	361,668					
RPTTF Authorized		1,530,386	1,981,282	3,511,668					
Administrative RPTTF Requested		125,000	125,000	250,000					
Adjustment									
Item No. 24		(6,300)	0	(6,300)					
Administrative RPTTF Authorized		118,700	125,000	243,700					
Total RPTTF Approved for Distribution	\$	1,649,086	\$ 2,106,282	\$ 3,755,368					

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

Successor Agency:	La Habra
County:	Orange

Currer	nt Period Requested Funding for Enforceable Obligations (ROPS Detail)	9-20A Total y - December)	19-20B Total (January - June)	RO	PS 19-20 Total
Α	Enforceable Obligations Funded as Follows (B+C+D):	\$ 279,903	\$-	\$	279,903
В	Bond Proceeds	274,023	-		274,023
С	Reserve Balance	-	-		-
D	Other Funds	5,880	-		5,880
Е	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 1,539,961	\$ 1,521,518	\$	3,061,479
F	RPTTF	1,414,961	1,396,518		2,811,479
G	Administrative RPTTF	125,000	125,000		250,000
н	Current Period Enforceable Obligations (A+E):	\$ 1,819,864	\$ 1,521,518	\$	3,341,382

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	Name	Title
Payment Schedule for the above named successor agency.	/s/	
	Signature	Date

La Habra Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail July 1, 2019 through June 30, 2020																				
									s in Whole Do											
	6		F	F	6				K		N			0	Р	c	Ŧ			W
А В			E	r	6	н		J	ĸ	M	N 20A (July - Dece			Q	ĸ	3			V	VV
										19-2	Fund Sources		-	-			B (January - Fund Source			
			nt Contract/Agreement				Total Outstanding		ROPS 19-20					19-20A						19-20B
tem # Project Name/Debt Obligation	Obligation Type	Execution Date		Payee	Description/Project Scope	Project Area	\$ 11,704,045	etired	Total \$ 3,341,382	Bond ProceedsReserve Balance\$ 274,023\$ 0	CeOther Funds0\$5,880		-	1,819,864 \$	Bond Proceeds 0	Reserve Balance\$0	Other Funds	RPTTF \$ 1,396,518	Admin RPTTF \$ 125,000	Total \$ 1,521,51
1 1998 COP B/C Loan Debt Service 2 1998 COP B/C Loan Debt Service	City/County Loan (Prior	9/15/1998 9/15/1998	9/1/2022 9/1/2022	City of La Habra City of La Habra	1998 COP B/C Future Interest on	LHRA LHRA	1,695,000 177,968	N N	\$ 395,000 \$ 76,301			395,000 43,188	\$ \$	395,000 43,188				33,113	-	<u>\$</u> \$ 33,11
Interest 3 1998 COP B/C Loan Debt Service		9/15/1998	9/1/2022	City of La Habra		LHRA	1,302,908	N	\$ 1,302,908			270,000	\$	270,000				1,032,908		\$ 1,032,90
Principal 4 1998 COP B/C Loan Debt Service		9/15/1998	9/1/2022	City of La Habra		LHRA	0	Y	\$-				\$	-						\$
Interest 11 1001 Imperial purch Loan Principal	06/28/11), Other City/County Loan (Prior	6/15/2009	7/5/2038	City of La Habra	unpaid on Loan Agreement Promissory Note (Due in June 2014)	LHRA	1,401,700	N	\$ -				\$	-						\$
	06/28/11), Property transaction																			
12 1001 Imperial purch Loan Interest	City/County Loan (Prior 06/28/11), Property	6/15/2009	7/5/2038	City of La Habra	Promissory Note (Due in June 2014)	LHRA	671,054	N	\$ -				\$	-						\$
13 Trustee Fees	transaction Fees	11/1/2000	10/1/2032	Bank of New York	Trustee Fees	LHRA	9,000	N	\$ 9,000			6,000	\$	6,000				3,000		\$ 3,00
16 OPA Marketplace Property Tax 17 Employee Costs	OPA/DDA/Construction Admin Costs	2/8/1992 1/1/2014	9/1/2019 7/5/2038		· · ·	LHRA LHRA	(N Y	\$ 408,232 \$ -	4,636	5,880	397,716	\$	408,232						\$ \$
20 1999 CFD Refunding bonds	Bonds Issued On or Before 12/31/10		9/1/2019	Bank of New York	Bond Obilgation - Principal Payment		260,000	N	\$ 260,000	260,000			\$	260,000						\$
21 1999 CFD Refunding bonds	Bonds Issued On or Before 12/31/10	1/1/1999	9/1/2019	Bank of New York	Bond Obilgation - Interest Payment	LHRA	7,800	N	\$ 7,800	7,800			\$	7,800						\$
22 Consulting CFD Preparation 23 Bond fees for 1999 CFD Refunding	Professional Services	7/1/2012	9/1/2019 9/1/2019	Various Bank of New York	CFD Special Assessment Preparation Trustee Fees-Mello Roos	LHRA LHRA	1,587	N	\$ 1,587 \$	1,587			\$	1,587						\$
24 Administrative Costs	12/31/10 Admin Costs	1/1/2014	10/1/2032	Various					\$			105 0	э 00 \$	125,000					125,000	۵ 125,00
25 900 Block Landscape Services	Property Maintenance	6/1/2011	7/5/2038	Arcadia Landscape	Owner Participation Agreements	LHRA	0	Y	\$ -			123,0	\$	-					125,000	\$ 125,00
26 Contract Audit 27 Contract Attorney	Professional Services Legal	6/17/2013 4/12/2012	6/30/2020 6/30/2020	White Nelson Diehl Evans Best Best and Krieger	Redevelopment Attorney	LHRA LHRA	0		Ŧ				\$	-						\$ \$
28 Contract Arbitrage Rebate Report29 Consulting Service Property Tax	Professional Services Professional Services	9/22/2004 3/10/1998	10/1/2032 6/30/2020	Bond Logistix Hinderlighter and De	Arbitrage analysis Research and anaylsis of RDA Prop	LHRA LHRA	0	Y Y	\$ -				\$ \$	-						\$ \$
30 Continuing Disclosure Fees	Fees	6/1/2011	10/1/2032	Llamas Urban Futures		LHRA	3,250	N	\$ 3,250				\$	-				3,250		\$ 3,25
32 Property Taxes 40 1998 COP B/C Interest on Debt	Fees City/County Loan (Prior	1/1/2014 9/15/1998	10/1/2032 9/1/2022	County of Orange City of La Habra	Sanitation Fees 1998 COP B/C Loan - Interest on due	LHRA LHRA	, v	Y N	\$ - \$ 130,344			96,775	\$ \$	- 96,775				33,569		\$ \$ 33,56
Service Principal 41 1998 COP B/C Interest on Debt	06/28/11), Other City/County Loan (Prior	9/15/1998	9/1/2022	City of La Habra	but unpaid principal balance 1998 COP B/C Loan - Interest on due	LHRA	0	Y	\$ -				\$	-						\$
Service Interest 43 2016 Tax Allocation Refunding	06/28/11), Other Bonds Issued After 12/31/10	0 12/13/2016	10/1/2032	Bank of New York	but unpaid interest balance Bond Obligation	LHRA	4,185,000	N	\$ 267,500			125,000	\$	125,000				142,500		\$ 142,500
Bonds Principal 44 2016 Tax Allocation Refunding	Bonds Issued After 12/31/10		10/1/2032	Bank of New York	Ŭ	LHRA	1,128,306	N	\$ 157,564			81,282	\$	81,282				76,282		\$ 76.282
Bonds Interest 47 1998 COP B/C Interest on Debt	RPTTF Shortfall	9/15/1998	9/1/2022			LHRA		Y	\$ -				\$	-				,		\$
Service Principal					1998 COP B/C Loan - Interest on due but unpaid principal balance (Item				·											
48 OPA Vons/Smith's Food	OPA/DDA/Construction	3/17/1992	5/17/2017	Smith's Food and Drug	#40)	LHRA	0	Y	\$ -				\$	-						\$
49 RPTTF Shortfall for ROPS 18-19 (Admin)		1/1/2014	10/1/2032	City of La Habra	i e	LHRA	71,896	N	\$ 71,896				\$	-				71,896		\$ 71,890
50 51								N N					\$	-						\$ \$
52								N N	\$ -				\$	-						\$ \$ \$
54 55								N N	\$ -				\$	-						\$ \$
56 57								N N	\$ -				\$	-						\$
57								N	\$ -				э \$	-						<u>\$</u>
60								N N	\$ -				\$	-						\$ \$
61 62								N N	\$ -				\$ \$	-						\$ \$
63 64								N N					\$ \$	-						\$ \$
65 66								N N	\$-				\$ \$	-						\$ \$
67 68								N N	\$ -				\$ \$	-						\$ \$
69 70								N N					\$ \$	-						\$ \$
71 72								N N	\$-				\$ \$	-						\$ \$
73 74								N N	\$-				\$ \$	-						\$ \$
75 76								N N	\$ -				\$	-						\$ \$
77 78								N N	\$-				\$	-						\$ \$
79 80								N N	\$-				\$	-						\$
81 82								N N	\$-				\$	-						\$
83								N	\$-				э \$	-						ቃ \$ ¢
85 80								N N	\$ -				\$	-						Դ \$ ¢
87								N N	\$ -				\$	-						э \$ \$
88	<u> </u>	1		1	I			N	5 -				\$	-						\$

La Habra Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail

La Habra Successor Agency Approved Administrative Budget ROPS 19-20

Administrative Budget	Amount
Salaries and benefits	\$ 115,200
Materials & Supplies	3,200
Annual Audit	4,200
Attorney Fees	10,000
Property Maintenance	7,000
Arbitrage Rebate Report	2,500
Consultant Fee (HDL)	15,000
Utilities	1,300
Risk Management (Insurance & General Liability)	67,400
Administrative Overhead	21,600
Property Taxes (Sewer Assessment)	2,600
Total Administrative Budget	\$ 250,000



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April 15, 2019

Mr. Carlos Jaramillo, Deputy Director of Community & Economic Development City of La Habra 201 East La Habra Boulevard La Habra, CA 90631

Dear Mr. Jaramillo:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of La Habra Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 31, 2019. Finance has completed its review of the ROPS 19-20.

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

- Item No. 22 Consulting Community Facilities District (CFD) Preparation Fees, total requested amount of \$12,000. Subsequent to the ROPS submission, the Agency determined the amount requested is overstated. According to the Agency, only \$1,587 will be necessary to fund the obligation during the ROPS 19-20 period. Therefore, with the Agency's concurrence, Finance is approving the use of \$1,587 from Bond Proceeds and reducing the use of Other Funds, from \$11,489 to zero.
- Item No. 23 Bond Fees for 1999 CFD Refunding in the requested amount of \$2,500. Subsequent to the ROPS submission, the Agency determined it will no longer need to fund this item for the ROPS 19-20 period. Therefore, with the Agency's concurrence, Finance is reducing the amount requested from Bond Proceeds by \$2,500 to zero.
- Item No. 30 Continuing Disclosure Fees in the total requested amount of \$3,250. This item was originally listed as General Operations. In ROPS 19-20, the Agency changed the project name/debt obligation to Continuing Disclosure Fees. However, line items on the ROPS may either be added or retired, but the project name/debt obligation must stay the same. Although Finance is approving \$3,250 to fund continuing disclosure fees from Redevelopment Property Tax Trust Fund (RPTTF), any new obligation must be listed as a new line item in the future.

Mr. Carlos Jaramillo April 15, 2019 Page 2

On the ROPS 19-20 form, the Agency reported cash balances and activity for the period July 1, 2016 through June 30, 2017 (ROPS 16-17). According to our review, the Agency has approximately \$4,636 from Bond Proceeds and \$5,880 from Other Funds, totaling \$10,516, available to fund enforceable obligations on the ROPS 19-20. HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF. Therefore, the funding source for the following item has been reclassified in the amount specified below:

 Item No. 16 – Marketplace Property Tax Owner's Participation Agreement in the total requested RPTTF amount of \$408,232 is partially reclassified. This item does not require payment from property tax revenues. Therefore, Finance is approving RPTTF in the amount of \$397,716, Bond Proceeds in the amount of \$4,636, and Other Funds in the amount of \$5,880, totaling \$408,232.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 4 includes the prior period adjustment resulting from the County Auditor-Controller's review of the prior period adjustment form submitted by the Agency, as adjusted by Finance. The prior period adjustment is adjusted to \$3,107.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 19-20. If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items that are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$3,058,372 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

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

Mr. Carlos Jaramillo April 15, 2019 Page 3

This determination is effective for the ROPS 19-20 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 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 Jackson, Supervisor, or Alexander Watt, Lead Analyst, at (916) 322-2985.

Sincerely,

JENNIFER WHITAKER Program Budget Manager

cc: Mr. Jack Ponvanit, Finance Manager, City of La Habra Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

Attachment

Approved RPTTF Distribution For the period of July 1, 2019 through June 30, 2020								
ROPS A Period ROPS B Period ROPS 19-20								
RPTTF Requested	\$	1,425,477	\$ 1,396,518	\$ 2,821,995				
Administrative RPTTF Requested	_	125,000	125,000	250,000				
Total RPTTF Requested		1,550,477	1,521,518	3,071,995				
RPTTF Requested		1,425,477	1,396,518	2,821,995				
Adjustments								
Item No. 16		(10,516)	0	(10,516)				
RPTTF Authorized		1,414,961	1,396,518	2,811,479				
Administrative RPTTF Authorized		125,000	125,000	250,000				
Total RPTTF Authorized for Obligations		1,539,961	1,521,518	3,061,479				
Prior Period Adjustment		(3,107)	0	(3,107)				
Total RPTTF Approved for Distribution	\$	1,536,854	\$ 1,521,518	\$ 3,058,372				

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 10G

From: Successor Agency to the La Palma Redevelopment Agency

Subject: Straw Vote of the Countywide Oversight Board Regarding Administrative Budget

Recommended Action:

Hold a straw vote regarding FY 2020-21 Administrative Budget for the La Palma Successor Agency

The La Palma Successor Agency requests a straw vote of the Draft Administrative Budget for Fiscal Year 2020-21. The Successor Agency shall return in January with a request for final approval of the Administrative Budget with the Recognized Obligation Payment Schedule (ROPS).

Under HSC Section 34171(b), the "Administrative Cost Allowance" is the maximum amount of administrative costs that may be paid by the Successor Agency from the Redevelopment Property Tax Trust Fund (RPTTF) in a fiscal year. Commencing July 1, 2016, and for each fiscal year thereafter, the Administrative Cost Allowance shall be up to three percent of the actual property tax distributed to the Successor Agency in the preceding fiscal year for payment of approved enforceable obligations, reduced by the Successor Agency's Administrative Cost Allowance and Ioan repayments made to the City (if applicable) during the preceding fiscal year. However, the Administrative Cost Allowance shall not be less than \$250,000 in any fiscal year, unless the amount is reduced by the Oversight Board. In addition, the Successor Agency's annual administrative costs (except for administrative costs paid from bond proceeds or grant funds) must not exceed fifty percent of the total RPTTF moneys distributed to pay enforceable obligations in the preceding fiscal year, reduced by the Successor Agency's Administrative to the City for Ioans re-established pursuant to HSC Section 34191.4 during the preceding fiscal year.

The Administrative Budget includes expenses required to carry out Successor Agency activities and administration. Total estimated budgeted administrative costs for Fiscal Year 2020-21 totals \$107,100. This represents a \$141,800, or 56.9%, decrease from the approved FY 2019-20 Administrative Budget. The amount proposed for the FY 2020-21 Administrative Budget is also below the \$250,000 minimum and the fifty percent cap per HSC Section 34171(b). The fifty percent adjusted RPTTF amount for La Palma in FY 2018-19 was \$434,686 and is estimated to be \$436,109 for FY 2019-20.

The La Palma Successor Agency Administrative Budget for Fiscal Year 2020-21 includes personnel costs for six positions which include the City Manager, Administrative Services Director, Accounting Supervisor, Planning Manager, Deputy City Clerk, and Accounting Technician. The percentage of time charged to the Administrative Budget varies depending on the estimated amount of time each position spends on Successor Agency business.

POSITION	EST. HOURS	FY 20-21 EST COST	DUTIES
City Manager	100 hrs	\$11,800	Overall policy direction and executive leadership
Administrative Services Director	285 hrs	25,700	 Primary staff liaison to Oversight Board and DOF Preparation of SA and Oversight Board Agenda Items Preparation and submittal of annual ROPS and Administrative Budget Administration of former RDA agreements Preparation of Last and Final ROPS for submission to the DOF (anticipated in FY 2020-21)

POSITION	EST. HOURS	FY 20-21 EST COST	DUTIES
Accounting Supervisor	285 hrs	17,100	 Accounting work associated with SA activities, assets, liabilities, and debts Preparation for annual audit process Reporting for preparation of annual ROPS Complete ROPS Prior Period Adjustment report and submittal to the DOF Assist with preparation of Last and Final ROPS (anticipated in FY 2020-21)
Planning Manager	85 hrs	5,900	 Preparation of annual SB 341 Housing Successor Annual Report and submittal to the Dept. of Housing and Community Development Assist with administration of former RDA agreements
Deputy City Clerk	75 hrs	3,300	 SA Agenda Preparation and Publication Coordinate SA meetings Official record-keeping for all SA actions
Accounting Technician	65 hrs	2,700	• Assist with accounting work associated with SA activities
TOTAL	895 hrs	\$ 66,500	

It should be noted that it is the intent of the La Palma Successor Agency to begin work on its Last and Final ROPS in FY 2020-21. The amount of time estimated for the Administrative Services Director and Accounting Supervisor positions have been augmented since these will be the primary positions working on completion of the Last and Final ROPS. Not represented in the personnel breakdown, but playing an important policy role in the administration of the Successor Agency, are the City's Mayor and Council Members who serve as the Board for the Successor Agency. Although the annual stipend for the City Council is not included in the budgeted personnel costs, maintenance and operations cost for Successor Agency activities have been included in the next section.

The maintenance and operations budgeted expenses include legal and consulting expenses, the cost of information technology support, supplies, printing of agendas and agenda packets, insurance, and associated facility costs.

Legal Services	General counsel services; specialized RDA law services	\$ 7,200
Annual Audit Services	Annual audit services to issue required financial statements	4,500
ROPS Consultant Services	Review of enforceable obligations; assistance in preparation of ROPS, SA/OB meetings as needed, appeals to DOF as needed.	3,500
Contract Accountant Services	General SA accounting support; preparation of quarterly SA cash and investment reports.	3,500
Website Hosting & Content Management	SA Share of CivicPlus website hosting and content management contract	600
Maintenance of Granicus System	SA Share of meetings minutes management and audio recording software	700

Bank Fees	SA Share of City National Bank and PFM Portfolio Fees	2,200
Supplies/Services	SA Share of office supplies, postage, printing, etc.	3.000
General Administrative Overhead	SA share of City Hall overhead and operating costs (office supplies, utilities, equipment maintenance, technology, insurance, etc.)	15,400
TOTAL		\$ 40,600

La Palma staff continues to analyze expenditures and budget allocations as Successor Agency operations become more streamlined. As stated earlier, La Palma is looking to complete its Last and Final ROPS which will further minimize future administrative costs in future years.

Staff Contact(s)

Laurie A. Murray, City Manager lauriem@cityoflapalma.org 714-690-3338

Sea Shelton, Administrative Services Director seas@cityoflapalma.org 714-690-3318

Attachments

- 1) Draft FY 2020-21 Administrative Budget
- 2) FY 2019-20 Approved Administrative Budget
- 3) FY 2019-20 ROPS and DOF Determination Letter
- 4) FY 2018-19 ROPS and DOF Determination Letter

Successor Agency to the Former City of La Palma Community Development Commission Draft Administrative Budget July 1, 2020 to June 30, 2021

Salaries and Benefits	FY 2020-21 Estimated Costs	Hrly Rate*	SA Hours	SA Administration
City Manager	233,900	118.37	100	11,800
Administrative Services Director	178,200	90.16	285	25,700
Accounting Supervisor	118,600	60.01	285	17,100
Planning Manager	137,700	69.68	85	5,900
Deputy City Clerk	85,700	43.37	75	3,300
Accounting Technician	82,600	41.79	65	2,700
*Hourly rate based on 38 hours per week / 1976 h	66,500			

Maintenance and Operations

Legal Services	General counsel services; specialized RDA law services	7,200
Annual Audit Services	Annual audit services to issue required financial statements	4,500
ROPS Consultant Services	Review of enforceable obligations; assistance in preparation of ROPS, SA/OB meetings as needed, appeals to DOF as needed.	3,500
Contract Accountant Services	General accounting support; preparation of quarterly SA cash and investment reports.	3,500
Website Hosting & Content Management	SA Share of CivicPlus website hosting and content management contract	600
Maintenance of Granicus System	SA Share of meetings minutes management and audio recording software	700
Bank Fees	SA Share of City National Bank and PFM Portfolio Fees	2,200
Supplies/Services	SA Share of office supplies, postage, printing, etc.)	3,000
General Administrative Overhead	SA share of City Hall overhead and operating costs (utilities, equipment maintenance & leases, technology, insurance, etc.)	15,400
	-	40,600
TOTAL	-	107,100

Successor Agency to the Former City of La Palma Community Development Commission Administrative Budget July 1, 2019 to June 30, 2020

CATEGORY	2019-20
Salaries and Benefits	98,000
Agency Operations (Utilities, Office Supplies, Equipment, Maintenance, etc.)	45,700
Legal Services	10,300
Annual Audit Services	2,800
Consultant Services (HdL, Contract Accountant)	2,800
Risk Management (General Liablity/Workers Comp/Property Ins.)	62,900
Technology (Maintenance & other equipment related expenses)	26,400
TOTAL	248,900

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

Successor Agency:	La Palma
County:	Orange

Currer	t Period Requested Funding for Enforceable Obligations (ROPS Detail)		20A Total - December)	 -20B Total uary - June)	ROP	PS 19-20 Total
А	Enforceable Obligations Funded as Follows (B+C+D):	\$		\$ 535,262	\$	535,262
В	Bond Proceeds		-	- 12-12-		
С	Reserve Balance			535,262		535,262
D	Other Funds					
Е	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$	753,475	\$ 417,215	\$	1,170,690
F	RPTTF		629,025	292,765		921,790
G	Administrative RPTTF	1	124,450	124,450	199	248,900
н	Current Period Enforceable Obligations (A+E):	\$	753,475	\$ 952,477	\$	1,705,952

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 Probotsky, Chainyar Name U 0 Signature Date



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April 9, 2019

Ms. Sea Shelton, Administrative Services Director City of La Palma 7822 Walker Street La Palma, CA 90623

Dear Ms. Shelton:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of La Palma Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 28, 2019. Finance has completed its review of the ROPS 19-20.

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

 Item No. 4 – 2002 Unisource Loan Agreement repayment in the amount of \$40,735 is not allowed. HSC section 34191.4 (b) (3) (A) allows repayment to be equal to one-half of the increase between the ROPS residual pass-through distributed to the taxing entities in the preceding fiscal year and the ROPS residual pass-through distributed to the taxing entities in the fiscal year 2012-13 base year.

According to the Orange County Auditor-Controller's (CAC) report, the ROPS residual pass-through amount distributed to the taxing entities for fiscal year 2012-13 and 2018-19 are \$1,395,753 and \$1,072,963, respectively. Pursuant to the repayment formula, the maximum repayment amount authorized for the ROPS 19-20 period is zero. Therefore, of the \$40,735 requested, \$40,735 is not eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding. The Agency may be eligible for additional funding on subsequent ROPS.

 The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 3 includes the prior period adjustment resulting from the CAC's review of the prior period adjustment form submitted by the Agency.

Ms. Sea Shelton April 9, 2019 Page 2

Except for the item adjusted, Finance is not objecting to the remaining items listed on the ROPS 19-20. If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items that are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,121,118 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 19-20 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 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 Jackson, Supervisor, or Michael Painter, Analyst, at (916) 322-2985.

Sincerely,

JENNIÉER WHITAKER Program Budget Manager

cc: Ms. Laurie A. Murray, City Manager, City of La Palma Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

Attachment

Approved RPTTF Distribution For the period of July 1, 2019 through June 30, 2020							
	RO	PS A Period	RC	PS B Period	R	OPS 19-20 Total	
RPTTF Requested	\$	629,025	\$	292,765	\$	921,790	
Administrative RPTTF Requested		124,450	-1	124,450		248,900	
Total RPTTF Requested		753,475		417,215		1,170,690	
RPTTF Requested		629,025		292,765		921,790	
Adjustment							
Item No. 4		(40,735)		0		(40,735)	
RPTTF Authorized		588,290		292,765		881,055	
Administrative RPTTF Authorized		124,450		124,450		248,900	
Total RPTTF Authorized for Obligations		712,740		417,215		1,129,955	
Prior Period Adjustment		(8,837)		0		(8,837)	
Total RPTTF Approved for Distribution	\$	703,903	\$	417,215	\$	1,121,118	

Recognized Obligation Payment Schedule (ROPS 18-19) - Summary Filed for the July 1, 2018 through June 30, 2019 Period

Successor Agency:	La Palma
County:	Orange

Currer	t Period Requested Funding for Enforceable Obligations (ROPS Detail)	18-19A Total (July - December)	18-19B Total (January - June)	RC	DPS 18-19 Total
А	Enforceable Obligations Funded as Follows (B+C+D):	\$-	\$ 342,500	\$	342,500
В	Bond Proceeds	-	-		-
С	Reserve Balance	-	342,500		342,500
D	Other Funds	-	-		-
Е	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 652,067	\$ 585,905	\$	1,237,972
F	RPTTF	527,067	460,905		987,972
G	Administrative RPTTF	125,000	125,000		250,000
н	Current Period Enforceable Obligations (A+E):	\$ 652,067	\$ 928,405	\$	1,580,472

Certification of Oversight Board Chairman:	Mark I. Waldman	Chairperson
Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized	Name	Title
Obligation Payment Schedule for the above named successor agency.	/s/ Mark I. Waldman	1/22/2018
-3	Signature	Date



EDMUND G. BROWN JR. - GOVERNOR

915 L STREET SACRAMENTO CA 95814-3706 WWW.DOF.CA.GOV

March 21, 2018

Ms. Sea Shelton, Administrative Services Director City of La Palma 7822 Walker Street La Palma, CA 90623

Dear Ms. Shelton:

Subject: 2018-19 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of La Palma Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19) to the California Department of Finance (Finance) on January 22, 2018. Finance has completed its review of the ROPS 18-19.

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

- The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the other obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources required to successfully wind-down the Agency.
- On the ROPS 18-19 form, the Agency reported cash balances and activity for the period July 1, 2015 through June 30, 2016 (ROPS 15-16). According to our review, the Agency has approximately \$7,438 in Redevelopment Property Tax Trust Fund (RPTTF) unexpended from the ROPS 15-16 period available to fund enforceable obligations on the ROPS 18-19. These unexpended RPTTF funds are considered Reserve Balances. HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF. Therefore, the funding source for the following item has been reclassified in the amounts specified below:
 - Item No. 1 1993 Tax Allocation Bonds debt service payment in the amount of \$258,060 has been reclassified. This item does not require payment from property tax revenues. Therefore, Finance is approving RPTTF in the amount of \$250,622 and the use of \$7,438 in Reserve Balance funding, totaling \$258,060.

Ms. Sea Shelton March 21, 2018 Page 2

Except for the item adjusted, Finance is not objecting to the remaining items listed on the ROPS 18-19. If the Agency disagrees with our determination with respect to any items on the ROPS 18-19, except items which are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,230,534 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2018 through December 31, 2018 period (ROPS A period) and one distribution for the January 1, 2019 through June 30, 2019 period (ROPS B period) based on Finance's approved amounts. Since this determination is for the entire ROPS 18-19 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Pursuant to HSC section 34186 (c), beginning October 1, 2018, the Agency will be required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2016 through June 30, 2017 period (ROPS 16-17) to the County Auditor-Controller for review. The Agency will report actual payments for ROPS 16-17 on ROPS 19-20. A prior period adjustment may be applied to the Agency's ROPS 19-20 RPTTF distribution. Therefore, the Agency should retain any unexpended RPTTF from the ROPS 16-17 period.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 18-19. This determination only applies to items when funding was requested for the 12-month period.

The ROPS 18-19 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 18-19 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 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. Ms. Sea Shelton March 21, 2018 Page 3

Please direct inquiries to Nichelle Jackson, Supervisor, or Michael Painter, Analyst, at (916) 322-2985.

Sincerely,

ERIKALI

Program Budget Manager

cc: Ms. Laurie A. Murray, Administrative Services Director, City of La Palma Ms. Cindy Wong, Property Tax Manager, Orange County

Attachment

Approved RPTTF Distribution For the period of July 2018 through June 2019							
	ROP	PS A Period	RO	PS B Period	RO	PS 18-19 Total	
RPTTF Requested	\$	527,067	\$	460,905	\$	987,972	
Administrative RPTTF Requested		125,000		125,000		250,000	
Total RPTTF Requested		652,067		585,905		1,237,972	
RPTTF Requested		527,067		460,905		987,972	
Adjustment							
Item No. 1		(7,438)		0		(7,438)	
RPTTF Authorized		519,629		460,905		980,534	
Administrative RPTTF Authorized		125,000		125,000	2	250,000	
Total RPTTF Approved for Distribution	\$	644,629	\$	585,905	\$	1,230,534	

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 10H

From: Successor Agency to the Mission Viejo Redevelopment Agency

Subject: Straw Vote of the Countywide Oversight Board Regarding Administrative Budget

Recommended Action:

Hold a straw vote regarding FY 20/21 Administrative Budget for the Mission Viejo Successor Agency

The Mission Viejo Successor Agency requests a straw vote of the Administrative Budget for Fiscal Year 20/21. The Successor Agency shall return in January with a request for final approval of the Administrative Budget with the Recognized Obligation Payment Schedule (ROPS).

Fund accounting is the accounting system used for recording resources whose use has been limited by some organization or individual or as a matter of law. In this case, Successor Agency resources are governed by redevelopment dissolution law. Fund accounting also emphasizes accountability, not only for resources received, but for how money is spent. It is standard practice in governmental accounting to implement cost allocation policies and practices that allocate costs of a governments General Fund to other special funds for reimbursement to the General Fund for the benefit those special funds receive. The City of Mission Viejo seeks reimbursement from the Successor Agency through the administrative allowance for the time spent by staff and other costs incurred for legal, audit and other consultants and other miscellaneous costs incurred to administer the activities of the Successor Agency.

For the FY 20-21 ROPS period, the City of Mission Viejo will be requesting an administrative budget of \$250,000, an amount allowed under dissolution law. This amount is consistent with the amount requested and approved by the Department of Finance (DOF) each year since redevelopment dissolution. Attached is a line item budget for FY 20/21 justifying administrative costs. The amounts in this budget are based on amounts that have been adopted as part of the City's 2019-21 two-year budget. Direct personnel costs are an estimate of time staff will spend during FY 20/21 on former redevelopment agency matters and the dissolution process. Only those employees that spend time on Successor Agency matters are included in the budget and time estimated is generally tasked based. Other direct costs, which are usually legal and audit firm services for direct Successor Agency services are estimates of costs anticipated during FY 19-20. Indirect costs are based on the approved FY 20/21 General Fund line item budget. The items listed under indirect costs have a relationship to Successor Agency operations. As an example, the City's accounting software is used to account for the resources and expenses of the Successor Agency; therefore, a percentage of the cost of the use of that software is allocated to the Successor Agency. The percentage used to allocate indirect costs is 3%, which is the approximate percentage of Successor Agency tax increment revenue to the total General Fund expenditures. For comparative purposes, the City has also attached the approved budgets for ROPS period 19-20 and 18-19.

A request was made to provide Department of Finance (DOF) determination letters that might pertain to the administrative budget discussion. The determination letters for 19-20 and 18-19 include paragraphs that state the following:

The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b)(3). However, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179(i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

The City acknowledges that based on the number of line items remaining on the ROPS, there is an appearance that activity for the Mission Viejo Successor Agency is minimal. However, there are substantive issues that are on-going with former redevelopment agreements related to the Mall Bond issue (ROPS enforceable obligation line items 1,4, 37 and 58) and the Kaleidoscope Center development (line item 24) that DOF has repeatedly reclassified to the administrative allowance. By denying direct funding for these activities and forcing these activities off the ROPS as separate enforceable obligations, this gives the appearance that there is less going on related to the Successor Agency than there really is. Attached are determination letters for ROPS periods 17-18, 15-16A and 15-16B that demonstrate DOF actions of reclassifying line item requests to the administrative allowance. In summary, DOF reclassified \$71,000 for 15-16A, \$165,000 for 15-16B, and \$96,500 for 17-18.

To further assist the Oversight Board, the following is a summary of some of the more substantive activities of the Successor Agency that have been re-classified to the administrative allowance by DOF.

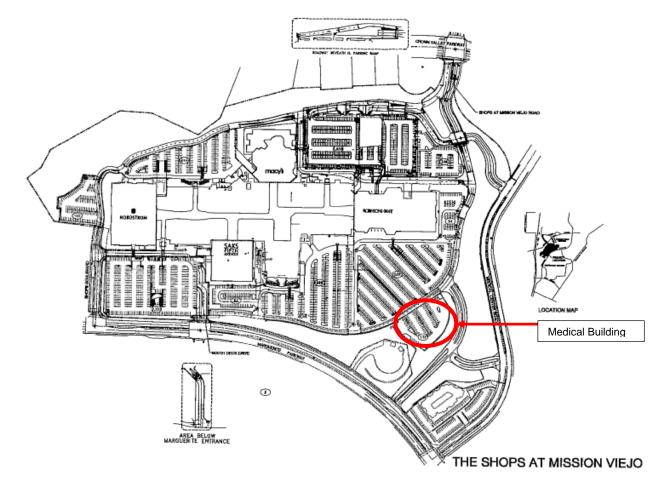
Enforcement of Mall Bond OPA and Covenants Compliance

The former Mission Viejo redevelopment agency (CDA) and Mission Viejo Associates, L.P. (Developer) entered into an Owner Participation Agreement (OPA) dated November 16, 1998. The purpose of the OPA was to implement the provision of the Community Development Plan and the CDA's Implementation Plan for the CDA Project Area pursuant to Section 33490 of the Community Redevelopment Law, both of which state as an objective the redevelopment of existing commercial property in the Project Area, in particular the Mission Viejo Mall, now called The Shops at Mission Viejo (Mall).

The Indenture of Trust (Indenture), dated May 1, 1999, between BNY Western Trust Company (Trustee) and the CDA, authorized the issuance of \$31,100,000 Variable Rate Demand Bonds for the Mission Viejo Mall Improvement Project (Mall Bonds). Also dated May 1, 1999 and as required by the OPA, the CDA and the Developer entered into an Agreement Affecting Real Property (Covenants Agreement), which was subsequently recorded in the County of Orange, California on May 18, 1999 to ensure enforceability of all covenants.

The OPA and the Covenants Agreement are base legal documents in the issuance of the Mall Bonds and the Indenture specifically references that the definitions in the OPA have equal applicability to references in the Indenture. The OPA specifically references the Covenants Agreement. These legal documents are governing documents of all activities at the redeveloped Mall through the year 2028 when the related Mall Bonds mature. The OPA along with the Covenants Agreement set forth the extensive restrictive use, operating, tenanting, management and maintenance covenants, conditions, obligations and other restrictions affecting the Development Parcel (known as the Mall Site) and recorded against the Mall Site in order to ensure long term economic, aesthetic, and community benefits. The purpose of the OPA was to provide the former CDA, and now the Successor Agency, the means to protect the property value and revenue generation of the Mall Site since the ability to meet debt service obligations on the Mall Bonds is dependent on the senior pledge of tax increment generated by the Mall Site. Therefore, the obligation of monitoring and enforcing the OPA covenants is an on-going obligation of the Agency while the Mall Bonds are Outstanding, i.e., until such time that the bonds are fully paid in the year 2028.

The Indenture, OPA and Covenants Agreement identifies the property bound by these legal documents as the "Site" or "Mall Site" and further define the Mall Site to include the Mall Parcels (inclusive of the Development Parcel and the Major Anchor Tenant Parcels) and the Parking Structure Parcels, and includes all the improvements as generally bounded by Crown Valley Parkway to the north, Medical Center Road to the east, Marguerite Parkway to the southeast and Via Curacion to the south, and the San Diego Freeway to the west. The Site map is documented below.



The Mall is owned by Mission Viejo LLC, whose sole member is Mission Viejo Associates, L.P., whose general partner is Simon Property Group, L.P., and whose general partner is Simon Property Group, Inc., (SPG); SPG is an S&P 100 company, the largest REIT in the world, and owner/developer of many hundreds of, the most, regional malls in the U.S. and throughout the world. Uniquely and beneficial to the security for the Mall Bonds, the Covenants Agreement is a senior encumbrance against the Site that requires SPG to use, operate, manage, tenant, and maintain the Mall at the highest tier of all SPG mall properties. Ongoing, the Covenants Agreement must be monitored and enforced to ensure SPG's compliance and the high valuation of the Mall Site thereby generating the high tax increment that, as noted, is the senior, first pledge of revenues securing repayment of the Mall Bonds. If SPG were to not comply with the Covenants Agreement and Mall Bond Documents, with high quality tenant improvements that generate high local revenues, then the security for the Mall Bonds may be compromised.

In addition to the ongoing monitoring to enforce compliance with the Covenants Agreement and Mall Bond Documents for the retail Mall proper, the entire Site is subject to these covenants; so when the owner undertakes new, on-Site improvements, whether retail or non-retail, the Successor Agency is responsible to ensure compliance with all covenants. In other words, any activity that occurs on the Mall Site, whether on-going, a result of previous development, or new development, that is located within the Mall Site, is subject to the Covenants Agreement while the Mall Bonds are Outstanding and due in full in 2028. SPG has entered into a lease agreement with third party that will result in the development of a 110,000 square foot, four-story medical office building and adjacent parking structure. (The project location is highlighted within the Mall Site on the previous map.) Therefore, the Successor Agency is obligated to monitor and enforce compliance by SPG (and its tenants) within the boundaries of the Mall Site to ensure compliance with the Covenant Agreements and Mall Bond Documents while the Bonds are Outstanding.

As previously stated, the OPA along with the Covenants Agreement set forth the extensive restrictive use,

operating, tenanting, management and maintenance covenants, conditions, obligations and other restrictions affecting the Mall Site and include: the on-going appearance and maintenance of landscaping; accessibility and quantity of parking spaces; the mix of tenants, both retail and non-retail, allowed on the Mall Site and all improvements and development within the Site. Because the Successor Agency has no staff, the City of Mission Viejo staff and contract staff are used to monitor compliance with the OPA, Covenants Agreement and Mall Bond Documents and legal services provided by the Successor Agency attorney are needed to assist staff with monitoring and enforcing the terms of these agreements.

DOF has repeatedly reclassified ROPS line items for legal and other consulting services provided by a third party and staff time related to these matters as part of the administrative allowance. These costs for outside services and staff time are specifically for the governance of the outstanding Mall Bonds Indenture as well as the Mall OPA and Covenants Agreement and are included in the administrative allowance budget.

Enforcement of Kaleidoscope OPA and Covenants Compliance

The former Agency and original developer entity, Kaleidoscope Partners, L.P., entered into an Owner Participation Agreement dated October 30, 1995 that included long-term CCRs of record against that certain 4.9-acre parcel; these covenants control the uses, types of tenancies, operations, maintenance and management of a large commercial shopping, entertainment, and retail development at the northeast corner of Crown Valley Parkway and the I-5 freeway (Project). The "Covenants" are set forth in that certain Agreement Affecting Real Property recorded in the Official Records, County of Orange as Instrument No. 1999-0507393 as a senior non subordinate encumbrance, including several amendments also of record relating to these "Covenants".

Over the years, the Project has had numerous operational issues, both pre- and post-dissolution of the redevelopment agency; and, the Project has been transferred to multiple successive owners, each of which requires Mission Viejo's consent. With each transfer there have been and continue to be legal and other compliance issues related to the uses, tenancies and operations at the Project by the Owner, its agents and property management, and its tenants', in particular related to enforcing the Owner's compliance with the Covenants. The current owner is Crown Valley Holdings, LLC, which new ownership too has required ongoing legal services provided by Successor Agency counsel, all related to monitoring and enforcing the Owner's compliance with the Covenants. The Successor Agency is working on requests to the City by the Owner for improvements and changes of use, which trigger review and compliance work by the Successor Agency related to the Covenants. As with any potential or existing dispute between or among parties, the objective is to not end up in litigation; however, in all instances pre-litigation work to cause enforcement of the Covenants before the Successor Agency has to file a lawsuit, or before having to defend a lawsuit filed by the Owner, legal costs directly related to the enforceable obligation are incurred. Outside legal counsel provide these pre-litigation legal services to the Successor Agency in order to enforce effectively the Covenants and avoid ultimately having to file a lawsuit.

DOF has repeatedly reclassified ROPS line items for legal and other consulting services provided by a third party and staff time related to these matters as part of the administrative allowance. These costs for outside services and staff time are specifically for the governance of the Kaleidoscope OPA and are included in the administrative allowance budget.

General Administration

There are a number of activities that occur regularly as part of general administration. The City of Mission Viejo has prepared a personnel justification that accompanies the administrative allowance budget with an exhaustive list of various tasks, including: tasks performed by each employee; the amount of time spent on each task; and, the frequency of each task; to determine the total hours spent by each employee. This detail is provided to assist the Oversight Board in understanding the City's time commitment to Successor Agency matters. Some specific examples include: processing invoices, preparing staff reports, preparing and executing resolutions, conducting meetings, preparing monthly bank reconciliations and treasurer's reports and executing wire transfers. It should also be noted that there is a fixed amount cost associated with

general administration that has no nexus to the number of ROPS line items. For example, regardless of whether there is one ROPS line item with 1 disbursement a year or 20 ROPS line items with 100 disbursements a year, our agency still has to prepare 12 bank reconciliations and 12 treasurer's reports every year.

In conclusion, the City believes the administrative allowance requested of \$250,000 is adequately justified and supported; however, if there is additional information that the Oversight Board believes is needed to further support our request, the City will make every effort to accommodate your request.

Staff Contact(s)

Cheryl Dyas, Director of Administrative Services <u>cdyas@cityofmissionviejo.org</u> 949-470-3082

Attachments

Proposed FY 20/21 Administrative Budget FY 19/20 Approved Administrative Budget FY 18/19 Approved Administrative Budget DOF Determination Letter_19-20 DOF Determination Letter_18-19 DOF Determination Letter_17-18 DOF Determination Letter_15-16A DOF Determination Letter_15-16B

City of Mission Viejo FY 20/21 Administrative Allowance Budget

		Fiscal Year 2020/2021 Costs	<u>Hourly</u> <u>Rate</u>	<u>Successor</u> <u>Agency</u> <u>Hours</u>	<u>SA</u> Administration	<u>% of Time</u> Spent on SA Issues	
Direct Personnel Costs	Department						
City Manager	City Manager		\$ 168.13	60	\$ 10,088	2.88%	
Assistant City Manager/Director of Public Services		311,077	149.56	60	8,973	2.88%	
Executive Administrator	City Manager	124,435	59.82	24	1,436	1.15%	
Senior Executive Assistant City Council	City Manager City Council	37,208 128,522	35.78 61.79	12 2	429 124	0.58% 0.10%	
City Clerk	City Clerk	120,522	83.01	2	540	0.10%	
Community Relations Manager	City Clerk	152,220	73.18	2	146	0.10%	
Director of Administrative Services	Administrative Services	271,228	130.40	200	26,080	9.62%	
AS Manager-Treasury	Administrative Services	152,485	73.31	75	5,498	3.61%	
AS Manager-Accounting	Administrative Services	157,614	75.78	61	4,622	2.93%	
Treasury Analyst	Administrative Services	118,200	56.83	289	16,423	13.89%	
Junior Accountant	Administrative Services	90,097	43.32	106	4,602	5.11%	
Junior Accountant	Administrative Services	89,903	43.22	16	670	0.75%	
Payroll Technician	Administrative Services	74,131	35.64	78	2,780	3.75%	
AS Manager-Budget & Purchasing	Administrative Services	151,816	72.99	46	3,357	2.21%	
AS Analyst	Administrative Services	110,709	53.23	28	1,490	1.35%	
Accounting Information Specialist	Administrative Services	119,473	71.80	10	700	0.47%	
Administrative Assistant	Administrative Services	94,028	45.21	30	1,367	1.45%	
Information Technology Service Delivery Mgr	Information Technology	187,038	89.92	62	5,575	2.98%	
Information Technology Specialist	Information Technology	161,303	77.55	62	4,808	2.98%	
Community Development Director	Community Development	272,112	130.82	24	3,140	1.15%	
Planning Manager	Community Development	230,190	110.67	24	2,656	1.15%	
Code Enforcement Officer	Community Development	141,717	68.13	156	10,629	7.50%	
Total Direct Personnel Costs					116,134		
Other Direct Costs Attorneys							
Stradling Yocca Carlson & Rauth	SA Attorney				30,000		
Lozano Smith	City Attorney				10,000		
Audit Fees					2,400		
Bank Fees/Delivery/Postage/Office Supplies/Meetin	•				500		
Total Other Direct Cost					42,900		
Indirect Costs (applied at 3% of total cost)							
General Liability Insurance		827,000			24,810		
Workers Compensation Insurance		201,000			6,030		
Property Insurance		304,500			9,135		
Employee Fidelity Bonds		8,200			246		
Property Tax Administration		173,000			5,190		
Section 115 pension trust payment		165,377			4,961		
City Hall Facility Maintenance		659,467			19,784		
City Council Admin (non payroll)		60,453			1,814		
City Clerk Council Support (non payroll)		3,300			99		
City Clerk Records Mgmt (non payroll)		4,025			121		
Admin Service Admin (non payroll)		13,984			420		
Acctg/Payroll (non payroll/excludes audit)		18,613			558		
Treasury (non payroll) Risk management (non payroll/excludes insurance)		86,500 14,600			2,595 438		
Human Resources (non payroll)		146,990			438		
Community Development Admin (non-payroll)		32,904			987		
Community Development-Current Planning		46,916			1,407		
Community Development-Code Enforcement		62,707			1,881		
Taping/broadcasting SA meetings		46,260			1,388		
Personnel Computer lease		7,588			228		
Maintenance of Document Management System		22,000			660		
Maintenance of Granicus System (on line streamin	g of meetings)	23,000			690		
Maintenance of Ektron (website content mgmt)		22,000			660		
Maintenance of Accounting System		72,000			2,160		
Maintenance of Misc Systems (Microsoft, Cylance,	Trustwave, Maas 360, Apple,	221,000			6,630		
General Office Supplies and maintenance supplies		29,210			876		
Finance Copier/Equipment Maintenance		34,750			1,043		
Total Indirect Cost					99,220		
	Total Successor Agency Admin Allowance Cost						

Position	Department	Summary of Job Duties Pertaining to Successor Agency Oversees the entire dissolution process. Attends SA, OB and Meet and	<u>Hours</u>	<u>Frequency</u>	<u>Total</u>
City Manager Total City Manag	City Manager er	Confer meetings as well as numerous staff meetings regarding SA. Hours include 5 hours per month.	5	12	<u>60</u> 60
Assistant City Manager/Director of Public Services Total Assistant City Manag	City Manager er	Support to City Manager and attendence at SA and OB related meetings. Estimate is equal to 5 hours per month.	5	12	<u>60</u> 60
Executive Administrator Total Senior Executive Assista	City Manager nt	Direct assistant to the City Manager and Asst City Manager in SA and OB related meetings, transaction processing (i.e. meet and confer related travel requests) and document prep. Estimate is equal to 2 hours per month.	2	12	<u>24</u> 24
Senior Executive Assistant Total Executive Assista	City Manager nt	Direct assistant to the City Manager and Asst City Manager in SA and OB related meetings, transaction processing (i.e. meet and confer related travel requests) and document prep. Estimate is equal to 2 hours per month.	1	12	<u>12</u> 12
City Council	City Council	Attendance at Successor Agency Meetings for 5 members Attendance at Successor Agency agenda planning mtgs for 2 members	0.5 0.5		0.5 0.5
Total City Coun	cil	Execution of SA resolutions by Mayor	0.25		<u>1</u> 2
City Clerk Total City Cle	City Clerk rk	Preparation of Successor Agency Board meetings, including review of agenda Preparation of Successor Agency Board agendas Attendance at Successor Agency Board meetings Attendance at Successor Agency agenda planning meetings Preparation of minutes of Successor Agency Board meetings Review and execution of SA resolutions Filing and posting of SA resolutions in City document system	0.5 0.5 0.25 0.25 0.25 0.25 0.5	2 2 2 2 4	1 0.5 0.5 1 <u>2</u> 6.5
Community Relations Manager	Community Relations	Processing SA related public requests under the Brown Act	1	2	2 <u>0</u>
Total Community Relations Manag	er				2

Position	Department	Summary of Job Duties Pertaining to Successor Agency Direct hours reported on timesheet for ROPS preparation, Mall Bond issue		<u>Frequency</u>	<u>Total</u>
Director of Administrative Services Total Director of Admin Service	Administrative Services	preparation of SA and OB staff reports, attendence at meetings, etc. (200 hours based projected activity)	200	1	<u>200</u> 200
AS Manager-Treasury Total Treasury Manage	Administrative Services	Direct hours reported on timesheet for ROPS preparation, Mall Bond issues, preparation of SA and OB staff reports, attendence at meetings, etc. (75 hours based projected activity)	75	1	<u>75</u> 75
AS Manager-Accounting	Administrative Services	Review and final approval of all journal entries for quarterly close Review and approval of monthly bank reconciliation Review payroll entries in general ledger	0.25 0.25 1		3 3 26
		Review of accounts payable coding of SA invoices before processing	0.25		3
		Review Mall Bond statement JE's	0.5		6
		Analytical review of all monthly financial transactions	1	12	12
		Successor Agency dissolution law and accounting training	1	1	1
		Create/maintain chart of accounts for Successor Agency	1	1	1
		Prepare/process/review entries to close SA funds for fiscal year Preparation of SA documents for interim audit for FY 20/21; meeting with	3	1	3
		auditors	3	1	3
		Training and preparation of SSRS reports in Munis	0	1	0
		Review SA information in annual CAFR for FY 19/20	2	1	<u>2</u>
Total Accounting Manage	ər				61
		Review daily cash in bank account on a daily basis and prepare report for			
Treasury Analyst	Administrative Services	review by Treasury Manager and Director	0.75	260	195
		Prepare monthly Treasurer's Report	1	12	12
		Bank reconciliation	1	12	12
		Quarterly transaction and file maintenance	5	4	20
		Processing check requests for a/p invoices	0.5	10	5
		Update Mall Bond spreadsheets	2	12	24
		Prepare Rolling Reserve letter to bond trustee	5		5
		Prepare and process Mall Bond monthly transactions	0.5		2
		Set up SA cash and investment accounts/close RDA accounts	1	2	2
Total Treasury Analys	st	Prepare wire transfer requests and process transactions	2	6	<u>12</u> 289

<i>Position</i> Junior Accountant	<i>Department</i> Administrative Services	Summary of Job Duties Pertaining to Successor Agency Review accounts payable before final posting Prepare and process journal entries for quarterly close Preparation of monthly bank reconciliation Review payroll entries in general ledger Preparation of Mall Bond monthly transactions Preparation of SA docs for interim audit FY 20/21 Preparation of CAFR for FY 19/20 Training and preparation of SSRS reports in Munis Successor Agency accounting training	Hours 0.25 1 1 2 1 3 2 5 2	Frequency 25 12 12 26 12 1 1 1 1 1	<u>Total</u> 6.25 12 12 52 12 3 2 5 2
Total Junior Accounta	nt				106.25
Junior Accountant	Administrative Services	Review SA accounts payable invoices; issuing checks and preparing check registers Preparation of CAFR for FY 19/20 Training and preparation of SSRS reports in Munis Successor Agency accounting training	0.5 1 0 2	25 1 1 1	12.5 1 0 <u>2</u>
Total Junior Accounta	nt				15.5
Payroll Technician Total Payroll Technicia	Administrative Services	Processing of timesheets for all employees including City employees performing direct duties for Successor Agency; Reviewing timesheets for project allocations, including SA related issues; processing paychecks; reviewing all payroll reports for correctness Continuation of maintaining payroll in Munis, including project ledger info and integration to track Successor Agency time, ESS.	2	26 26	52 <u>26</u> 78
AS Manager-Budget & Purchasing	Administrative Services	Set up/Manage of Successor Agency Chart of Accounts Processing purchase orders and contracts Management of purchase orders/contracts until close Successor Agency accounting training Development of budget (3% of 832 hours) Training and preparation of SSRS reports in Munis	2 0.5 1 25 25	1 6 12 1 1 1	2 3 12 2 25 <u>2</u>
Total Budget & Purchasing Manag	er				46
AS Analyst	Administrative Services	Processing purchase orders and contracts Management of purchase orders/contracts until close Preparation of Successor Agency staff reports Preparation of Oversight Board staff reports Processing and execution of SA resolutions Posting of OB resolutions, ROPS and other docs on website Submittal of docs to DOF Processing SA related public requests under the Brown Act	0.5 1 1 0.5 0.5 0.25 0	6 12 6 2 4 6 4 0	3 12 6 2 2 3 1 0 28
Total AS Analy	SI				28

Position Accounting Information Specialist Total Acct Info Specialis	Department Administrative Services	<i>Summary of Job Duties Pertaining to Successor Agency</i> Training of SSRS Reports in Munis (3% of 224 hours) Preparation of SSRS Reports in Munis (3% of 10 reports/Avg 10 hr/report)	<u>Hours</u> 6.75 0.3	<u>Frequency</u> 1 10	<u>Total</u> 6.75 <u>3</u> 9.75
Administrative Assistant Total Administrative Assistar	Administrative Services	General support to the Director of Administrative Services Scan/atttach/code accounts payable invoices into accounting system	2 0.25	12 25	24 <u>6.25</u> 30.25
Director of Information Technology Total IT Directo	l⊤ or	Technical support related to SA administration. Based on timesheet.	0	12	<u>0</u> 0
IT Service Delivery Manager Total IT Service Delivery Manage	l⊤ ∍r	Munis support and upgrade oversight (3% of 12 month or 2,080 hours)	62	1	<u>62</u> 62
Information Technology Specialists/Technicians Total IT Specialis	l⊤ st	Munis administrative and security suppot (3% of 12 months or 2,080 hours)	62	1	<u>62</u> 62
Community Development Director Total CD Director	Community Development	Monitor develoment of Mall property in accordance with bond covenants	2	12	<u>24</u> 24
Planning Manager Total Planning Manage	Community Development	Monitor develoment of Mall property in accordance with bond covenants	2	12	<u>24</u> 24
Code Enforcement Officer Total Code Enforcement Office	Community Development	Code enforcement activities related to bond covenants	3	52	<u>156</u> 156

City of Mission Viejo FY 19/20 Administrative Allowance Budget

			scal Year 019/2020 Costs	Hourly Rate	<u>Successor</u> <u>Agency</u> <u>Hours</u>	<u>SA</u> Administration	<u>% of Time</u> Spent on SA Issues
Direct Personnel Costs	Department						
City Manager	City Manager	\$	324,864	\$ 156.18	60	\$ 9,371	2.88%
Assistant City Manager/Director of Public Services	City Manager		282,812	135.97	24	3,263	1.15%
Executive Administrator	City Manager		119,486	57.45	24	1,379	1.15%
Senior Executive Assistant	City Manager		35,422	34.06	24	817	1.15%
City Council	City Council		114,435	55.02	5	248	0.22%
City Clerk	City Clerk		243,857	117.24	4	410	0.17%
Deputy City Clerk	City Clerk		125,769	60.47	1	60	0.05%
Records Mangement Coordinator	City Clerk		106,351	51.13	4	205	0.19%
Director of Administrative Services	Administrative Services		250,633	120.50	550	66,273	26.44%
AS Manager-Treasury	Administrative Services		146,592	70.48	150	10,572	7.21%
AS Manager-Accounting	Administrative Services		141,625	68.09	61	4,153	2.93%
Treasury Analyst	Administrative Services		94,453	45.41	337	15,303	16.20%
Junior Accountant	Administrative Services		85,958	41.33	114	4,690	5.46%
Junior Accountant Payroll Technician	Administrative Services		86,144 60,278	41.42 28.98	28 78	1,160 2,260	1.35% 3.75%
AS Manager-Budget & Purchasing	Administrative Services Administrative Services		141,204	28.98 67.89	30	2,200	3.75% 1.44%
AS Analyst	Administrative Services		105,070	50.51	36	1,819	1.73%
Accounting Information Specialist	Administrative Services		112,187	67.42	10	657	0.47%
Senior Department Assistant	Administrative Services		90,821	43.66	37	1,594	1.75%
Information Technology Specialist	Information Technology		152,187	73.17	62	4,536	2.98%
Total Direct Personnel Costs			,			130,808	2.0070
Other Direct Costs							
Attorneys							
Stradling Yocca Carlson & Rauth	SA Attorney					15,000	
Lozano Smith	City Attorney					5,000	
Audit Fees						2,000	
Bank Fees/Delivery/Postage/Office Supplies/Meeti Total Other Direct Cost	-					1,000 23,000	
Indirect Costs (applied at 3% of total cost)							
General Liability Insurance			713,698			21,411	
Workers Compensation Insurance			177,573			5,327	
Property Insurance			264,513			7,935	
Employee Fidelity Bonds			8,084			243	
Property Tax Administration			203,000			6,090	
Retiree Insurance Program (allocated at 5.6% of pa	ayroll)		-			-	
City Hall Facility Maintenance			558,442			16,753	
City Council Admin (non payroll)			36,808			1,104	
City Clerk Council Support (non payroll)			2,450			74	
City Clerk Records Mgmt (non payroll)			6,175			185	
Admin Service Admin (non payroll)			13,807			414	
Acctg/Payroll (non payroll/excludes audit)			40,907			1,227	
Treasury (non payroll)			84,540			2,536	
Human Resources (non payroll)			127,280			3,818	
Community Development Admin			231,994			6,960	
Community Development-Current Planning			445,889			13,377	
Taping/broadcasting SA meetings			27,120			814	
Maintenance of Document Management System	(+ ()		24,000			720	
Maintenance of Granicus System (on line streamin	g or meetings)		18,700			561	
Maintenance of Ektron (website content mgmt) Maintenance of Accounting System			10,000 72,000			300 2,160	
Maintenance of Misc Systems (Microsoft, Cylance,	Trustwave Maas 260 App	, ,	237,500			2,160	
General Office Supplies and maintenance supplies		•	237,500			832	
Finance Copier/Equipment Maintenance			40,750			1,223	
Total Indirect Cost			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			101,189	
	Total Successor Agency	Ad	min Allow	ance Cost		<u>\$ 254,997</u>	

City of Mission Viejo FY 18/19 Administrative Allowance Budget

		<u>Fiscal Year</u> 2018/2019 <u>Costs</u>	Hourly Rate	<u>Successor</u> Agency <u>Hours</u>	<u>SA</u> Administration	<u>% of Time</u> Spent on SA Issues
Direct Personnel Costs	Department					
City Manager	City Manager	\$ 311,396	\$ 149.71	60	\$ 8,983	2.88%
Assistant City Manager/Director of Public Services	City Manager	275,402	132.40	24	3,178	1.15%
Senior Executive Assistant	City Manager	107,120	51.50	24	1,236	1.15%
Executive Assistant	City Manager	97,234	46.75	24	1,122	1.15%
City Council	City Council	125,900	60.53	9	514	0.41%
City Clerk	City Clerk	213,265	102.53	7	666	0.31%
Deputy City Clerk	City Clerk	109,721	52.75	4	211	0.19%
Records Mangement Coordinator	City Clerk	97,177	46.72	5	234	0.24%
Director of Administrative Services	Administrative Services	225,711	108.51	701	76,096	33.71%
AS Manager-Treasury	Administrative Services	187,474	100.15	72	7,211	3.46%
AS Manager-Accounting	Administrative Services	152,222	73.18	83	6,074	3.99%
Treasury Assistant	Administrative Services	93,822	45.11	337	15,201	16.20%
Accountant	Administrative Services	109,497	52.64	107	5,606	5.12%
Accountant	Administrative Services	88,403	42.50	35	1,466	1.66%
Payroll Technician	Administrative Services	74,261	35.70	104	3,713	5.00%
AS Manager-Budget & Purchasing	Administrative Services	109,705	52.74	31	1,635	1.49%
Accounting Information Specialist	Administrative Services	98,171	59.00	10	575	0.47%
Administrative Assistant	Administrative Services	87,822	42.22 59.67	52 62	2,196 3,700	2.50% 2.98%
Information Technology Specialist Total Direct Personnel Costs	•,	124,122	59.07	02	·	2.90%
lotal Direct Personnel Costs					139,617	
Other Direct Costs Attorneys						
Stradling Yocca Carlson & Rauth	SA Attorney				15,000	
Lozano Smith	City Attorney				5,000	
Audit Fees					3,800	
Bank Fees/Delivery/Postage/Office Supplies/Meeti	ng costs				1,000	
Total Other Direct Cost					24,800	
Indirect Costs (applied at 3% of total cost)		740.007			~~~~~	
General Liability Insurance		743,297			22,299	
Workers Compensation Insurance		257,936			7,738	
Property Insurance		285,000			8,550	
Employee Fidelity Bonds	a (roll)	6,400			192 3,714	
Retiree Insurance Program (allocated at 5.6% of pacity Hall Facility Maintenance	ayroll)	123,803 703,002			21,090	
		-			21,090	
City Clerk Council Support (non payroll) City Clerk Records Mgmt (non payroll)		2,450 4,075			122	
Admin Service Admin (non payroll)		11,307			339	
Acctg/Payroll (non payroll/excludes audit)		31,719			952	
Treasury (non payroll)		167,795			5,034	
Human Resources (non payroll)		91,280			2,738	
Community Development Admin		236,346			7,090	
Taping/broadcasting SA meetings		25,824			775	
Maintenance of Document Management System		24,000			720	
Maintenance of Granicus System (on line streamin	a of meetings)	18,700			561	
Maintenance of Site Improve (website content mgn		10,000			300	
Maintenance of Accounting System		67,000			2,010	
Maintenance of Misc Systems (Microsoft, Cylance,	Trustwave, Maas 360, Ann				5,370	
General Office Supplies	······································	25,875			776	
Finance Copier/Equipment Maintenance		40,750			1,223	
Total Indirect Cost					91,667	
	Total Successor Agency	Admin Allow	ance Cost		\$ 256,084	



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April 15, 2019

Ms. Cheryl Dyas, Director of Administrative Services City of Mission Viejo 200 Civic Center Mission Viejo, CA 92691

Dear Ms. Dyas:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Mission Viejo Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 29, 2019. Finance has completed its review of the ROPS 19-20.

Based on a sample of line items reviewed and application of the law, Finance is approving all of the items listed on the ROPS 19-20 at this time. However, Finance notes the following:

- The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.
- Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in Redevelopment Property Tax Trust Fund (RPTTF) are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 3 includes the prior period adjustment resulting from the County Auditor-Controller's (CAC) review of the prior period adjustment form submitted by the Agency.

Based on our review of the prior period adjustment, Finance noted the Agency misspent a portion of excess funds. In the ROPS 15-16 period, the Agency calculated it had incurred \$259,867 in administrative costs; however, because the Agency was only authorized up to \$250,000 for administrative costs, the remaining \$9,867 was paid by the Administrative Cost Allowance received for the ROPS 16-17 period. This is \$9,867 in excess of the maximum amount allowed pursuant to HSC section 34171 (b) (3). Further, pursuant to HSC section 34177 (a) (3), only those payments listed on a ROPS may be made by the Agency from the funds and source specified on the ROPS, up to the amount authorized by Finance. Finance reminds the Agency that funds in excess of the amounts authorized on the ROPS cannot be expended. Any excess funds must be either remitted to the CAC or retained and expended once the Agency receives approval for their use on future ROPS. Ms. Cheryl Dyas April 15, 2019 Page 2

If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items that are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,306,364 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 19-20 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 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 Jackson, Supervisor, or Alexander Watt, Lead Analyst, at (916) 322-2985.

Sincerely,

JEŃNÍFÉR WHITAKER Program Budget Manager

cc: Ms. Sherry Merrifield, Administrative Assistant, City of Mission Viejo Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County Ms. Cheryl Dyas April 15, 2019 Page 3

Attachment

Approved RPTTF Distribution For the period of July 1, 2019 through June 30, 2020					
ROPS A Period ROPS B Period ROPS 19-20 Tota					
RPTTF Requested	\$	708,250	\$ 715,750	\$ 1,424,000	
Administrative RPTTF Requested		125,000	125,000	250,000	
Total RPTTF Requested		833,250	840,750	1,674,000	
RPTTF Authorized		708,250	715,750	1,424,000	
Administrative RPTTF Authorized		125,000	125,000	250,000	
Total RPTTF Authorized for Obligations		833,250	840,750	1,674,000	
Prior Period Adjustment		(367,636)	0	(367,636)	
Total RPTTF Approved for Distribution	\$	465,614	\$ 840,750	\$ 1,306,364	



EDMUND G. BROWN JR. - GOVERNOR

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April 13, 2018

Ms. Cheryl Dyas, Director of Administrative Services City of Mission Viejo 200 Civic Center Mission Viejo, CA 92691

Dear Ms. Dyas:

Subject: 2018-19 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Mission Viejo Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19) to the California Department of Finance (Finance) on January 29, 2018.

Finance has completed its review of the ROPS 18-19. Based on a sample of line items reviewed and application of the law, Finance made the following determinations:

 Item Nos. 2, 4, and 67 – Bond Covenant/Compliance, Property Tax Allocation Reporting, and Litigation Settlement costs totaling \$293,533 are not allowed. It is our understanding these items are the subject of ongoing litigation and the Agency has not received a final judicial determination seeking the relief requested. As such, until the matter is resolved, Redevelopment Property Tax Trust Fund (RPTTF) funding for these items is not authorized; therefore, RPTTF in the requested amount of \$52,033 is not approved as specified in the table below:

ltem No.	Project Name/Debt Obligation	Amount
	1999 Variable Rate Demand Revenue Bonds (Mission Viejo Mall	\$10,000
2	Improvement Project)	
	1999 Variable Rate Demand Revenue Bonds (Mission Viejo Mall	16,500
4	Improvement Project) - Fees	
67	Litigation Settlement	25,533
	Total	\$52,033

• The administrative costs are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3), Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

Ms. Cheryl Dyas April 13, 2018 Page 2

- On the ROPS 18-19 form, the Agency reported cash balances and activity for the period July 1, 2015 through June 30, 2016 (ROPS 15-16). According to our review, the Agency has approximately \$7,100 in Other Funds and \$119,022 in RPTTF unexpended from the ROPS 15-16 period, totaling \$126,122, available to fund enforceable obligations on the ROPS 18-19. The unexpended RPTTF funds are considered Reserve Balances. HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF. Therefore, with the Agency's concurrence, the funding source for the following item has been reclassified in the amounts specified below:
 - Item No. 1 1999 Series A Mission Viejo Community Development Financing Authority Variable Rate Demand Bonds in the requested RPTTF amount of \$1,500,000 has been partially reclassified. However, this item does not require payment from RPTTF. Therefore, Finance is approving RPTTF in the amount of \$1,373,878, Other Funds in the amount of \$7,100, and Reserve Balances in the amount of \$119,022, totaling \$1,500,000.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 18-19. If the Agency disagrees with our determination with respect to any items on the ROPS 18-19, except items which are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,634,828 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2018 through December 31, 2018 period (ROPS A period) and one distribution for the January 1, 2019 through June 30, 2019 period (ROPS B period) based on Finance's approved amounts. Since this determination is for the entire ROPS 18-19 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Pursuant to HSC section 34186 (c), beginning October 1, 2018, the Agency will be required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2016 through June 30, 2017 period (ROPS 16-17) to the Orange County Auditor-Controller for review. The Agency will report actual payments for ROPS 16-17 on ROPS 19-20. A prior period adjustment may be applied to the Agency's ROPS 19-20 RPTTF distribution. Therefore, the Agency should retain any unexpended RPTTF from the ROPS 16-17 period.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 18-19. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be deemed denied until the matter is resolved.

Ms. Cheryl Dyas April 13, 2018 Page 3

The ROPS 18-19 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 18-19 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 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 Jackson, Supervisor, or Alexander Watt, Lead Analyst, at (916) 322-2985.

Sincerely,

ERIKA LI Program Budget Manager

cc: Ms. Sherry Merrifield, Administrative Assistant, City of Mission Viejo

Ms. Cindy Wong, Manager, Property Tax Manager, Orange County

Ms. Cheryl Dyas April 13, 2018 Page 4

Attachment

Approved RPTTF Distribution For the period of July 2018 through June 2019						
ROPS A Period ROPS B Period ROPS 18-19						
RPTTF Requested	\$	788,783	\$ 774,200	\$ 1,562,983		
Administrative RPTTF Requested		125,000	125,000	250,000		
Total RPTTF Requested		913,783	899,200	1,812,983		
RPTTF Requested		788,783	774,200	1,562,983		
Adjustments						
Item No. 1		0	(126,122)	(126,122)		
Item No. 2		(5,000)	(5,000)	(10,000)		
Item No. 4		(8,250)	(8,250)	(16,500)		
Item No. 67		(25,533)	0	(25,533)		
		(38,783)	(139,372)	(178,155)		
RPTTF Authorized		750,000	634,828	1,384,828		
Administrative RPTTF Authorized		125,000	125,000	250,000		
Total RPTTF Approved for Distribution	\$	875,000	\$ 759,828	\$ 1,634,828		



Edmund G. Brown Jr. - Governor

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May 17, 2017

Ms. Cheryl Dyas, Director of Administrative Services City of Mission Viejo 200 Civic Center Mission Viejo, CA 92691

Dear Ms. Dyas:

Subject: 2017-18 Annual Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 14, 2017. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Mission Viejo Successor Agency (Agency) submitted an annual ROPS for the period of July 1, 2017 through June 30, 2018 (ROPS 17-18) to Finance on January 30, 2017. Subsequently, the Agency requested a Meet and Confer on one or more of the determinations made by Finance. The Meet and Confer was held on May 3, 2017.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer, Finance has completed its review of the specific determinations being disputed:

Item No. 4 – Property Tax Allocation Reporting in the amount of \$195,000. Finance no longer denies this item. Finance initially denied this item because the contract between the Agency and HDL Coren & Cone (HDL) will expire in June 30, 2017 and the Agency has not provided a new or amended contract. During the Meet and Confer, the Agency provided an amendment to the contract between the Agency and HDL, extending the term of the contract to June 30, 2018 for an annual maximum amount of \$16,500. Although enforceable, the types of services requested are considered general administrative costs and are reclassified to the Agency's Administrative Cost Allowance (ACA).

The Agency also contested Item Nos. 2, 24, 45, 57, and 63 through 66 during the Meet and Confer. However, pursuant to HSC section 34177 (m) (1), items that are the subject of litigation disputing Finance's previous or related determination are not eligible for Meet and Confer. As a result, we continue to make the following determinations:

 Item Nos. 63 through 66 – Mission Viejo Housing Authority Housing Entity Administrative Cost Allowance, outstanding obligation amounts totaling \$600,000, is not allowed.
 Finance continues to deny these items. Pursuant to HSC section 34171 (p), the housing successor administrative cost allowance is applicable only in cases where the city, county, or city and county that authorized the creation of the Redevelopment Agency (RDA) elected to not assume the housing functions.

The housing successor to the former RDA of the City of Mission Viejo (City) is the City-formed Housing Authority and the Authority operates under the control of the City. The Authority is considered the City under dissolution law pursuant to HSC section 34167.10. Therefore, the \$600,000 (\$150,000 + \$150,000 + \$150,000 + \$150,000 + \$150,000) of housing successor administrative allowance requested from RPTTF for the ROPS 17-18 period is not allowed.

 The Agency's claimed administrative costs exceed the allowance by \$96,500. HSC section 34171 (b) (3) limits the fiscal year Administrative Cost Allowance (ACA) to three percent of actual RPTTF distributed in the preceding fiscal year or \$250,000, whichever is greater; not to exceed 50 percent of the RPTTF distributed in the preceding fiscal year. As a result, the Agency's maximum ACA is \$250,000 for the fiscal year 2017-18.

Although \$250,000 is claimed for ACA, Item Nos. 2, 4, 24, 45, and 57 (\$10,000, \$16,500, \$5,000, \$25,000, and \$40,000, respectively), totaling \$96,500, are considered general and administrative and should be counted toward the cap. Therefore, as noted in the table below, \$96,500 of excess ACA is not allowed:

Administrative Cost Allowance Calcula	tion	
Actual RPTTF distributed for fiscal year 2016-17	\$	2,821,177
Less distributed Administrative RPTTF		(250,000)
RPTTF distributed for 2016-17 after adjustment		2,571,177
ACA Cap for 2017-18 per HSC section 34171 (b)		250,000
ACA requested for 2017-18		250,000
Plus amount reclassified to ACA		96,500
Total ACA		346,500
ACA in Excess of Cap	\$	(96,500)

Further, Finance continues to reclassify these obligations to the ACA. Under dissolution law, HSC section 34171 (b) allows litigation expenses related to assets or obligations to be funded with property tax outside the administrative cap. The Agency contends these items are project related expenses. However, legal services provided by a third party, or legal services related to the Orange County Auditor-Controller's calculations do not fall into any of the following categories that are specifically excluded from the administrative cap as defined by HSC section 34171 (b):

- o Any litigation expenses related to assets or obligations,
- o Settlements and judgments,
- The costs of maintaining assets prior to disposition, and
- Employee costs associated with work on specific project implementation activities, including, but not limited to, construction inspection, project management, or actual construction, shall be considered project-specific costs

To the extent the Agency can provide documentation to demonstrate these costs relate to specific projects, etc., the Agency may be eligible for funding outside the administrative cost cap on a future ROPS.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 17-18.

The Agency's maximum approved RPTTF distribution for the reporting period is \$2,369,551 as summarized in the Approved RPTTF Distribution table on Page 5 (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.

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.

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.

This is Finance's final 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 Anna Kyumba, Supervisor, or Veronica Zalvidea, Lead Analyst, at (916) 322-2985.

Sincerely,

JUSTYN HOWARD

Program Budget Manager

cc: Ms. Josephine Julian, Treasury Manager, City of Mission Viejo Mr. Frank Davies, Property Tax Manager, Orange County

Attachment

Approved RPTTF Distribution For the period of July 2017 through June 2018					
	RO	PS A Period	ROPS B Period	ROPS 17-18 Total	
RPTTF Requested	\$	1,872,051	\$ 945,500	\$ 2,817,551	
Administrative RPTTF Requested		125,000	125,000	250,000	
Total RPTTF Requested		1,997,051	1,070,500	3,067,551	
RPTTF Requested		1,872,051	945,500	2,817,551	
Adjustments					
Item No. 2		(10,000)	0	(10,000	
Item No. 4		(9,000)	(9,000)) (18,000	
Item No. 24		0	(5,000)) (5,000	
Item No. 45		0	(25,000)) (25,000	
Item No. 57		(20,000)	(20,000)) (40,000	
Item No. 63		(150,000)	0	(150,000	
Item No. 64		(150,000)	0	(150,000	
Item No. 65		(150,000)	0	(150,000	
Item No. 66		(75,000)	(75,000)	(150,000	
		(564,000)	(134,000)	(698,000	
RPTTF Authorized		1,308,051	811,500	2,119,551	
Administrative RPTTF Requested		125,000	125,000	250,000	
Adjustments					
Item No. 2		10,000	0	10,000	
Item No. 4		8,250	8,250	16,500	
Item No. 24		0	5,000	5,000	
Item No. 45		0	25,000	25,000	
Item No. 57		20,000	20,000	40,000	
		38,250	58,250	96,500	
Adjusted Administrative RPTTF		163,250	183,250	346,500	
Excess Administrative Costs		0	(96,500)) (96,500	
Administrative RPTTF Authorized		163,250	86,750	250,000	
Total RPTTF Approved for Distribution	\$	1,471,301	\$ 898,250	\$ 2,369,551	



EDMUND G. BROWN JR. - GOVERNOR

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REVISED

May 27, 2015

Ms. Cheryl Dyas, Director of Administrative Services City of Mission Viejo 200 Civic Center Mission Viejo, CA 92691

Dear Ms. Dyas:

Subject: Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 12, 2015. Pursuant to Health and Safety Code (HSC) section 34177 (m), the City of Mission Viejo Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule (ROPS 15-16A) to Finance on February 27, 2015, for the period of July through December 2015. Finance issued a ROPS determination letter on April 12, 2015. Subsequently, the Agency requested a Meet and Confer session on one or more of the determinations made by Finance. The Meet and Confer session was held on April 23, 2015.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer process, Finance has completed its review of the specific determinations being disputed.

- Item No. 24 Kaleidoscope Owner Participation Agreement in the amount of \$35,000.
 Finance continues to reclassify this obligation to the Agency's Administrative Cost Allowance. HSC section 34171 (b) allows litigation expenses related to assets or obligations to be funded with property tax outside the administrative cap. However, Finance reclassified this item to the administrative cost allowance because it relates to general legal representation and not specifically to bringing or contesting a legal action in court. During the Meet and Confer process, the Agency contended that this item is a project related expense. However, the legal services provided a third party do not fall into any of the following categories that are specifically excluded from the administrative cap as defined by HSC section 34171 (b):
 - Any litigation expenses related to assets or obligations.
 - o Settlements and judgments.
 - o The costs of maintaining assets prior to disposition.
 - Employee costs associated with work on specific project implementation activities, including, but not limited to, construction inspection, project management, or actual construction, shall be considered project-specific costs.

Although enforceable, the types of services requested are considered general administrative costs and continue to be reclassified.

Item Nos. 53 and 55 – Legal costs provided by Stradling, Yocca, Carlson, & Rauth related to incorrect Supplemental Educational Revenue Augmentation Fund (SERAF) and Redevelopment Property Tax Trust Funds (RPTTF) calculations totaling \$20,000. Finance no longer denies these items; however, Finance reclassifies these items to the administrative cost allowance. It was our understanding the Agency retained the services of Lozano Smith, LLP for SERAF and RPTTF calculations. HSC section 34171 (d) (1) (F) states that contracts and agreements necessary for the administration or operation of the Agency, including contracts concerning litigation, are enforceable obligations; however, Finance initially denied these items because the legal services from two separate firms for the same issue appears duplicative and unnecessary.

During the Meet and Confer process, the Agency contended that these items are project related expenses. However, the legal services provided a third party does not fall into any of the following categories that are specifically excluded from the administrative cap as defined by HSC section 34171 (b):

- o Any litigation expenses related to assets or obligations.
- o Settlements and judgments.
- The costs of maintaining assets prior to disposition.
- Employee costs associated with work on specific project implementation activities, including, but not limited to, construction inspection, project management, or actual construction, shall be considered project-specific costs.

Although enforceable, the types of services requested are considered general administrative costs and are being reclassified.

Item Nos. 54 and 56 – Legal costs provided by Lozano Smith, LLP totaling \$40,000.
 Finance continues to reclassify Item No. 56 as an administrative cost; however, Finance no longer reclassifies Item No. 54 as an administrative cost, but instead denies Item No. 54. Finance initially determined that the types of services requested are considered general administrative costs and were reclassified. During the Meet and Confer process, the Agency contended that these items are related to litigation services.

For Item No. 54, the Agency provided an invoice for actual costs incurred by the City under the City's agreement with Lozano Smith, LLP. Based on the invoice provided, all of the costs already incurred were billed to the City, not the Agency. As such, the costs related to the litigation that were billed to the City under the City agreement are not an obligation of the Agency. Therefore, Item No. 54 is not an enforceable obligation and not eligible for funding.

For Item No. 56, based on the description of work to be completed, this item does not appear to be related to litigation services. General legal services provided by a third party do not fall into any of the following categories that are specifically excluded from the administrative cap as defined by HSC section 34171 (b):

- Any litigation expenses related to assets or obligations.
- o Settlements and judgments.
- The costs of maintaining assets prior to disposition.

 Employee costs associated with work on specific project implementation activities, including, but not limited to, construction inspection, project management, or actual construction, shall be considered project-specific costs.

Although enforceable, the types of services requested for Item No. 56 are considered general administrative costs and continue to be reclassified.

- Item No. 57 Legal services provided by Lozano Smith, LLP to properly manage preexisting 1999 Variable Rate Demand Bond contracts in the amount of \$60,000. Finance no longer denies this item; however, Finance reclassifies this item to the administrative cost allowance. Finance initially denied this item because no documentation was provided to support the need for these additional compliance services. During the Meet and Confer process, the Agency contended that this item is a project related expense. However, the legal services provided a third party do not fall into any of the following categories that are specifically excluded from the administrative cap as defined by HSC section 34171 (b):
 - Any litigation expenses related to assets or obligations.
 - o Settlements and judgments.
 - o The costs of maintaining assets prior to disposition.
 - Employee costs associated with work on specific project implementation activities, including, but not limited to, construction inspection, project management, or actual construction, shall be considered project-specific costs.

Although enforceable, the types of services requested are considered general administrative costs and are being reclassified.

Pursuant to HSC section 34186 (a), successor agencies were required to report on the ROPS 15-16A form the estimated obligations and actual payments (prior period adjustments) associated with the July through December 2014 period. HSC section 34186 (a) also specifies prior period adjustments self-reported by successor agencies are subject to audit by the county auditor-controller (CAC) and the State Controller. The amount of RPTTF approved in the table below includes the prior period adjustment resulting from the CAC's review of the Agency's self-reported prior period adjustment.

Except for the items denied in whole or in part or the items that have been reclassified, Finance is not objecting to the remaining items listed on your ROPS 15-16A. The Agency's maximum approved RPTTF distribution for the reporting period is \$1,450,452 as summarized in the Approved RPTTF Distribution table below:

Approved RPTTF Distribution		
For the period of July through December 20	15	
Total RPTTF requested for non-administrative obligations		1,346,263
Total RPTTF requested for administrative obligations		125,000
Total RPTTF requested for obligations on ROPS	\$	1,471,263
Total RPTTF requested for non-administrative obligations		1,346,263
Denied Items		
Item No. 54		(20,000)
Reclassified Items		
Item No. 24		(1,000)
Item No. 53		(10,000)
Item No. 55		(10,000)
Item No. 56		(20,000)
Item No. 57		(30,000)
		(71,000)
Total RPTTF authorized for non-administrative obligations	\$	1,255,263
Total RPTTF requested for administrative obligations		125,000
Reclassified Items		
Item No. 24		1,000
Item No. 53		10,000
Item No. 55		10,000
Item No. 56		20,000
Item No. 57		30,000
		71,000
Total RPTTF authorized for administrative obligations	\$	196,000
Total RPTTF authorized for obligations	\$	1,451,263
ROPS 14-15A prior period adjustment		(811)
Total RPTTF approved for distribution	\$	1,450,452

Please refer to the ROPS 15-16A schedule that was used to calculate the approved RPTTF amount:

http://www.dof.ca.gov/redevelopment/ROPS

This is Finance's final determination related to the enforceable obligations reported on your ROPS for July 1 through December 31, 2015. This determination only applies to items where funding was requested for the six-month period. Finance's determination is effective for this time period only and should not be conclusively relied upon for future periods. All items listed on a future ROPS are subject to a subsequent review and may be denied even if it was or was not denied on this ROPS or a preceding ROPS. The only exception is for those items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of items that have received a Final and Conclusive determination 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 that was available prior to the enactment of ABx1 26 and AB 1484. This amount is not and never was an unlimited funding source. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the agency in the RPTTF.

Pursuant to HSC section 34177 (a) (3), only those payments listed on an approved ROPS may be made by the successor agency from the funds specified in the ROPS. However, if the Agency needs to make payments for approved obligations from another funding source, HSC section 34177 (a) (4) requires the Agency to first obtain oversight board approval.

To the extent proceeds from bonds issued after December 31, 2010 exist and are not encumbered by an enforceable obligation pursuant to HSC section 34171 (d), HSC section 34191.4 (c) (2) (B) requires these proceeds be used to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation.

Please direct inquiries to Evelyn Suess, Dispute Resolution Supervisor, or Mary Halterman, Analyst, at (916) 445-3274.

Sincerely,

JUSTYN HOWARD Program Budget Manager

cc:

Ms. Josephine Julian, Treasury Manager, City of Mission Viejo Mr. Frank Davies, Property Tax Manager, Orange County California State Controller's Office



EDMUND G. BROWN JR. - GOVERNOR

915 L STREET # SACRAMENTO CA # 95814-3706 # WWW.DDF.CA.GOV

December 17, 2015

Ms. Cheryl Dyas, Director of Administrative Services City of Mission Viejo 200 Civic Center Mission Viejo, CA 92691

Dear Ms. Dyas:

Subject: Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated November 9, 2015. Pursuant to Health and Safety Code (HSC) section 34177 (m), the City of Mission Viejo Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule (ROPS 15-16B) to Finance on September 29, 2015, for the period of January 1 through June 30, 2016. Finance issued a ROPS determination letter on November 9, 2015. Subsequently, the Agency requested a Meet and Confer session on one or more of the determinations made by Finance. The Meet and Confer session was held on November 17, 2015.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer process, Finance has completed its review of the specific determinations being disputed.

- Item No. 2 Stradling, Yocca, Carlson & Rauth Legal Services in the amount of \$80,000 was not allowed. Finance no longer denies this item; however, Finance reclassifies this item as an administrative cost. It was our understanding this item is related to legal services necessary for the administration of the 1999 Variable Rate Demand Revenue Bonds (Mission Viejo Mall Improvement Project) and new development. However, Finance initially denied this item because the Agency was unable to provide sufficient documentation to support the amounts claimed. During the Meet and Confer process, the Agency contended that the legal services to be provided are project costs related to compliance with the Owner Participation Agreement, Mall Bond documents, and Covenants Agreement. However, legal services provided by a third party are not employee costs associated with work on specific project implementation activities, which are specifically excluded from the administrative cap as defined by HSC section 34171 (b) (5). Therefore, the legal services requested are considered general administrative costs and will be reclassified.
- Item No. 45 City of Mission Viejo (City)/KNN Financial in the amount of \$30,000 was partially allowed. Finance continues to deny \$5,000 of this item and reclassifies \$25,000 as an administrative cost. Finance initially adjusted this item to \$10,000 because only \$25,000 was supported pursuant to the Agreement for Consultant Services (KNN Financial) provided by the Agency and the Agency received \$15,000 in ROPS 15-16A. During the Meet and Confer process, the Agency contended that the amount requested

Ms. Cheryl Dyas December 17, 2015 Page 2

> is \$25,000 for professional services plus \$5,000 for related out-of-pocket expenses. Additionally, the Agency stated that the \$15,000 received in ROPS 15-16A will not be expended and will be included in the prior period adjustment process. Based upon further review of the Agreement, Exhibit B states that "the maximum cumulative fees, expenses, and costs authorized under this Agreement shall not exceed \$25,000." As a result, the out-of-pocket expenses should be included as part of this cumulative amount. Therefore, the excess \$5,000 (\$30,000 - \$25,000) is not eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding.

> Additionally, the cost to evaluate alternatives and implement a preferred alternative in connection with the outstanding variable rate debt obligation incurred in 1999 for the Mission Viejo Mall Improvement Project is not required by an enforceable obligation and is not excluded from the administrative cost allowance pursuant to HSC section 34171 (d) (5). Therefore, the financial services requested are considered general administrative costs and \$25,000 will be reclassified.

Item No. 51 – Project Management Costs in the amount of \$30,000 were not allowed. Finance continues to deny this item. Finance initially denied this item as it was our understanding this item relates to City staff and consultant time associated with the construction of the medical office building, which was not included in the original OPA discussed Item No. 2 and it is not the obligation of the Agency to monitor the project. During the Meet and Confer process, the Agency contended that since the entire Mall Site is covered under the OPA, Mall Bond documents, and Covenants Agreement, all activities (or failures to act) at, on, or about the Mall Site are subject to compliance with these documents while the Mall Bonds are outstanding, including any development undertaken at the Mall Site.

However, pursuant to HSC section 34177.3 (b), except as required by an enforceable obligation, the work of winding down the redevelopment agency (RDA) does not include planning, design, redesign, development, demolition, alteration, construction, construction financing, site remediation, site development or improvement, land clearance, seismic retrofits, and other similar work. As this project was not included in the original OPA, the tasks identified by the Agency in relation to the new development on the Mall Site are not required by an enforceable obligation and are not the work of winding down the former RDA. Therefore, this item is not an enforceable obligation and is not eligible for RPTTF funding in the amount of \$30,000.

Item Nos. 60 through 62 – Various Bond Administrative Services related to the 1999 Variable Rate Demand Revenue Bonds totaling \$60,000. Finance no longer denies these items; however, Finance reclassifies these items as administrative costs. It is our understanding these items relate to a letter of credit expiring in May 2016. Finance initially denied these items because the Agency was unable to provide sufficient documentation to support the amounts claimed. During the Meet and Confer process, the Agency provided an explanation of the services to be provided are related to the letter of credit renewal for the 1999 Variable Rate Demand Revenue Bonds. However, the services are not required by an enforceable obligation and are not excluded from the administrative cost allowance pursuant to HSC section 34171 (d) (5). Therefore, the financial services requested are considered general administrative costs and will be reclassified. Ms. Cheryl Dyas December 17, 2015 Page 3

Item Nos. 63 through 66 – Additional items not included on the ROPS 15-16B submission. During the Meet and Confer process, the Agency discussed these items and requested that they be approved for funding; however, these items were not submitted by the Agency in their ROPS 15-16B. Since these items were not included in the original submission, Finance cannot review these during the Meet and Confer process, as there is no denial/determinations for these items that would warrant the need to meet and confer. HSC section 34177 (m) provides that the successor agency shall complete the ROPS in the manner provided for by Finance and we only accept the ROPS 15-16B template downloaded from the RAD App for the ROPS 15-16B review.

In addition, per Finance's letter dated November 9, 2015, we continue to make the following determinations not contested by the Agency during the Meet and Confer:

 The Agency's claimed administrative costs exceed the allowance by \$236,000. HSC section 34171 (b) (2) limits the fiscal year 2015-16 administrative expenses to three percent of the RPTTF allocated or \$250,000, whichever is greater. The Orange County Auditor-Controller distributed \$196,000 for administrative costs for the July through December 2015 period, thus leaving a balance of \$54,000 available for the January through June 2016 period. Although \$125,000 is claimed for administrative costs totaling \$165,000, and only \$54,000 is available pursuant to the cap. Therefore, \$236,000 of excess administrative cost is not allowed.

Finance notes these items contain more than one contract and more than one payee. On future ROPS, the Agency must list each contract as a separate obligation with its own item number and list them in sequential order. Pursuant to HSC section 34177 (m) (1), the Agency is required to complete the ROPS in a manner provided by Finance. Future ROPS not completed in a manner provided by Finance may be rejected in its entirety and returned to the oversight board for reconsideration.

Pursuant to HSC section 34186 (a) (1), the Agency was required to report on the ROPS 15-16B form the estimated obligations versus actual payments (prior period adjustment) associated with the January through June 2015 period (ROPS 14-15B). HSC section 34186 (a) (1) also specifies the prior period adjustment self-reported by the Agency is subject to review by the county auditor-controller (CAC). The amount of RPTTF approved in the table below includes the prior period adjustment resulting from the CAC's review of the Agency's self-reported prior period adjustment.

Except for the items denied in whole or in part, Finance is not objecting to the remaining items listed on your ROPS 15-16B. The Agency's maximum approved RPTTF distribution for the reporting period is \$726,100 as summarized in the Approved RPTTF Distribution table on the next page:

Approved RPTTF Distribution		
For the period of January through June 2016 Total RPTTF requested for non-administrative obligations		070 400
		872,100
Total RPTTF requested for administrative obligations Total RPTTF requested for obligations on ROPS 15-16B	<u> </u>	125,000
Total RETTE requested for obligations on ROPS 15-166	\$	997,100
Total RPTTF requested for non-administrative obligations		872,100
Denied Items Item No. 45		(= 000)
		(5,000)
Item No. 51		(30,000)
		(35,000)
Reclassified Items		(
Item No. 2		(80,000)
Item No. 45		(25,000)
Item No. 60		(20,000)
Item No. 61		(20,000)
Item No. 62		(20,000)
		(165,000)
Total RPTTF authorized for non-administrative obligations	\$	672,100
Total RPTTF requested for administrative obligations Reclassified Items		125,000
Item No. 2		80,000
Item No. 45		-
Item No. 60		25,000
		20,000
Item No. 61		20,000
Item No. 62	,	20,000
		165,000
Administrative costs in excess of the cap (see Admin Cost Cap table below)		(236,000
Total RPTTF authorized for administrative obligations	\$	54,000
Total RPTTF authorized for obligations	\$	726,100
ROPS 14-15B prior period adjustment		0
Total RPTTF approved for distribution	\$	726,100
Administrative Cost Cap Calculation		
Total RPTTF for 15-16A (July through December 2015)		1,255,263
Total RPTTF for 15-16B (January through June 2016)		672,100
Less approved unfunded obligations from prior periods		0
Total RPTTF for fiscal year 2015-2016		1,927,363
Administrative cost cap for fiscal year 2015-16 (Greater of 3% of Total RPTTF or		
\$250,000)		250,000
Administrative allowance for ROPS 15-16A (July through December 2015)		(196,000)
Remaining administrative cost cap for ROPS 15-16B		54,000
ROPS 15-16B administrative obligations after Finance adjustments		(290,000)
Administrative costs in excess of the cap	\$	(236,000)

On the ROPS 15-16B form, the Agency reported cash balances and activity for the period January 1 through December 31, 2015. Finance will perform a review of the Agency's self-reported cash balances on an ongoing basis. Please be prepared to submit financial records and bridging documents to support the cash balances reported upon request. If it is determined

Ms. Cheryl Dyas December 17, 2015 Page 5

the Agency possesses cash balances that are available to pay approved obligations, HSC section 34177 (I) (1) (E) requires these balances be used prior to requesting RPTTF.

Please refer to the ROPS 15-16B schedule used to calculate the total RPTTF approved for distribution:

http://www.dof.ca.gov/redevelopment/ROPS

This is Finance's final determination related to the enforceable obligations reported on your ROPS for January 1 through June 30, 2016. This determination only applies to items when funding was requested for the six-month period. Finance's determination is effective for this time 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 it was 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 statutes. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Evelyn Suess, Dispute Resolution Supervisor, or Mary Halterman, Analyst, at (916) 445-3274.

Sincerely,

JUSTYN HOWARD Program Budget Manager

cc: Ms. Josephine Julian, Treasury Manager, City of Mission Viejo Mr. Frank Davies, Property Tax Manager, Orange County

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 10I

From: Successor Agency to the Placentia Redevelopment Agency

Subject: Straw Vote of the Countywide Oversight Board Regarding Administrative Budget

Recommended Action:

Hold a straw vote regarding FY 2020-21 Administrative Budget for the Placentia Successor Agency

The Placentia Successor Agency requests a straw vote of the Administrative Budget for Fiscal Year 2020-21. The Successor Agency shall return in January with a request for final approval of the Administrative Budget with the Recognized Obligation Payment Schedule ("ROPS"). ROPS 20-21, covering the period of July 1, 2020 through June 30, 2021, must be approved by the Countywide Oversight Board of the County of Orange ("Countywide Oversight Board") and submitted to the State Department of Finance ("DOF") no later than February 1, 2020. Pursuant to Health & Safety Code ("HSC") Section 34177(m), the DOF has 45 days from submission after Countywide Oversight Board approval to review the ROPS and object to any enforceable obligations. If the ROPS is not submitted by the deadline to the DOF, the City is subject to a \$10,000 fine for every day the ROPS is late and the administrative cost allowance for the Successor Agency is reduced by 25% after 10 days.

Pursuant to HSC Section 34177(l), successor agencies are required to prepare and submit a 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 Countywide Oversight Board review of the Administrative Budget for the Fiscal Year 2020-21 for the Placentia Successor Agency, which covers the twelve-month reporting period of July 1, 2020 through June 30, 2021 (Attachment No. 1). The administrative overhead for the twelve-month reporting period totals \$269,410. The administrative overhead request of \$250,000 represents the total allocation the Placentia Successor Agency is authorized to receive pursuant to HSC Section 34171, which is to be split evenly between the two six-month periods.

HSC Section 34177(j) requires each successor agency to prepare a proposed administrative budget setting forth the successor agency's estimated administrative costs of carrying out the wind-down activities of the former redevelopment agency, proposing sources of payment for such estimated administrative costs, and proposing for arrangements for administrative and operations services

The administrative costs will be funded entirely by Redevelopment Property Tax Trust Fund ("RPTTF") revenues. The Administrative Budget estimates below include staff time required to carry out Placentia Successor Agency activities:

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Placentia Successor Agency Administrative Budget Request			
Personnel	\$ 186,500		
Legal	\$ 26,300		
Consulting	\$ 30,000		
Indirect Costs	\$ 26,610		
Total	\$269,410		
Total Admin Request	\$250,000		

The two major cost components are personnel costs and professional contract services. Personnel and indirect costs are related to City staff time required to manage Placentia Successor Agency affairs. The contract services costs are legal counsel and consulting services. The detailed administrative budget and personnel description for this time period is included as Attachment No. 2.

Staff Contact(s)

Brian Moncrief, Senior Vice President, Kosmont Companies (805) 463-7364, <u>bmoncrief@kosmont.com</u>

Jeannette Ortega, Assistant to the City Administrator, City of Placentia (714) 993-8264, jortega@placentia.org

Attachments

- <u>Attachment No. 1:</u> Administrative Budget for 20-21
- <u>Attachment No. 2:</u> Description of Administrative Budget for 20-21
- <u>Attachment No. 3:</u> Department of Finance's Letters for 18-19 and 19-20
- Attachment No. 4: Administrative Budgets for 18-19 and 19-20

Successor Agency to the Redevelopment Agency of the City of Placentia Administrative Budget July 1, 2020 – June 30, 2021

Administrative Allowance

Staff Costs	Annual % of Staff Time	July 1 – Dec 31 2020	Jan 1 – Jun 30 2021	Annual SA Staff Costs
City Administrator	5.0%	\$8,750	\$8,750	\$17,500
Director of Finance	5.0%	\$6,550	\$6,550	\$13,100
Director of Development Services	10.0%	\$18,200	\$18,200	\$36,400
Director of Administrative Services	5.0%	\$14,900	\$14,900	\$29,800
Assistant to the CA/Econ. Dev. Mgr.	20.0%	\$20,550	\$20,550	\$41,100
Accounting Manager	15.0%	\$9,700	\$9,700	\$19,400
Senior Financial Analyst	5.0%	\$2,650	\$2,650	\$5,300
Accounting Technician – Payroll	5.0%	\$1,850	\$1,850	\$3,700
Accounting Technician – A/P	5.0%	\$3,000	\$3,000	\$6,000
Accountant	5.0%	\$3,200	\$3,200	\$6,400
Deputy City Clerk	3.0%	\$1,650	\$1,650	\$3,300
Executive Assistant	3.0%	\$2,250	\$2,250	\$4,500
Sub-Total	-	\$93 <i>,</i> 250	\$93,250	\$186,500

Legal Costs	July 1 – Dec 31 2020	Jan 1 – Jun 30 2021	Annual SA Costs
Jones & Mayer	\$13,150	\$13,150	\$26,300
Sub-Total	\$13,150	\$13,150	\$26,300

Consulting Costs	July 1 – Dec 31 2020	Jan 1 – Jun 30 2021	Annual SA Costs
Kosmont & Companies	\$15,000	\$15,000	\$30,000
Sub-Total	\$15,000	\$15,000	\$30,000

Indirect Costs	FY 2020/21 Costs	July 1 – Dec 31 2020	Jan 1 – Jun 30 2021	Annual SA Costs
Auditors and CAFR Preparation	\$80,000	\$1,200	\$1,200	\$2,400
Property Insurance	\$55,300	\$829.50	\$829.50	\$1,659
Facility Maintenance	\$100,000	\$1,500	\$1,500	\$3,000
Taping/Broadcasting of SA meetings	\$55,800	\$837	\$837	\$1,674
Maintenance of LaserFische (document management system)	\$10,260	\$154	\$154	\$308
Maintenance of Granicus (online streaming of SA meetings)	\$22,760	\$344.50	\$344.50	\$689
Maintenance of BiTech (accounting system)	\$43,000	\$645	\$645	\$1,290

	\$13,305	\$13,305	\$26,610
\$80,000	\$1,200	\$1,200	\$2,400
\$546,000	\$2,730	\$2,730	\$5 <i>,</i> 460
\$180,000	\$2,700	\$2,700	\$5,400
\$23,800	\$238	\$238	\$476
\$12,000	\$180	\$180	\$360
\$39,700	\$595.50	\$595.50	\$1,191
\$10,100	\$151.50	\$151.50	\$303
	\$39,700 \$12,000 \$23,800 \$180,000 \$546,000	\$39,700 \$595.50 \$12,000 \$180 \$23,800 \$238 \$180,000 \$2,700 \$546,000 \$2,730 \$80,000 \$1,200	\$39,700 \$595.50 \$595.50 \$12,000 \$180 \$180 \$23,800 \$238 \$238 \$180,000 \$2,700 \$2,700 \$546,000 \$2,730 \$2,730 \$80,000 \$1,200 \$1,200

Total Budget	\$134,705	\$134,705	\$269,410
SUCCESSOR AGENCY BUDGET REQUEST	\$125,000	\$125,000	\$250,000

Successor Agency to the Redevelopment Agency of the City of Placentia Administrative Description July 1, 2020 – June 30, 2021

STAFF	DESCRIPTION				
City Administrator	Participates in staff and consultants' meetings on Successor Agency matters				
	Provides policy direction to staff and consultants				
	Reviews City Council staff reports and resolutions				
	Executes necessary changes to the Administrative budget as may be appropriate				
	and/or required by law				
	Reviews Countywide Oversight Board staff reports and resolutions				
	Provides information to the Mayor and City Council on Successor Agency matters				
	Attends Successor Agency Meetings				
	Reviews all contracts associated with Successor Agency items including legal and				
	consulting services.				
Director of Finance	Reviews payment of enforceable obligations				
	Monitors cash flow to ensure sufficient revenues available for obligations				
	Reviews Recognized Obligation Payment Schedule (ROPS) and Prior Period				
	Adjustment (PPA) forms and amended ROPS (as necessary)				
	Reviews annual financial statements				
	Creates the Comprehensive Annual Financial Report (CAFR) reporting of Successor				
	Agency				
	Monitors Successor Agency funds and continuing disclosure requirements for bonds				
	Manages cash and investments pursuant to investment policy				
	Manages debt portfolio, including bond payments, continuing disclosure, and other				
	compliance requirements				
	Answers financial inquires and provide documentation requested by Successor				
	Agency, Countywide Oversight Board, County Auditor-Controller and/or City's				
	Independent Auditor				
	Works with City's independent Auditors to review Successor Agency items and				
	prepare financial statements as required by ABx1 26				
	Responds to Department of Finance assigned analyst via various emails or phone				
	calls. This process may take several hours to complete, depending on how				
	descriptive the DOF analyst is and if they are familiar with Placentia Successor				
	Agency matters. Periodically, a new DOF analyst is assigned to review the ROPS and				
	other actions of the Successor Agency				
Director of Development	Maintain properties until proper disposition, including proper noticing,				
Services	environmental documents, notice of exemptions filings, and the preparation of the				
	appropriate conveyance instrument (agreements)				
	Negotiation of any outside agreements on behalf of Successor Agency				
	Process disposition activities including staff reports and resolutions to Planning				
	Commission/City Council				
	Research information on properties and zoning information				
	Provides assistance in the preparation of staff reports and resolutions for Successor				
	Agency and Countywide Oversight Board				
	Attends Successor Agency Meetings				

Director of Administrative Services	Reviews all staff reports and resolutions for Successor Agency and Countywide Oversight Board meetings Provides direct oversight of City Clerk's Office functions and noticing requirements Attends Successor Agency meetings Reviews and approves all legal invoices submitted by our City Attorney's Office				
Assistant to the City Administrator/Economic Development Manager	Administration and implementation of Successor Agency wind-down Prepares staff reports and resolutions for Successor Agency and Countywide Oversight Board Meetings Schedules meetings with Finance staff and consultants on Successor Agency matters and coordinate schedules to meet Department of Finance deadlines Maintains records and notes of staff meetings Attends Successor Agency and Countywide Oversight Board Meetings Attends Orange County Successor Agencies Representative Meetings Answer inquires and provide documentation requested by Successor Agency, Countywide Oversight Board, County Auditor-Controller and/or City's Independent Auditor Responds to Department of Finance assigned analyst via various emails or phone calls. This process may take several hours to complete, depending on how descriptive the DOF analyst is and if they are familiar with Placentia Successor Agency matters. Periodically, a new DOF analyst is assigned to review the ROPS and other actions of the Successor Agency				
Accounting Manager	Process payment of enforceable obligations Accounting for all transactions of the Successor Agency in the general ledger and annual operating budget Collect and record loan payments via a contract with a third-party loan administrato Monitor and project cash flow to ensure sufficient revenues for obligations and to inform staff/consultant of expected revenues Prepares annual Recognized Obligation Payment Schedule (ROPS) and Prior Period Adjustment (PPA) forms and amended ROPS (as necessary) Prepares Administrative Budget Prepares annual financial statements, including accounting for assets, liabilities, revenue and expenditures for Successor Agency Direct oversight of all bond covenants and requirements Preparation and submittal of annual continuing disclosure documents for all bond issues Communicates with rating agencies and bond insurers as needed Maintains documentation of Agency Records Answer financial inquires and provide documentation requested by Successor Agency, Countywide Oversight Board, County Auditor-Controller, Department of Finance and/or City's Independent Auditor Works with City's independent Auditors to review Successor Agency items and prepare financial statements as required by ABx1 26 Responds to Department of Finance assigned analyst via various emails or phone calls. This process may take several hours to complete, depending on how descriptive the DOF analyst is and if they are familiar with Placentia Successor Agency matters. Periodically, a new DOF analyst is assigned to review the ROPS and other actions of the Successor Agency				

Senior Financial Analyst	Employee payroll management, annual budget review and allocation of Successor Agency line items, and manages legal and consultants' contracts and payments			
Accounting Technician	Process legal and consultant's contracts and payments on a monthly basis. Routes purchase orders and check warrants for proper staff approval. Inputs payment into accounting system			
Accountant - Payroll	Overhead costs for employee payroll for all Successor Agency and Oversight Board matters			
Accountant – Accounts Payable	Overhead costs for consultants' monthly invoices for all Successor Agency and Oversight Board matters. Ensures contracts are within budget			
Deputy City Clerk	Maintains comprehensive records management, ensures proper agenda noticing and posting requirements and legal advertising. Creates meeting minutes and certification of adopted resolutions. Uploads agendas and minutes onto Granicus software and LaserFische			
Executive Assistant	Coordinates meetings with City Staff, Legal Counsel and Consultant as it pertains to Successor Agency and Oversight Board matters. Books conference rooms and works with Assistant to the City Administrator to prepare agenda for the meetings			
LEGAL	DESCRIPTION			
Jones & Mayer	Provides legal representation for the Successor Agency Ensures legal implementation of AB 1x 26, AB1484 and SB 107 requirements Provides general legal services, including brown act, negotiations, etc. Reviews City Council staff reports and resolutions Reviews Oversight staff reports and resolutions Manage litigation (as necessary) pertaining to Successor Agency matters Legal analysis of new legislation pertaining to Successor Agency matters			
CONSULTING	DESCRIPTION			
Kosmont & Companies	 Assists with the administration and implementation of Successor Agency wind-down Review staff reports and resolutions for Successor Agency and Countywide Oversight Board Participates in meetings with Finance staff and consultants on Successor Agency matters and coordinate schedules to meet Department of Finance deadlines Attend Successor Agency and Countywide Oversight Board Meetings Attend Orange County Successor Agencies Representative Meetings Answer inquires and provide documentation requested by Successor Agency, Countywide Oversight Board, County Auditor-Controller, Department of Finance and/or City's Independent Auditor Assists with preparation and submission of Recognized Obligation Payment Schedule (ROPS) and Prior Period Adjustment (PPA) forms and amended ROPS (as necessary) to the Department of Finance 			

Additional Costs Not Included in Administrative Budget

Elected Officials Mayor and City Council serving as the Successor Agency Board City Clerk oversight City Treasurer oversight



EDMUND G. BROWN JR. - GOVERNOR 915 L STREET SACRAMENTO CA 595814-3706 SWWW.DOF.CA.60V

April 5, 2018

Ms. Jeannette Ortega, Economic Development Manager City of Placentia 401 East Chapman Avenue Placentia, CA 92870

Dear Ms. Ortega:

Subject: 2018-19 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, 2018 through June 30, 2019 (ROPS 18-19) to the California Department of Finance (Finance) on January 24, 2018. Finance has completed its review of the ROPS 18-19.

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

• Item Nos. 36 and 37 – City of Placentia loan repayments totaling \$611,008 are partially allowed. HSC section 34191.4 (b) (3) (A) allows repayment to be equal to one-half of the increase between the ROPS residual pass-through distributed to the taxing entities in the preceding fiscal year and the ROPS residual pass-through distributed to the taxing entities in the fiscal year 2012-13 base year.

According to the Orange County Auditor-Controller's report, the ROPS residual pass-through amounts distributed to the taxing entities for fiscal years 2012-13 and 2017-18 are zero and \$96,216, respectively. Pursuant to the repayment formula, the maximum repayment amount authorized for the ROPS 18-19 period is \$48,108. Therefore, of the \$611,008 requested, \$562,900 (\$611,008 – \$48,108) is ineligible for Redevelopment Property Tax Trust Fund (RPTTF) funding in the amount specified below:

Item No.	Project Name/Debt Obligation	Amount
	Real Property Transaction (312 S. Melrose) between	
36	City of Placentia and Redevelopment Agency	\$257,396
	Real Property Transaction (110 S. Bradford Ave)	
37	between City of Placentia and Redevelopment Agency	305,504
	Total:	\$562,900

The Agency may be eligible for additional funding on subsequent ROPS.

 Item No. 38 – Supplemental Educational Revenue Augmentation Fund (SERAF) Loan, total outstanding obligation amount of \$991,482, is not allowed. According to the Agency, Orange County has not yet billed the Agency for the fiscal year 2009-10 and 2010-11 SERAF obligations; therefore, the Agency does not have any documentation to support the total outstanding obligation amount.

Additionally, 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, this item is not an enforceable obligation and the requested amount of \$250,000 is ineligible for RPTTF.

• The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, Finance notes the OB has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 18-19. If the Agency disagrees with our determination with respect to any items on the ROPS 18-19, except items which are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$1,973,921 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2018 through December 31, 2018 period (ROPS A period) and one distribution for the January 1, 2019 through June 30, 2019 period (ROPS B period) based on Finance's approved amounts. Since this determination is for the entire ROPS 18-19 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

On the ROPS 18-19 form, the Agency reported cash balances and activity for the period of July 1, 2015 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 18-19 cash balance review indicates the Agency has funds available to pay for enforceable obligations on the ROPS for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20). HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF.

Ms. Jeannette Ortega April 5, 2018 Page 3

Pursuant to HSC section 34186 (c), beginning October 1, 2018, the Agency will be required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2016 through June 30, 2017 period (ROPS 16-17) to the County Auditor-Controller for review. The Agency will report actual payments for ROPS 16-17 on ROPS 19-20. A prior period adjustment may be applied to the Agency's ROPS 19-20 RPTTF distribution. Therefore, the Agency should retain any unexpended RPTTF from the ROPS 16-17 period.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 18-19. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be deemed denied until the matter is resolved.

The ROPS 18-19 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 18-19 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 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 Jackson, Supervisor, or Veronica Zalvidea, Lead Analyst, at (916) 322-2985.

Sincerely,

Program Budget Manager

cc: Mr. Damien Arrula, City Administrator, City of Placentia Ms. Cindy Wong, Property Tax Manager, Orange County

Attachment

Approved RPTTF Distribution For the period of July 2018 through June 2019							
	RO	ROPS A Period		ROPS B Period		ROPS 18-19 Total	
RPTTF Requested	\$	923,964	\$	1,612,857	\$	2,536,821	
Administrative RPTTF Requested		125,000		125,000		250,000	
Total RPTTF Requested		1,048,964		1,737,857		2,786,821	
RPTTF Requested		923,964		1,612,857		2,536,821	
Adjustments	-						
Item No. 36		0		(257,396)		(257,396)	
Item No. 37		0		(305,504)		(305,504)	
Item No. 38		(125,000)		(125,000)		(250,000)	
· · · ·	· .	(125,000)		(687,900)		(812,900)	
RPTTF Authorized		798,964		924,957		1,723,921	
Administrative RPTTF Authorized		125,000		125,000		250,000	
Total RPTTF Approved for Distribution	\$	923,964	\$	1,049,957	\$	1,973,921	



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April 11, 2019

Ms. Jeannette Ortega, Economic Development Manager City of Placentia 401 East Chapman Avenue Placentia, CA 92870

Dear Ms. Ortega:

Subject: 2019-20 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, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 30, 2019. Finance has completed its review of the ROPS 19-20.

Based on a sample of line items reviewed and application of the law, Finance is approving all of the items listed on the ROPS 19-20 at this time. However, Finance notes the following:

The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in Redevelopment Property Tax Trust Fund (RPTTF) are used to offset current RPTTF distributions. The County Auditor-Controller's review of the prior period adjustment form submitted by the Agency resulted in no prior period adjustment.

If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items that are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$2,195,253 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Ms. Jeannette Ortega April 11, 2019 Page 2

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 19-20 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 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 Jackson, Supervisor, or Michael Painter, Analyst, at (916) 322-2985.

Sincerely,

JENNIFER WHITAKER Program Budget Manager

cc: Mr. Damien Arrula, City Administrator, City of Placentia Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

Attachment

Approved RPTTF Distribution For the period of July 1, 2019 through June 30, 2020												
	ROF	PS A Period	R	OPS B Period	RO	PS 19-20 Total						
RPTTF Requested	\$	573,413	\$	1,371,840	\$	1,945,253						
Administrative RPTTF Requested		125,000	11-12-1-12-12-12-12-12-12-12-12-12-12-12	125,000		250,000						
Total RPTTF Requested		698,413		1,496,840		2,195,253						
RPTTF Authorized		573,413		1,371,840		1,945,253						
Administrative RPTTF Authorized		125,000		125,000		250,000						
Total RPTTF Authorized for Obligations		698,413		1,496,840		2,195,253						
Prior Period Adjustment		0		0		0						
Total RPTTF Approved for Distribution	\$	698,413	\$	1,496,840	\$	2,195,253						

Recognized Obligation Payment Schedule (ROPS 18-19) - Summary Filed for the July 1, 2018 through June 30, 2019 Period

Successor Agency:	Placentia	
County:	Orange	

Currer	t Period Requested Funding for Enforceable Obligations (ROPS Detail)	 9A Total December)	18-19B Total (January - June)	ROPS 18-19 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ 	\$ -	\$
В	Bond Proceeds	8 4 1		-
С	Reserve Balance	7 .	7 4 5	•
D	Other Funds		s e e	
Е	. Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 1,048,964	\$ 1,737,857	\$ 2,786,821
F	RPTTF	923,964	1,612,857	2,536,821
G	Administrative RPTTF	 125,000	125,000	250,000
н	Current Period Enforceable Obligations (A+E):	\$ 1,048,964	\$ 1,737,857	\$ 2,786,821

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.

Chair or/17/12 Title Name 18

James Harman 1/17/20 /s/ Date Signature

								lecognized Obliga			DOL-2 10-131												
July 1, 2018 through June 30, 2019 (Report Amounts in Whole Dottars)																							
Г				8	174		W	(Repo	rt Amoun	ts in Whole Do	tars)				,	q			i i	U	*	w	
+		¢	D	1		G	н						A (July - Dece				18-198 (January - June)				18-198 (January - June) Fund Sources		
			Contract/Agreement	Contract/Agramment		9 253 5		Total Outstanding		ROP6 18-18	Bond Proceeds		Other Funds	RPTTF	Admm RPTIF	18-19A Total	Bond Proceeds	Reserve Balance		RPTTE	Admin RPTTF	18-18 Tota	
1	Project Name/Dabi Obligation	Obligation Type	Contract/Agreement Execution Date	Termination Date	Payers City of Placentia	Description/Proact Scope Amended & Restated Remoursement	Prosect Area	Debil or Obligation 1 25,292,320 4,361,429	Ralind	Total 5 2,766,821 5 421,769	BONG PIGCENCE	5	1	1 923,1864 349,504	\$ 125,000	1 044 964 3 349,508	5	5		1.012.857 72,761	125,000	5 10	
	Trugges Feas	f res	7/1/2014	8/1/2032	US Bern	Agreement Trustee Fees for US Bank bond	Merged	30,000	N	\$ 2,000					-	5				2,000		1	
1	Administrative Overhead	Agnin Costs	2/1/2016	8/1/2032	City of Placentia	Allocated overhead for SA/O8	Marged	3,750,000	N	\$ 250,000					125,000	\$ 125,000				1,500	125,000	1	
	Bond Administration	# 969	6/18/2008	12/31/2017	Hamel & Compleny	Continuing disclosure 2013 Bonas	Merged	238,500	N	3 1,500				232.164		5 232.168				221,008		1	
1	2013 Tax Alexation Refund Bond Loan Agreement between City of	Halunding Bonds Issued Alter 6/27/12	12/3/2013	8/1/2033	US Bank. City of Placenter	2013 Tax Ansiation Refund Bond Cashfow Loan from City to Successor	Marged Marged	4,500,714	N	3						5 .						3	
P	Placentia and Successor Agency Reeo 608-2014-051 2013 Tax Alecator Refund Bond	8/27/11	12/3/2013	8/1/2022	LoS Ramk	Agency due to RPTTF shortfell 2013 Sond Oabt Service Reserve	Margant	3.560.000		5 580,000			_	<u> </u>		5 -				580,000	_	5	
	Real Property Transaction (312 S.	City/County Lawn (Phor	1/20/2009	6/30/2023	City of Placentia	Real Property Transaction (312 S. Metrose) between City of Placentia and		1,264,766	N	\$ 305,504						s				305,504		\$	
-	and Redevelopment Agency	08/28/11), Property ChyrCounty Loan (Phor	1/20/2009	6/30/2022	City of Placanita	Redevelopment Agency Rest Property Transaction (110 S.	Merged	898,156	N	\$ 305 504	r					s .				305,504		3	
10	Bradford Ave) between City of Plapentie and Radevelopment Agency	06/28/11), Property				Mehawiopment Agency				34100				125.000		175.800		_	_	125,000			
ľ	Server .	EXAMPLE AND	\$102514	5102011	Compactory Autom	Estates of SERAN answer for FV 2000-10 and FV 2010-11 particult to Headin and Dates Costs Sectors	12	901,465															
19	132 Crowther Settlement Agreement and Remains	L Gyator	8/23/2017		CHANNE, LLC	Lingation Settlement Agreement and Release between Successor Agency and Datwin LC (Plaintiff) reparting		180,000	N	\$ 180,000				180,000		1 180,000							
21	132 Crowner Settement Agreemen and Relaine	Loger			Lawim of Jones & Mayer	132 Crowher Avenue Property. Vegat expenses incurred as part of Literation Settlement Accessed and	Ингрес	37,294	N	\$ 37,26	9			37,268	5	37,200						\$	
						Reveals between Successor Agency and DMWP, LLC (Plantif) regarding 132 Coulter Avenue Property			N	5											_	1	
										1						1						1	
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Placentia Recognized Obligation Payment Schedule (ROPS 18-19) - Report of Cash Balances July 1, 2015 through June 30, 2016 (Report Amounts in Whole Dollars)

	uant to Health and Safety Code section 34177 (I), Redevelopment Pr		Fund (RPTTE) m			t on the ROPS	, but only to the	extent no other funding source is available
Purs	then payment from property tax revenues is required by an enforcea	ble obligation. F	or tips on how to	complete the R	eport of Cash Bal	ances Form, se	e Cash Balanc	e Tips Sheet
or w	hen payment from property tax revenues is required by an emorecul							
A	В	С	D	E	F	G	н	
				Fund So	urces			
		Bond P	roceeds	Reserve	Balance	Other	RPTTF	
	Cash Balance Information for ROPS 15-16 Actuals	Bonds issued on or before	Bonds issued on or after		Prior ROPS RPTTF distributed as reserve for future	Rent, grants,	Non-Admin and	*
	(07/01/15 - 06/30/16)	12/31/10	01/01/11	retained	period(s)	interest, etc.	Admin	Comments
1	Beginning Available Cash Balance (Actual 07/01/15)							
	Revenue/Income (Actual 06/30/16) RPTTF amounts should tie to the ROPS 15-16 total distribution from the County Auditor-Controller during June 2015 and January 2016.						2,186,823	
	Expenditures for ROPS 15-16 Enforceable Obligations (Actual 06/30/16)						2,186,823	
4	Retention of Available Cash Balance (Actual 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)							
5	ROPS 15-16 RPTTF Balances Remaining			No entry require	d			
6	Ending Actual Available Cash Balance (06/30/16) C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 + 5)	s -	s -	s -	s -	\$ -	\$ -	

	Placentia Recognized Obligation Payment Schedule (ROPS 18-19) - Notes July 1, 2018 through June 30, 2019
ltem #	Notes/Comments

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

Successor Agency: County: Placentia Orange

Curren	t Period Requested Funding for Enforceable Obligations (ROPS Detail)	20A Total December)	19-20B Total (January - June)	ROPS 19-20 Total		
А	Enforceable Obligations Funded as Follows (B+C+D):	\$ - \$		\$ -		
В	Bond Proceeds					
С	Reserve Balance					
D	Other Funds					
Е	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 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		
н	Current Period Enforceable Obligations (A+E):	\$ 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.

Brian Probolsky Mairman Title Name Signature Date

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

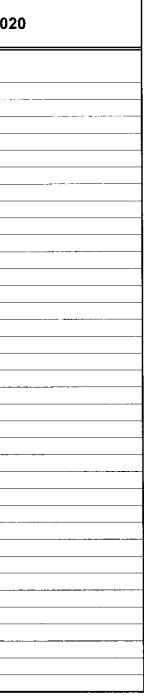
							Placentia	2 2 2 4 5 M (Th)	1, 2019 th	nrough June 30	, 2020	NOP3 Detail										
В		c	D	E	F	G	н	1	J	к	L	м 19-20	N 0A (July - Dece	o mber)	Р	Q	R	s 19-20	T B (January	U June)	v	w
# Project Name/Deb	ot Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area		Retired		al Bond Proceeds		Fund Sources	RPTTF	Admin RPTTF	19-20A Total			Fund Sources	RPTTF	Admin RPTTF	19-20B Total
の「「「「「「「「」」」	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1		11/1/2003	1/1/2028	City of Placentia	Amended & Restated Reimbursement	Merged	\$ 23,150,328 3,762,991	N	\$ 2,195,2 \$ 418,4		\$ 0	\$ 0	\$ 573,413 352,325		\$ 698,413 \$ 352,325	\$ 0	\$ 0	\$ 0	\$ 1,371,840 \$ 66,100	125,000	\$ 1,496, \$ 66,
4 2003 COPs City Reim 9 Trustee Fees		Miscellaneous Fees	7/1/2014	8/1/2032	US Bank	Trustee Fees for US Bank bond	Merged	28,000	N	\$ 2,0						s -				2,000		\$ 2,
15 Administrative Overhe		Admin Costs	7/1/2016	8/1/2032	City of Placentia	Allocated overhead for SA/OB	Merged	3,500,000	N	\$ 250,0	00				125,000	\$ 125,000					125,000	\$ 125,
19 Bond Administration		Fees	8/19/2008	12/31/2017	Harrel & Company	operations Continuing disclosure 2013 Bonds	Merged	237,000	N	\$ 1,5	00					\$ -				1,500		\$ 1,
29 2013 Tax Allocation R		Refunding Bonds Issued After		8/1/2032	US Bank	2013 Tax Allocation Refund Bond	Merged	3,552,513	N	\$ 430,5	76			221,088		\$ 221,088				209,488		\$ 209,
30 Loan Agreement betw Placentia and Success	ween City of ssor Agency	6/27/12 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	\$	-					s -						\$
(Reso #OB-2014-05) 32 2013 Tax Allocation R		Reserves	12/3/2013	8/1/2032	US Bank	2013 Bond Debt Service Reserve	Merged	9,955,000	N	\$ 600,0	00					\$ -				600,000		\$ 600
36 Real Property Transac Melrose) between City and Redevelopment A	ty of Placentia	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	\$ 246,3	76					\$ -				246,376		\$ 246
37 Real Property Transac Bradford Ave) betwee Placentia and Redeve Agency	en City of	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		898,166	N	\$ 246,3	76					s .				246,376		\$ 246
38 SERAF		SERAF/ERAF	5/10/2010	5/10/2011	Orange County Auditor Controller/State of California	Balance of SERAF amount for FY 2009 a 10 and FY 2010-11 pursuant to Health and Safety Code Sections 33690 and	- Merged		N	S						\$						\$
39 132 Crowther Settlem and Release	nent Agreement	Litigation	1/16/2018	1/16/2050	DMWP, LLC	33690.5. Litigation Settlement Agreement and Release between Successor Agency and DMWP, LLC (Plaintiff) regarding 132 Crowther Avenue Property.	Merged	0	Y	\$	-					\$ -						\$
40 132 Crowther Settlem and Release	nent Agreement	Legal	9/9/2015	9/9/2025	Lawfirm of Jones & Mayer		Merged	0	Y	S	-					\$ -						5
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90									N	\$34 million (1997)	-					5 -						

						Placentia	Recognized Oblig	12	2	50 E	- ROPS Detail										
							July	1, 2019 th	rough June 30, 2	020											
							(Repo	ort Amou	nts in Whole Doll	ars)											
в	с	D	E	F	G	н	I	J	к	L	м	N	o	Р	Q	R	s	т	U	v	
											19-20	A (July - Dece	mber)				19-20	B (January -	June)		
									[Fund Sources	6					Fund Sources			
Project Name/Debt Obliga	ion 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 T
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Placentia Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances July 1, 2016 through June 30, 2017 (Report Amounts in Whole Dollars)

	(M	Report Amounts in	n Whole Dollars)			
Pursuant to Health and Safety Code section 34177 (I), Redevelo ource is available or when payment from property tax revenues	opment Property Ta	ax Trust Fund (RP	TTF) may be listed	as a source of pa	yment on the ROPS.	but only to the extent no other funding
ource is available or when payment from property tax revenues	s is required by an	enforceable obliga	tion. For tips on ho	w to complete the	e Report of Cash Bala	ances Form see Cash Balance Ting the
В	с	D	E	F	G	H
			Fund Sources			
	Bond P	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
Beginning Available Cash Balance (Actual 07/01/16)	[-		19 ¹⁰		
RPTTF amount should exclude "A" period distribution amount						
		0				
2 Revenue/Income (Actual 06/30/17)					0	
RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller						
3 Expenditures for ROPS 16-17 Enforceable Obligations		274			1,899,537	
(Actual 06/30/17)						
4 Retention of Available Cash Balance (Actual 06/30/17)					1,364,537	
RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
		274			E25 000	
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		535,000	
 Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5) 						
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	Placentia Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 202
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Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 10J

From: Successor Agency to the Santa Ana Redevelopment Agency

Subject: Straw Vote of the Countywide Oversight Board Regarding Administrative Budget

Recommended Action:

Hold a straw vote regarding FY 2020-21 Administrative Budget for the Santa Ana Successor Agency

The Santa Ana Successor Agency requests a straw vote of the Administrative Budget for Fiscal Year 2020-21. The Successor Agency shall return in January with a request for final approval of the Administrative Budget with the Recognized Obligation Payment Schedule (ROPS).

The authorized distribution from the Redevelopment Property Tax Trust Fund (RPTTF) for the ROPS 2019-20 period, less administrative costs is \$5,547,075. Pursuant to Section 34171 (b) (3), the administrative allowance for FY 2020-21 is 3% of the adjusted RPTTF distribution from ROPS 19-20 (\$166,412), or the minimum amount of \$250,000. The Santa Ana Successor Agency anticipates that the minimum \$250,000 will be the administrative budget for FY 2020-21 and prepared the budget accordingly.

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. Additional descriptions of the various line items are provided in Attachment 1 (a). Please note that this budget is only a draft and subject to change, pending employee labor contract negotiations, increases or decreases in CalPERS employer contribution rates, etc.

Since dissolution of the former RDA, the Santa Ana Successor Agency has never expended the full amount of the administrative cost allowance authorized in any given ROPS period, and makes an effort to minimize the use of these funds. The table below reflects the actual expenditures compared to the authorized budget for the past three years as reported (or to be reported for ROPS 18-19) on the Prior Period Adjustment:

ROPS Period	Authorized	Final Expenditures	Difference	Expenditure as % of Budget
2016-17	\$250,000	\$246,753	\$ 3,247	98.7%
2017-18	564,672	341,955	222,717	60.6%
2018-19	254,742	195,477	59,265	76.7%

Staff Contact(s)

Susan Gorospe, Principal Management Analyst Phone: (714) 647-5376 E-mail: <u>sgorospe@santa-ana.org</u>

Attachments

- 1. Draft Administrative Budget for ROPS 20-21
 - a. Descriptions of line items
- 2. DOF Letter dated April 9, 2019 approval of Administrative Budget for ROPS 19-20
- 3. DOF Letter dated October 31, 2018 approval of Administrative Budget for ROPS 18-19B
- 4. DOF Letter dated May 17, 2018 approval of Administrative Budget for ROPS 18-19

City of Santa Ana Successor Agency to the former Community Redevelopment Agency FY 2020-21 Administrative Allowance Budget

		<u>Hourly</u>	Successor Agency	SA	<u>% of Time</u> Spent on
Direct Personnel Costs	<u>Department *</u>	<u>Rate</u>	<u>Hours</u>	Administration	SA Issues
Executive Director	CDA	\$ 137.34	102	14,009	4.90%
Principal Management Analyst	CDA	87.44	1,140	99,682	54.81%
Management Analyst	CDA	63.14	204	12,881	9.81%
Senior Accounting Assistant	CDA	54.32	204	11,081	9.81%
Community Development Commission Secretary	CDA	47.40	204	9,670	9.81%
Accounting Manager	FMSA	86.02	42	3,613	2.02%
Senior Accountant	FMSA	73.10	204	14,912	9.81%
Senior Accounting Assistant	FMSA	53.08	60	3,185	2.88%
Assistant City Attorney	CAO	108.92	102	11,110	4.90%
Total Direct Personnel Costs	5		2,262	180,142	
Other Direct Costs Building Rental/Maintenance - Shared cost allocation Communications - Shared cost allocation Consultants - Outside legal counsel / Financial / etc Copier Lease - Shared cost allocation Delivery Charges - Shared cost allocation Employee parking Insurance Charges - Shared cost allocation IT Maintenance Charge - Shared cost allocation Laserfiche - Shared cost allocation for document maintenance Legistar - Shared cost allocation for agenda manage Supplies, printing, misc. items Training / Mileage Unfunded Accrued Liability - Shared cost allocation Total Other Direct Cost	anagement softw ement software	vare		7,100 1,200 2,500 1,000 280 1,020 5,810 6,200 1,000 1,800 1,279 100 25,000 54,289	
Indirect Costs (based on direct salary charges)					
Indirect Costs - 11.16% for FY 19/20; rate for FY 20				15,569	
Includes City Manager's Office, Human Resourc	es, Accounting, I	Purchasing,			
Treasury, Management & Support services.					
Total Indirect Cost	t			15,569	
Total Successor Agen	cy Admin Allow	ance Cost		\$ 250,000	

* CDA = Community Development Agency FMSA = Finance & Management Services Agency CAO = City Attorney's Office

ATTACHMENT 1 (a)

City of Santa Ana Successor Agency FY 2020-21 Administrative Allowance Description of Personnel Positions and Functions

<u>Department</u>	Summary of Job Duties Pertaining to Successor Agency	<u>Hours</u>	<u>(Months)</u>	<u>Tota</u>
	Oversees the entire dissolution process as City Manager's designee. Attends Successor Agency, Oversight Board and			
004		0.5	10	10
CDA		0.0	12	10
	• •			
CDA		95	12	114
	•			
	· · · · ·			
CDA	of former RDA records.	17	12	20
	Posts attendance for payroll charges to Successor Agency			
	financial system. Prepares and processes any travel related			
CDA	requests. Assists in preparation of journal entries.	17	12	20
	Assists in the preparation, submission, and tracking of			
	Successor Agency staff reports to Clerk of the Council.			
	Assists with filing, scanning, and other records retention			
	related tasks for former RDA and current Successor Agency			
CDA	files on an on-going basis.	17	12	20
	Total Community Development	Agency		185
	Review final ROPS cash balance worksheet. Reconciles			
	monthly bank statements related to Successor Agency			
	transactions. Reviews and makes final approval of all journal			
	entries for monthly closing. Additional hours during July -			
	December for financial statements, addressing audit			
FMSA		3.5	12	4
	, ,			
EMSA		17	12	20
TIMOA	· · · · ·	17	12	20
EMSA		5	12	6
TMOA		-	12	
	Total Finance & Management Services	Agency		30
	Provides legal guidance on Dissolution Act and former RDA			
	agreements/issues. Drafts and reviews Successor Agency			
	resolutions. Attends Successor Agency meetings as			
CAO	necessary.	8.5	12	10
	CDA CDA CDA CDA	Oversees the entire dissolution process as City Manager's designee. Attends Successor Agency, Oversight Board and Meet and Confer meetings and updates City management on RDA dissolution. Meets weekly with staff to review wind down activities. Prepares all staff reports and attachments for, and attends all Successor Agency and Oversight Board meetings. Administers all enforceable obligations on a daily basis. Approves all invoices. Prepares journal entries as needed. Reconciles projects expenses. Prepares ROPS & PPA and CDA works with other departments. Backup to the Principal Management Analyst. Provides assistance in reconciliation, analysis, and oversight of enforceable obligations. Assists with document management of former RDA records. Posts attendance for payroll charges to Successor Agency accounts for 24 pay periods. Sets up projects and activities in financial system. Prepares and processes any travel related requests. Assists in preparation of journal entries. Assists in the preparation, submission, and tracking of Successor Agency taccessor Agency staff reports to Clerk of the Council. Assists with filing, scanning, and other records retention related tasks for former RDA and current Successor Agency transactions. Reviews and makes final approval of all journal entries for monthly bank statements related to Successor Agency transactions. Reviews and makes final approval of all journal entries for monthly closing. Additional hours during July - December for financial statements, addressing audit questions, and CAFR preparation. Prepares ROPS Cash Balance worksheet. Approves set up of projects and activities in financial system. Prepareation. Prepares ROPS Cash Balance worksheet. Approves direct payment vouchers for payment of invoices. Reviews and proceses ojurnal ent	Oversees the entire dissolution process as City Manager's designee. Attends Successor Agency, Oversight Board and Meet and Confer meetings and updates City management on RDA dissolution. Meets weekly with staff to review wind down activities. 8.5 CDA RDA dissolution. Meets weekly with staff to review wind down activities. 8.5 Prepares all staff reports and attachments for, and attends all Successor Agency and Oversight Board meetings. Administers all enforceable obligations on a daily basis. Approves all invoices. Prepares journal entries as needed. Reconciles projects expenses. Prepares ROPS & PPA and CDA 95 Backup to the Principal Management Analyst. Provides assistance in reconciliation, analysis, and oversight of enforceable obligations. Assists with document management of former RDA records. 17 Posts attendance for payroll charges to Successor Agency accounts for 24 pay periods. Sets up projects and activities in financial system. Prepares and processes any travel related CDA 17 Assists in the preparation, submission, and tracking of Successor Agency staff reports to Clerk of the Council. Assists with filing, scanning, and other records retention related tasks for former RDA and current Successor Agency transactions. Reviews and makes final approval of all journal entries for monthly closing. Additional hours during July - December for financial statements, addressing audit fMSA 3.5 Prepares ROPS Cash Balance worksheet. Reproves direct payment vouchers for payment of invoices. Reviews and processes journal entries as needed. Approves set up of projects and activities in financial system. Prepares all fiscal year end transactions. Additional hours during J	Oversees the entire dissolution process as City Manager's designee. Attends Successor Agency, Oversight Board and Meet and Confer meetings and updates City management on RDA dissolution. Meets weekly with staff to review wind down activities. 8.5 12 Prepares all staff reports and attachments for, and attends all Successor Agency and Oversight Board meetings. Administers all enforceable obligations on a daily basis. Approves all invoices. Prepares journal entries as needed. Reconciles projects expenses. Prepares ROPS & PPA and CDA 95 12 Backup to the Principal Management Analyst. Provides assistance in reconciliation, analysis, and oversight of enforceable obligations. Assists with document management of former RDA records. 17 12 Posts attendance for payroll charges to Successor Agency accounts for 24 pay periods. Sets up projects and activities in financial system. Prepares and processes any travel related CDA 17 12 Assists in the preparation of journal entries. 17 12 Assists with filing, scanning, and other records retention related tasks for former RDA and current Successor Agency transactions. Reviews and makes final approval of all journal entries for monthy closing. Additional hours during July - December for financial statements related to Successor Agency transactions. Reviews and makes final approval of all journal entries for monthy closing. Additional hours during July - December for financial statements, addressing audit 3.5 12 Prepares ROPS Cash Balance worksheet. Approves direct payment vouchers for payment of inorices. Reviews monthly fund balance and analyzes fo

ATTACHMENT 1 (a)

City of Santa Ana Successor Agency FY 2020-21 Administrative Allowance Description of Other Direct and Indirect Costs

Line Item	Description
Building Rental / Maintenance	Shared cost allocation of City Hall building maintenance, janitorial services, utilities, and security guard services
Communications	Monthly telephone charges for (1) direct line, and allocation for shared telecommunication lines and system maintenance
Consultants	Outside legal counsel, financial consultants, appraisers, etc. on an as-needed basis
Copier Lease	Shared cost allocation of Sharp copier leases
Delivery Charges	Shared cost allocation of mail delivery services by Central Services Division
Employee Parking	Monthly parking fees for Successor Agency staff
Indirect Costs	Charges for City general overhead expense (City Manager's Office, Human Resources, Accounting, Purchasing, Treasury, Management and Support)
Insurance Charges	Shared cost allocation of premiums for Liability and Property Insurance, employee Group Insurance and Workers Compensation Insurance
IT Maintenance Charges	Shared cost allocation of computer services, maintenane of software, and a reserve for equipment replacement
Laserfiche	Shared cost allocation for document management software license and maintenance
Legistar	Shared cost allocation for agenda management software license and maintenance
Supplies, Printing, Misc.	Direct office supplies, materials, non-consumable items, computer-related hardware/peripherals less than \$5,000, duplication costs, postage, etc. for Successor Agency staff
Training / Mileage	Registration fees and travel related expenses for Succesor Agency staff
Unfunded Accrued Liability	Shared cost allocation of liability payment to CalPERS (employer's contribution) for former employees and current employees assigned to the former RDA



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April 9, 2019

Ms. Susan Gorospe, Principal Management Analyst City of Santa Ana 60 Civic Center Plaza, M-25 Santa Ana, CA 92701

Dear Ms. Gorospe:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Santa Ana Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2019 through June 30, 2020 (ROPS 19-20) to the California Department of Finance (Finance) on January 30, 2019. Finance has completed its review of the ROPS 19-20.

Based on a sample of line items reviewed and application of the law, Finance is approving all of the items listed on the ROPS 19-20 at this time. However, Finance notes the following:

The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in Redevelopment Property Tax Trust Fund (RPTTF) are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 3 includes the prior period adjustment resulting from the County Auditor-Controller's review of the prior period adjustment form submitted by the Agency.

If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items that are the subject of litigation disputing our 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 our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$5,836,773 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

Ms. Susan Gorospe April 9, 2019 Page 2

ATTACHMENT 2

RPTTF distributions occur biannually, one distribution for the July 1 through December 31 period (ROPS A period), and one distribution for the January 1 through June 30 period (ROPS B period) based on Finance approved amounts. Since this determination is for the entire ROPS 19-20 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 19-20. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be denied until the matter is resolved.

The ROPS 19-20 form submitted by the Agency and this determination letter will be posted on our website:

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

This determination is effective for the ROPS 19-20 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 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 Jackson, Supervisor, or Alexander Watt, Lead Analyst, at (916) 322-2985.

Sincerely,

JENNIEER WHITAKER Program Budget Manager

cc: Mr. Steven A. Mendoza, Executive Director of Community Development, City of Santa Ana Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County Ms. Susan Gorospe April 9, 2019 Page 3

ATTACHMENT 2

``	Attac	hment			
Approved RPTTF Distribution For the period of July 1, 2019 through June 30, 2020					
	RO	PS A Period	ROPS B Period	ROPS 19-20 Total	
RPTTF Requested	\$	4,240,980 \$	1,355,380	\$ 5,596,360	
Administrative RPTTF Requested		144,849	144,849	289,698	
Total RPTTF Requested		4,385,829	1,500,229	5,886,058	
RPTTF Authorized		4,240,980	1,355,380	5,596,360	
Administrative RPTTF Authorized		144,849	144,849	289,698	
Total RPTTF Authorized for Obligations		4,385,829	1,500,229	5,886,058	
Prior Period Adjustment		(49,285)	0	(49,285)	
Total RPTTF Approved for Distribution	\$	4,336,544 \$	6 1,500,229	\$ 5,836,773	



EDMUND G. BROWN JR. - GOVERNOR

915 L STREET SACRAMENTO CA 95814-3706 WWW.DOF.CA.GOV

October 31, 2018

Ms. Susan Gorospe, Principal Management Analyst City of Santa Ana 60 Civic Center Plaza, M-25 Santa Ana, CA 92701

Dear Ms. Gorospe:

Subject: Amended 2018-19 Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1) (E), the City of Santa Ana Successor Agency (Agency) submitted an amended Recognized Obligation Payment Schedule for the period January 1, 2019 through June 30, 2019 (Amended ROPS 18-19B) to the California Department of Finance (Finance) on September 26, 2018. Finance has completed its review of the Amended ROPS 18-19B.

Based on our review, Finance is approving all of the adjustments requested on the Amended ROPS 18-19B.

Since Finance is approving an adjustment of \$250,000 to Reserve Balances, and no adjustments were requested for Redevelopment Property Tax Trust Funds (RPTTF), the Agency's maximum approved RPTTF distribution for the ROPS 18-19B period remains \$2,633,098 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

Please refer to the ROPS 18-19B schedule used to calculate the total RPTTF approved for distribution:

http://www.dof.ca.gov/redevelopment/ROPS

This is Finance's determination related to the funding of enforceable obligations reported on your Amended ROPS 18-19B. Please note there is no Meet and Confer option for the Amended ROPS process, so Finance's determination is final. This determination is effective for this time 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 Amended 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.

Ms. Susan Gorospe October 31, 2018 Page 2

ATTACHMENT 3

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

Please direct inquiries to Nichelle Jackson, Supervisor, or Alexander Watt, Analyst, at (916) 322-2985.

Sincerely,

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Program Budget Manager

cc: Mr. Steven A. Mendoza, Executive Director of Community Development, City of Santa Ana Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County Ms. Susan Gorospe October 31, 2018 Page 3

ATTACHMENT 3

Attachment

Approved RPTTF Distribution For the period of January 2019 through June 2019	
Authorized RPTTF on ROPS 18-19B	\$ 2,505,727
Authorized Administrative RPTTF on ROPS 18-19B	127,371
Total Authorized RPTTF on ROPS 18-19B	2,633,098



EDMUND G. BROWN JR. - GOVERNOR

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May 17, 2018

Ms. Susan Gorospe, Senior Management Analyst City of Santa Ana 60 Civic Center Plaza, M-25 Santa Ana, CA 92701

Dear Ms. Gorospe:

Subject: 2018-19 Annual Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 13, 2018. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Santa Ana Successor Agency (Agency) submitted an annual ROPS for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19) to Finance on January 31, 2018. The Agency requested a Meet and Confer on one or more of the determinations made by Finance. The Meet and Confer was held on April 26, 2018.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer, Finance has completed its review of the specific determination being disputed.

Item Nos. 63 through 65 and 119 – Unfunded Liabilities for Employee Pensions, Other Post-Employment Benefits, Actuarial Studies, and Employee Layoffs/Terminations, outstanding obligation amounts totaling \$1,355,997 are not allowed. Finance continues to deny these items. The Agency requested \$37,697 for Item No. 119 and did not request any funding for Item Nos. 63, 64, or 65 for the ROPS 18-19 period. It is our understanding the \$37,697 requested is the Agency's projection of the accrued leave balances for a former Redevelopment Agency (RDA) employee planning to retire in November 2018. The denial of these items is associated with the agreement originally entered into on July 1, 1947, along with several amendments thereafter, between the City of Santa Ana (City) and the California Public Employees' Retirement System; the former RDA is not identified as a party to the original contract nor the amendments and were determined not enforceable obligations.

The Agency is requesting funding for an employee termination or retirement. However, it is our understanding the Agency is not currently obligated to pay leave balances for a retired or terminated former RDA employee.

During the Meet and Confer, the Agency continued to contend it is obligated to reimburse the City for any City employee costs for employees who work full-time or part-time on former RDA activities pursuant to the Reimbursement Agreement (Agreement) dated September 15, 1980, along with subsequent amendments between the City and RDA, and a Cooperative Agreement dated April 2, 2012.

However, HSC section 34171 (d) (2) states that agreements, contracts, or arrangements between the city that created the RDA and the former RDA are not enforceable unless the agreements are loan agreements entered into within the first two years of the RDA's existence. Furthermore, HSC section 34171 (d) (1) (B) defines a loan as a loan of money that is legally required to be repaid pursuant to a repayment schedule or other mandatory repayment terms. The Agreement and subsequent amendments were not executed within the first two years of the RDA's existence, nor are they considered loan agreements under dissolution law, as there was no exchange of money.

Therefore, these items are not enforceable obligations and the requested amount of \$37,697 for Item No. 119 is ineligible for Redevelopment Property Tax Trust Fund (RPTTF) funding.

In addition, per Finance's letter dated April 13, 2018, we continue to make the following determination not contested by the Agency during the Meet and Confer:

The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$9,911,347 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2018 through December 31, 2018 period (ROPS A period) and one distribution for the January 1, 2019 through June 30, 2019 period (ROPS B period) based on Finance's approved amounts. Since this determination is for the entire ROPS 18-19 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Pursuant to HSC section 34186 (c), beginning October 1, 2018, the Agency will be required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2016 through June 30, 2017 period (ROPS 16-17) to the Orange County Auditor-Controller for review. The Agency will report actual payments for ROPS 16-17 on ROPS 19-20. A prior period adjustment may be applied to the Agency's ROPS 19-20 RPTTF distribution. Therefore, the Agency should retain any unexpended RPTTF from the ROPS 16-17 period.

This is our final determination regarding the obligations listed on the ROPS 18-19. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be deemed denied until the matter is resolved.

The ROPS 18-19 form submitted by the Agency and this determination letter will be posted on our website:

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

Ms. Susan Gorospe May 17, 2018 Page 3

ATTACHMENT 4

This determination is effective for the ROPS 18-19 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 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 Cindie Lor, Supervisor, or Jeremy Bunting, Lead Analyst, at (916) 322-2985.

Sincerely,

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Program Budget Manager

cc: Mr. Francisco Gutierrez, Executive Director of Finance and Management Services Agency, City of Santa Ana

Ms. Cindy Wong, Property Tax Manager, Orange County

Ms. Susan Gorospe May 17, 2018 Page 4

ATTACHMENT 4

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Attachment

Approved RPTTF Distribution For the period of July 2018 through June 2019					
	RC	PS A Period	ROPS B Period	ROPS 18-19 Total	
RPTTF Requested	\$	7,188,575	\$ 2,505,727	\$ 9,694,302	
Administrative RPTTF Requested		127,371	127,371	254,742	
Total RPTTF Requested		7,315,946	2,633,098	9,949,044	
RPTTF Requested		7,188,575	2,505,727	9,694,302	
Adjustment					
Item No. 119		(37,697)	0	(37,697)	
RPTTF Authorized		7,150,878	2,505,727	9,656,605	
Administrative RPTTF Authorized		127,371	127,371	254,742	
Total RPTTF Approved for Distribution	\$	7,278,249	\$ 2,633,098	\$ 9,911,347	