

# Orange Countywide Oversight Board

Date: 1/21/2020

Agenda Item No. 4B

From: Successor Agency to the Garden Grove Redevelopment Agency

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

Recommended Action:

Approve resolution approving FY 2020-21 ROPS and Administrative Budget for the Garden Grove Successor Agency

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The Garden Grove Successor Agency requests approval of the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for Fiscal Year 2020-21.

The attached Annual Recognized Obligation Payment Schedule (ROPS) is being presented to the Countywide Oversight Board for their approval in regard enforceable obligations of the former Garden Grove Redevelopment Agency, pending final approval by the State Department of Finance and State Controller's Office.

The ROPS 20-21 A-B contains many of the same enforceable obligations listed on the ROPS 19-20 A-B. There are no new line items on the ROPS 20-21 A-B.

Enforceable obligations are explained in further details as follows:

- Line Item No. 6 – Anticipated payment due to Katella Cottages Developer when net tax increment exceeds debt service amount pursuant to Promissory Note.
- Line Items No. 7, 39, and 56 – Constitute all bond and/or loan debt service payment obligations per debt service schedules.
- Line Item No. 16 - Required remediation for soil/groundwater monitoring of Sycamore Walk Residential Project per DDA.
- Line Item No. 18 – Second repayment of outstanding ERAF/SERAF Housing Deficit Fund Obligations per Final Determination Letter from the DOF Dated June 12, 2018 (*See Attachment No. 3*).
- Line Item No. 19 - Request is for TOT differential per section 408, paragraph two, of the First Amended and Restated Disposition and Development Agreement for the Waterpark Hotel. This has a Final and Conclusive Determination Letter approved on February 6, 2013 by the DOF (*See Attachment No. 4*).
- Line Item No. 20 – Anticipated expenses for continued implementation of Site B2 DDA.
- Line Item No. 22 – Anticipated expenses for continued implementation of Brookhurst Triangle DDA totaling \$34,945. Additionally, the DDA requires the Successor Agency to pay to Developer \$6,400,000 at the closing of the Phase II Property from its Housing Set Aside Fund if Developer commits to increase the number of affordable rental units from 60 to 120 in accordance with Section 510 of the DDA. Developer has expressed their commitment to increase the number of affordable units and is requesting the Successor Agency pay Developer \$6,400,000 at the closing of the Phase II Property. Due to the implementation of Assembly Bill x1 26 (“AB x1 26”) added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code and which laws were modified, in part, and determined constitutional by the California Supreme Court in the petition California Redevelopment Association, et al. v. Ana Matosantos, et al., Case No. S194861 (“Matosantos Decision”), all cash balances in the Housing Set Aside Fund were distributed to the affected taxing entities upon dissolution of the former Agency. Per DOF Letter dated November 1, 2018, regarding

OB Resolution No. 18-007, no determination was made and the request is to be submitted via the ROPS. The Successor Agency is now requesting the \$6,400,000 payment due to the Developer required by Section 510 be paid from ROPS 19-20. Due to delays in removal of utilities from the site the sale and transfer of the property previously scheduled in ROPS 19-20 will now take place in ROPS 20-21. (*See Attachment No. 5*)

- Line Items No. 24 and 37 – Labor cost for continued project coordination of Site B2 (Line No. 20) and Brookhurst Triangle (Line No. 22).
- Line Item No. 27 – Cost associated with maintenance of properties pending development or disposition.
- Line Item No 33 and 34 – Proceed distributions due to Mr. Wang and the City for the disposition of Brookhurst Triangle Phase II per Section 30 of the purchase agreement. These funds come from the developer upon transfer of the property by the Successor Agency and are to be listed as “OTHER FUNDS” as previously directed by the DOF. Due to delays in removal of utilities from the site the sale and transfer of the property previously scheduled in ROPS 19-20 will now take place in ROPS 20-21.
- Line Items No. 52, 53, 54, and 58 account for trustee and dissemination fees associated to bond and/or loan payments.
- Line Item No. 55 – Attorney’s fees per Judgment Court Ruling. (*See Attachment No. 6*)

The Successor Agency administrative budget of \$512,917 listed as Line Item No. 31 consists of personnel cost, direct costs, and indirect costs.

- Personnel costs include 28 staff members and 7 council members contributing to the Successor Agency activities in some capacity.
- Direct costs include legal fees, consultants, audit fees, banking fees and services, property tax administration, general liability insurance, fidelity bonds, and property insurance.
- Indirect costs use of city facility, equipment, and centralized services, including but not limited to printing, mailing, janitorial, and utilities, computer and telephone cost.

The Garden Grove Successor Agency approved the ROPS 20-21 A-B and attached Resolution as its regularly scheduled meeting on Tuesday, January 14, 2020. Successor Agency approval is subject to submittal to and approval by the Countywide Oversight Board and by the State Department and Finance (DOF). The Successor Agency also requests authorization to post the approved Resolution and ROPS 20-21 A- B to the City’s website and to transmit the ROPS 20-21 A-B to the DOF. Further, the City of Garden Grove’s Assistant City Manager 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 ROPS as submitted, the Garden Grove Successor Agency will receive \$23,153,390 which includes \$512,917 for the administrative budget, for the period of July 1, 2020 through June 30, 2021 to pay the Successor Agency’s enforceable obligations.

#### Staff Contact(s)

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### Attachments

- **Attachment No. 1** - Oversight Board Resolution Approving Annual Recognized Obligation Payment Schedule 20-21 A-B and Administrative Budget
  - No. 1a** - Recognized Obligation Payment Schedule 20-21 A-B
  - No. 1b** - ROPS 20-21 A-B Administrative Budget
- **Attachment No. 2** – Placeholder for Approved Garden Grove Successor Agency Resolution No. \_\_\_\_\_ for Recognized Obligation Payment Schedule 20-21 A-B
- **Attachment No. 3** - DOF Final Determination Letter Regarding Line Item No. 18, Dated June 12, 2018
- **Attachment No. 4** - DOF Final and Conclusive Determination Enforceable Obligation Regarding Line Item No. 19, Dated February 6, 2013
- **Attachment No. 5** - DOF Final Determination Letter Regarding Line Item No. 22, Dated November 1, 2018
- **Attachment No. 6** - Court Judgment for Limon Legal for Line Item No. 55
- **Attachment No. 7** - Recognized Obligation Payment Schedule 19-20 A-B
- **Attachment No. 8** - ROPS 19-20 DOF Determination Letter
- **Attachment No. 9** - Amended Recognized Obligation Payment Schedule 19-20 A-B
- **Attachment No. 10** - Amended ROPS 19-20 DOF Determination Letter
- **Attachment No. 11** - Recognized Obligation Payment Schedule 18-19 A-B
- **Attachment No. 12** - ROPS 18-19 DOF Determination Letter
- **Attachment No. 13** - Amended Recognized Obligation Payment Schedule 18-19 A-B
- **Attachment No. 14** - Amended ROPS 18-19 DOF Determination Letter

Resolution No. 20-\_\_\_\_

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH OVERSIGHT OF THE SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT APPROVING RECOGNIZED OBLIGATION PAYMENT SCHEDULE 20-21 A-B FOR THE ANNUAL FISCAL PERIOD OF JULY 1, 2020 TO JUNE 30, 2021, 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 REQUEST AND COMPLETE MEET AND CONFER SESSION WITH THE DOF AND 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, 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, 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(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 the annual ROPS for the 20-21 A-B fiscal period of July 1, 2020 to June 30, 2021 (“ROPS 20-21 A-B”) shall be submitted to the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2020; 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 ROPS 20-21 A-B, in the form attached to this Resolution as Attachment No. 1 and incorporated herein by this reference; and

WHEREAS, the ROPS 20-21 A-B sets forth and includes the Administrative Budget prepared by the Successor Agency for the period covering July 1, 2020 through June 30, 2021; and

WHEREAS, the Oversight Board has reviewed the ROPS 20-21 A-B prepared, approved, and presented by the Successor Agency and desires to approve the ROPS 20-21 A-B, and to authorize the Successor Agency, to cause posting of ROPS 20-21 A-B on the City’s website: <http://ggcity.org> 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:

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 Oversight Board hereby approves ROPS 20-21 A-B, which is included as Attachment 1 and incorporated by this reference; provided however, that the ROPS 20-21 A-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 request and complete meet and confer session(s) with the DOF and make augmentations, modifications, additions or revisions as may be necessary or directed by DOF.

Section 3. The Oversight Board authorizes transmittal of the ROPS 20-21 A-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 ROPS 20-21 A-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 1a TO  
ORANGE COUNTYWIDE OVERSIGHT BOARD RESOLUTION NO. 20-\_\_\_

RECOGNIZED OBLIGATION PAYMENT SCHEDULE 20-21 A-B  
FOR THE ANNUAL FISCAL PERIOD OF JULY 1, 2020 TO JUNE 30, 2021

(attached)

**Recognized Obligation Payment Schedule (ROPS 20-21) - Summary**  
**Filed for the July 1, 2020 through June 30, 2021 Period**

**Successor Agency:** Garden Grove

**County:** Orange

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>20-21A Total (July - December)</b>	<b>20-21B Total (January - June)</b>	<b>ROPS 20-21 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	<b>\$ 3,308,691</b>	<b>\$ 26,750</b>	<b>\$ 3,335,441</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	3,308,691	26,750	3,335,441
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 13,045,184</b>	<b>\$ 6,772,765</b>	<b>\$ 19,817,949</b>
F RPTTF	12,788,725	6,516,307	19,305,032
G Administrative RPTTF	256,459	256,458	512,917
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 16,353,875</b>	<b>\$ 6,799,515</b>	<b>\$ 23,153,390</b>

**Certification of Oversight Board Chairman:**

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date



**Garden Grove**  
**Recognized Obligation Payment Schedule (ROPS 20-21) - ROPS Detail**  
**July 1, 2020 through June 30, 2021**

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 20-21 Total	ROPS 20-21A (Jul - Dec)					20-21A Total	ROPS 20-21B (Jan - Jun)					20-21B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$113,892,626		\$23,153,390	\$-	\$-	\$3,308,691	\$12,788,725	\$256,459	\$16,353,875	\$-	\$-	\$26,750	\$6,516,307	\$256,458	\$6,799,515
2	Hyatt Regency OPA	Business Incentive Agreements	06/01/2000	09/01/2018	OPA, LLC (Performance Based)	Cost of Project Improvements	C.P.A.	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
6	Katella Cottages OPA	OPA/DDA/ Construction	06/10/2008	10/01/2027	Heritage Village Note Investors (Performance Based)	Land Acquisition and Project Improvements	C.P.A.	3,970,400	N	\$45,000	-	-	-	-	-	\$-	-	-	-	45,000	-	\$45,000
7	Katella Cottages Note	Bonds Issued On or Before 12/31/10	06/10/2008	10/01/2027	U.S. Bank	Land Acquisition and Project Improvements	C.P.A.	945,950	N	\$179,050	-	-	-	148,750	-	\$148,750	-	-	-	30,300	-	\$30,300
9	Coastline Lease Payments	Miscellaneous	03/04/1994	07/31/2017	Coast Community College District	Office Space Rent (Payments in Aug and Feb)	C.P.A.	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
14	Union Bank Loan	Third-Party Loans	05/01/2008	06/01/2020	Union Bank of California	Land Acquisition - Estimated Monthly Payments - Variable Interest	C.P.A.	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
16	Sycamore Walk DDA	Remediation	11/12/1996	06/30/2023	Olson Urban Housing	Quarterly Soil/ Ground Water Monitoring Events	C.P.A.	45,000	N	\$15,917	-	-	-	15,917	-	\$15,917	-	-	-	-	-	\$-
18	Housing Fund Deficit	SERAF/ERAF	02/01/2012	12/31/2020	Garden Grove Hsng Auth.	Repayment of Housing Fund from SERAF/ ERAF	n/a	10,154,260	N	\$3,100,000	-	-	-	-	-	\$-	-	-	-	3,100,000	-	\$3,100,000
19	Waterpark Hotel DDA	Business Incentive Agreements	05/12/2009	12/31/2026	Garden Grove MXD & Various	Site Assembly/ Project Assistance	C.P.A.	8,520,000	N	\$1,580,792	-	-	-	-	-	\$-	-	-	-	1,580,792	-	\$1,580,792
20	Site B2 DDA	Business Incentive Agreements	06/26/2001	06/26/2025	Kam Sang Inc.	Project Assistance & Site Assembly & Preparation Costs	C.P.A.	3,300,000	N	\$360,000	-	-	-	-	-	\$-	-	-	-	360,000	-	\$360,000
22	Brookhurst Triangle DDA	OPA/DDA/ Construction	11/23/2010	12/31/2020	New Age Brookhurst, LLC & Various	Site Preparation Costs	C.P.A.	7,200,000	N	\$6,434,945	-	-	-	6,434,945	-	\$6,434,945	-	-	-	-	-	\$-

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 20-21 Total	ROPS 20-21A (Jul - Dec)					20-21A Total	ROPS 20-21B (Jan - Jun)					20-21B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
24	Project Management for Item 20 - Site B2	Project Management Costs	06/26/2001	06/26/2025	City of Garden Grove	Labor associated w/ project coordination / management	C.P.A.	242,000	N	\$58,210	-	-	-	29,105	-	\$29,105	-	-	-	29,105	-	\$29,105
25	Project Legal for Items 19-20	Legal	06/26/2001	12/31/2026	SYCR and WSS Firms	Legal Costs Associated with project items 19 & 20	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
27	Agency Property Maint/ Management	Property Maintenance	02/01/2012	12/31/2020	Various	Management and Maintenance of Successor Agency Owned Property Awaiting Development or Disposal	C.P.A.	81,501	N	\$53,499	-	-	26,749	-	-	\$26,749	-	-	26,750	-	-	\$26,750
31	Administrative Allowance	Admin Costs	01/01/2014	06/30/2019	City of Garden Grove	Administrative Allowance per AB 1484	n.a.	4,000,000	N	\$512,917	-	-	-	-	256,459	\$256,459	-	-	-	-	256,458	\$256,458
33	Brookhurst Triangle DDA	Property Dispositions	07/29/2002	12/31/2020	Wang	See Notes.	C.P.A.	1,790,971	N	\$1,790,971	-	-	1,790,971	-	-	\$1,790,971	-	-	-	-	-	\$-
34	Brookhurst Triangle DDA	Property Dispositions	07/29/2002	12/31/2020	City of Garden Grove	See Notes.	C.P.A.	1,490,971	N	\$1,490,971	-	-	1,490,971	-	-	\$1,490,971	-	-	-	-	-	\$-
37	Project Management for Item 22 - Brookhurst	Project Management Costs	11/23/2010	12/31/2020	City of Garden Grove	Labor associated w/ project coordination / management	C.P.A.	205,000	N	\$48,950	-	-	-	24,474	-	\$24,474	-	-	-	24,476	-	\$24,476
39	2014 Tax Allocation Refunding Bonds	Refunding Bonds Issued After 6/27/12	06/26/2014	10/01/2029	U.S. Bank National Association	Refunding of 2003 Tax Allocation Bonds	C.P.A.	25,199,225	N	\$3,879,350	-	-	-	3,365,125	-	\$3,365,125	-	-	-	514,225	-	\$514,225
40	Limón Law Suit Settlement	Litigation	09/20/2013	06/30/2015	Various	Settlement of Former Agency Lawsuit Associated with Item 19	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
47	Appraisals(s)	Admin Costs	07/01/2015	12/31/2018	TBD	Appraisals for Properties on the Long Range Property Management Plan	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
49	Limón Law Suit	Litigation	06/05/2015	06/05/2020	Public Counsel	Attorneys Fees per Judgement/	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 20-21 Total	ROPS 20-21A (Jul - Dec)					20-21A Total	ROPS 20-21B (Jan - Jun)					20-21B Total	
											Fund Sources						Fund Sources						
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
	Settlement/Judgement					Court Ruling																	
50	Limon Law Suit Settlement/Judgement	Litigation	06/05/2015	06/05/2020	Various	Replacement Housing Obligation per Judgement/ Court Ruling	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-
51	Housing Successor Administration	Admin Costs	01/01/2016	06/30/2016	Garden Grove Housing Authority	Administration of the Housing Successor		-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-
52	Item 39 Trustee Fee (2014 TARB)	Fees	06/26/2014	10/01/2029	U.S. Bank National Association	Fees associated with Bond payment	C.P.A.	155,320	N	\$6,680	-	-	-	3,340	-	\$3,340	-	-	-	3,340	-	\$3,340	
53	Item 19 Trustee Fee (Waterpark Bond)	Fees	05/12/2009	12/31/2026	U.S. Bank National Association	Fees associated with Bond payment	C.P.A.	241,420	N	\$4,680	-	-	-	2,340	-	\$2,340	-	-	-	2,340	-	\$2,340	
54	Item 7 Trustee Fee (Katella Cottages Note)	Fees	06/10/2008	10/01/2027	U.S. Bank National Association	Fees associated with Note	C.P.A.	16,000	N	\$1,600	-	-	-	800	-	\$800	-	-	-	800	-	\$800	
55	Successor Agency Legal Fees for Limon Litigation (Item 49 & 50)	Legal	06/05/2015	06/05/2020	SYCR and WSS Firms	Attorneys Fees per Judgement/ Court Ruling	C.P.A.	100,000	N	\$75,000	-	-	-	37,500	-	\$37,500	-	-	-	37,500	-	\$37,500	
56	2016 Tax Allocation Bonds (for Waterpark Hotel, Item 19)	Bonds Issued After 12/31/10	10/01/2016	10/01/2033	U.S. Bank	Refunding Bonds issued associated with project item 19	C.P.A.	46,234,000	N	\$3,514,250	-	-	-	2,726,125	-	\$2,726,125	-	-	-	788,125	-	\$788,125	
57	Project Management for Item 19 - Water Park	Business Incentive Agreements	06/26/2009	12/31/2026	City of Garden Grove	Labor associated w/ project coordination / management	C.P.A.	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
58	Item 14 Dissemination Fees	Fees	05/01/2008	06/01/2020	Union Bank of California	Fees associated with loan	C.P.A.	608	N	\$608	-	-	-	304	-	\$304	-	-	-	304	-	\$304	
59	Unfunded CalPERS Pension Liabilities 2011-12	Unfunded Liabilities	02/01/2012	06/30/2018	City of Garden Grove	Reimbursement of unfunded CalPERS Pension Liabilities		-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 20-21 Total	ROPS 20-21A (Jul - Dec)					20-21A Total	ROPS 20-21B (Jan - Jun)					20-21B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
60	Unfunded CalPERS Pension Liabilities 2012-13	Unfunded Liabilities	07/01/2012	06/30/2018	City of Garden Grove	Reimbursement of unfunded CalPERS Pension Liabilities		-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
61	Unfunded CalPERS Pension Liabilities 2013-14	Unfunded Liabilities	07/01/2013	06/30/2018	City of Garden Grove	Reimbursement of unfunded CalPERS Pension Liabilities		-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
62	Unfunded CalPERS Pension Liabilities 2014-15	Unfunded Liabilities	07/01/2014	06/30/2018	City of Garden Grove	Reimbursement of unfunded CalPERS Pension Liabilities		-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
63	Unfunded CalPERS Pension Liabilities 2015-16	Unfunded Liabilities	07/01/2015	06/30/2018	City of Garden Grove	Reimbursement of unfunded CalPERS Pension Liabilities		-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
64	Unfunded CalPERS Pension Liabilities 2016-17	Unfunded Liabilities	07/01/2016	06/30/2018	City of Garden Grove	Reimbursement of unfunded CalPERS Pension Liabilities		-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
65	Unfunded CalPERS Pension Liabilities 2017-18	Unfunded Liabilities	07/01/2017	10/01/2033	Cal PERS	Unfunded CalPERS Pension Liabilities		-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

**Garden Grove**  
**Recognized Obligation Payment Schedule (ROPS 20-21) - Report of Cash Balances**  
**July 1, 2017 through June 30, 2018**  
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.							
A	B	C	D	E	F	G	H
	ROPS 17-18 Cash Balances (07/01/17 - 06/30/18)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
1	<b>Beginning Available Cash Balance (Actual 07/01/17)</b> RPTTF amount should exclude "A" period distribution amount.	175,517	3,881,440		363,814		
2	<b>Revenue/Income (Actual 06/30/18)</b> RPTTF amount should tie to the ROPS 17-18 total distribution from the County Auditor-Controller				252,140	20,320,118	
3	<b>Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)</b>				121,659	17,573,228	
4	<b>Retention of Available Cash Balance (Actual 06/30/18)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)				296,778		As per the determination letter dated April 9, 2019, \$296,778 of other funds will be applied to Line #14 on ROPS 19-20
5	<b>ROPS 17-18 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 17-18 PPA form submitted to the CAC		No entry required			2,746,890	
6	<b>Ending Actual Available Cash Balance (06/30/18)</b> C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$175,517	\$3,881,440	\$-	\$197,517	\$-	

**Garden Grove**  
**Recognized Obligation Payment Schedule (ROPS 20-21) - Notes**  
**July 1, 2020 through June 30, 2021**

Item #	Notes/Comments
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19	This item has a Final and Conclusive Determination approved on February 6, 2013 by DOF. Request is for a TOT differential per section 408, paragraph two, of the First Amended and Restated Disposition and Development Agreement.
20	Anticipated work for current ROPS delay and will not be done until ROPS 20-21. Asking amount previously approved for ROPS 19-20 be approved for ROPS 20-21 in order to complete the work.
22	Utility work anticipated in ROPS 19-20 will continue through ROPS 20-21. Requesting previously approved ROPS 19-20 funds to be approved for ROPS 20-21 to complete the work. DDA requires Successor Agency pay Developer \$6,400,000 at closing of Phase II Property from Housing Set Aside Fund if developer increases number of affordable rental units from 60 to 120 per Section 510 of DDA. Developer has committed to increase # of affordable units & is requesting Successor Agency pay them \$6,400,000 at closing of Phase II. All cash balances in the Housing Set Aside Fund were distributed to the affected taxing entities upon dissolution of the former Agency. The Successor Agency is requesting the \$6,400,000 payment due to Developer required by Section 510 be paid from ROPS20-21.
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33	This property was acquired 2002 as part of the Brookhurst Triangle Project. Section 30 of the Purchase and Sale Agreement indicates that any future sales proceeds over the amount initially paid by the Agency to the original seller are to be split 50/50 between the original seller and the City of garden Grove. Per the DOF Final Determination Letter dated May 17, 2017, the funding source for these line items should be "Other Funds". Due to delays in removal of utilities from the site the sale and transfer of property previously scheduled in ROPS 19-20 will now take place in ROPS 20-21.
34	This property was acquired 2002 as part of the Brookhurst Triangle Project. Section 30 of the Purchase and Sale Agreement indicates that any future sales proceeds over the amount initially paid by the Agency to the original seller are to be split 50/50 between the original seller and the City of garden Grove. Per the DOF Final Determination Letter dated May 17, 2017, the funding source for these line items should be "Other Funds". Due to delays in removal of utilities from the site the sale and transfer of property previously scheduled in ROPS 19-20 will now take place in ROPS 20-21.
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Direct Personnel Cost

Position	Dept/ Div	FY 20/21 Costs	Fully Burdened		SA Administration	
			Hourly Rate	SA Hours	Costs	% Time Used in SA
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%
<b>Total Direct Personnel Costs</b>					<b>\$ 242,642.89</b>	
<b>Other Direct Costs</b>		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%
<b>Total Other Direct Cost</b>					<b>\$ 128,491.91</b>	
<b>Other Indirect Costs</b>		Indirect Cost Allocation	\$ 1,321,970.00		\$ 133,651.00	10.1%
		Computer Cost Allocation	\$ 156,497.34		\$ 7,230.53	% of direct labor
		Telephone Cost Allocation	\$ 18,782.16		\$ 900.53	% of direct labor
<b>Total Indirect Cost</b>					<b>\$ 141,782.06</b>	
<b>Total Successor Agency Admin Cost</b>					<b>\$ 512,916.86</b>	



**Orange Countywide Oversight Board**  
Placeholder for Pending Resolution

Date: 1/21/2020

From: Successor Agency to the Garden Grove Redevelopment Agency

Subject: Resolution of the Garden Grove City Council Approving the Recognized Obligation Payment Schedule 20-21 A-B for the period of January 1, 2020 to June 30, 2021

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The resolution of the Garden Grove City Council approving the Recognized Obligation Payment Schedule 20-21 A-B will be voted upon at their 1/14/2020 meeting. As such, the resolution is not yet available for submission but will be provided before the Countywide Oversight Board votes upon its resolution regarding the Recognized Obligation Payment Schedule 20-21 A-B.



June 12, 2018

Ms. Monica L. Covarrubias, Project Manager  
City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92840

Dear Ms. Covarrubias:

Subject: Approval of Oversight Board Action

The City of Garden Grove Successor Agency (Agency) notified the California Department of Finance (Finance) of its April 25, 2018 Oversight Board (OB) resolution on April 27, 2018. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of the OB action.

Based on our review and application of the law, OB Resolution No. 58-18, establishing a schedule to repay the Low and Moderate Income Housing Fund (LMIHF) for funds advanced for Educational Revenue Augmentation Fund (ERAF) payments and Supplemental Educational Revenue Augmentation Fund (SERAF) payments pursuant to HSC section 34176 (e) (6) (B), is approved.

This Resolution approves five separate loans from the LMIHF, principal loan amounts totaling \$13,254,260. Of the five loans, three were used to make ERAF payments for fiscal years 2003-04, 2004-05, and 2005-06; principal amounts totaling \$3,721,376. The two remaining loans were used to make the SERAF payments for fiscal years 2009-10 and 2010-11; principal amounts totaling \$9,532,884.

The Agency may now request funding for this item on a subsequent Recognized Obligation Payment Schedule; subject to Finance's review and approval.

This is our determination with respect to the OB action taken.

Please direct inquiries to Nichelle Jackson, Supervisor, or Alexander Watt, Lead Analyst, at (916) 322-2985.

Sincerely,

ERIKA LI  
Program Budget Manager

cc: Ms. Lisa Kim, Community and Economic Development Director, City of Garden Grove  
Mr. Israel Guevara, Property Tax Manager, Orange County



February 6, 2013

Mr. Jim DellaLonga, Senior Project Manager  
City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92842

Dear Mr. DellaLonga:

Subject: Approval of Final and Conclusive Enforceable Obligation

On November 20, 2012, the City of Garden Grove Successor Agency (Agency) submitted a petition to the California Department of Finance (Finance) requesting written confirmation that Item No. 19 – Waterpark Hotel Disposition and Development Agreement (DDA) as approved in the Recognized Obligation Payment Schedule for the period of January through June 2013 (ROPS III), is final and conclusive, based on the following criteria set forth in Health and Safety Code (HSC) section 34177.5 (i):

- The enforceable obligation submitted for review provides for an irrevocable commitment of property tax revenue.
- The allocation of the property tax revenue is expected to occur over time.
- The enforceable obligation was approved on a previous ROPS.

Finance has completed its review of your request, which included obtaining clarification and additional supporting documentation. Pursuant to the criteria outlined in HSC section 34177.5 (i), we are pleased to inform you that Item No. 19 – Waterpark Hotel DDA as listed on the approved ROPS III, is final and conclusive. Finance's review of the Waterpark Hotel DDA in future ROPS will be limited to confirming the scheduled payments as required by the obligation.

Finance's review of the property tax revenue is limited to the January through June 2012 ROPS, July through December 2012 ROPS, and ROPS III periods. Consequently, this final and conclusive determination does not guarantee a certain level of funding, nor is it approval for an irrevocable assurance of Redevelopment Property Tax Trust Fund (RPTTF) necessary to satisfy the obligation. The amount available from the RPTTF is not and never was an unlimited funding source. Therefore, the ability to fund any item approved as final and conclusive, as well as other items approved on a ROPS with property tax, is limited to the amount of funding available to the Agency in the RPTTF.

Please be further advised that there may be activities included in the enforceable obligation described in this letter that are permissive that the Agency may no longer have the statutory authority to carry out. This final and conclusive determination neither grants additional authority to the Agency nor does it authorize acts contrary to law. Additionally, any amendments to the above item are not subject to this final and conclusive determination; this final and conclusive determination is only valid for the Waterpark Hotel DDA.

Mr. Jim DellaLonga  
February 6, 2013  
Page 2

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

Sincerely,



STEVE SZALAY  
Local Government Consultant

cc: Mr. Matthew Fertal, City Manager, City of Garden Grove  
Mr. Kingsley Okereke, Director of Finance, City of Garden Grove  
Mr. Frank Davies, Property Tax Manager, County of Orange  
California State Controller's Office



DEPARTMENT OF  
**FINANCE**

EDMUND G. BROWN JR. • GOVERNOR

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

November 1, 2018

Ms. Monica L. Covarrubias, Project Manager  
City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92840

Dear Ms. Covarrubias:

Subject: Determination of Oversight Board Action

The City of Garden Grove Successor Agency (Agency) notified the California Department of Finance (Finance) of its September 18, 2018 Oversight Board (OB) Resolution No. 18-007 on September 24, 2018. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of the OB action.

Finance approved the Agency's Long-Range Property Management Plan (LRPMP) on March 7, 2014. Health and Safety Code (HSC) section 34191.5 (f) states actions to implement the disposition of property pursuant to an approved LRPMP shall not require review by Finance. As such, Finance is taking no action on this OB Resolution. It should be noted that, pursuant to HSC section 34191.3, an approved LRPMP shall govern the disposition of property and any OB action taken related to an approved LRPMP should be consistent therewith.

This determination makes no approval of any item as an enforceable obligation. To the extent this OB action results in a request to approve an item on a Recognized Obligation Payment Schedule, Finance reserves the right to review such request in its entirety and such item may not be approved.

Please direct inquiries to Nichelle Jackson, Supervisor, or Alexander Watt, Lead Analyst, at (916) 322-2985.

Sincerely,

ERIKA LI  
Program Budget Manager

cc: Ms. Lisa Kim, Community and Economic Development Director, City of Garden Grove  
Mr. Israel Guevara, Property Tax Manager, Orange County

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**FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE  
CIVIL COMPLEX LITIGATION CENTER

**JUN 10 2014**

ALAN CARLSON, Clerk of the Court  
*Alan Carlson*  
BY B. ZUANICH

ELECTRONICALLY RECEIVED  
Superior Court of California,  
County of Orange  
06/09/2014 at 10:06:50 AM  
Clerk of the Superior Court  
By Olga Lopez, Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF ORANGE

MARINA LIMON, *et al.*,  
  
Plaintiffs and Petitioners,  
  
v.  
  
GARDEN GROVE AGENCY FOR  
COMMUNITY DEVELOPMENT, a municipal  
entity, *et al.*,  
  
Defendants and Respondents.  

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GARDEN GROVE MXD, LLC, and  
MCWHINNEY REAL ESTATE SERVICES,  
and DOES 21 through 40,  
  
Real Parties in Interest.

) Case No. 30-2009-00291597

) **JUDGMENT**

) Complaint Filed: August 10, 2009  
) Dept.: CX-102  
) Judge: Robert J. Moss

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IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

Judgment is entered in favor of Plaintiff Maria Malta and against Defendants pursuant to the terms stated below.

1. As used herein, the term "Low Income Households" shall have the meaning set forth in Health and Safety Code section 50079.5.

2. As used herein, the term "Very Low Income Households" shall have the meaning set forth in Health and Safety Code section 50105.

3. As used herein, the term "Low Income Rent" shall be rent affordable to lower income households as set forth in Health and Safety Code section 50053(b)(3).

4. As used herein, the term "Very Low Income Rent" shall be rent affordable to very low income households as set forth in Health and Safety Code section 50053(b)(2).

5. Within the timeframe described in Paragraph 9, below, the Successor Agency or, at its discretion, the Housing Successor (hereinafter "Successors"), shall develop replacement housing. Pursuant to this paragraph funds held in the Low and Moderate Income Housing Asset Fund, as defined in Health and Safety Code section 34176, shall be available for development of the replacement housing pursuant to this Judgment. The Successors shall develop or cause to be developed twenty five (25) additional new construction dwelling units as replacement housing for the Travel Country Recreational Vehicle Park ("Park") to address Plaintiff Malta's claims for development of replacement housing pursuant to Health and Safety Code section 33413. No less than twelve (12) of the units developed pursuant to this paragraph shall be covenanted to be leased at Very Low Income Rent and restricted to occupancy by Very Low Income Households; the balance of thirteen (13) units shall be covenanted to be leased at Low Income Rent and restricted to occupancy by Low Income Households.

6. In addition to the dwelling units described in Paragraph 6, within the timeframe described in Paragraph 9, below Successors shall develop or cause to be developed thirteen (13) additional dwelling units, either as new construction or Substantial Rehabilitation (as defined below), as replacement housing for the Park to address Plaintiff Malta's claims for development

1 of replacement housing pursuant to Health and Safety Code section 33413. No less  
2 than seven (7) of the units developed pursuant to this paragraph shall be covenanted to be leased  
3 at Very Low Income Rent and restricted to occupancy by Very Low Income Households; the  
4 balance of six (6) units shall be covenanted to be leased at Low Income Rent and restricted to  
5 occupancy by Low Income Households.

6 7. The Successors may reduce the number of dwelling units required to be developed  
7 pursuant to Paragraph 7 (but not Paragraph 6) by one dwelling unit for each dwelling unit offered  
8 to a household listed on Exhibit A hereto that is rejected by such household provided that a  
9 household's rejection of a unit under this section will not disqualify that household from  
10 eligibility under Paragraph 11. In order to reduce the unit count, (1) a displaced household must  
11 receive an offer of affordable replacement housing after a determination (provided to the  
12 displaced household in writing) by the operator of that housing that the displaced household  
13 is eligible for occupancy of the replacement housing with respect to all of its qualifications and  
14 restrictions, including but not limited to income, family size, rental history and credit score, (2)  
15 the offer of affordable housing must be either hand delivered to the displaced household as  
16 evidenced by a proof of personal service, or through regular and certified U.S. mail, and (3) the  
17 displaced household must be allowed ten (10) business days after receipt of the offer to accept or  
18 reject the offer.

19 8. The Successors shall develop, rehabilitate, construct or cause the development,  
20 rehabilitation or construction (as applicable) of the dwelling units described in Paragraphs 6 and  
21 7 ("Replacement Units") within four years from entry of judgment in this case.

22 9. "Substantial Rehabilitation" shall have the same meaning as contained in Health  
23 and Safety Code section 33413.

24 10. In accordance with Health and Safety Code section 33411.3, all residents displaced  
25 by the Redevelopment Agency shall have priority in occupancy of the Replacement Units  
26 developed pursuant to this Judgment. Successors shall provide for such priority in any agreement  
27



1 for development or administration of the Replacement Units, and shall maintain a list of eligible  
2 persons and families displaced by the Redevelopment Agency.

3 11. Pursuant to action of the California Legislature in Stats. 2012, Ch. 5 (Assembly  
4 Bill No. 26, 2011-2012 1st Ex. Sess.) (the "Dissolution Act"), effective June 29, 2011,  
5 redevelopment agencies throughout California began a dissolution process. The Dissolution Act  
6 provides that the city "that authorized the creation of each redevelopment agency" became the  
7 "successor agency" to that redevelopment agency, by operation of law, unless the designated  
8 successor entity elected not to serve as the successor agency. California Health and Safety Code  
9 sections 34173(a), (d). The Garden Grove City Council adopted resolutions electing to serve as  
10 the Successor Agency to the dissolved Redevelopment Agency pursuant to Health and Safety  
11 Code section 34173, and designating the Garden Grove Housing Authority as the Housing  
12 Successor pursuant to Health and Safety Code section 34176. City of Garden Grove Resolution  
13 Nos. 9072-11 (July 12, 2011) and 9089-12 (Jan 17, 2012). As prescribed by the Dissolution Act,  
14 the amounts the Successor Agency is obligated to pay pursuant to the terms of this Judgment shall  
15 be included as an enforceable obligation of the Successor Agency on each applicable Recognized  
16 Obligation Payment Schedule ("ROPS"), as defined in California Health and Safety Code section  
17 34171(h) and in accordance with Health and Safety Code section 34177(l), (m), and as set forth  
18 below.

19 12. The Successor Agency shall include in the ROPS due to be completed and  
20 approved by the oversight board of the Successor Agency no later than October 3, 2015 (ROPS  
21 2015-16B), amounts for Replacement Units that will be expended during the January 1, 2016  
22 through June 30, 2016 period. The amounts to be expended during this ROPS 2015-16B period  
23 shall be appropriate to complete development of the Replacement Units for occupancy within  
24 four years from entry of the Judgment.

25 13. The Successor Agency shall pay \$9,000 in attorneys' fees to counsel for Plaintiff  
26 Malta. The entire amount of attorneys' fees shall be placed on the ROPS due to be completed by  
27 the oversight board of the Successor Agency no later than October 3, 2014 (ROPS 2014-15B).

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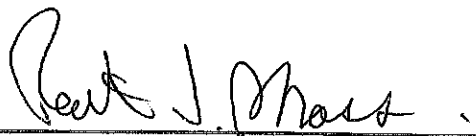
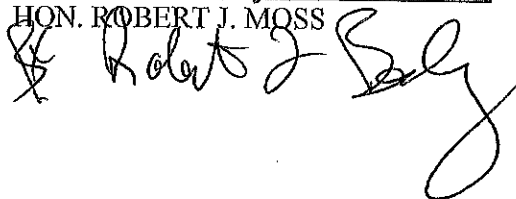
14. The obligations contained herein are obligations of the Garden Grove Agency for Community Development ("Redevelopment Agency"), now dissolved, prior to enactment of the Dissolution Act. The obligations set forth herein are not and under no circumstances shall they be construed as obligations of the City or Garden Grove Housing Authority other than in their roles as Successor Agency and Housing Successor, respectively. Consistent with Health and Safety Code § 34173(e), Successor Agency's liability for amounts owing pursuant to this Judgment shall be limited to the extent of the total sum of property tax revenues the Successor Agency and the Housing Successor receive pursuant to the ROPS process and the value of the assets received by the Successor Agency and the Housing Successor. The Successor Agency shall continue to list the obligations of this Judgment on each ROPS until all obligations required by the Judgment are satisfied.

15. The Court shall have continuing jurisdiction to enforce the terms of this settlement and Judgment pursuant to California Code of Civil Procedure section 664.6.

16. This Judgment represents the sole obligation among the parties hereto and all other causes of action and/or claims arising out of this action are dismissed with prejudice and forever waived.

IT IS SO ORDERED.

DATED: 6/10/15

  
\_\_\_\_\_  
HON. ROBERT J. MOSS  


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

**Successor Agency:** Garden Grove  
**County:** Orange

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>19-20A Total (July - December)</b>	<b>19-20B Total (January - June)</b>	<b>ROPS 19-20 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ 3,294,271</b>	<b>\$ 12,328</b>	<b>\$ 3,306,599</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	3,294,271	12,328	3,306,599
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 11,551,921</b>	<b>\$ 8,722,601</b>	<b>\$ 20,274,522</b>
F RPTTF	11,354,344	8,525,025	19,879,369
G Administrative RPTTF	197,577	197,576	395,153
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 14,846,192</b>	<b>\$ 8,734,929</b>	<b>\$ 23,581,121</b>

Certification of Oversight Board Chairman:  
Pursuant to Section 34177 (o) of the Health and Safety code, I hereby  
certify that the above is a true and accurate Recognized Obligation  
Payment Schedule for the above named successor agency.

\_\_\_\_\_  
Name Title  
/s/ \_\_\_\_\_  
Signature Date

**Garden Grove Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail**

**July 1, 2019 through June 30, 2020**

**(Report Amounts in Whole Dollars)**

A Item #	B Project Name/Debt Obligation	C Obligation Type	D Contract/Agreement Execution Date	E Contract/Agreement Termination Date	F Payee	G Description/Project Scope	H Project Area	I Total Outstanding Debt or Obligation	J Retired	K ROPS 19-20 Total	19-20A (July - December)					19-20B (January - June)					W 19-20B Total	
											Fund Sources					Fund Sources						
											L Bond Proceeds	M Reserve Balance	N Other Funds	O RPTTF	P Admin RPTTF	Q 19-20A Total	R Bond Proceeds	S Reserve Balance	T Other Funds	U RPTTF		V Admin RPTTF
2	Hyatt Regency OPA	Business Incentive	6/1/2000	9/1/2018	OPA, LLC (Performance)	Cost of Project Improvements	C.P.A.	\$ 132,234,336	Y	\$ 23,581,121	\$ 0	\$ 0	\$ 3,294,271	\$ 11,354,344	\$ 197,577	\$ 14,846,192	\$ 0	\$ 0	\$ 12,328	\$ 8,525,025	\$ 197,576	\$ 8,734,929
6	Katella Cottages OPA	OPA/DDA/Construction	6/10/2008	10/1/2027	Heritage Village Note Investors (Performance Based)	Land Acquisition and Project Improvements	C.P.A.	3,015,342	N	\$ 30,000						\$ -				30,000		\$ 30,000
7	Katella Cottages Note	Bonds Issued On or Before 12/31/10	6/10/2008	10/1/2027	U.S. Bank	Land Acquisition and Project Improvements	C.P.A.	1,125,000	N	\$ 175,650				141,900		\$ 141,900				33,750		\$ 33,750
9	Coastline Lease Payments	Miscellaneous	3/4/1994	7/31/2017	Coast Community College District	Office Space Rent (Payments in Aug and Feb)	C.P.A.		Y	\$ -						\$ -						\$ -
14	Union Bank Loan	Third-Party Loans	5/1/2008	6/1/2020	Union Bank of California	Land Acquisition - Estimated Monthly Payments - Variable Interest	C.P.A.	4,066,667	Y	\$ 4,066,667				2,033,334		\$ 2,033,334				2,033,333		\$ 2,033,333
16	Sycamore Walk DDA	Remediation	11/12/1996	6/30/2023	Olson Urban Housing	Quarterly Soil/Ground Water Monitoring Events	C.P.A.	60,000	N	\$ 15,203				15,203		\$ 15,203						\$ -
18	Housing Fund Deficit	SERAF/ERAF	2/1/2012	12/31/2020	Garden Grove Hsgng Auth.	Repayment of Housing Fund from SERAF/ERAF	n/a	13,254,260	N	\$ 3,100,000						\$ -				3,100,000		\$ 3,100,000
19	Waterpark Hotel DDA	Business Incentive Agreements	5/12/2009	12/31/2026	Garden Grove MXD & Various	Site Assembly/Project Assistance	C.P.A.	10,100,000	N	\$ 1,179,119						\$ -				1,179,119		\$ 1,179,119
20	Site B2 DDA	Business Incentive Agreements	6/26/2001	6/26/2025	Kam Sang Inc.	Project Assistance & Site Assembly & Preparation Costs	C.P.A.	3,300,000	N	\$ 450,000						\$ -				450,000		\$ 450,000
22	Brookhurst Triangle DDA	OPA/DDA/Construction	11/23/2010	12/31/2020	New Age Brookhurst, LLC & Various	Site Preparation Costs	C.P.A.	7,898,000	N	\$ 6,798,055				6,798,055		\$ 6,798,055						\$ -
24	Project Management for Item 20 - Site B2	Project Management Costs	6/26/2001	6/26/2025	City of Garden Grove	Labor associated w/ project coordination / management	C.P.A.	300,000	N	\$ 166,430				83,214		\$ 83,214				83,216		\$ 83,216
25	Project Legal for Items 19-20	Legal	6/26/2001	12/31/2026	SYCR and WSS Firms	Legal Costs Associated with project items 19 & 20	C.P.A.	75,000	N	\$ 50,000				25,000		\$ 25,000				25,000		\$ 25,000
27	Agency Property Maint/Management	Property Maintenance	2/1/2012	12/31/2020	Various	Management and Maintenance of Successor Agency Owned Property Awaiting Development or Disposal	C.P.A.	135,000	N	\$ 24,657			12,329			\$ 12,329			12,328			\$ 12,328
31	Administrative Allowance	Admin Costs	1/1/2014	6/30/2019	City of Garden Grove	Administrative Allowance per AB 1484	n.a.	4,500,000	N	\$ 395,153					197,577	\$ 197,577					197,576	\$ 197,576
33	Brookhurst Triangle DDA	Property Dispositions	7/29/2002	12/31/2020	Wang	See Notes.	C.P.A.	1,790,971	N	\$ 1,790,971			1,790,971			\$ 1,790,971						\$ -
34	Brookhurst Triangle DDA	Property Dispositions	7/29/2002	12/31/2020	City of Garden Grove	See Notes.	C.P.A.	1,490,971	N	\$ 1,490,971			1,490,971			\$ 1,490,971						\$ -
37	Project Management for Item 22 - Brookhurst	Project Management Costs	11/23/2010	12/31/2020	City of Garden Grove	Labor associated w/ project coordination / management	C.P.A.	250,000	N	\$ 166,430				83,216		\$ 83,216				83,214		\$ 83,214
39	2014 Tax Allocation Refunding Bonds	Refunding Bonds Issued After 6/27/12	6/26/2014	10/1/2029	U.S. Bank National Association	Refunding of 2003 Tax Allocation Bonds	C.P.A.	29,078,575	N	\$ 2,224,538				1,654,413		\$ 1,654,413				570,125		\$ 570,125
40	Limón Law Suit Settlement	Litigation	9/20/2013	6/30/2015	Various	Settlement of Former Agency Lawsuit Associated with Item 19	C.P.A.		N	\$ -						\$ -						\$ -
47	Appraisals(s)	Admin Costs	7/1/2015	12/31/2018	TBD	Appraisals for Properties on the Long Range Property Management Plan	C.P.A.	46,000	N	\$ 4,200						\$ -				4,200		\$ 4,200
49	Limón Law Suit Settlement/Judgement	Litigation	6/5/2015	6/5/2020	Public Counsel	Attorneys Fees per Judgement/Court Ruling	C.P.A.		N	\$ -						\$ -						\$ -
50	Limón Law Suit Settlement/Judgement	Litigation	6/5/2015	6/5/2020	Various	Replacement Housing Obligation per Judgement/Court Ruling	C.P.A.		N	\$ -						\$ -						\$ -
51	Housing Successor Administration	Admin Costs	1/1/2016	6/30/2016	Garden Grove Housing Authority	Administration of the Housing Successor		1,500,000	N	\$ 150,000				75,000		\$ 75,000				75,000		\$ 75,000
52	Item 39 Trustee Fee (2014 TARF)	Fees	6/26/2014	10/1/2029	U.S. Bank National Association	Fees associated with Bond payment	C.P.A.	162,000	N	\$ 6,655				3,328		\$ 3,328				3,327		\$ 3,327
53	Item 19 Trustee Fee (Waterpark Bond)	Fees	5/12/2009	12/31/2026	U.S. Bank National Association	Fees associated with Bond payment	C.P.A.	246,100	N	\$ 5,055				2,528		\$ 2,528				2,527		\$ 2,527
54	Item 7 Trustee Fee (Katella Cottages Note)	Fees	6/10/2008	10/1/2027	U.S. Bank National Association	Fees associated with Note	C.P.A.	17,500	N	\$ 1,600				800		\$ 800				800		\$ 800
55	Successor Agency Legal Fees for Limon Litigation (Item 49 & 50)	Legal	6/5/2015	6/5/2020	SYCR and WSS Firms	Attorneys Fees per Judgement/Court Ruling	C.P.A.	70,000	N	\$ 50,000				25,000		\$ 25,000				25,000		\$ 25,000
56	2016 Tax Allocation Bonds (for Waterpark Hotel, Item 19)	Bonds Issued After 12/31/10	10/1/2016	10/1/2033	U.S. Bank	Refunding Bonds issued associated with project item 19	C.P.A.	49,748,250	N	\$ 1,239,188				413,063		\$ 413,063				826,125		\$ 826,125
57	Project Management for Item 19 - Water Park	Business Incentive Agreements	6/26/2009	12/31/2026	City of Garden Grove	Labor associated w/ project coordination / management	C.P.A.		N	\$ -						\$ -						\$ -
58	Item 14 Dissemination Fees	Fees	5/1/2008	6/1/2020	Union Bank of California	Fees associated with loan	C.P.A.	4,700	N	\$ 579				290		\$ 290				289		\$ 289
59	Unfunded CalPERS Pension Liabilities 2011-12	Unfunded Liabilities	2/1/2012	6/30/2018	City of Garden Grove	Reimbursement of unfunded CalPERS Pension Liabilities			N	\$ -						\$ -						\$ -
60	Unfunded CalPERS Pension Liabilities 2012-13	Unfunded Liabilities	7/1/2012	6/30/2018	City of Garden Grove	Reimbursement of unfunded CalPERS Pension Liabilities			N	\$ -						\$ -						\$ -
61	Unfunded CalPERS Pension Liabilities 2013-14	Unfunded Liabilities	7/1/2013	6/30/2018	City of Garden Grove	Reimbursement of unfunded CalPERS Pension Liabilities			N	\$ -						\$ -						\$ -
62	Unfunded CalPERS Pension Liabilities 2014-15	Unfunded Liabilities	7/1/2014	6/30/2018	City of Garden Grove	Reimbursement of unfunded CalPERS Pension Liabilities			N	\$ -						\$ -						\$ -
63	Unfunded CalPERS Pension Liabilities 2015-16	Unfunded Liabilities	7/1/2015	6/30/2018	City of Garden Grove	Reimbursement of unfunded CalPERS Pension Liabilities			N	\$ -						\$ -						\$ -
64	Unfunded CalPERS Pension Liabilities 2016-17	Unfunded Liabilities	7/1/2016	6/30/2018	City of Garden Grove	Reimbursement of unfunded CalPERS Pension Liabilities			N	\$ -						\$ -						\$ -
65	Unfunded CalPERS Pension Liabilities 2017-18	Unfunded Liabilities	7/1/2017	10/1/2033	Cal PERS	Unfunded CalPERS Pension Liabilities			N	\$ -						\$ -						\$ -
66									N	\$ -						\$ -						\$ -
67									N	\$ -						\$ -						\$ -
68									N	\$ -						\$ -						\$ -
69									N	\$ -						\$ -						\$ -
70									N	\$ -						\$ -						\$ -
71									N	\$ -						\$ -						\$ -
72									N	\$ -						\$ -						\$ -
73									N	\$ -						\$ -						\$ -
74									N	\$ -						\$ -						\$ -
75									N	\$ -						\$ -						\$ -
76									N	\$ -						\$ -						\$ -
77									N	\$ -						\$ -						\$ -
78									N	\$ -						\$ -						\$ -
79									N	\$ -						\$ -						\$ -
80									N	\$ -						\$ -						\$ -

**Garden Grove Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail**

July 1, 2019 through June 30, 2020

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	19-20A (July - December)					Q	19-20B (January - June)					W		
											Fund Sources						19-20A Total	Fund Sources					19-20B Total	
											L	M	N	O	P			R	S	T	U			V
Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 19-20 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	19-20B Total			
81									N	\$ -						\$ -						\$ -		
82									N	\$ -						\$ -						\$ -		
83									N	\$ -						\$ -						\$ -		
84									N	\$ -						\$ -						\$ -		
85									N	\$ -						\$ -						\$ -		
86									N	\$ -						\$ -						\$ -		
87									N	\$ -						\$ -						\$ -		
88									N	\$ -						\$ -						\$ -		
89									N	\$ -						\$ -						\$ -		
90									N	\$ -						\$ -						\$ -		
91									N	\$ -						\$ -						\$ -		
92									N	\$ -						\$ -						\$ -		
93									N	\$ -						\$ -						\$ -		
94									N	\$ -						\$ -						\$ -		
95									N	\$ -						\$ -						\$ -		
96									N	\$ -						\$ -						\$ -		
97									N	\$ -						\$ -						\$ -		
98									N	\$ -						\$ -						\$ -		
99									N	\$ -						\$ -						\$ -		
100									N	\$ -						\$ -						\$ -		
101									N	\$ -						\$ -						\$ -		
102									N	\$ -						\$ -						\$ -		
103									N	\$ -						\$ -						\$ -		
104									N	\$ -						\$ -						\$ -		
105									N	\$ -						\$ -						\$ -		
106									N	\$ -						\$ -						\$ -		
107									N	\$ -						\$ -						\$ -		
108									N	\$ -						\$ -						\$ -		
109									N	\$ -						\$ -						\$ -		

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

Pursuant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)</b>	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	<b>Comments</b>
<b>1</b>	<b>Beginning Available Cash Balance (Actual 07/01/16)</b> RPTTF amount should exclude "A" period distribution amount						Beginning balance as per determination letter dated April 13, 2018.
		175,517	3,881,440		99,681	2,912,771	
<b>2</b>	<b>Revenue/Income (Actual 06/30/17)</b> RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller						Other funds collected are from rental income and interest income received.
					397,062	19,384,381	
<b>3</b>	<b>Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)</b>						
					33,248	16,155,051	
<b>4</b>	<b>Retention of Available Cash Balance (Actual 06/30/17)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						This amount represents half of the October 2017 debt service payments due for Line Item #39 of \$1,607,000 and Line Items #56 of \$413,062.
						2,020,062	
<b>5</b>	<b>ROPS 16-17 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	<b>No entry required</b>					
						1,659,448	
<b>6</b>	<b>Ending Actual Available Cash Balance (06/30/17)</b> <b>C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)</b>						As per the determination letter dated April 13, 2018, \$2,912,771 of the cash balance will be applied to Line #2 on ROPS 18-19.
		<b>\$ 175,517</b>	<b>\$ 3,881,440</b>	<b>\$ 0</b>	<b>\$ 463,495</b>	<b>\$ 2,462,591</b>	



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

<b>Item #</b>	<b>Notes/Comments</b>





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 (l) (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.

- 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/](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**

<b>Approved RPTTF Distribution</b>			
<b>For the period of July 1, 2019 through June 30, 2020</b>			
	<b>ROPS A Period</b>	<b>ROPS B Period</b>	<b>ROPS 19-20 Total</b>
RPTTF Requested	\$ 11,354,344	\$ 8,525,025	\$ 19,879,369
Administrative RPTTF Requested	197,577	197,576	395,153
<b>Total RPTTF Requested</b>	<b>11,551,921</b>	<b>8,722,601</b>	<b>20,274,522</b>
<b>RPTTF Requested</b>	<b>11,354,344</b>	<b>8,525,025</b>	<b>19,879,369</b>
<u>Adjustments</u>			
Item No. 14	(296,778)	0	(296,778)
Item No. 51	(75,000)	(75,000)	(150,000)
	(371,778)	(75,000)	(446,778)
<b>RPTTF Authorized</b>	<b>10,982,566</b>	<b>8,450,025</b>	<b>19,432,591</b>
<b>Administrative RPTTF Authorized</b>	<b>197,577</b>	<b>197,576</b>	<b>395,153</b>
<b>Total RPTTF Authorized for Obligations</b>	<b>11,180,143</b>	<b>8,647,601</b>	<b>19,827,744</b>
Prior Period Adjustment	(1,659,447)	0	(1,659,447)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 9,520,696</b>	<b>\$ 8,647,601</b>	<b>\$ 18,168,297</b>

**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

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>ROPS 19-20B Authorized Amounts</b>	<b>ROPS 19-20B Requested Adjustments</b>	<b>ROPS 19-20B Amended Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	<b>\$ 12,328</b>	<b>\$ -</b>	<b>\$ 12,328</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	12,328	-	12,328
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 8,647,601</b>	<b>\$ 67,265</b>	<b>\$ 8,714,866</b>
F RPTTF	8,450,025	67,265	8,517,290
G Administrative RPTTF	197,576	-	197,576
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 8,659,929</b>	<b>\$ 67,265</b>	<b>\$ 8,727,194</b>

**Certification of Oversight Board Chairman:**

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date

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

Item #	Project Name	Obligation Type	Total Outstanding Obligation	Authorized Amounts					Total	Requested Adjustments					Total	Notes
				Fund Sources						Fund Sources						
				Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	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	-	-	-	-	-	\$-	
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 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.
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 - Brookhurst	Project Management Costs	\$250,000	-	-	-	83,214	-	\$83,214	-	-	-	-	-	\$-	

Item #	Project Name	Obligation Type	Total Outstanding Obligation	Authorized Amounts					Total	Requested Adjustments					Total	Notes
				Fund Sources						Fund Sources						
				Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
39	2014 Tax Allocation Refunding Bonds	Refunding Bonds Issued After 6/27/12	\$29,078,575	-	-	-	570,125	-	\$570,125	-	-	-	-	-	\$-	
40	Limon Law Suit Settlement	Litigation	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
47	Appraisals(s)	Admin Costs	\$46,000	-	-	-	4,200	-	\$4,200	-	-	-	13,300	-	\$13,300	Oversight Board is requesting Successor Agency expedite disposition of Successor Agency owned properties. Current approved budget not sufficient to cover the cost of appraisals for all properties owned by the Agency.
49	Limon Law Suit Settlement/ Judgement	Litigation	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
50	Limon 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 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.
56	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	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	

Item #	Project Name	Obligation Type	Total Outstanding Obligation	Authorized Amounts					Total	Requested Adjustments					Total	Notes
				Fund Sources						Fund Sources						
				Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	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	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	





November 13, 2019

Ms. Monica L. Covarrubias, Project Manager  
City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92840

Dear Ms. Covarrubias:

Subject: Amended Recognized Obligation Payment Schedule

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

Based on our review, Finance is approving all of the adjustments requested on the Amended ROPS 19-20B.

The Agency's amended maximum approved Redevelopment Property Tax Trust Fund (RPTTF) distribution for the ROPS 19-20B period is \$8,714,866 as summarized in the Approved RPTTF Distribution table (See Attachment).

Please refer to the ROPS 19-20B schedule used to calculate the total RPTTF approved for distribution:

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

This is Finance's determination related to the funding of enforceable obligations reported on your Amended ROPS 19-20B. Please note there is not a 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 it was 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.

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.

Ms. Monica L Covarrubias  
November 13, 2019  
Page 2

Please direct inquiries to Todd Vermillion, Supervisor, or Michael Barr, Lead Analyst, at (916) 322-2985.

Sincerely,

*Cheryl R. McCormick*

*J*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**

<b>Approved RPTTF Distribution January 2020 through June 2020</b>	
Authorized RPTTF on ROPS 19-20B	\$ 8,450,025
Authorized Administrative RPTTF on ROPS 19-20B	197,576
<b>Total Authorized RPTTF on ROPS 19-20B</b>	<b>8,647,601</b>
<b>Authorized 19-20B RPTTF Adjustments</b>	<b>67,265</b>
<b>Total Amended ROPS 19-20B RPTTF approved for distribution</b>	<b>8,714,866</b>

## Recognized Obligation Payment Schedule (ROPS 18-19) - Summary

Filed for the July 1, 2018 through June 30, 2019 Period

Successor Agency:

Garden Grove

County:

Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	18-19A Total (July - December)	18-19B Total (January - June)	ROPS 18-19 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ 1,803,552</b>	<b>\$ 1,503,552</b>	<b>\$ 3,307,104</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	1,803,552	1,503,552	3,307,104
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 8,413,905</b>	<b>\$ 9,978,141</b>	<b>\$ 18,392,046</b>
F RPTTF	8,119,804	9,684,040	17,803,844
G Administrative RPTTF	294,101	294,101	588,202
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 10,217,457</b>	<b>\$ 11,481,693</b>	<b>\$ 21,699,150</b>

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name	Title
/s/	
Signature	Date



**Garden Grove Recognized Obligation Payment Schedule (ROPS 18-19) - ROPS Detail**

July 1, 2018 through June 30, 2019

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q					W					
																18-19A (July - December)						18-19B (January - June)				
																Fund Sources						Fund Sources				
																ROPS 18-19 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF		Admin RPTTF	18-19A Total	Bond Proceeds	Reserve Balance	Other Funds
93									N	\$	-						\$	-						\$	-	
94									N	\$	-						\$	-						\$	-	
95									N	\$	-						\$	-						\$	-	
96									N	\$	-						\$	-						\$	-	
97									N	\$	-						\$	-						\$	-	
98									N	\$	-						\$	-						\$	-	
99									N	\$	-						\$	-						\$	-	
100									N	\$	-						\$	-						\$	-	
101									N	\$	-						\$	-						\$	-	
102									N	\$	-						\$	-						\$	-	
103									N	\$	-						\$	-						\$	-	
104									N	\$	-						\$	-						\$	-	
105									N	\$	-						\$	-						\$	-	
106									N	\$	-						\$	-						\$	-	
107									N	\$	-						\$	-						\$	-	

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

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#)

A	B	C	D	E	F	G	H	I	
		<b>Fund Sources</b>							
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>		
	<b>Cash Balance Information for ROPS 15-16 Actuals (07/01/15 - 06/30/16)</b>	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	<b>Comments</b>	
1	<b>Beginning Available Cash Balance (Actual 07/01/15)</b>	175,517	3,881,827			(24,306)	2,361,444		
2	<b>Revenue/Income (Actual 06/30/16)</b> RPTTF amounts should tie to the <b>ROPS 15-16</b> total distribution from the County Auditor-Controller during January 2016 and June 2016.	2,334,650	43,926,621			6,922,917	12,679,229	Other: Brookhurst Triangle Phase I proceeds from sale and remittance to Mr. Wang and City \$1,734,248 each. Bonds Issued After 01/01/2011: \$42,353,807 2014 TARB (refunding of the 2003 TAB debt)	
3	<b>Expenditures for ROPS 15-16 Enforceable Obligations (Actual 06/30/16)</b>	2,334,650	43,926,231			6,605,713	11,842,690	Other: Brookhurst Triangle Phase I proceeds from sale and remittance to Mr. Wang and City \$1,734,248 each. Bonds Issued After 01/01/2011: \$42,353,807 2014 TARB (refunding of the 2003 TAB debt)	
4	<b>Retention of Available Cash Balance (Actual 06/30/16)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	175,517	3,882,217						
5	<b>ROPS 15-16 RPTTF Balances Remaining</b>	No entry required						2,519,773	
6	<b>Ending Actual Available Cash Balance (06/30/16)</b> <b>C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)</b>	\$ -	\$ -	\$ -	\$ -	\$ 292,898	\$ 678,210		







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 (l) (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 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 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 LI  
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

**Attachment**

<b>Approved RPTTF Distribution</b>			
<b>For the period of July 2018 through June 2019</b>			
	<b>ROPS A Period</b>	<b>ROPS B Period</b>	<b>ROPS 18-19 Total</b>
RPTTF Requested	\$ 8,119,804	\$ 9,684,040	\$ 17,803,844
Administrative RPTTF Requested	294,101	294,101	588,202
<b>Total RPTTF Requested</b>	<b>8,413,905</b>	<b>9,978,141</b>	<b>18,392,046</b>
<b>RPTTF Requested</b>	<b>8,119,804</b>	<b>9,684,040</b>	<b>17,803,844</b>
<u>Adjustments</u>			
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)
<b>RPTTF Authorized</b>	<b>5,541,340</b>	<b>7,630,409</b>	<b>13,171,749</b>
<b>Administrative RPTTF Authorized</b>	<b>294,101</b>	<b>294,101</b>	<b>588,202</b>
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 5,835,441</b>	<b>\$ 7,924,510</b>	<b>\$ 13,759,951</b>

## Amended Recognized Obligation Payment Schedule (ROPS 18-19B) - Summary

Filed for the January 1, 2019 through June 30, 2019 Period

Successor Agency: Garden Grove  
 County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	ROPS 18-19B Authorized Amounts	ROPS 18-19B Requested Adjustments	ROPS 18-19B Amended Total
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ 2,732,183</b>	<b>\$ 108</b>	<b>\$ 2,732,291</b>
B Bond Proceeds	-	-	-
C Reserve Balance	1,228,631	-	1,228,631
D Other Funds	1,503,552	108	1,503,660
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 7,924,510</b>	<b>\$ 16,080</b>	<b>\$ 7,940,590</b>
F RPTTF	7,630,409	16,080	7,646,489
G Administrative RPTTF	294,101	-	294,101
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 10,656,693</b>	<b>\$ 16,188</b>	<b>\$ 10,672,881</b>

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177 (o) of the Health and Safety  
 code, I hereby certify that the above is a true and accurate  
 Recognized Obligation Payment Schedule for the above  
 named successor agency.

\_\_\_\_\_  
 Name Title

/s/ \_\_\_\_\_  
 Signature Date







November 1, 2018

Ms. Monica L. Covarrubias, Project Manager  
City of Garden Grove  
11222 Acacia Parkway  
Garden Grove, CA 92840

Dear Ms. Covarrubias:

Subject: Amended 2018-19 Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1) (E), the City of Garden Grove 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 24, 2018. Finance has completed its review of the Amended ROPS 18-19B.

Based on our review, Finance has made the following determination:

It is our understanding the Agency is requesting an adjustment of Redevelopment Property Tax Trust Funds (RPTTF) and Other Funds to reflect actual expenditures paid in ROPS 18-19 instead of ROPS 17-18 due to a timing issue. Funding previously authorized for the ROPS 18-19 period is adequate; therefore, additional funding is not necessary for the items listed in the table below:

Item No.	Item Name/Project Name	RPTTF	Other Funds
6	Katella Cottages Owner Participation Agreement	\$16,080	
27	Agency Property Maintenance		\$108

Since Finance did not approve any adjustments, the Agency's maximum approved RPTTF distribution for the ROPS 18-19B period remains \$7,924,510 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>

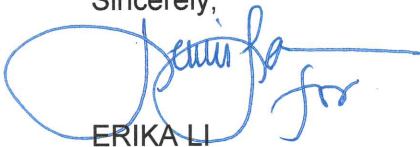


This is Finance's determination related to the funding of enforceable obligations reported on your Amended ROPS 18-19B. Please note there is no Meet and Confer option for the Amended ROPS process, so Finance's determination is final. This determination is effective for this time period only and should 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.

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 Amy Xu, Analyst, at (916) 322-2985.

Sincerely,



ERIKA LI  
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**

<b>Approved RPTTF Distribution</b>	
<b>For the period of January 2019 through June 2019</b>	
Authorized RPTTF on ROPS 18-19B	\$ 7,630,409
Authorized Administrative RPTTF on ROPS 18-19B	294,101
<b>Total Authorized RPTTF on ROPS 18-19B</b>	<b>7,924,510</b>
<b>Total Requested 18-19B RPTTF Adjustments</b>	<b>16,080</b>
<b>Finance RPTTF Adjustments</b>	
Item No. 6	(16,080)
<b>Authorized RPTTF 18-19B Adjustments</b>	<b>0</b>
<b>Total Amended ROPS 18-19B RPTTF approved for distribution</b>	<b>\$ 7,924,510</b>