

A G E N D A

SPECIAL MEETING OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD

TUESDAY, OCTOBER 12, 2021, 8:30 AM

ORANGE COUNTY AUDITOR-CONTROLLER OFFICE – via Zoom Webinar
1770 N. Broadway, First Floor, Room 117
Santa Ana, California 92706

ZOOM WEBINAR LINK:

https://us02web.zoom.us/webinar/register/WN_wxxGGQchSsCUMp2Rc8OAiA

HON. BRIAN PROBOLSKY

Chairman

HON. STEVE JONES

Vice Chairman

CHARLES BARFIELD

Board Member

STEVE FRANKS

Board Member

ANIL KUKREJA

Board Member

DEAN WEST, CPA

Board Member

HON. PHILLIP E. YARBROUGH

Board Member

Staff

Hon. Frank Davies, CPA, Auditor-Controller
Kathy Tavoularis
Zeshaan Younus
Amanda Hernandez

Counsel

Patrick K. Bobko

Clerk of the Board

Kathy Tavoularis

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

****In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the Clerk of the Board 72 hours prior to the meeting at (714) 834-2458****

The Orange Countywide Oversight Board encourages the public to participate by submitting emails at kathy.tavoularis@ac.ocgov.com by 7:30 AM the day of the meeting, or calling (714) 834-2458 and leaving a message before 7:30 AM the day of the meeting, if you want to provide comments on agenda items or other subject matters within the Orange Countywide Oversight Board's jurisdiction. The Orange Countywide Oversight Board and Staff thank you in advance for taking all precautions to prevent spreading COVID-19. If you have any questions, please contact the Orange County Auditor-Controller's Office at (714) 834-2458.

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

A G E N D A

SPECIAL MEETING OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD

8:30 A.M.

1. Call to Order
2. Pledge of Allegiance
3. Approval of the Minutes from September 21, 2021
4. Adopt Resolution Regarding Request by the Seal Beach Successor Agency to Dissolve

COMMENTS & ADJOURNMENT:

PUBLIC COMMENTS:

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

STAFF COMMENTS:

BOARD COMMENTS:

CLOSED SESSION:

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

ADJOURNMENT

NEXT MEETING:

Regular Meeting January 18, 2022 – 8:30 AM

MINUTES

REGULAR MEETING OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD

September 21, 2021, 8:30 a.m.

1. CALL TO ORDER

A regular meeting of the Orange Countywide Oversight Board was called to order at 8:37 a.m. on September, 21 2021 at Sixth Floor Conference Room located at 2099 S. State College Blvd., Anaheim, California 92806 by Vice Chairman Steve Jones.

Present:	6	Chairman:	Brian Probolsky
		Vice Chairman:	Steve Jones
		Board Member:	Anil Kukreja
		Board Member:	Dean West
		Board Member:	Phil Yarbrough
		Board Member:	Steve Franks

Absent:	1	Board Member:	Charles Barfield
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Also present, Kathy Tavoularis, Staff and Clerk of the Board; Patrick “Kit” Bobko, Legal Counsel; Chris Nguyen, Consultant; Cameron Wessel, Consultant; and Zeshaan Younus, Consultant.

2. PLEDGE OF ALLEGIANCE

Board Member Franks led the group in the Pledge of Allegiance.

3. APPROVAL OF MINUTES FROM July 20, 2021

A motion to approve the minutes from the July 20, 2021 Board Meeting was made by Board Member Yarbrough, seconded by Board Member West. Board Member Franks abstained.

YES – Probolsky, Jones, West, Kukreja, Yarborough

NO – N/A

Absent - Barfield

Abstained – Franks

4. Election of Board Officers

a. Chairman

Board Member Franks moved to re-elect Chairman Brian Probolsky to maintain his current position.

b. Vice Chairman

Board Member Yarbrough moved to re-elect Vice Chairman Steve Jones to maintain his current position.

Board Member Yarbrough moved to maintain current Chairman and Vice Chairman representatives, Board Member Franks seconded.

Motion carried unanimously.

5. Adoption of the 2022 Meeting Schedule

Board Member Franks moved approval, Board Member West seconded.

Motion carried unanimously.

6. Seal Beach Successor Agency Dissolution Update

Kelly Telford, City of Seal Beach Finance Director, discussed unique challenges faced by Seal Beach in their attempt to wind down. They navigated conduit debt and have been working with their legal counsel to take steps forward. Finance Director Telford requested a Special Meeting of the Oversight Board in October to consider dissolution of Seal Beach Successor Agency prior to January 2022.

7. Calling of Special Meeting to Consider Dissolution of Seal Beach Successor Agency

Board Clerk Tavoularis requested scheduling availability for the Oversight Board to accommodate a Special Meeting for Seal Beach. October 12, 2021 at 8:30AM was the consensus to reconvene via Zoom for a Special Meeting.

Board Member Franks moved approval. Board Member Yarbrough seconded.

Motion carried unanimously.

8. Adopt Resolutions Regarding Requests by Successor Agencies for Amendments to FY 2021-22 Recognized Obligation Payment Schedule (ROPS)

a. Anaheim

Board Member West moved approval, Board Member Franks seconded.

Motion carried unanimously.

b. Placentia

Board Member Yarbrough moved approval, Vice Chairman Jones seconded.

Motion carried unanimously.

c. San Juan Capistrano

Board Member Yarbrough moved approval, Vice Chairman Jones seconded.

Motion carried unanimously.

COMMENTS AND ADJOURNMENT:

PUBLIC COMMENTS:

Board Clerk Tavoularis reported there were no public comments.

STAFF COMMENTS:

- Board Clerk Tavoularis noted the Annual ROPS will be due at January 18 or January 25 2022 meetings so that Successor Agencies have appropriate time to submit their ROPS to the Department of Finance by their February 1st deadline for submission.
- Board Clerk Tavoularis noted future meetings are likely to be located at the Sixth Floor Conference Room located at 2099 S. State College Blvd., Anaheim, California 92806

BOARD COMMENTS:

N/A.

CLOSED SESSION:

Orange Countywide Oversight Board moved to closed session at 8:57 a.m. Orange Countywide Oversight Board returned from closed session at 9:31 a.m. with no reportable action.

ADJOURNMENT

Chairman Probolsky adjourned the meeting at 9:31 a.m.

BRIAN PROBOLSKY
CHAIRMAN OF THE COUNTYWIDE OVERSIGHT BOARD

KATHY TAVOULARIS

DATE

Orange Countywide Oversight Board

Agenda Item No. 4

Date: October 12, 2021

From: Successor Agency to the Seal Beach Redevelopment Agency

Subject: Resolution of the Orange Countywide Oversight Board in the Matter of Approving the Request of the Successor Agency to the Seal Beach Redevelopment Agency to Formally Dissolve and Taking Related Actions

Recommended Action:

Adopt resolution to approve the request by the Successor Agency to the Seal Beach Redevelopment Agency (the “Successor Agency”) to formally dissolve and taking related actions.

The Successor Agency’s Board of Directors (the “SA Board”) adopted its Resolution No. SA 21-02, on September 27, 2021, to request the Countywide Oversight Board to approve the formal dissolution of the Successor Agency.

Pursuant to Health and Safety Code (“HSC”) Section 34187(b), the Successor Agency must submit to the Countywide Oversight Board a request, with a copy to the Orange County Auditor-Controller (the “County Auditor-Controller”), to formally dissolve the Successor Agency within 30 days of meeting the following criteria (collectively, the “Dissolution Criteria”):

- (i) all enforceable obligations have been retired or paid off,
- (ii) all real property has been disposed of pursuant to HSC Section 34181 or 34191.4, and
- (iii) all outstanding litigation has been resolved.

The SA Board has made a determination that the Successor Agency has met all of the Dissolution Criteria.

Pursuant to HSC Section 34187(b), the Countywide Oversight Board must take action within 30 days to approve the Successor Agency’s request to dissolve and then submit the request to the State Department of Finance (the “DOF”). The DOF will have 30 days to approve or deny the request.

If the DOF approves the request, the Successor Agency must take the following steps within 100 days of the DOF’s approval:

- (1) dispose of all remaining assets and transfer any proceeds to the County Auditor-Controller for distribution to the affected taxing entities, and

Orange Countywide Oversight Board

- (2) notify the Countywide Oversight Board that it has complied with such disposition and transfer of proceeds.

The Successor Agency reports that its remaining assets consist only of \$528,034.42 (the “Released Bond Funds”) returned to the Successor Agency by the bond trustee from funds previously held under the indenture for the recently redeemed and paid-off Redevelopment Agency of the City of Seal Beach Mobile Home Park Revenue Bonds (Seal Beach Mobile Home Park Project), Series 2000A. Pursuant to the attached Resolution, the Countywide Oversight Board will direct the Successor Agency to transfer the Released Bond Funds to the County Auditor-Controller following the DOF’s approval of the dissolution request.

Pursuant to HSC Section 34187(f), upon receipt of notification from the Successor Agency that such transfer has been completed, the Countywide Oversight Board must verify that, with respect to the Successor Agency, all obligations have been retired or paid off, all outstanding litigation has been resolved, and all remaining assets have been disposed of with any proceeds remitted to the county auditor-controller for distribution to the affected taxing entities. Within 14 days of verification, the Countywide Oversight Board must adopt a final resolution to dissolve the Successor Agency, which will become effective immediately.

Impact on Taxing Entities:

After the DOF’s approval of the Successor Agency’s request to dissolve, the Successor Agency will transmit the Released Bond Funds to the County Auditor-Controller. The County Auditor-Controller will disburse such moneys to the taxing entities.

In conjunction with the retirement and pay-off of all of the Successor Agency’s enforceable obligation and the dissolution of the Successor Agency, all statutory and contractual pass-through payments relating to the project areas of the former Redevelopment Agency of the City of Seal Beach will cease and no further property tax will be allocated to the Successor Agency’s Redevelopment Property Tax Trust Fund.

Staff Contact(s):

Kelly Telford, City of Seal Beach Treasurer/Finance Director

Attachments:

Attachment 1 -- Proposed Oversight Board Resolution (with Successor Agency Board Resolution No. SA 21-02, as Exhibit A).

RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD

RESOLUTION NO. 21-027

IN THE MATTER OF APPROVING THE REQUEST OF THE SUCCESSOR AGENCY TO THE SEAL BEACH REDEVELOPMENT AGENCY TO FORMALLY DISSOLVE AND TAKING RELATED ACTIONS

WHEREAS, pursuant to AB X1 26 (enacted in June 2011) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal. 4th 231 (2011), the Redevelopment Agency of the City of Seal Beach (the "**Former Agency**") was dissolved as of February 1, 2012, and the Successor Agency to the Seal Beach Redevelopment Agency (the "**Successor Agency**") was constituted; and

WHEREAS, pursuant to Section 34179(j) of the California Health and Safety Code ("**HSC**"), commencing on and after July 1, 2018, the Orange Countywide Oversight Board (the "**Countywide Oversight Board**") has jurisdiction over the Successor Agency; and

WHEREAS, the Successor Agency is tasked with winding down the Former Agency's affairs; and

WHEREAS, pursuant to HSC Section 34187(b), the Successor Agency shall submit to the Countywide Oversight Board a request, with a copy to the Orange County Auditor-Controller (the "**County Auditor-Controller**"), to formally dissolve the Successor Agency within 30 days of meeting the following criteria (collectively, the "**Dissolution Criteria**"):

- (i) all enforceable obligations have been retired or paid off,
- (ii) all real property has been disposed of pursuant to HSC Section 34181 or 34191.4, and
- (iii) all outstanding litigation has been resolved.; and

WHEREAS, the Board of Directors of the Successor Agency (the "**SA Board**") adopted its Resolution No. SA 21-02, on September 27, 2021 (the "**SA Resolution**"), and a copy of the SA Resolution is set forth in Exhibit A; and

WHEREAS, the SA Board found and determined that the Successor Agency has met the all of the Dissolution Criteria and requested the Countywide Oversight Board to approve the Successor Agency's formal dissolution; and

WHEREAS, pursuant to HSC Section 34187(b), the Countywide Oversight Board shall approve the Successor Agency's request to dissolve within 30 days and submit such request to the California State Department of Finance (the "**DOF**"); and

WHEREAS, pursuant to HSC Section 34187(e), after the DOF's approval of the Successor Agency's request to dissolve, the Successor Agency shall dispose of all remaining assets as directed by the Countywide Oversight Board and transfer the proceeds of such disposition to the County Auditor-Controller (the "**Final Transfer**"); and

WHEREAS, the Successor Agency has represented in the SA Resolution that the Successor Agency's remaining assets consist only of the Released Bond Funds (as defined in the SA Resolution); and

WHEREAS, the Successor Agency shall transfer the Released Bond Funds to the County Auditor-Controller for the Final Transfer;

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

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

SECTION 2. The Countywide Oversight Board hereby approves the Successor Agency's request to formally dissolve.

SECTION 3. The Countywide Oversight Board hereby directs the Successor Agency to transfer the Released Bond Funds to the County Auditor-Controller for the Final Transfer and notify the Countywide Oversight Board of such transfer within 100 days after the DOF's approval of the request to dissolve the Successor Agency, pursuant to HSC Section 34187(e).

SECTION 4. The Clerk of the Countywide Oversight Board is hereby directed to transmit a copy of this Resolution (including Exhibit A) to the DOF.

SECTION 5. The approval of this Resolution does not commit the Countywide Oversight Board 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 (California Public Resources Code Section 21000 *et seq.*)

SECTION 6. If any provision of this Resolution or the application of any such provision to any person or circumstance is held valid, 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 Countywide Oversight Board declares that the Countywide Oversight Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

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

EXHIBIT A

Resolution No. SA 21-02

adopted by the Board of Directors of the Seal Beach Successor Agency

(Attached)

RESOLUTION SA 21-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE SEAL BEACH REDEVELOPMENT AGENCY REQUESTING THE ORANGE COUNTYWIDE OVERSIGHT BOARD TO FORMALLY DISSOLVE THE SUCCESSOR AGENCY, MAKING A FINDING OF EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND TAKING RELATED ACTIONS

RECITALS:

A. Pursuant to AB X1 26 (enacted in June 2011) and the *California Supreme Court's decision in California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal. 4th 231 (2011), the Redevelopment Agency of the City of Seal Beach (the "Former Agency") was dissolved as of February 1, 2012, and the Successor Agency to the Seal Beach Redevelopment Agency (the "Successor Agency") was constituted.

B. Pursuant to Section 34179(j) of the California Health and Safety Code ("HSC"), from and after July 1, 2018, the Orange Countywide Oversight Board (the "Oversight Board") is the oversight board for the Successor Agency.

C. The Successor Agency is tasked with winding down the Former Agency's affairs.

D. Pursuant to HSC Section 34187(b), the Successor Agency shall submit to the Oversight Board a request, with a copy to the Orange County Auditor-Controller (the "County Auditor-Controller"), to formally dissolve the Successor Agency within 30 days of meeting the following criteria (collectively, the "Dissolution Criteria"):

- (i) all enforceable obligations have been retired or paid off; and,
- (ii) all real property has been disposed of pursuant to HSC Section 34181 or 34191.4; and,
- (iii) all outstanding litigation has been resolved.

E. The Successor Agency is not a party to any outstanding litigation.

F. All of the Successor Agency's real property (transferred from the Former Agency upon dissolution) has been disposed of pursuant to HSC Section 34181 or the Successor Agency's long-range property management plan ("LRPMP"), which LRPMP was approved by the California State Department of Finance (the "DOF") on February 28, 2014, per HSC Section 34191.4.

G. At the time of the Former Agency's dissolution, there were three outstanding series of bonds issued by the Former Agency: (i) Tax Allocation Refunding Bonds, 2000 Series A (Riverfront Redevelopment Project) (the "2000A Tax Allocation Bonds"), (ii) Subordinate Tax Allocation Refunding Bonds, 2000 Series B (Riverfront Redevelopment Project) (the "2000B Tax Allocation Bonds"), and (iii) Mobile Home Park Revenue Bonds (Seal Beach Mobile Home Park Project) Series 2000A (the "Mobile Home Park Bonds").

H. The final maturity date of the 2000B Tax Allocation Bonds was October 1, 2018 and have been fully paid.

I. The Successor Agency redeemed all remaining 2000A Bonds in November 2020 and they are no longer outstanding.

J. The Mobile Home Park Bonds were issued pursuant to an Indenture of Trust, dated as of December 1, 2000 (the "Indenture").

K. Proceeds of the Mobile Home Park Bonds were used to make a loan (the "Loan") to LINC Community Development Corporation ("LINC") for the acquisition of a mobile home park (the "Mobile Home Park") pursuant to a Loan Agreement, dated as of December 1, 2000 (the "Loan Agreement").

L. Seal Beach Shores, Inc. ("SBS") is the successor-in-interest to LINC with respect to the Mobile Home Park and the Loan Agreement.

M. Debt service (*i.e.*, principal and interest payments) on the Mobile Home Park Bonds was secured by, and payable solely from, repayments of the Loan by SBS (and its predecessor, LINC) pursuant to the Loan Agreement.

N. As permitted by the terms of the Indenture and the Loan Agreement, SBS elected to prepay the Loan in full, and caused a corresponding redemption of all remaining Mobile Home Park Bonds on September 20, 2021.

O. Upon the redemption of the Mobile Home Park Bonds, all of the Successor Agency's enforceable obligations have been retired or paid off.

P. With the Successor Agency having met the Dissolution Criteria of HSC Section 34187(b), this Board of Directors (the "Board") desires to request the Oversight Board to approve the formal dissolution of the Successor Agency.

Q. Pursuant to HSC Section 34187(b), the Oversight Board must take action within 30 days to approve the Successor Agency's request to dissolve and, after such approval, submit the request to the DOF.

R. Pursuant to HSC Section 34187(e), after the DOF's approval of the Successor Agency's request to dissolve, the Successor Agency shall dispose of all remaining assets as directed by the Oversight Board and the proceeds of such

disposition shall be transferred to the County Auditor-Controller (the "Final Transfer").

S. In connection with the redemption of the Mobile Home Park Bonds, pursuant to the Indenture, the bond trustee returned to the Successor Agency, the amount of \$528,034.42 (the "Released Bond Funds"), from the "Rental Assistance Fund" held under the Indenture.

T. The Successor Agency's remaining assets consist only of the Released Bond Funds and remaining administration funds from prior RPTTF disbursements.

U. Upon the Oversight Board's and the DOF's approval of the Successor Agency's request to dissolve, the Successor Agency will transfer the Released Bond Funds to the County Auditor-Controller for the Final Transfer.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE SEAL BEACH REDEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

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

Section 2. The Board hereby finds and determines that all of the Dissolution Criteria set forth in HSC Section 34187(b) for the Successor Agency's dissolution have been met.

Section 3. The Board hereby requests the Oversight Board to adopt a resolution (the "OB Resolution") to: (i) approve the Successor Agency's request to formally dissolve, (ii) direct the transfer of the Released Bond Funds to the County Auditor-Controller for the Final Transfer, and (iii) submit this Resolution and the OB Resolution to the DOF in accordance with HSC Section 34187(b).

Section 4. The Agency Clerk is hereby directed to cause copies of this Resolution to be submitted to: (i) the Oversight Board, and (ii) the County Auditor-Controller.

Section 5. The Board hereby finds and determines that the request to dissolve the Successor Agency set forth herein (and the dissolution of the Successor Agency pursuant to such request) shall constitute a change in the organization or reorganization of local governmental agencies that does not alter the geographic areas within which the powers are exercised for the purposes of the California Environmental Quality Act (California Public Resources Code Section 21000 *et seq.*). Therefore, such request and dissolution shall be exempt from environmental review, pursuant to Section 15320 of Title 14 of the California Code of Regulations. In addition, it can be seen with certainty that such request and the dissolution of the Successor Agency will not have a significant effect on the environment. Therefore, such request and dissolution shall be exempt from environmental review, pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations.

Section 6. The officers and the other Staff members of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things, including the execution of any instruments, which they may deem necessary or advisable to effectuate this Resolution and any such actions previously taken are hereby ratified and confirmed.

PASSED, APPROVED and ADOPTED by the Board of Directors of the Successor Agency to the Seal Beach Redevelopment Agency at a regular meeting held on the 27th day of September, 2021, by the following vote:

AYES: Agency Members: Kalmick, Varipapa, Moore, Sustarsic, Massa-Lavitt

NOES: Agency Members: _____

ABSENT: Agency Members: _____

ABSTAIN: Agency Members: _____

Joe Kalmick

Joe Kalmick, Chair

ATTEST:

Gloria D. Harper

Gloria D. Harper, Secretary



STATE OF CALIFORNIA }
COUNTY OF ORANGE } SS
CITY OF SEAL BEACH }

I, Gloria D. Harper, Secretary of the Successor Agency to the Seal Beach Redevelopment Agency, do hereby certify that the foregoing resolution is the original copy of Resolution 21-02 on file in the office of the City Clerk of the City of Seal Beach, passed, approved, and adopted by the Successor Agency to the Seal Beach Redevelopment Agency at a regular meeting held on the 27th day of September, 2021.



Gloria D. Harper, Secretary

