



*SUCCESSOR AGENCY TO THE COSTA MESA
REDEVELOPMENT AGENCY*

AGENDA REPORT

MEETING DATE: September 15, 2015 ITEM NUMBER: CC-6

**SUBJECT: SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR SIX-MONTH
FISCAL PERIOD OF JANUARY 1, 2016 TO JUNE 30, 2016**

DATE: February 2, 2015

FROM: FINANCE DEPARTMENT

**PRESENTATION BY: COLLEEN O'DONOGHUE, CPA, ASSISTANT
FINANCE DIRECTOR**

**CONTACT: COLLEEN O'DONOGHUE, ASSISTANT FINANCE DIRECTOR
(714) 754-5219 COLLEEN.ODONOGHUE@COSTAMESACA.GOV**

RECOMMENDED ACTION

Adopt Successor Agency Resolution No. 15-XX Approving the Successor Agency's Administrative Budget for the 15-16B Six-Month Fiscal Period of January 1, 2016 to June 30, 2016 Pursuant to Health and Safety Code Section 34177(j) of the Dissolution Law.

BACKGROUND AND DISCUSSION

Parts 1.8 and 1.85 of the California Health and Safety Code, as modified by the Supreme Court's opinion in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861 and as amended by Assembly Bill 1484 and other subsequent legislation (together, "Dissolution Law"), in particular Section 34177(j), require the Successor Agency to the Costa Mesa Redevelopment Agency ("Successor Agency") to prepare a proposed "Administrative Budget" for the period concurrent with the six-month fiscal period of each Recognized Obligation Payment Schedule ("ROPS"). To date the Successor Agency previously prepared and approved and the Oversight Board approved Administrative Budgets through December 31, 2015.

Pursuant to the Dissolution Law, each ROPS includes a line item for the Successor Agency's Administrative Budget for the applicable period and requires that for the 15-16B six-month fiscal period of January 1, 2016 to June 30, 2016 the budget shall be approved by the Successor Agency and Oversight Board and submitted to the State Department of Finance ("DOF") as a part of ROPS 15-16B by October 1, 2015.

Successor Agency staff has prepared and now submits to the Successor Agency for review and approval the proposed Administrative Budget for the period January 1, 2016 to June 30, 2016. (Attachment 1) Pursuant to Section 34177(j) an Administrative Budget is to include all

of the following: (a) estimated amounts of the Successor Agency's administrative costs for the upcoming six-month fiscal period (here, January 1, 2016 to June 30, 2016); (b) the proposed sources of payment for the costs identified in (a); and (c) proposals for arrangements for administrative and operations services provided by the City to the Successor Agency.

If approved, the Administrative Budget next will be submitted to the Oversight Board for review and approval. Under Section 34177(k), the Successor Agency would then provide to the County of Orange Auditor-Controller the administrative cost estimates from the approved Administrative Budget that are to be paid from property tax revenues deposited into the Redevelopment Property Tax Trust Fund ("RPTTF") for the 15-16B fiscal period.

FISCAL AND LEGAL REVIEW

The Finance Department staff has worked with the Successor Agency's special counsel Stradling Yocca Carlson & Rauth in preparation of this Administrative Budget pursuant to the Dissolution Law.

CONCLUSION

Staff recommends adoption of the attached resolution approving the Successor Agency's Administrative Budget for the 15-16B fiscal period of January 1, 2016 to June 30, 2016.

Thomas R. Hatch
Chief Executive Officer
and Executive Director

Colleen O'Donoghue, CPA
Assistant Finance Director

Attachments:

1. [Administrative Budget for the 15-16B six-month fiscal period of January 1, 2016 to June 30, 2016](#)
2. [Successor Agency Resolution No. 15-XX](#)