

Orange Countywide Oversight Board

Agenda Item No. 15e

Date: 9/22/2020

From: Successor Agency to the Irvine 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 Irvine Successor Agency

The Irvine Successor Agency (Successor Agency) requests a straw vote of the Administrative Budget for Fiscal Year 2021-2022. The Successor Agency shall return in January with a request for final approval of the Administrative Budget with the Recognized Obligation Payment Schedule (ROPS).

As the Successor Agency winds down its activities, there is a corresponding reduction in the administrative costs. For Fiscal Year 2020-2021, the approved administrative costs are \$150,000, whereas the prior year's the approved administrative costs were \$250,000. For Fiscal Year 2021-2022, the Successor Agency is requesting \$100,000 for its administrative costs. A portion of the administrative budget shall consist of staff time for the following personnel:

- Director of Financial Management and Strategic Planning
- Finance Officer
- Senior Management Analyst
- Treasury Specialist
- Administrative Coordinator

The Director of Financial Management and Strategic Planning oversees Successor Agency administration. The Finance Officer oversees Redevelopment Property Tax Trust Fund (RPTTF) funding distribution per agreements. The Senior Management Analyst develops the annual ROPS and administrative budget, prepares staff reports for Successor Agency meetings, manages distribution of RPTTF funding per agreements, and processes invoices for the Successor Agency. The Treasury Specialist monitors and tracks RPTTF payments received by the Successor Agency. The Administrative Coordinator processes staff reports for the Successor Agency.

In addition to staff time, the administrative budget for Fiscal Year 2021-2022 shall include attorney and consultant services, administrative overhead, and materials and supplies. The breakdown of the administrative budget is provided in Attachment 1.

Staff Contact(s)

Angie Burgh
Senior Management Analyst
Email – aburgh@cityofirvine.org
Phone – 949-724-6036

Attachments

1. Draft Administrative Budget
2. FY 20-21 Approved ROPS and Administrative Budget
3. FY 20-21 ROPS DOF Final Determination Letter
4. FY 19-20 Approved ROPS and Administrative Budget
5. FY 19-20 ROPS DOF Final Determination Letter

**City of Irvine Successor Agency
Administrative Budget
ROPS 21-22**

Administrative Budget	Description	Estimated Cost
Attorney Fees	Counsel for Successor Agency	\$ 25,000
Consultant Fees	Annual audits for financial statement	\$ 20,000
Administrative Overhead	Share of Civic Center operating costs (e.g., IT technology, utilities, maintenance)	\$ 10,000
Materials and Supplies	Duplicating, postage, printing, office supplies	\$ 3,800
SUBTOTAL:		\$ 58,800

Position	Duties	Salaries and Benefits Estimated Cost
Director of Financial Management and Strategic Planning	Oversees Successor Agency administration	\$ 3,400
Finance Officer	Oversees RPTTF funding distribution per agreements	\$ 5,450
Senior Management Analyst	Develops annual ROPS and administrative budget for submission to County Oversight Board and Dept. of Finance; prepares staff reports for Successor Agency meetings; manages distribution of RPTTF funding per agreements; processes invoices for Successor Agency	\$ 29,600
Treasury Specialist	Tracks RPTTF funding received	\$ 1,400
Administrative Coordinator	Prepares Successor Agency agenda items	\$ 1,350
SUBTOTAL:		\$ 41,200
TOTAL:		\$ 100,000

Resolution No. 20-006

A RESOLUTION OF THE ORANGE COUNTYWIDE
OVERSIGHT BOARD WITH OVERSIGHT OF THE
SUCCESSOR AGENCY TO THE DISSOLVED IRVINE
REDEVELOPMENT AGENCY OF THE CITY OF IRVINE,
CALIFORNIA, APPROVING THE RECOGNIZED
OBLIGATION PAYMENT SCHEDULE AND THE
SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR
THE PERIOD JULY 1, 2020 THROUGH JUNE 30, 2021

WHEREAS, California Health and Safety Code Section 34179(e) requires all action items of the Orange County Countywide Oversight Board be accomplished by resolution; and

WHEREAS, in accordance with California Health and Safety Code Section 34179(j), the twenty-five oversight boards in place in Orange County have consolidated into one Orange Countywide Oversight Board, effective July 1, 2018; and

WHEREAS, Health and Safety Code Sections 34177(1)(2)(B) and 34180(g) require the approval of the Recognized Obligation Payment Schedule by the Oversight Board; and

WHEREAS, a Recognized Obligation Payment Schedule for the period July 1, 2020 through June 30, 2021, has been prepared; and

WHEREAS, the City Council as Successor Agency to the dissolved Irvine Redevelopment Agency approved the Recognized Obligation Payment Schedule for the period July 1, 2020 through June 30, 2021; and

WHEREAS, the Recognized Obligation Payment Schedule, in the form as substantially approved by the City Council as Successor Agency to the dissolved Irvine Redevelopment Agency, has been presented to the Countywide Oversight Board for its consideration at a regular meeting of the Countywide Oversight Board held on January 21, 2020;

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

SECTION 1. The Countywide Oversight Board, at its regular meeting of January 21, 2020, reviewed and considered the Recognized Obligation Payment Schedule presented by the Successor Agency.

SECTION 2. The Recognized Obligation Payment Schedule for the period July 1, 2020 through June 30, 2021, as set forth in Exhibit "A" attached hereto and by this reference incorporated herein, is hereby approved by the Countywide Oversight Board.

SECTION 3. The Successor Agency Administrative Budget for the period July 1, 2020 through June 30, 2021, as set forth in Exhibit "B" attached hereto and by this reference incorporated herein, is hereby approved by the Oversight Board.

SECTION 4. The Irvine Successor Agency staff shall transmit the approved Recognized Obligation Payment Schedule to the Department of Finance, State Controller, and County Auditor-Controller in compliance with the requirements of the Amended Dissolution Act. The staff of the Successor Agency shall take such other and further actions and sign such other and further documents as appropriate to effectuate the intent of this Resolution and to implement the Recognized Obligation Payment Schedule approved hereby on behalf of the Successor Agency. The Countywide Oversight Board further authorizes and directs the Irvine Successor Agency staff to make any technical modifications to the Recognized Obligation Payment Schedule as may be required by the Department of Finance, and/or State Controller, including any formatting or technical changes required by any of the foregoing bodies. Any such modifications or changes shall not require re-approval by the Countywide Oversight Board.


SECTION 5. If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this Resolution. The Countywide Oversight Board hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared invalid.

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

The foregoing was passed and adopted by the following vote of the Orange Countywide Oversight Board on TUESDAY, JANUARY 21, 2020

YES: STEVE FRANKS, CHRIS GAARDER, STEVE JONES, BRIAN PROBOLSKY, DEAN WEST

NOES:
EXCUSED:
ABSTAINED: CHARLES BARFIELD, PHILLIP E. YARBROUGH,

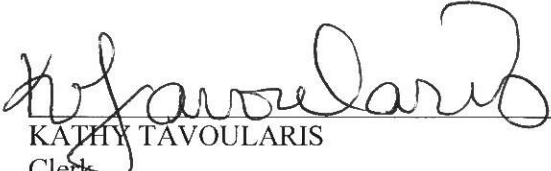


BRIAN PROBOLSKY
CHAIRMAN

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

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

IN WITNESS WHEREOF, I have hereto set my hand.



KATHY TAVOULARIS
Clerk
Orange Countywide Oversight Board

Resolution No: 20-006

Agenda Date: Tuesday, January 21, 2020

Item No: 5C

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

Successor Agency: Irvine
 County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		20-21A Total (July - December)	20-21B Total (January - June)	ROPS 20-21 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ -	\$ -	\$ -
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	-	-	-
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 108,816,153	\$ 104,616,153	\$ 213,432,306
F	RPTTF	108,741,153	104,541,153	213,282,306
G	Administrative RPTTF	75,000	75,000	150,000
H	Current Period Enforceable Obligations (A+E):	\$ 108,816,153	\$ 104,616,153	\$ 213,432,306

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

Brian Probolsky, Chairman
 Name _____ Title _____
 0 [Signature] _____ Date 1-21-2020
 Signature _____ Date _____

Irvine Recognized Obligation Payment Schedule (ROPS 20-21) - ROPS Detail

July 1, 2020 through June 30, 2021

(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 20-21 Total	L 20-21A (July - December)					Q 20-21A Total	R 20-21B (January - June)					W 20-21B Total
											M Fund Sources						N Fund Sources					
											L Bond Proceeds	M Reserve Balance	N Other Funds	O RPTTF	P Admin RPTTF		R Bond Proceeds	S Reserve Balance	T Other Funds	U RPTTF	V Admin RPTTF	
4	Implementation Agreement No. 1	Miscellaneous	3/8/2005	6/30/2052	Orange County	County facility payment	OCCP	\$ 243,067,306	N	\$ 213,432,306	\$ -	\$ -	\$ -	\$ 108,741,153	\$ 75,000	\$ 108,816,153	\$ -	\$ -	\$ -	\$ 104,541,153	\$ 75,000	\$ 104,616,153
5	Implementation Agreement No. 2	Miscellaneous	8/17/2010	6/30/2052	Orange County	Reconstruct or replace flood control facilities	OCCP	33,185,000	N	\$ 4,200,000				4,200,000		\$ 4,200,000						\$ -
12	Cooperation agreement	Admin Costs	3/27/2012	6/30/2014	City of Irvine	Financial, personnel and other support	OCCP	150,000	N	\$ 150,000					75,000	\$ 75,000					75,000	\$ 75,000
15	Re-entered 2007 Purchase and Sale and Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2052	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.			N	\$ -						\$ -						\$ -
16	Re-entered 2006 Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2025	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.			N	\$ -						\$ -						\$ -
17	Re-entered 2005 Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2025	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.			N	\$ -						\$ -						\$ -
18	Stipulated Judgment Enforceable Obligation	Miscellaneous	7/9/2014	6/30/2050	City of Irvine	Settlement Agreement and Release of Claims dated July 9, 2014 pending court approval of Stipulated Judgment.	OCCP	209,082,306	N	\$ 209,082,306				104,541,153		\$ 104,541,153				104,541,153		\$ 104,541,153
23									N	\$ -						\$ -						\$ -
24									N	\$ -						\$ -						\$ -
25									N	\$ -						\$ -						\$ -
26									N	\$ -						\$ -						\$ -
27									N	\$ -						\$ -						\$ -
28									N	\$ -						\$ -						\$ -
29									N	\$ -						\$ -						\$ -
30									N	\$ -						\$ -						\$ -
31									N	\$ -						\$ -						\$ -
32									N	\$ -						\$ -						\$ -
33									N	\$ -						\$ -						\$ -
34									N	\$ -						\$ -						\$ -
35									N	\$ -						\$ -						\$ -
36									N	\$ -						\$ -						\$ -
37									N	\$ -						\$ -						\$ -
38									N	\$ -						\$ -						\$ -
39									N	\$ -						\$ -						\$ -
40									N	\$ -						\$ -						\$ -
41									N	\$ -						\$ -						\$ -
42									N	\$ -						\$ -						\$ -
43									N	\$ -						\$ -						\$ -
44									N	\$ -						\$ -						\$ -
45									N	\$ -						\$ -						\$ -
46									N	\$ -						\$ -						\$ -
47									N	\$ -						\$ -						\$ -
48									N	\$ -						\$ -						\$ -
49									N	\$ -						\$ -						\$ -
50									N	\$ -						\$ -						\$ -
51									N	\$ -						\$ -						\$ -
52									N	\$ -						\$ -						\$ -
53									N	\$ -						\$ -						\$ -
54									N	\$ -						\$ -						\$ -
55									N	\$ -						\$ -						\$ -
56									N	\$ -						\$ -						\$ -
57									N	\$ -						\$ -						\$ -
58									N	\$ -						\$ -						\$ -
59									N	\$ -						\$ -						\$ -
60									N	\$ -						\$ -						\$ -
61									N	\$ -						\$ -						\$ -
62									N	\$ -						\$ -						\$ -
63									N	\$ -						\$ -						\$ -
64									N	\$ -						\$ -						\$ -
65									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	\$ -						\$ -						\$ -
81									N	\$ -						\$ -						\$ -
82									N	\$ -						\$ -						\$ -
83									N	\$ -						\$ -						\$ -
84									N	\$ -						\$ -						\$ -
85									N	\$ -						\$ -						\$ -

Irvine 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. 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	
		Fund Sources							
		Bond Proceeds		Reserve Balance		Other	RPTTF		
	ROPS 17-18 Cash Balances (07/01/17 - 06/30/18)	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	Comments	
1	Beginning Available Cash Balance (Actual 07/01/17)						19,255		
2	Revenue/Income (Actual 06/30/18) RPTTF amounts should tie to the ROPS 17-18 total distribution from the County Auditor-Controller						24,671,290		
3	Expenditures for ROPS 17-18 Enforceable Obligations (Actual 06/30/18)						24,568,644		
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)								
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) C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 121,901		

CITY OF IRVINE, AS SUCCESSOR AGENCY
TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY

Proposed Administrative Budget
July 1, 2020 – June 30, 2021

Estimated Administrative Costs:

Administrative Expenses – personnel costs of City employees carrying out dissolution functions; audit fees; and legal expenses.	\$140,000
Training, duplicating, supplies	\$10,000
<u>Total Proposed Administrative Budget</u>	<u>\$150,000</u>

Proposed Source(s) of Payment:

Administrative cost allowance	\$150,000
<u>Total Proposed Sources of Payment</u>	<u>\$150,000</u>

Proposed arrangement for administrative and operations services provided by the City:

City employees formerly assigned to redevelopment functions will continue to staff the administrative functions associated with the dissolution of the redevelopment agency. Pursuant to Health and Safety Code Section 34171(b), the Successor Agency is entitled to receive an administrative cost allowance of up to 3% of the money from the Redevelopment Obligation Retirement Fund that is allocated to the Successor Agency for each fiscal year, but in no event less than \$250,000 per fiscal year. The Successor Agency is requesting less than this maximum allowed amount as wind-down of the former redevelopment agency continues.

City of Irvine Successor Agency
 Administrative Budget
 ROPS 20-21

Administrative Budget	Description	Estimated Cost
Attorney Fees	Counsel for Successor Agency	\$ 50,000
Consultant Fees	Annual audits for financial statement	\$ 20,000
Administrative Overhead	Share of Civic Center operating costs (e.g., IT technology, utilities, maintenance)	\$ 10,000
Materials and Supplies	Duplicating, postage, printing, office supplies	\$ 10,000
SUBTOTAL:		\$ 90,000

Position	Duties	Salaries and Benefits Estimated Cost
Director of Financial Management and Strategic Planning	Oversees Successor Agency administration	\$ 3,400
Manager of Fiscal Services	Manages and directs administration of ROPS and administrative budget	\$ 18,800
Fiscal Services Officer	Oversees RPTTF funding distribution per agreements	\$ 5,450
Senior Management Analyst	Develops annual ROPS and administrative budget for submission to County Oversight Board and Dept. of Finance; prepares staff reports for Successor Agency meetings; manages distribution of RPTTF funding per agreements; processes invoices for Successor Agency	\$ 29,600
Treasury Specialist	Tracks RPTTF funding received	\$ 1,400
Administrative Coordinator	Prepares Successor Agency agenda items	\$ 1,350
SUBTOTAL:		\$ 60,000
TOTAL:		\$ 150,000



Transmitted via e-mail

April 10, 2020

Angie Burgh, Senior Management Analyst
City of Irvine
1 Civic Center Plaza
Irvine, CA 92623

2020-21 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Irvine Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2020 through June 30, 2021 (ROPS 20-21) to the California Department of Finance (Finance) on January 27, 2020. Finance has completed its review of the ROPS 20-21.

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

- Item No. 4 – Implementation Agreement No. 1 in the amount of \$4,200,000. The Agency requested \$4,200,000 from Redevelopment Property Tax Trust Fund (RPTTF) funds in error. Pursuant to new documents provided by the Agency, the amount requested for the July 1, 2020 through December 31, 2020 period (ROPS 20-21A) should be \$6,653,074. Therefore, to accurately reflect the estimated payment, Finance made an adjustment in the amount of \$2,453,074 to increase the total requested amount of \$4,200,000 to \$6,653,074.
- Item No. 18 – Stipulated Judgment Enforceable Obligation in the amount of \$209,082,306. It is our understanding the reported total outstanding obligation amount of \$209,082,306 did not account for the payment of \$30,098,687 in the period of January 1, 2020 through June 30, 2020 period (ROPS 19-20B). As such, the total outstanding amount is overstated by \$30,098,687. Therefore, to accurately reflect the total outstanding obligation, Finance decreased the total outstanding obligation by \$30,098,687 to \$178,983,619. Further, the requested amounts of \$104,541,153 in both ROPS periods was decreased by \$15,049,343 in ROPS 20-21A to \$89,491,810, and by \$15,049,344 in the January 1, 2021 through June 30, 2021 period (ROPS 20-21B) to \$89,491,809.

- On the ROPS 20-21 form, the Agency reported cash balances and activity for the period July 1, 2017 through June 30, 2018 (ROPS 17-18). According to our review, the Agency has approximately \$867,106 from Other Funds available to fund enforceable obligations on the ROPS 20-21. HSC section 34177 (l) (1) (E) requires these balances to be used prior to requesting RPTTF. This item does not require payment from property tax revenues; therefore, with the Agency's concurrence, the funding source for the following item has been reclassified in the amounts specified below:
 - Item No. 18 – Stipulated Judgment Enforceable Obligation in the amount of \$89,491,810 is partially reclassified. Finance is approving RPTTF in the amount of \$88,624,704 and the use of Other Funds in the amount of \$867,106, totaling \$89,491,810.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the ROPS 17-18 period. Reported differences in RPTTF are used to offset current RPTTF distributions. The amount of RPTTF authorized includes the prior period adjustment (PPA) resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$184,613,101, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2020 through December 31, 2020 period (ROPS A period), and one distribution for the January 1, 2021 through June 30, 2021 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 20-21 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 20-21. If the Agency disagrees with our determination with respect to any items on the ROPS 20-21, 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 must use the RAD App to complete and submit its Meet and Confer request form.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 20-21. 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 20-21 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 20-21 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

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

Please direct inquiries to Anna Kyumba, Supervisor, or Satveer Ark, Staff, at (916) 322-2985.

Sincerely,



JENNIFER WHITAKER
Program Budget Manager

cc: Michael Solorza, Manager of Fiscal Services, City of Irvine
Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

Attachment

Approved RPTTF Distribution July 2020 through June 2021			
	ROPS A	ROPS B	ROPS 20-21 Total
RPTTF Requested	\$ 108,741,153	\$ 104,541,153	\$ 213,282,306
Administrative RPTTF Requested	75,000	75,000	150,000
Total RPTTF Requested	108,816,153	104,616,153	\$213,432,306
RPTTF Requested	108,741,153	104,541,153	213,282,306
<u>Adjustments</u>			
Item No. 4	2,453,074	0	2,453,074
Item No. 18*	(15,916,449)	(15,049,344)	(30,965,793)
	(13,463,375)	(15,049,344)	(28,512,719)
RPTTF Authorized	95,277,778	89,491,809	184,769,587
Administrative RPTTF Authorized	75,000	75,000	150,000
ROPS 17-18 prior period adjustment (PPA)	(306,486)	0	(306,486)
Total RPTTF Approved for Distribution	\$ 95,046,292	\$ 89,566,809	\$ 184,613,101

*The figure for the A period reflects the total adjustments of \$15,049,343 and \$867,106.

Resolution No. 19-008

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH OVERSIGHT OF THE SUCCESSOR AGENCY TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY OF THE CITY OF IRVINE, CALIFORNIA, APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2020

WHEREAS, California Health and Safety Code Section 34179(e) requires all action items of the Orange County Countywide Oversight Board be accomplished by resolution; and

WHEREAS, in accordance with California Health and Safety Code Section 34179(j), the twenty-five oversight boards in place in Orange County have consolidated into one Orange Countywide Oversight Board, effective July 1, 2018; and

WHEREAS, Health and Safety Code Sections 34177(1)(2)(B) and 34180(g) require the approval of the Recognized Obligation Payment Schedule by the Oversight Board; and

WHEREAS, a Recognized Obligation Payment Schedule for the period July 1, 2019 through June 30, 2020, has been prepared; and

WHEREAS, the City Council as Successor Agency to the dissolved Irvine Redevelopment Agency approved the Recognized Obligation Payment Schedule for the period July 1, 2019 through June 30, 2020; and

WHEREAS, the Recognized Obligation Payment Schedule, in the form as substantially approved by the City Council as Successor Agency to the dissolved Irvine Redevelopment Agency, has been presented to the Countywide Oversight Board for its consideration at a regular meeting of the Countywide Oversight Board held on January 22, 2019;

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

~~SECTION 1. The Countywide Oversight Board, at its regular meeting of January 22, 2019, reviewed and considered the Recognized Obligation Payment Schedule presented by the Successor Agency.~~

SECTION 2. The Recognized Obligation Payment Schedule for the period July 1, 2019 through June 30, 2020, as set forth in Exhibit "A" attached hereto and by this reference incorporated herein, is hereby approved by the Countywide Oversight Board.

SECTION 3. The Successor Agency Administrative Budget for the period July 1, 2019 through June 30, 2020, as set forth in Exhibit "B" attached hereto and by this reference incorporated herein, is hereby approved by the Oversight Board.

SECTION 4. The Irvine Successor Agency staff shall transmit the approved Recognized Obligation Payment Schedule to the Department of Finance, State Controller, and County Auditor-Controller in compliance with the requirements of the Amended Dissolution Act. The staff of the Successor Agency shall take such other and further actions and sign such other and further documents as appropriate to effectuate the intent of this Resolution and to implement the Recognized Obligation Payment Schedule approved hereby on behalf of the Successor Agency. The Countywide Oversight Board further authorizes and directs the Irvine Successor Agency staff to make any technical modifications to the Recognized Obligation Payment Schedule as may be required by the Department of Finance, and/or State Controller, including any formatting or technical changes required by any of the foregoing bodies. Any such modifications or changes shall not require re-approval by the Countywide Oversight Board.


SECTION 5. If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this Resolution. The Countywide Oversight Board hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared invalid.

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

The foregoing was passed and adopted by the following vote of the Orange Countywide Oversight Board on TUESDAY, JANUARY 22, 2019

YES: STEVE FRANKS, CHRIS GAARDER, STEVE JONES,
BRIAN PROBOLSKY, DEAN WEST, PHILLIP E.
YARBROUGH

NOES:
EXCUSED: CHARLES BARFIELD
ABSTAINED:

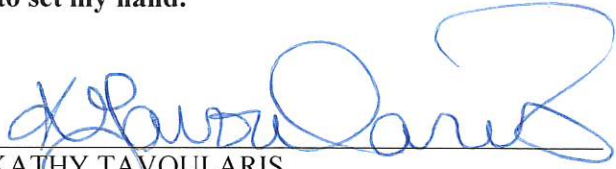


BRIAN PROBOLSKY
CHAIRMAN

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

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

IN WITNESS WHEREOF, I have hereto set my hand.



KATHY TAVOULARIS
Clerk
Orange Countywide Oversight Board

Resolution No: 19-008

Agenda Date: Tuesday, January 22, 2019

Item No: 5G

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

Successor Agency:

Irvine

County:

Orange

<u>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</u>	<u>19-20A Total</u> <u>(July - December)</u>	<u>19-20B Total</u> <u>(January - June)</u>	<u>ROPS 19-20 Total</u>
A Enforceable Obligations Funded as Follows (B+C+D):	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 126,633,868	\$ 118,105,868	\$ 244,739,736
F RPTTF	126,508,868	117,980,868	244,489,736
G Administrative RPTTF	125,000	125,000	250,000
H Current Period Enforceable Obligations (A+E):	\$ 126,633,868	\$ 118,105,868	\$ 244,739,736

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

Brian Probolsky, Chairman

Name _____ Title _____

/s/ [Signature] _____ Date 1/24/19

Signature _____ Date _____

Irvine 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
4	Implementation Agreement No. 1	Miscellaneous	3/8/2005	6/30/2052	Orange County	County facility payment	OCCGP	\$ 270,046,736	N	\$ 244,739,736	\$ 0	\$ 0	\$ 0	\$ 126,508,868	\$ 125,000	\$ 126,633,868	\$ 0	\$ 0	\$ 0	\$ 117,980,868	\$ 125,000	\$ 118,105,868
5	Implementation Agreement No. 2	Miscellaneous	8/17/2010	6/30/2052	Orange County	Reconstruct or replace flood control facilities	OCCGP	33,185,000	N	\$ 8,528,000				8,528,000		\$ 8,528,000						\$ -
12	Cooperation agreement	Admin Costs	3/27/2012	6/30/2014	City of Irvine	Financial, personnel and other	OCCGP	250,000	N	\$ 250,000				125,000		\$ 125,000					125,000	\$ 125,000
15	Re-entered 2007 Purchase and Sale and Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2052	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.	OCCGP		N	\$ -						\$ -						\$ -
16	Re-entered 2006 Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2025	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.	OCCGP		N	\$ -						\$ -						\$ -
17	Re-entered 2005 Financing Agreement	City/County Loans After 6/27/11	6/12/2012	6/30/2025	City of Irvine	Re-entered loan approved by the Successor Agency and Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) added to California Redevelopment Law by ABx1 26.	OCCGP		N	\$ -						\$ -						\$ -
18	Stipulated Judgment Enforceable Obligation	Miscellaneous	7/9/2014	6/30/2050	City of Irvine	Settlement Agreement and Release of Claims dated July 9, 2014 pending court approval of Stipulated	OCCGP	235,961,736	N	\$ 235,961,736				117,980,868		\$ 117,980,868				117,980,868		\$ 117,980,868
23									N	\$ -						\$ -						\$ -
24									N	\$ -						\$ -						\$ -
25									N	\$ -						\$ -						\$ -
26									N	\$ -						\$ -						\$ -
27									N	\$ -						\$ -						\$ -
28									N	\$ -						\$ -						\$ -
29									N	\$ -						\$ -						\$ -
30									N	\$ -						\$ -						\$ -
31									N	\$ -						\$ -						\$ -
32									N	\$ -						\$ -						\$ -
33									N	\$ -						\$ -						\$ -
34									N	\$ -						\$ -						\$ -
35									N	\$ -						\$ -						\$ -
36									N	\$ -						\$ -						\$ -
37									N	\$ -						\$ -						\$ -
38									N	\$ -						\$ -						\$ -
39									N	\$ -						\$ -						\$ -
40									N	\$ -						\$ -						\$ -
41									N	\$ -						\$ -						\$ -
42									N	\$ -						\$ -						\$ -
43									N	\$ -						\$ -						\$ -
44									N	\$ -						\$ -						\$ -
45									N	\$ -						\$ -						\$ -
46									N	\$ -						\$ -						\$ -
47									N	\$ -						\$ -						\$ -
48									N	\$ -						\$ -						\$ -
49									N	\$ -						\$ -						\$ -
50									N	\$ -						\$ -						\$ -
51									N	\$ -						\$ -						\$ -
52									N	\$ -						\$ -						\$ -
53									N	\$ -						\$ -						\$ -
54									N	\$ -						\$ -						\$ -
55									N	\$ -						\$ -						\$ -
56									N	\$ -						\$ -						\$ -
57									N	\$ -						\$ -						\$ -
58									N	\$ -						\$ -						\$ -
59									N	\$ -						\$ -						\$ -
60									N	\$ -						\$ -						\$ -
61									N	\$ -						\$ -						\$ -
62									N	\$ -						\$ -						\$ -
63									N	\$ -						\$ -						\$ -
64									N	\$ -						\$ -						\$ -
65									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	\$ -						\$ -						\$ -
81									N	\$ -						\$ -						\$ -
82									N	\$ -						\$ -						\$ -
83									N	\$ -						\$ -						\$ -

Irvine 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 (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
		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				3,027,626	873,037	Transfer from Irvine Community Land Trust per SCO audit finding
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller					20,514,321	
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)					20,414,028	
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)						
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					
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	\$ 3,027,626	\$ 973,330	

CITY OF IRVINE, AS SUCCESSOR AGENCY
TO THE DISSOLVED IRVINE REDEVELOPMENT AGENCY

Proposed Administrative Budget
July 1, 2019 – June 30, 2020

Estimated Administrative Costs:

Administrative Expenses – staff personnel costs for City employees carrying out the dissolution functions; audit fees and expenses.	\$240,000
Training, duplicating, supplies	\$10,000
Total Proposed Administrative Budget	\$250,000

Proposed Source(s) of Payment:

Administrative cost allowance	\$250,000
Total Proposed Sources of Payment	\$250,000

Proposed arrangement for administrative and operations services provided by the City:

City employees formerly assigned to redevelopment functions will continue to staff the administrative functions associated with the dissolution of the redevelopment agency. Dissolution costs will be recorded within the General Fund, but separately from other City functions. Pursuant to Health and Safety Code Section 34171(b), the Successor Agency is entitled to receive an administrative cost allowance of up to 3% of the money from the Redevelopment Obligation Retirement Fund that is allocated to the Successor Agency for each fiscal year, but in no event less than \$250,000 per fiscal year.



March 22, 2019

Ms. Amy Roblyer, Senior Management Analyst
City of Irvine
1 Civic Center Place
Irvine, CA 92623

Dear Ms. Roblyer:

Subject: 2019-20 Annual Recognized Obligation Payment Schedule

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

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

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

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

If the Agency disagrees with our determination with respect to any items on the ROPS 19-20, except items that are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available on our website:

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$243,441,443 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

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

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

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

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

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

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

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

Sincerely,



JENNIFER WHITAKER
Program Budget Manager

cc: Ms. Teri Washle, Finance Administrator, City of Irvine
Mr. Israel M. Guevara, Administrative Manager, Property Tax Section, Orange County

Attachment

Approved RPTTF Distribution For the period of July 1, 2019 through June 30, 2020			
	ROPS A Period	ROPS B Period	ROPS 19-20 Total
RPTTF Requested	\$ 126,508,868	\$ 117,980,868	\$ 244,489,736
Administrative RPTTF Requested	125,000	125,000	250,000
Total RPTTF Requested	126,633,868	118,105,868	244,739,736
RPTTF Authorized	126,508,868	117,980,868	244,489,736
Administrative RPTTF Authorized	125,000	125,000	250,000
Total RPTTF Authorized for Obligations	126,633,868	118,105,868	244,739,736
Prior Period Adjustment	(1,298,293)	0	(1,298,293)
Total RPTTF Approved for Distribution	\$ 125,335,575	\$ 118,105,868	\$ 243,441,443