

Orange Countywide Oversight Board

Agenda Item No. 15a

Date: 9/22/2020

From: Successor Agency to the Anaheim Redevelopment Agency

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

Recommended Action:

Hold a straw vote regarding FY 2021-2022 Administrative Budget for the Anaheim Successor Agency

The Anaheim Successor Agency requests a straw vote of the Administrative Budget for Fiscal Year 2021-22. The Successor Agency shall return in January with a request for final approval of the Administrative Budget with the Recognized Obligation Payment Schedule (ROPS).

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

In addition to personnel costs, the Administrative Budget includes costs allocated for legal counsel, audit fees, offsite document storage, loan servicing fees, and other administrative costs. The Anaheim Successor Agency is requesting from the Department of Finance the maximum allowable allocation of \$443,795 for the Administrative Budget. As projected in the attached draft budget, the Successor's expenses are \$487,000. Our calculated authorized admin allowance for FY 21/22 of \$443,795 is a major decrease from the current year's allowance primarily due to the fact that the Successor Agency used its cash balance in the current year, thereby greatly reducing the RPTTF request.

Staff Contact(s)

Stacey Shokri
Financial Accounting Manager
SShokri@anaheim.net

Jessica Garcia
Management Assistant
Jgarcia3@anaheim.net

Attachments

1. Draft Administrative Budget
2. FY 2010-21 Approved ROPS and Administrative Budget
3. FY 2019-20 Approved ROPS including Administrative Budget

ANAHEIM SUCCESSOR AGENCY		
2021/22 ADMINISTRATIVE BUDGET		
LABOR	\$	346,000
LEGAL		40,000
CITY OVERHEAD CHARGES		50,000
RENTS/OFFICE EQUIPMENT/SUPPLIES		30,000
DOCUMENT OFFSITE STORAGE		4,000
AUDIT FEES		1,500
SHIPPING/MAILING		500
INSURANCE		5,000
ADMINISTRATIVE COSTS - WESTGATE PROJECT		10,000
TOTAL PROJECTED FY 21/22 BUDGET	\$	487,000
FY 21/22 ALLOWED ADMINSTRATIVE ALLOWANCE		443,795 *
(OVER)/UNDER ADMINISTRATIVE ALLOWANCE		(43,205)
*Agency requested ROPS 21/22 Admin Allowance		

RESOLUTION NO. 2012-105

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANAHEIM, ACTING AS THE SUCCESSOR AGENCY TO THE ANAHEIM REDEVELOPMENT AGENCY, AUTHORIZING AND DIRECTING THE EXECUTIVE DIRECTOR OF THE COMMUNITY DEVELOPMENT DEPARTMENT TO REPRESENT THE CITY, ACTING IN ITS CAPACITY AS THE SUCCESSOR AGENCY TO THE ANAHEIM REDEVELOPMENT AGENCY, IN MATTERS PERTAINING TO THE REDEVELOPMENT DISSOLUTION ACT, AS AMENDED.

WHEREAS, prior to February 1, 2012, the Anaheim Redevelopment Agency (herein referred to interchangeably as the "Agency" or the "dissolved Agency") was a community redevelopment agency duly organized and existing under the California Community Redevelopment Law (Health and Safety Code Sections 33000 *et seq.*), and was 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 Anaheim ("City"); and

WHEREAS, Assembly Bill x1 26, which was passed by the California State Legislature, approved by the Governor on June 28, 2011, and chaptered by the Secretary of State on June 29, 2011, added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which laws caused the dissolution and wind down of all redevelopment agencies (herein referred to as the "Dissolution Act"); and

WHEREAS, on December 29, 2011, in the petition *California Redevelopment Association v. Matosantos*, the California Supreme Court upheld the Dissolution Act, which had the effect of dissolving all redevelopment agencies in California as of and on February 1, 2012; and

WHEREAS, as of, on and after February 1, 2012, the Agency became a dissolved community redevelopment agency pursuant to the Dissolution Act; and

WHEREAS, by Resolution No. 2012-001, considered and approved by the City Council at an open public meeting on January 10, 2012, the City Council elected to have the City serve as the "Successor Agency" to the dissolved Agency under the Dissolution Act, thereby assuming all authority, rights, powers, duties and obligations previously vested with the Agency under the California Community Redevelopment Law, effective upon dissolution of the Agency on February 1, 2012; and

WHEREAS, as of, on and after February 1, 2012, the City began to perform and will continue to perform its functions as and on behalf of the Successor Agency to the dissolved Agency under the Dissolution Act to administer the enforceable obligations of the Agency and

otherwise unwind the dissolved Agency's affairs, all subject to the review and approval by a seven-member "Oversight Board" formed thereunder; and

WHEREAS, as part of the Fiscal Year 2012-13 State budget package, on June 27, 2012, the California State Legislature passed, and the Governor signed, Assembly Bill 1484 (herein referred to as "AB 1484"), the primary purpose of which was to make technical and substantive amendments to the Dissolution Act based upon experience to-date at the state and local level in implementing the Dissolution Act. As a budget trailer bill, AB 1484 took immediate effect upon signature by the Governor; and

WHEREAS, the City, as Successor Agency to the dissolved Agency, is required to perform certain duties and obligations under the Dissolution Act, as amended by AB 1484, to administer the enforceable obligations of the dissolved Agency and otherwise unwind the dissolved Agency's affairs, including, but not limited to, the preparation and adoption of periodic Recognized Obligation Payment Schedules and other matters described in Sections 34177, 34179.5, 34179.6 and 34181 of the California Health and Safety Code, all subject to the review and approval by the Oversight Board of the Successor Agency to the dissolved Agency (herein referred to as the "Oversight Board"); and

WHEREAS, the City Council, serving as, and on behalf of, the Successor Agency to the dissolved Agency, desires to authorize the Executive Director of the Community Development Department (or his designee) (herein referred to as the "Executive Director") to take certain actions for and on behalf of the City, in its capacity as the Successor Agency to the dissolved Agency, in the manner hereinafter provided.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL, SERVING AS AND ON BEHALF OF THE SUCCESSOR AGENCY TO THE ANAHEIM REDEVELOPMENT AGENCY, AS FOLLOWS:

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

Section 2. Whenever reference is made in the Dissolution Act, as amended by AB 1484, and as the same may be amended from time to time (herein referred to collectively as the "Dissolution Act, as Amended"), to an action or approval to be undertaken by the Successor Agency, the Executive Director is authorized to act, subject to the approval of the Oversight Board and in compliance in all respects with the requirements of the Dissolution Act, as Amended, unless this Resolution or the Dissolution Act, as Amended, specifically provide otherwise or the context should otherwise require.

Section 3. Without the prior approval and authorization of both the City Council, serving as, and on behalf of, the Successor Agency in its capacity as the Successor Agency to the dissolved Agency, and the Oversight Board in accordance with the requirements of the Dissolution Act, as Amended, the Executive Director shall lack the authority to, and shall not, obligate or commit the City, acting in its capacity as the Successor Agency to the dissolved Agency, to any of the transactions described in subdivision (e) of Section 34177, subdivisions

(a), (b), (d), (e), (f), (h) and (i) of Section 34180, and subdivisions (a), (b), (d) and (e) of Section 34181 of the California Health and Safety Code.

Section 4. The Executive Director is further authorized and directed for and on behalf of the City, as Successor Agency to the dissolved Agency, to take any and all actions and execute and deliver any and all documents and instruments which he may deem necessary and advisable to effectuate the purposes of this Resolution and in compliance in all respects with the requirements of the Dissolution Act, as Amended.

Section 5. This Resolution shall be effective immediately upon adoption.

THE FOREGOING RESOLUTION IS APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF ANAHEIM, SERVING AS AND ON BEHALF OF THE SUCCESSOR AGENCY TO THE FORMER ANAHEIM REDEVELOPMENT AGENCY, THIS 21st DAY OF August, 2012, BY THE FOLLOWING ROLL CALL VOTE:

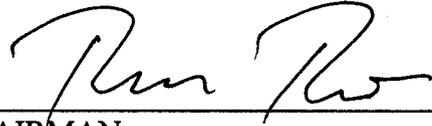
AYES: Mayor Tait, Council Members Sidhu, Galloway, Eastman and Murray

NOES: None

ABSENT: None

ABSTAIN: None

CITY OF ANAHEIM, AS THE
SUCCESSOR AGENCY TO THE
ANAHEIM REDEVELOPMENT
AGENCY



CHAIRMAN

ATTEST:



SECRETARY

91113

ANAHEIM SUCCESSOR AGENCY	
2019/20 ADMINISTRATIVE BUDGET	
LABOR	400,000
LEGAL	150,000
CITY OVERHEAD CHARGES	25,000
RENTS/OFFICE EQUIPMENT/SUPPLIES	40,000
DOCUMENT OFFSITE STORAGE	5,000
LOAN SERVICING FEES	1,000
SHIPPING/MAILING	1,000
ADMINISTRATIVE COSTS - WESTGATE PROJECT	10,000
TOTAL BUDGET	632,000
ADMINISTRATIVE ALLOWANCE	603,316
(OVER)/UNDER ADMINISTRATIVE ALLOWANCE	(28,684)

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

Successor Agency: Anaheim
County: Orange

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

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

Name Title
/s/ _____
Signature Date

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

source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H	
		Fund Sources						
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF		
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	Comments	
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount	23,211,013	0	156,112	(1,568,995)	4,237,515	Balances carryforward from lines 4-6 of prior fiscal year (ended 6/30/2016) cash balance form. Combined total is \$26,035,645.	
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller	2,265,968	0	0	977,153	22,268,906		
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)	3,483,160	0	156,112	2,848,406	21,800,632	\$2,194,158 (add'l reserves) shown as expenditures under RPTTF (Cell G3) and revenue/income under Bond Proceeds (Cell C2) Prior to 12/31/2010.	
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	21,993,821	0	0	754,507	0		
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					468,274	
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ (4,194,755)	\$ 4,237,515		

