

# Orange Countywide Oversight Board

Date: 1/28/2020

Agenda Item No. 6D

From: Successor Agency to the La Habra 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 La Habra Successor Agency

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

The enforceable obligations included in ROPS 20-21 total \$1,316,544 (\$1,010,965 for 20-21A and \$305,579 for 20-21B).

RPTTF funds requested will cover payments for the 1998 COP B/C Loan, executed on September 15, 1998 between the City and the Redevelopment Agency. The payments for the 1998 B/C loan include debt service principal payment (item #1) and debt service interest payment (item #2). Total RPTTF funds related to the 1998 B/C loan is \$465,791 (\$443,113 for 20-21A and \$22,678 for 20-21B).

RPTTF funds requested to cover the loan between the City and the Redevelopment Agency for the purchase of 1001 Imperial (item # 11) on September 11, 2007. The total RPTTF funds related to 1001 Imperial Highway is \$280,000. \$280,000 are requested for 20-21A. There is no request for item #11 in 20-21B.

RPTTF funds requested to cover trustee fees (item # 13) totals \$10,000 (\$7,500 for 20-21A and \$2,500 for 20-21B). RPTTF funds for continuing disclosure fees of \$3,250 (item # 30) are requested for 20-21B. There is no request for item # 30 in 20-21A.

RPTTF funds totaling \$434,363 (\$218,782 for 20-21A and \$215,581 for 20-21B) are requested for 2016 Tax Allocation Refunding Bonds principal and interest payments (items # 43 and 44). These bonds were issued in December 2016 to refund the 2000 Tax Allocation Bonds. The refunding resulted in gross debt service savings of \$989,079 over 16 years, which produced an average annual saving of \$61,817.

The Successor Agency requests a total of \$123,140 for Fiscal Year 2020-21 Administrative Budget as follows:

<b>Administrative Budget</b>	<b>FY 20/21</b>
Direct Payroll Costs (Salaries and benefits)	
Community Development Director (6%)	\$ 13,085
Director of Finance (6%)	13,679
Deputy Community Development Director (6%)	12,184
Housing and Econ Dev Manager (18%)	26,462
Finance Manager (14%)	22,815
Annual Audit	1,540
Attorney Fee	8,000
Arbitrage Rebate Report (2016 TABs)	4,000
Consultant Fee (HDL)	1,375
Appraisal Fee	5,000
Property Survey/Marketing - Professional Services	5,000
Administrative Overhead	10,000
<b>Total Administrative Budget</b>	<b><u>\$ 123,140</u></b>

The direct payrolls of Community Development Director, Director of Finance, and Deputy Community Development Director are budgeted at 6% to account for time that the Directors spent on participating in meetings, reviewing, and approving works completed by Housing and Economic Development Manager and Finance Manager.

The direct payroll of Housing and Economic Development Manager is budgeted at 18%. The cost represents time that the Housing and Economic Development Manager is expected to spend on Successor Agency related affairs such as processing, coordinating, and negotiating a disposal of the remaining Successor Agency's property, preparing staff reports, attending and presenting reports to the Oversight Board.

The direct payroll of Finance Manager is budgeted at 14%. The cost represents time that the Finance Manager is expected to spend on preparing, reconciling, and submitting ROPS and Prior Period Adjustment Form required by the County and the State Department of Finance (DOF). This cost is also accounted for time spent on coordinating and responding to the County and the DOF when questions arise in the ROPS reviewing process.

The cost of an annual audit is allocated to the Successor Agency based on the proportionate share of the Successor Agency assets to the City's entire assets which is approximately 2%. Annual audit cost of \$1,540 represents 2% of the annual audit contract of \$76,975.

The attorney fee of \$8,000 is budgeted for FY2020-21. It represents a retainer fee for potential legal services relating to Successor Agency's affairs such as disposal of Successor Agency's property, ROPS Meet and Confer, etc.

The arbitrage rebate report of \$4,000 represent the cost to have arbitrage rebate report prepared by a consultant for 2016 Tax Allocation Bonds. This report is required every 5 years.

The consultant fee of \$1,375 represents the cost for property tax consulting services such as tax increment projection, cash flow projection, and monitor distribution of tax-sharing revenues. This cost is allocated to the Successor Agency based on the proportionate share of the Successor Agency assessed property value to the City's entire assessed property value, which is approximately 10%.

The appraisal fee of \$5,000 represents the cost for appraisal services relating to the remaining Successor Agency's property.

The professional services fee of \$5,000 represents the cost for survey and marketing services relating to the remaining Successor Agency's property

Administrative overhead of \$10,000 represents administrative support services provided by the City to the Successor Agency such as City Council, City Manager, City Clerk, and financial services (accounting, banking, accounts payable, etc.).

The Successor Agency approved a Resolution No. XXX, on January 21, 2020 approving and adopting the Recognized Obligation Payment Schedule for the Period of July 1, 2020 through June 30, 2021. A motion was approved to forward the Recognized Obligation Payment Scheduled to the Countywide Oversight Board for approval.

The proposed ROPS 20-21 reduce RPTTF to the taxing entities in the amount of \$1,316,544. This amount is equal to the total RPTTF request for 20-21A and 20-21B as outlined through enforceable obligations and administrative cost.

#### Staff Contact(s)

Miranda Cole-Corona, Economic Development and Housing Manager ([mcole@lahabraca.gov](mailto:mcole@lahabraca.gov)), (562) 383-4110.

Jack Ponvanit, Finance Manager ([jponvanit@lahabraca.gov](mailto:jponvanit@lahabraca.gov)), (562) 383-4051.

#### Attachments

1. Proposed Countywide Oversight Board Resolution
2. ROPS 20-21
3. Successor Agency Resolution
4. Approved ROPS 19-20
5. DOF Letter Approving ROPS 19-20
6. Approved Admin Budget ROPS 19-20
7. Approved ROPS 18-19
8. DOF Letter Approving ROPS 18-19
9. Approved Admin Budget ROPS 18-19

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

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD,  
WITH OVERSIGHT OF THE OF THE SUCCESSOR AGENCY TO  
THE LA HABRA REDEVELOPMENT AGENCY, APPROVING THE  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR 20-21 FISCAL  
PERIOD OF JULY 1, 2020 TO JUNE 30, 2021, SUBJECT TO AND REVIEW  
BY, THE STATE DEPARTMENT OF FINANCE UNDER CALIFORNIA  
HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85, AND  
AUTHORIZING THE POSTING AND TRANSMITTAL THEREOF

WHEREAS, the former La Habra Redevelopment Agency (“Former Agency”) previously was a public body, corporate and politic formed, organized, existing and exercising its powers under the California Community Redevelopment Law, Health and Safety Code, Section 3300 *et seq.*, and was formed by ordinance of the City Council of the City of La Habra (“City”); and

WHEREAS, Assembly Bill x 1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation (“Dissolution Law”); and

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

WHEREAS, as of February 1, 2012, the Former Agency was dissolved under the Dissolution Law, and as separate public entity, corporate and politic under Section 3417(g), the Successor Agency to the La Habra Redevelopment Agency (the “Successor Agency”) administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency’s affairs; and

WHEREAS, prior to July 1, 2018 under the Dissolution Law, in particular Sections 34179 and 34180, 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 expectations that do not apply in the County of Orange; and

WHEREAS, as of, on and after July 1, 2018, the single Orange Countywide Oversight Board was established in compliance with Section 34179(j), which serves as the oversight board to the 25 successor agencies existing and operating in Orange County, including the Successor Agency; and

WHEREAS, every oversight board, both the prior local oversight board and this Orange Countywide Oversight Board, has fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues under the Dissolution Law, in particular Section 34188; and

WHEREAS, Sections 34177(o) and 34719 provide that each Recognized Obligation Payment Schedule (“ROPS”) is submitted by the Successor Agency to the Oversight Board and then reviewed and approved by the Oversight Board before final review and approval by the California Department of Finance (“DOF”); and

WHEREAS, the Successor Agency approved ROPS 20-21 during its meeting on Tuesday, January 21, 2020 and directed staff to submit the ROPS to the Orange Countywide Oversight Board for approval; and

WHEREAS, the Successor Agency has submitted to the Orange Countywide Oversight Board ROPS 20-21 reflecting payments from RPTTF for both enforceable obligations and administrative cost outlined in ROPS 20-21; and

WHEREAS, the objective of this Orange Countywide Oversight Board resolution is to authorize, make findings, and approve the Successor Agency’s ROPS 20-21 attached as Attachment No. 1 to this resolution and fully incorporated herein by this reference; and

WHEREAS, the Orange Countywide Oversight Board has reviewed the Successor Agency’s ROPS 20-21, and desires to make certain findings, including: (i) approval is necessary to pay DOF-approved enforceable obligations on ROPS 20-21 during fiscal period A and B, (ii) ROPS 20-21 as attached is approved, (iii) the Successor Agency or City staff are authorized to post ROPS 20-21, as attached, on the City website, and (iv) staff is directed to transmit ROPS 20-21 to DOF, with copies to the County of Orange Executive Officer, the County of Orange Auditor-Controller and the State Controller’s Office pursuant to the Dissolution Law;

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

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

Section 2. The Orange Countywide Oversight Board hereby finds the enforceable obligations and administrative cost in ROPS 20-21 for funds to be distributed from the Redevelopment Property Tax Trust Fund (RPTTF) for the fiscal period January 1, 2020- June 30, 2021 is necessary to pay DOF approved enforceable obligations for such ROPS 20-21 period.

Section 3. Under Dissolution Law, the Orange Countywide Oversight Board approves the ROPS 20-21 (Attachment No. 1); provided however, that the ROPS 20-21, is approved subject to the condition that such ROPS is submitted to and reviewed by the DOF. Further, the City’s Director of Finance and his authorized designees, in consultation with the legal counsel, shall be

authorized to discuss this matter with the DOF and make augmentations, modifications, additions or revisions to the ROPS 20-21 as may be necessary or directed by the DOF.

Section 4. The Orange Countywide Oversight Board authorizes transmittal of ROPS 20-21 to the DOF with copies to the Orange County Executive Officer, Orange County Auditor-Controller, and State Controller's Office.

Section 5. The City's Director of Finance and his authorized designees are directed to post this Resolution, including the ROPS 20-21 on the City's website pursuant to the Dissolution Law.

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

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

Attachment 1

ROPS 20-21

[Attached behind this cover page]

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

**Successor Agency:** La Habra

**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>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 1,010,965</b>	<b>\$ 305,579</b>	<b>\$ 1,316,544</b>
F RPTTF	949,395	244,009	1,193,404
G Administrative RPTTF	61,570	61,570	123,140
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 1,010,965</b>	<b>\$ 305,579</b>	<b>\$ 1,316,544</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



**La Habra**  
**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	
								\$8,481,878		\$1,316,544	\$-	\$-	\$-	\$949,395	\$61,570	\$1,010,965	\$-	\$-	\$-	\$244,009	\$61,570	\$305,579
1	1998 COP B/C Loan Debt Service Principal	City/County Loan (Prior 06/28/11), Other	09/15/1998	09/01/2022	City of La Habra	1998 COP B/C Future Principal on Loan Agreement	LHRA	1,300,000	N	\$410,000	-	-	-	410,000	-	\$410,000	-	-	-	-	-	\$-
2	1998 COP B/C Loan Debt Service Interest	City/County Loan (Prior 06/28/11), Other	09/15/1998	09/01/2022	City of La Habra	1998 COP B/C Future Interest on Loan Agreement	LHRA	101,668	N	\$55,791	-	-	-	33,113	-	\$33,113	-	-	-	22,678	-	\$22,678
3	1998 COP B/C Loan Debt Service Principal	City/County Loan (Prior 06/28/11), Other	09/15/1998	09/01/2022	City of La Habra	1998 COP B/C principal due but unpaid on Loan Agreement	LHRA	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
11	1001 Imperial purch Loan Principal	City/County Loan (Prior 06/28/11), Property transaction	06/15/2009	07/05/2038	City of La Habra	Promissory Note (Due in June 2014)	LHRA	1,401,700	N	\$280,000	-	-	-	280,000	-	\$280,000	-	-	-	-	-	\$-
12	1001 Imperial purch Loan Interest	City/County Loan (Prior 06/28/11), Property transaction	06/15/2009	07/05/2038	City of La Habra	Promissory Note (Due in June 2014)	LHRA	712,376	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
13	Trustee Fees	Fees	11/01/2000	10/01/2032	Bank of New York	Trustee Fees	LHRA	55,000	N	\$10,000	-	-	-	7,500	-	\$7,500	-	-	-	2,500	-	\$2,500
16	OPA Marketplace Property Tax	OPA/DDA/Construction	02/08/1992	09/01/2019	La Habra Associates LLC	Owner Participation Agreements	LHRA	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
20	1999 CFD Refunding bonds	Bonds Issued On or Before 12/31/10	01/01/1999	09/01/2019	Bank of New York	Bond Obligation - Principal Payment	LHRA	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
21	1999 CFD Refunding	Bonds Issued On	01/01/1999	09/01/2019	Bank of New York	Bond Obligation -	LHRA	-	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		
	bonds	or Before 12/31/10				Interest Payment																	
22	Consulting CFD Preparation	Professional Services	07/01/2012	09/01/2019	Various	CFD Special Assessment Preparation	LHRA	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-
23	Bond fees for 1999 CFD Refunding	Bonds Issued On or Before 12/31/10	10/31/2002	09/01/2019	Bank of New York	Trustee Fees-Mello Roos	LHRA	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-
24	Administrative Costs	Admin Costs	01/01/2014	10/01/2032	Various	Operations	LHRA	123,140	N	\$123,140	-	-	-	-	61,570	\$61,570	-	-	-	-	61,570	\$61,570	
30	General Operations	Fees	06/01/2011	10/01/2032	Various	Operations	LHRA	24,750	N	\$3,250	-	-	-	-	-	\$-	-	-	-	3,250	-	\$3,250	
40	1998 COP B/C Interest on Debt Service Principal	City/County Loan (Prior 06/28/11), Other	09/15/1998	09/01/2022	City of La Habra	1998 COP B/C Loan - Interest on due but unpaid principal balance	LHRA	-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
43	2016 Tax Allocation Refunding Bonds Principal	Bonds Issued After 12/31/10	12/13/2016	10/01/2032	Bank of New York	Bond Obligation	LHRA	3,792,500	N	\$287,500	-	-	-	142,500	-	\$142,500	-	-	-	145,000	-	\$145,000	
44	2016 Tax Allocation Refunding Bonds Interest	Bonds Issued After 12/31/10	12/13/2016	10/01/2032	Bank of New York	Bond Obligation	LHRA	970,744	N	\$146,863	-	-	-	76,282	-	\$76,282	-	-	-	70,581	-	\$70,581	
49	RPTTF Shortfall for ROPS 18-19 (Admin)	RPTTF Shortfall	01/01/2014	10/01/2032	City of La Habra	RPTTF Shortfall (ROPS 18-19) for Administrative Costs (Item #24)		-	Y	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	

**La Habra**  
**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.	279,889	147,582	207,944	349,209	(57,669)	
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	3,219	438,580		302,485	3,149,823	
3	<b>Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)</b>	5,868	463,289	130,349	358,353	3,106,099	
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)			77,595	25,708	-	\$45,352 was retained for outstanding check issued in ROPS 14-15B period. The DOF approved the use of funds for the amount of \$52,071 in ROPS 18-19 and \$5,880 in ROPS 19-20 for ROPS Item #16.
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			-	
6	<b>Ending Actual Available Cash Balance (06/30/18)</b>	<b>\$277,240</b>	<b>\$122,873</b>	<b>\$-</b>	<b>\$267,633</b>	<b>\$(13,945)</b>	

<b>C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)</b>						
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**La Habra**  
**Recognized Obligation Payment Schedule (ROPS 20-21) - Notes**  
**July 1, 2020 through June 30, 2021**

Item #	Notes/Comments
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**RESOLUTION NO. 2020-01**

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE LA HABRA REDEVELOPMENT AGENCY APPROVING AND ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2020 THROUGH JUNE 30, 2021 (ROPS 20-21) PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(I) AND 34177(O).**

**WHEREAS**, pursuant to Health and Safety Code Section 34173(d), the City of La Habra (“Successor Agency”) elected to become the Successor Agency to the La Habra Redevelopment Agency by Resolution No. 5508 on January 12, 2012; and

**WHEREAS**, Health and Safety Code Section 34177(l)(2), as modified by the Supreme Court decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861 and Section 34177 (m), requires the Successor Agency to prepare a Recognized Obligation Payment Schedule (“ROPS”); and

**WHEREAS**, Senate Bill 107 changed the ROPS period from six months to twelve months from July 1 to June 30 of each year. To maintain continuity of Redevelopment Property Tax Trust Fund (RPTTF) distribution, the annual ROPS will continue to separate the A Period (July 1 to December 31) and the B Period (January 1 to June 30); and

**WHEREAS**, pursuant to Health and Safety Code Section 34177(m)(1)(A), provides that the Successor agency shall complete the Recognized Obligation Payment Schedule (ROPS) in the manner provided for by the Department of Finance. Pursuant to Health and Safety Code Section 34177(l)(2), the Successor Agency is required to prepare the ROPS covering the period of July 1, 2020, through June 30, 2021 (ROPS 20-21). The Department of Finance (DOF) released the new ROPS template on December 2, 2019 and all successor agencies must submit their ROPS to the DOF by February 1, 2020; and

**WHEREAS**, pursuant to Health and Safety Code Section 34179.7(o)(1), the ROPS 20-21 will cover the period from July 1, 2020 to June 30, 2021; successor agencies must submit an oversight board approved annual ROPS to DOF and the County Auditor-Controller by February 1, 2020; and

**WHEREAS**, Health and Safety Code Section 34177(l)(2) requires the Successor Agency to submit the ROPS to the Orange Countywide Oversight Board for approval; and

**WHEREAS**, Health and Safety Code Section 34180(g) requires the Orange Countywide Oversight Board to approve the Successor Agency’s establishment of the ROPS prior to the Successor Agency acting upon the ROPS; and

**WHEREAS**, pursuant to Health and Safety Code Section 34177(l)(2), the Successor Agency is required to submit a copy of the ROPS approved by the Orange Countywide Oversight Board to the Orange County Auditor Controller, the California State

Controller, and the California State Department of Finance, and to post the ROPS on the Successor Agency's website.

**NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE LA HABRA REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1. Recitals.** The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

**Section 2. CEQA Compliance.** The approval of the ROPS through this Resolution does not commit the Successor Agency to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act. The Successor Agency Secretary is authorized and directed to file a Notice of Exemption with the appropriate official of the County of Orange, California, within five (5) days following the date of adoption of this Resolution.

**Section 3. Approval of ROPS.** The Successor Agency hereby approves and adopts the ROPS, in substantially the form attached to this Resolution as Attachment 1, as required by Health and Safety Code Section 34177.

**Section 4. Transmittal of ROPS.** The City Manager/Executive Director is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the ROPS, including submitting the ROPS approved by the Successor Agency to the Orange Countywide Oversight Board for approval and subsequent submittal to the Orange County Auditor Controller, the California State Controller, and California State Department of Finance along with the posting of the ROPS on the Successor Agency's website, and making any non-substantive changes to the ROPS required by the Orange Countywide Oversight Board, County or the Department of Finance.

**Section 5. Severability.** If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Successor Agency declares that the Successor Agency would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.


**Section 6. Certification.** The Successor Agency Secretary shall certify to the adoption of this Resolution.

**Section 7. Effective Date.** This Resolution shall be effective immediately upon approval by the Successor Agency.

**PASSED, APPROVED AND ADOPTED** at a regular meeting of the Successor Agency to the La Habra Redevelopment Agency on the 21st day of January 2020.

  
\_\_\_\_\_, Successor Agency Chair

ATTEST:

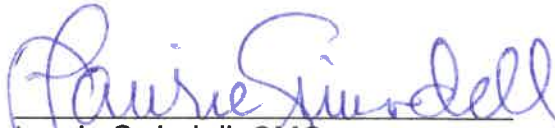
  
\_\_\_\_\_  
Laurie Swindell, CMC  
Secretary

STATE OF CALIFORNIA )  
CITY OF LA HABRA ) ss  
COUNTY OF ORANGE )

I, Laurie Swindell, Secretary for the Successor Agency to the La Habra Redevelopment Agency, do hereby certify that the above and foregoing is a true and correct copy of Resolution No. 2020-01 introduced and adopted at a regular meeting of the Successor Agency to the La Habra Redevelopment Agency held on the 21st day of January 2020.

AYES: DIRECTORS: Beamish, Medrano, Espinoza, Gomez, Shaw  
NOES: DIRECTORS: None  
ABSTAIN: DIRECTORS: None  
ABSENT: DIRECTORS: None

Witness my hand and the official seal of the City of La Habra this 21st day of January, 2020.

  
\_\_\_\_\_  
Laurie Swindell, CMC  
Secretary



**Attachment 1**

**Recognized Obligation Payment Schedule  
July 1, 2020 through June 30, 2021**

[Attached behind this cover page]

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

**Successor Agency:** La Habra  
**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>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 1,010,965</b>	<b>\$ 305,579</b>	<b>\$ 1,316,544</b>
F RPTTF	949,395	244,009	1,193,404
G Administrative RPTTF	61,570	61,570	123,140
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 1,010,965</b>	<b>\$ 305,579</b>	<b>\$ 1,316,544</b>

**Certification of Oversight Board Chairman:**

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

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.

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





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

A	B						G	H
	C	D	E			F		
			Fund Sources					
ROPS 17-18 Cash Balances (07/01/17 - 06/30/18)								
Bond Proceeds		Bonds issued on or after 01/01/11		Reserve Balance	Other Funds	RPTTF	Comments	
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	Beginning Available Cash Balance (Actual 07/01/17) RPTTF amount should exclude "A" period distribution amount.		279,889	147,582	207,944	349,209	(57,669)	
2	Revenue/Income (Actual 06/30/18) RPTTF amount should tie to the ROPS 17-18 total distribution from the County Auditor-Controller		3,219	438,580		302,485	3,149,823	
3	Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)		5,868	463,289	130,349	358,353	3,106,099	
4	Retention of Available Cash Balance (Actual 06/30/18) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)				77,595	25,708	-	\$45,352 was retained for outstanding check issued in ROPS 14-15B period. The DOF approved the use of funds for the amount of \$52,071 in ROPS 18-19 and \$5,880 in ROPS 19-20 for ROPS Item #16.
5	ROPS 17-18 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 17-18 PPA form submitted to the CAC				No entry required			
6	Ending Actual Available Cash Balance (06/30/18)		\$277,240	\$122,873	\$-	\$267,633	\$(13,945)	

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.

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

**Successor Agency:** La Habra  
**County:** Orange

<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>\$ 279,903</b>	<b>\$ -</b>	<b>\$ 279,903</b>
B Bond Proceeds	274,023	-	274,023
C Reserve Balance	-	-	-
D Other Funds	5,880	-	5,880
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 1,539,961</b>	<b>\$ 1,521,518</b>	<b>\$ 3,061,479</b>
F RPTTF	1,414,961	1,396,518	2,811,479
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 1,819,864</b>	<b>\$ 1,521,518</b>	<b>\$ 3,341,382</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



**La Habra Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail**

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

**(Report Amounts in Whole Dollars)**

A	B	C	D	E	F	G	H	I	J	K	19-20A (July - December)					19-20B (January - June)					W		
											Fund Sources					Fund Sources							
											L	M	N	O	P	Q	R	S	T	U		V	
																							Bond Proceeds
Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 19-20 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	19-20A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	19-20B Total	
1	1998 COP B/C Loan Debt Service	City/County Loan (Prior 06/28/11), Other	9/15/1998	9/1/2022	City of La Habra	1998 COP B/C Future Principal on Loan Agreement	LHRA	\$ 11,704,045	N	\$ 3,341,382	\$ 274,023	\$ 0	\$ 5,880	\$ 1,414,961	\$ 125,000	\$ 1,819,864	\$ 0	\$ 0	\$ 0	\$ 1,396,518	\$ 125,000	\$ 1,521,518	
2	1998 COP B/C Loan Debt Service Interest	City/County Loan (Prior 06/28/11), Other	9/15/1998	9/1/2022	City of La Habra	1998 COP B/C Future Interest on Loan Agreement	LHRA	1,695,000	N	\$ 395,000				395,000		\$ 395,000				33,113		\$ 33,113	
3	1998 COP B/C Loan Debt Service Principal	City/County Loan (Prior 06/28/11), Other	9/15/1998	9/1/2022	City of La Habra	1998 COP B/C principal due but unpaid on Loan Agreement	LHRA	1,302,908	N	\$ 1,302,908				270,000		\$ 270,000				1,032,908		\$ 1,032,908	
4	1998 COP B/C Loan Debt Service Interest	City/County Loan (Prior 06/28/11), Other	9/15/1998	9/1/2022	City of La Habra	1998 COP B/C Interest due but unpaid on Loan Agreement	LHRA	0	Y	\$ -						\$ -						\$ -	
11	1001 Imperial purch Loan Principal	City/County Loan (Prior 06/28/11), Property transaction	6/15/2009	7/5/2038	City of La Habra	Promissory Note (Due in June 2014)	LHRA	1,401,700	N	\$ -						\$ -						\$ -	
12	1001 Imperial purch Loan Interest	City/County Loan (Prior 06/28/11), Property transaction	6/15/2009	7/5/2038	City of La Habra	Promissory Note (Due in June 2014)	LHRA	671,054	N	\$ -						\$ -						\$ -	
13	Trustee Fees	Fees	11/1/2000	10/1/2032	Bank of New York	Trustee Fees	LHRA	9,000	N	\$ 9,000				6,000		\$ 6,000				3,000		\$ 3,000	
16	OPA Marketplace Property Tax	OPA/DDA/Construction	2/8/1992	9/1/2019	La Habra Associates LLC	Owner Participation Agreements	LHRA	408,232	N	\$ 408,232	4,636		5,880	397,716		\$ 408,232						\$ -	
17	Employee Costs	Admin Costs	1/1/2014	7/5/2038	Employees of the Agency	Payroll for Employees	LHRA	0	Y	\$ -						\$ -						\$ -	
20	1999 CFD Refunding bonds	Bonds Issued On or Before 12/31/10	1/1/1999	9/1/2019	Bank of New York	Bond Obligation - Principal Payment	LHRA	260,000	N	\$ 260,000	260,000					\$ 260,000						\$ -	
21	1999 CFD Refunding bonds	Bonds Issued On or Before 12/31/10	1/1/1999	9/1/2019	Bank of New York	Bond Obligation - Interest Payment	LHRA	7,800	N	\$ 7,800	7,800					\$ 7,800						\$ -	
22	Consulting CFD Preparation	Professional Services	7/1/2012	9/1/2019	Various	CFD Special Assessment Preparation	LHRA	1,587	N	\$ 1,587	1,587					\$ 1,587						\$ -	
23	Bond fees for 1999 CFD Refunding	Bonds Issued On or Before 12/31/10	10/31/2002	9/1/2019	Bank of New York	Trustee Fees-Mello Roos	LHRA	0	N	\$ -						\$ -						\$ -	
24	Administrative Costs	Admin Costs	1/1/2014	10/1/2032	Various	Operations	LHRA	250,000	N	\$ 250,000				125,000		\$ 125,000					125,000	\$ 125,000	
25	900 Block Landscape Services	Property Maintenance	6/1/2011	7/5/2038	Arcadia Landscape	Owner Participation Agreements	LHRA	0	Y	\$ -						\$ -						\$ -	
26	Contract Audit	Professional Services	6/17/2013	6/30/2020	White Nelson Diehl Evans	Annual Financial Audit	LHRA	0	Y	\$ -						\$ -						\$ -	
27	Contract Attorney	Legal	4/12/2012	6/30/2020	Best Best and Trieger	Redevelopment Attorney	LHRA	0	Y	\$ -						\$ -						\$ -	
28	Contract Arbitrage Rebate Report	Professional Services	9/22/2004	10/1/2032	Bond Logistix	Arbitrage analysis	LHRA	0	Y	\$ -						\$ -						\$ -	
29	Consulting Service Property Tax	Professional Services	3/10/1998	6/30/2020	Hinderlighter and De Llamas	Research and analysis of RDA Prop Tax	LHRA	0	Y	\$ -						\$ -						\$ -	
30	Continuing Disclosure Fees	Fees	6/1/2011	10/1/2032	Urban Futures	Continuing Disclosure Fees	LHRA	3,250	N	\$ 3,250						\$ -				3,250		\$ 3,250	
32	Property Taxes	Fees	1/1/2014	10/1/2032	County of Orange	Sanitation Fees	LHRA	0	Y	\$ -						\$ -						\$ -	
40	1998 COP B/C Interest on Debt Service Principal	City/County Loan (Prior 06/28/11), Other	9/15/1998	9/1/2022	City of La Habra	1998 COP B/C Loan - Interest on due but unpaid principal balance	LHRA	130,344	N	\$ 130,344				96,775		\$ 96,775				33,569		\$ 33,569	
41	1998 COP B/C Interest on Debt Service Interest	City/County Loan (Prior 06/28/11), Other	9/15/1998	9/1/2022	City of La Habra	1998 COP B/C Loan - Interest on due but unpaid interest balance	LHRA	0	Y	\$ -						\$ -						\$ -	
43	2016 Tax Allocation Refunding Bonds Principal	Bonds Issued After 12/31/10	12/13/2016	10/1/2032	Bank of New York	Bond Obligation	LHRA	4,185,000	N	\$ 267,500				125,000		\$ 125,000				142,500		\$ 142,500	
44	2016 Tax Allocation Refunding Bonds Interest	Bonds Issued After 12/31/10	12/13/2016	10/1/2032	Bank of New York	Bond Obligation	LHRA	1,128,306	N	\$ 157,564				81,282		\$ 81,282				76,282		\$ 76,282	
47	1998 COP B/C Interest on Debt Service Principal	RPTTF Shortfall	9/15/1998	9/1/2022	City of La Habra	RPTTF Shortfall (ROPS 17-18) for 1998 COP B/C Loan - Interest on due but unpaid principal balance (Item #40)	LHRA	0	Y	\$ -						\$ -						\$ -	
48	OPA Vons/Smith's Food	OPA/DDA/Construction	3/17/1992	5/17/2017	Smith's Food and Drug	Owner Participation Agreements	LHRA	0	Y	\$ -						\$ -				71,896		\$ 71,896	
49	RPTTF Shortfall for ROPS 18-19 (Admin)	RPTTF Shortfall	1/1/2014	10/1/2032	City of La Habra	RPTTF Shortfall (ROPS 18-19) for Administrative Costs (Item #24)	LHRA	71,896	N	\$ 71,896						\$ -						\$ -	
50									N	\$ -						\$ -						\$ -	
51									N	\$ -						\$ -						\$ -	
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April 15, 2019

Mr. Carlos Jaramillo, Deputy Director of Community & Economic Development  
City of La Habra  
201 East La Habra Boulevard  
La Habra, CA 90631

Dear Mr. Jaramillo:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

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

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

- Item No. 22 – Consulting Community Facilities District (CFD) Preparation Fees, total requested amount of \$12,000. Subsequent to the ROPS submission, the Agency determined the amount requested is overstated. According to the Agency, only \$1,587 will be necessary to fund the obligation during the ROPS 19-20 period. Therefore, with the Agency's concurrence, Finance is approving the use of \$1,587 from Bond Proceeds and reducing the use of Other Funds, from \$11,489 to zero.
- Item No. 23 – Bond Fees for 1999 CFD Refunding in the requested amount of \$2,500. Subsequent to the ROPS submission, the Agency determined it will no longer need to fund this item for the ROPS 19-20 period. Therefore, with the Agency's concurrence, Finance is reducing the amount requested from Bond Proceeds by \$2,500 to zero.
- Item No. 30 – Continuing Disclosure Fees in the total requested amount of \$3,250. This item was originally listed as General Operations. In ROPS 19-20, the Agency changed the project name/debt obligation to Continuing Disclosure Fees. However, line items on the ROPS may either be added or retired, but the project name/debt obligation must stay the same. Although Finance is approving \$3,250 to fund continuing disclosure fees from Redevelopment Property Tax Trust Fund (RPTTF), any new obligation must be listed as a new line item in the future.



On the ROPS 19-20 form, the Agency reported cash balances and activity for the period July 1, 2016 through June 30, 2017 (ROPS 16-17). According to our review, the Agency has approximately \$4,636 from Bond Proceeds and \$5,880 from Other Funds, totaling \$10,516, available to fund enforceable obligations on the ROPS 19-20. HSC section 34177 (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. 16 – Marketplace Property Tax Owner’s Participation Agreement in the total requested RPTTF amount of \$408,232 is partially reclassified. This item does not require payment from property tax revenues. Therefore, Finance is approving RPTTF in the amount of \$397,716, Bond Proceeds in the amount of \$4,636, and Other Funds in the amount of \$5,880, totaling \$408,232.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF approved in the table on Page 4 includes the prior period adjustment resulting from the County Auditor-Controller’s review of the prior period adjustment form submitted by the Agency, as adjusted by Finance. The prior period adjustment is adjusted to \$3,107.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 19-20. If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items that are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available on our website:

[http://dof.ca.gov/Programs/Redevelopment/Meet\\_And\\_Confer/](http://dof.ca.gov/Programs/Redevelopment/Meet_And_Confer/)

The Agency’s maximum approved RPTTF distribution for the reporting period is \$3,058,372 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

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

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

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

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

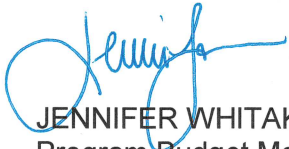
Mr. Carlos Jaramillo  
April 15, 2019  
Page 3

This determination is effective for the ROPS 19-20 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

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

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

Sincerely,



JENNIFER WHITAKER  
Program Budget Manager

cc: Mr. Jack Ponvanit, Finance Manager, City of La Habra  
Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

**Attachment**

<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	\$ 1,425,477	\$ 1,396,518	\$ 2,821,995
Administrative RPTTF Requested	125,000	125,000	250,000
<b>Total RPTTF Requested</b>	<b>1,550,477</b>	<b>1,521,518</b>	<b>3,071,995</b>
<b>RPTTF Requested</b>	<b>1,425,477</b>	<b>1,396,518</b>	<b>2,821,995</b>
<u>Adjustments</u>			
Item No. 16	(10,516)	0	(10,516)
<b>RPTTF Authorized</b>	<b>1,414,961</b>	<b>1,396,518</b>	<b>2,811,479</b>
<b>Administrative RPTTF Authorized</b>	<b>125,000</b>	<b>125,000</b>	<b>250,000</b>
<b>Total RPTTF Authorized for Obligations</b>	<b>1,539,961</b>	<b>1,521,518</b>	<b>3,061,479</b>
Prior Period Adjustment	(3,107)	0	(3,107)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 1,536,854</b>	<b>\$ 1,521,518</b>	<b>\$ 3,058,372</b>

**La Habra Successor Agency  
Approved Administrative Budget  
ROPS 19-20**

<b>Administrative Budget</b>	<b>Amount</b>
Salaries and benefits	\$ 115,200
Materials & Supplies	3,200
Annual Audit	4,200
Attorney Fees	10,000
Property Maintenance	7,000
Arbitrage Rebate Report	2,500
Consultant Fee (HDL)	15,000
Utilities	1,300
Risk Management (Insurance & General Liability)	67,400
Administrative Overhead	21,600
Property Taxes (Sewer Assessment)	2,600
<b>Total Administrative Budget</b>	<b>\$ 250,000</b>

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

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

Successor Agency: La Habra  
 County: Orange

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>18-19A Total (July - December)</b>	<b>18-19B Total (January - June)</b>	<b>ROPS 18-19 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ 324,921</b>	<b>\$ 7,800</b>	<b>\$ 332,721</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	324,921	7,800	332,721
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 1,649,086</b>	<b>\$ 2,106,282</b>	<b>\$ 3,755,368</b>
F RPTTF	1,530,386	1,981,282	3,511,668
G Administrative RPTTF	118,700	125,000	243,700
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 1,974,007</b>	<b>\$ 2,114,082</b>	<b>\$ 4,088,089</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







April 11, 2018

Mr. Carlos Jaramillo, Deputy Director of Community & Economic Development  
City of La Habra  
201 East La Habra Boulevard  
La Habra, CA 90631

Dear Mr. Jaramillo:

Subject: 2018-19 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of La Habra Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19) to the California Department of Finance (Finance) on January 25, 2018. Finance has completed its review of the ROPS 18-19.

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

- Item Nos. 43 and 44 – 2016 Tax Allocation Refunding Bonds debt service payments totaling \$413,739 in Other Funds. It is our understanding the Agency requested the funding source for these items in error. Per discussion with Agency staff and a review of documentation provided, the source of the \$413,739 Other Funds requested for the annual period is Redevelopment Property Tax Trust Fund (RPTTF). As a result, Other Funds requested has been adjusted to zero and RPTTF funding has been increased by \$413,739 (\$247,500 and \$166,239, respectively) for the ROPS 18-19 period.
- The claimed administrative costs exceed the allowance by \$6,300. HSC section 34171 (b) (3) limits the fiscal year Administrative Cost Allowance (ACA) to three percent of actual RPTTF distributed in the preceding fiscal year or \$250,000, whichever is greater not to exceed 50 percent of the RPTTF distributed in the preceding fiscal year. As a result, the Agency's maximum ACA is \$250,000 for the fiscal year 18-19. Although \$256,300 is claimed for ACA, only \$250,000 is available pursuant to the cap:

<b>Administrative Cost Allowance Calculation</b>	
Actual RPTTF distributed for fiscal year 2017-18	\$ 3,149,823
Less distributed Administrative RPTTF	(250,000)
RPTTF distributed for 2017-18 after adjustment	2,899,823
ACA Cap for 2018-19 per HSC section 34171 (b)	250,000
ACA requested for 2018-19	256,300
<b>Total ACA</b>	<b>256,300</b>
<b>ACA in Excess of Cap</b>	<b>\$ (6,300)</b>

The Agency's administrative costs totaled \$256,300, consisting of \$250,000 payable from Administrative RPTTF and \$6,300 from Other Funds. Therefore, \$6,300 of excess administrative costs payable from RPTTF for Item No. 24 is not allowed.

- On the ROPS 18-19 form, the Agency reported cash balances and activity for the period July 1, 2015 through June 30, 2016 (ROPS 15-16). According to our review, the Agency has approximately \$52,071 from Other Funds available to fund enforceable obligations on the ROPS 18-19. HSC section 34177 (I) (1) (E) requires these balances to be used prior to requesting RPTTF. Therefore, with the Agency's concurrence, Finance has reclassified the funding source for the following item from RPTTF to Other Funds in the amount specified below:

- Item No. 16 – Owner Participation Agreement, Marketplace Property Tax in the amount of \$396,693 is partially reclassified. This item does not require payment from property tax revenues. Therefore, Finance is approving RPTTF in the amount of \$344,622 and the use of Other Funds in the amount of \$52,071, totaling \$396,693.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 18-19. If the Agency disagrees with our determination with respect to any items on the ROPS 18-19, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available on our website:

[http://dof.ca.gov/Programs/Redevelopment/Meet And Confer/](http://dof.ca.gov/Programs/Redevelopment/Meet_And_Confer/)

The Agency's maximum approved RPTTF distribution for the reporting period is \$3,755,368 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

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

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

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



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

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

This determination is effective for the ROPS 18-19 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

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

Please direct inquiries to Nichelle Jackson, Supervisor, or Thong Thao, Analyst, at (916) 322-2985.

Sincerely,



ERIKA LI  
Program Budget Manager

cc: Mr. Jack Ponvanit, Finance Manager, City of La Habra  
Ms. Cindy Wong, 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	\$ 1,375,000	\$ 1,775,000	\$ 3,150,000
Administrative RPTTF Requested	125,000	125,000	250,000
<b>Total RPTTF Requested</b>	<b>1,500,000</b>	<b>1,900,000</b>	<b>3,400,000</b>
<b>RPTTF Requested</b>	<b>1,375,000</b>	<b>1,775,000</b>	<b>3,150,000</b>
<u>Adjustments</u>			
Item No. 16	(52,071)		(52,071)
Item No. 43	122,500	125,000	247,500
Item No. 44	84,957	81,282	166,239
	155,386	206,282	361,668
<b>RPTTF Authorized</b>	<b>1,530,386</b>	<b>1,981,282</b>	<b>3,511,668</b>
<b>Administrative RPTTF Requested</b>	<b>125,000</b>	<b>125,000</b>	<b>250,000</b>
<u>Adjustment</u>			
Item No. 24	(6,300)	0	(6,300)
<b>Administrative RPTTF Authorized</b>	<b>118,700</b>	<b>125,000</b>	<b>243,700</b>
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 1,649,086</b>	<b>\$ 2,106,282</b>	<b>\$ 3,755,368</b>

**La Habra Successor Agency  
Approved Administrative Budget  
ROPS 18-19**

<b>Administrative Budget</b>	<b>Amount</b>
Salaries and benefits	\$ 48,846
Annual Audit	10,000
Attorney Fees	63,332
Property Maintenance	6,690
Consultant Fee (HDL)	14,914
Administrative Overhead	85,270
Property Taxes (Sewer Assessment)	14,648
<b>Total Administrative Budget</b>	<b>\$ 243,700</b>