

**OVERSIGHT BOARD RESOLUTION NO. 2018-02**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF SANTA ANA APPROVING THE TWELFTH RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS), ROPS 18-19, AND ADOPTING AND APPROVING THE SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET FOR THE PERIOD OF JULY 1, 2018 THROUGH JUNE 30, 2019 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. 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 twelfth 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, 2018. The Successor Agency will meet on February 6, 2018 to receive and file the ROPS 18-19 and Administrative Budget.

E. The annual ROPS (Exhibit A) and Administrative Budget (Exhibit B) for the July 1, 2018 through June 30, 2019 period are now being presented for Oversight Board approval.

F. 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, 2018 through June 30, 2019, 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.

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 29<sup>th</sup> day of January, 2018.

Man Morley For  
Chair

APPROVED AS TO FORM:  
Sonia R. Carvalho, City Attorney

By: [Signature]  
Ryan O. Hodge  
Assistant City Attorney

AYES:                    Members:                    Acosta, Heatley, Morley, Tinajero (4)

NOES:                    Members:                    \_\_\_\_\_

ABSTAIN:                Members:                    \_\_\_\_\_

NOT PRESENT:        Members:                    Hardash, Nguyen, Sarmiento (3)

**CERTIFICATION OF ATTESTATION AND ORIGINALITY**

I, Bianca L. Zurita, Secretary for the Oversight Board, do hereby attest to and certify the attached Resolution No. 2018-02 to be the original resolution adopted by the Oversight Board on January 29, 2018.

Date: 1/29/18

[Signature] FOR  
Oversight Board Secretary

# EXHIBIT A

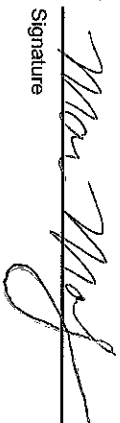
## Recognized Obligation Payment Schedule (ROPS 18-19) - Summary

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

Successor Agency: Santa Ana  
 County: Orange

		18-19A Total (July - December)	18-19B Total (January - June)	ROPS 18-19 Total
<b>A</b>	<b>Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ 645,837</b>	<b>\$ 113,235</b>	<b>\$ 759,072</b>
B	Bond Proceeds	-	-	-
C	Reserve Balance	532,601	-	532,601
D	Other Funds	113,236	113,235	226,471
<b>E</b>	<b>Redevelopment Property Tax Trust Fund (RPPTF) (F+G):</b>	<b>\$ 7,315,946</b>	<b>\$ 2,633,098</b>	<b>\$ 9,949,044</b>
F	RPPTF	7,188,575	2,505,727	9,694,302
G	Administrative RPPTF	127,371	127,371	254,742
<b>H</b>	<b>Current Period Enforceable Obligations (A+E):</b>	<b>\$ 7,961,783</b>	<b>\$ 2,746,333</b>	<b>\$ 10,708,116</b>

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

Name: Marc Morley Title: Oversight Board Vice Chair  
 Signature:  Date: 1/29/2018

# EXHIBIT A

## Santa Ana Recognized Obligation Payment Schedule (ROPS 18-19) - Report of Cash Balances July 1, 2015 through June 30, 2016 (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
		Bond Proceeds	Reserve Balance	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Other	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11			Rent, grants, interest, etc.	Non-Admin and Admin	Comments
1	Beginning Available Cash Balance (Actual 07/01/15)							
2	Revenue/Income (Actual 06/30/16)	2,489,535	12,699,635	1,962,369	-	4,942,817	961,041	
	RPTTF amounts should tie to the ROPS 15-16 total distribution from the County Auditor-Controller during June 2015 and January 2016.							
3	Expenditures for ROPS 15-16 Enforceable Obligations (Actual 06/30/16)	25,887	63,362			302,316	8,426,022	Cell E3 includes \$694,156 of ROPS 14-15B PPA expended during 15-16B period for approved items.
4	Retention of Available Cash Balance (Actual 06/30/16)			1,302,602		3,765,453	7,968,233	
	RPTTF amount retained should only include the amounts distributed as reserve for future period(s)							
5	ROPS 15-16 RPTTF Balances Remaining	2,515,422	12,762,997	303,630				Cell E4 is for the Habitat for Humanity DDA.
		No entry required						
6	Ending Actual Available Cash Balance (06/30/16)							
	C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 + 5)	\$ -	\$ -	\$ 356,137	\$ -	\$ 1,459,680	\$ 1,418,830	These balances were included for use during ROPS 16-17 and ROP 17-18.



EXHIBIT A

**Santa Ana Recognized Obligation Payment Schedule (ROPS 18-19) - Notes July 1, 2018 through June 30, 2019**

m #	Notes/Comments
19	Final balance on loan paid in FY 17/18. This line item to be retired.
21	Final balance owing on the SERAF loan to the Low and Moderate Income Housing Asset Fund. The increase in the residual amounts paid to the taxing entities in 17/18 is \$7,950,120 as compared to base FY 12/13. Successor Agency will be able to retire this item in FY 19/20.
44	Total outstanding obligation amount added to line item #43 instead. This project cost line item to be retired.
49	This line item to be retired.
65	Although DOF has denied these item on the prior ROPS, the Successor Agency disagrees with DOF's position that these unfunded liabilities related to former RD employees are not enforceable obligations. No payment amount requested at this time. However, the current total outstanding obligation amounts as of June 30, 2017 are reflected.
67	Anticipated consolidation of Oversight Board into county-wide board effective July 1, 2018 per HSC Section 34179 (j).
71	DDA for Habitat for Humanity estimated to be completed by end of FY 17/18. This line item to be retired.
119	Amount requested during 18-19A period is for the accrued leave balances for one former RDA employee; plans to retire in November 2018.
129	Although DOF has denied this item on prior ROPS, the Successor Agency continues to disagree with DOF's position and believe 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 - 17/18, for a total of \$600,000. Refer to Montclair Case #34-2014-80001948.

## EXHIBIT B

**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, 2018 - JUNE 30, 2019**

Successor Agency	Estimated Amounts
Staff Support (ROPS, Admin Budget, Records Management, etc.) <sup>1</sup>	\$ 196,000
Brown Act requirements (agendas, minutes, etc.) <sup>1</sup>	5,000
Supplies, printing, telephones, misc. items	5,042
Consultants (legal, financial, etc.)	15,000
Subtotal	<b>\$ 221,042</b>
<b>Administrative Direct Costs</b>	
Communications	\$ 1,200
Delivery Charges	500
Building Rental	10,000
Computer Services Charge	1,000
IS Strategic Plan	3,000
Insurance Charges	8,000
Subtotal	<b>\$ 23,700</b>
<b>Share of City's Cost Allocation Plan</b>	
Indirect Costs	\$ 10,000
Subtotal	<b>\$ 10,000</b>
<b>TOTAL ESTIMATED AMOUNT</b>	
	<b>\$ 254,742</b>

The estimated amount of the Administrative Budget for the one year period covering July 2018 through June 2019 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.

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