

OVERSIGHT BOARD RESOLUTION NO. 2016-01

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF SANTA ANA APPROVING THE TENTH RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS), ROPS 16-17, AND ADOPTING AND APPROVING THE SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET FOR THE PERIOD OF JULY 1, 2016 THROUGH JUNE 30, 2017 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(m), AND CERTAIN OTHER ACTIONS PURSUANT TO PART 1.85 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE ("DISSOLUTION ACT")

BE IT RESOLVED BY THE MEMBERS OF THE OVERSIGHT BOARD, AS FOLLOWS:

Section 1. The Oversight Board conclusively finds, determines and declares as follows:

A. Pursuant to the Dissolution Act, on January 9, 2012, pursuant to section 34173 of the California Health & Safety Code, the City of Santa Ana ("City") elected to serve as the Successor Agency for the dissolved Community Redevelopment Agency ("Agency") of the City of Santa Ana and selected the Housing Authority of the City of Santa Ana to act as "Successor Housing Agency".

B. The City Council serves as the governing body of the Successor Agency under the Dissolution Act, as amended by AB 1484, AB 471, and SB 107, to administer the enforceable obligations of the Agency and otherwise unwind the Agency's affairs. The Oversight Board to the Successor Agency has oversight with respect to the dissolution process, including review and approval of the ROPS.

C. SB 107 revised the timeline for the preparation of the required ROPS from each six-month period to a one year period beginning July 1, 2016.

D. This is the tenth ROPS prepared by the Successor Agency and is presented in the format designed by the State Department of Finance ("DOF") and due to the DOF by February 1, 2016.

E. The Successor Agency will meet on February 2, 2016 to receive and file the ROPS 16-17 and Administrative Budget.

F. The annual ROPS (Exhibit A) and Administrative Budget (Exhibit B) for the July 1, 2016 through June 30, 2017 period are now being presented for Oversight Board approval.

G. Following action by the Oversight Board, the ROPS and Administrative Budget will be forwarded to the DOF, county auditor-controller, and other appropriate entities as required by AB 1484.

Section 2. The Oversight Board approves the Recognized Obligation Payment Schedule, attached hereto as Exhibit A and incorporated herein by this reference, which establishes those obligations which the former Community Redevelopment Agency of the City of Santa Ana has binding commitments that it entered into and includes legal commitments that it is obligated to perform from July 1, 2016 through June 30, 2017, in order to meet the pre-existing commitments of contracts and obligations that were established prior to the effective date of the Dissolution Act.

Section 3. Pursuant to the Dissolution Act, the Oversight Board approves the proposed Administrative Budget, attached hereto as Exhibit B and incorporated herein by this reference. The ROPS and Budget will be forwarded to the DOF, county auditor-controller and other appropriate entities as required by AB 1484.

Section 4. In order to make payments from reserve balances and/or other funds in lieu of Redevelopment Property Tax Trust Funds ("RPTTF") authorized by DOF, the Oversight Board hereby authorizes payments from alternative fund sources for specific ROPS item numbers pursuant to Health & Safety Code section 34177(a)(4).

Section 5. The City Manager, or his/her designee ("City Manager"), is directed to file the Recognized Obligation Payment Schedule and the Administrative Budget in the manner required by law.

Section 6. The City Manager and/or the Director of Finance, or their respective designees, as delegated officials of the City acting as Successor Agency, are authorized to make or accept any augmentation, modification, additions, or revisions to the ROPS and/or Administrative Budget as may be necessary and appropriate in their reasonable discretion, based on review or communications from the Oversight Board, State Department of Finance or County of Orange.

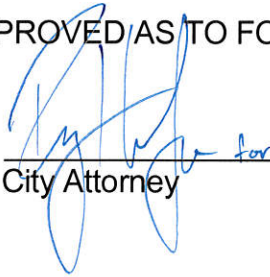
Section 7. The Secretary of the Oversight Board shall certify to the adoption of this Resolution.

[Signatures on subsequent page]

ADOPTED this 28 day of January, 2016.


Chair

APPROVED AS TO FORM:

By: 
City Attorney

AYES:	Members:	<u>ACOSTA, HARDASH, PHILLIPS, SARMIENTO, TINAJERO</u>
NOES:	Members:	_____
ABSTAIN:	Members:	<u>MORLEY</u>
NOT PRESENT:	Members:	<u>MORLEY</u>

CERTIFICATION OF ATTESTATION AND ORIGINALITY

I, Sarah Bernal, Secretary for the Oversight Board, do hereby attest to and certify the attached Resolution No. 2016-01 to be the original resolution adopted by the Oversight Board on January 28, 2016.

Date: 1/28/2016


Oversight Board Secretary

Recognized Obligation Payment Schedule (ROPS 16-17) - Summary
 Filed for the July 1, 2016 through June 30, 2017 Period

Successor Agency: Santa Ana
County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		16-17A Total	16-17B Total	ROPS 16-17 Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF)				
A	Funding Sources (B+C+D):	\$ 2,824,921	\$ 1,252,140	\$ 4,077,061
B	Bond Proceeds Funding	302,000	1,252,140	1,554,140
C	Reserve Balance Funding	1,191,605	-	1,191,605
D	Other Funding	1,331,316	-	1,331,316
E	Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 16,672,823	\$ 3,100,941	\$ 19,773,764
F	Non-Administrative Costs	16,547,823	2,975,941	19,523,764
G	Administrative Costs	125,000	125,000	250,000
H	Current Period Enforceable Obligations (A+E):	\$ 19,497,744	\$ 4,353,081	\$ 23,850,825

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.

Vincent F. Sarmiento
 Oversight Board Chairperson
 Name Title
 /s/  1/28/2016
 Signature Date

Santa Ana Recognized Obligation Payment Schedule (ROPS 16-17) - ROPS Detail

July 1, 2016 through June 30, 2017

(Report Amounts in Whole Dollars)

Table with columns A through W. Rows include items 1 through 132, detailing obligations with contract dates, payees, descriptions, and financial amounts. Sub-sections for 16-17A and 16-17B are indicated.

**Santa Ana Recognized Obligation Payment Schedule (ROPS 16-17) - Report of Cash Balances
(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	
Cash Balance Information by ROPS Period	Fund Sources							Comments	
	Bond Proceeds		Reserve Balance		Other	RPTTF			
	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			
ROPS 15-16A Actuals (07/01/15 - 12/31/15)									
1	Beginning Available Cash Balance (Actual 07/01/15)	2,489,535	12,699,635	1,962,369	-	4,942,817	961,041		
2	Revenue/Income (Actual 12/31/15) RPTTF amounts should tie to the ROPS 15-16A distribution from the County Auditor-Controller during June 2015	13,524	33,033			162,819	5,307,125		
3	Expenditures for ROPS 15-16A Enforceable Obligations (Actual 12/31/15)			115,562		3,569,596	5,206,063		
4	Retention of Available Cash Balance (Actual 12/31/15) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	2,503,059	12,732,668	714,917					
5	ROPS 15-16A RPTTF Balances Remaining	No entry required						101,062	Cell H5 includes \$100,062 in Admin allowance unspent to be utilized in 15-16B period.
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ 1,131,890	\$ -	\$ 1,536,040	\$ 961,041	H6 amount moved to E7.	
ROPS 15-16B Estimate (01/01/16 - 06/30/16)									
7	Beginning Available Cash Balance (Actual 01/01/16) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ 2,503,059	\$ 12,732,668	\$ 2,808,848	\$ -	\$ 1,536,040	\$ 100,062	Cell E7 includes \$962,041 from RPTTF balance.	
8	Revenue/Income (Estimate 06/30/16) RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016					116,835	3,118,897		
9	Expenditures for ROPS 15-16B Enforceable Obligations (Estimate 06/30/16)			1,617,243		321,559	3,218,959	Cell E9 includes \$694,156 of ROPS 14-15B PPA. Cell H9 includes \$100,062 in Admin allowance unspent from 15-16A period.	
10	Retention of Available Cash Balance (Estimate 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	2,503,059	12,732,668						
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ -	\$ -	\$ 1,191,605	\$ -	\$ 1,331,316	\$ -		

Santa Ana Recognized Obligation Payment Schedule (ROPS 16-17) - Notes July 1, 2016 through June 30, 2017

Item #	Notes/Comments
13	The lease agreements related to the 2003 COPs are scheduled to terminate in June 2016. Therefore, this item to be retired effective ROPS 16-17.
20	In FY 15/16, total distributed to taxing entities per Section 34183 of the Health and Safety Code less the base amount distributed to the taxing entities in FY 12/13 is \$8,437,380 (\$40,432,131 - \$31,994,751). Therefore, the Successor Agency is eligible for 50% of that difference to repay the loan(s) to the former Low and Moderate Income Housing Fund per HSC 34176 (e)(6)(B). The total amount of the loan payment for FY 16/17 is \$4,218,690, and \$1,071,746 will be applied to this ERAF loan.
21	In FY 15/16, total distributed to taxing entities per Section 34183 of the Health and Safety Code less the base amount distributed to the taxing entities in FY 12/13 is \$8,437,380 (\$40,432,131 - \$31,994,751). Therefore, the Successor Agency is eligible for 50% of that difference to repay the loan(s) to the former Low and Moderate Income Housing Fund per HSC 34176 (e)(6)(B). The total amount of the loan payment for FY 16/17 is \$4,218,690, and \$3,146,944 will be applied to this SERAF loan.
30	Total outstanding obligation projected amount adjusted by new increase in rent per lease addendum.
86	Final year of the requirement to maintain the Lacy Neighborhood Housing Fund was 7/1/15 - 6/30/16 per the settlement agreement. Therefore, this item is to be retired effective ROPS 16-17.
87	Same comments as for Item #86.
129	Although DOF has denied this item on prior ROPS, the Successor Agency continues to disagree with DOF's position and believes that an administrative cost allowance shall be remitted to the housing successor entity that assumed the former RDA's housing obligations pursuant to AB 471. Request is for the minimum \$150,000 allowable per fiscal year, for FY 14/15 - 16/17, for a total of \$450,000. Refer to Montclair Case #34-2014-80001948.
130-159	Demands from taxing entities for statutory pass-through payments triggered by former Redevelopment Agency's Ordinance No. NS-2809 to eliminate the time limit for incurring indebtedness for two component project areas: Central City and Inter-City, retroactive to FY 04/05 - FY 10/11. The amounts have been reviewed by the County Auditor-Controller (CAC) at the request of the Successor Agency and Oversight Board.

**CITY OF SANTA ANA, ACTING AS SUCCESSOR AGENCY TO THE FORMER
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF SANTA ANA
PROPOSED ADMINISTRATIVE BUDGET FOR JULY 1, 2016 - JUNE 30, 2017**

Successor Agency	Estimated Amounts
Staff Support (EOPS, ROPS, Admin Budget, Records Management, etc.) ¹	\$ 140,000
Brown Act requirements (agendas, minutes, etc.) ¹	5,000
Supplies, printing, telephones, misc. items	14,000
Consultants (legal, financial, etc.)	30,000
Subtotal	\$ 189,000
Oversight Board	
Staff Support (research, reporting, etc.) ¹	\$ 12,000
Brown Act requirements (agendas, minutes, etc.) ¹	7,000
Supplies, printing, misc. items	1,000
Subtotal	\$ 20,000
Administrative Direct Costs	
Delivery Charges	\$ 2,000
Building Rental	10,000
Computer Services Charge	1,000
IS Strategic Plan	4,000
Insurance Charges	4,000
Subtotal	\$ 21,000
Share of City's Cost Allocation Plan	
Indirect Costs	\$ 20,000
Subtotal	\$ 20,000
TOTAL ESTIMATED AMOUNT	
	\$ 250,000

The estimated amount of the Administrative Budget for the one year period covering July 2016 through June 2017 is to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund. This budget may be augmented, modified, added to, or revised as authorized under the resolution.

¹ Includes salaries, wages, and all fringe benefits offered by the City to employees.