

# **AGENDA REPORT**

## **Oversight Board of the Successor Agency to the Costa Mesa Redevelopment Agency**

**MEETING DATE:** February 19, 2015

**SUBJECT/ACTION:** **REVIEW AND APPROVAL OF RECOGNIZED OBLIGATION  
PAYMENT SCHEDULE FOR THE 15-16A SIX-MONTH  
FISCAL PERIOD OF JULY 1, 2015 TO DECEMBER 31, 2015  
("ROPS 15-16A")**

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### **RECOMMENDED ACTION**

Adopt Oversight Board Resolution No. 15-\_\_ Approving the Recognized Obligation Payment Schedule 15-16A for the Six-Month Fiscal Period of July 1, 2015 to December 31, 2015, Subject to Submittal to, and Review by the DOF pursuant to California Health and Safety Code, Division 24, Part 1.85; Authorize Posting And Transmittal Thereof; and Authorize the Assistant Finance Director, in Consultation with Legal Counsel, to Request and Complete Meet and Confer Session(s) with the DOF and Make Augmentations, Modifications, Additions or Revisions as May Be Necessary or Directed by DOF.

(Note: pursuant to Section 34177(m) for each ROPS submitted to the DOF, the DOF shall make its determination of the enforceable obligations and the amounts and funding sources of the enforceable obligations on each ROPS submitted no later than 45 days after submittal.)

### **BACKGROUND AND DISCUSSION**

The Successor Agency to the Costa Mesa Redevelopment Agency is performing its functions under the Dissolution Law, Parts 1.8 and 1.85 of the Health and Safety Code, as amended by Assembly Bill 1484 and other subsequent legislation (together, the "Dissolution Law"), to administer the enforceable obligations and otherwise unwind the former Agency's affairs, all subject to the review and approval by the seven-member Oversight Board.

At prior meetings of the Oversight Board, pursuant to the Dissolution Law Recognized Obligation Payment Schedules I, II, III, 13-14A, 13-14B, 14-15A and 14-15B (each a "ROPS") were approved and thereafter submitted to the DOF, and ultimately approved with modifications. Pursuant to Section 34171(g) of Part 1.85, a "Recognized Obligation Payment Schedule" means the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each six-month fiscal period as provided in subdivision (m) of Section 34177. Under the Dissolution Law the Successor Agency is required to consider and adopt Recognized Obligation Payment Schedule 15-16A ("ROPS

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15-16A”) on or before March 1, 2015 (actually March 3, 2015 as the first business day in March.)

Section 34177(l) of Part 1.85 requires the Successor Agency to take actions with regard to each ROPS as follows:

- “(l)(1) Before each six-month fiscal period, prepare a Recognized Obligation Payment Schedule in accordance with the requirements of this paragraph. For each recognized obligation, the Recognized Obligation Payment Schedule shall identify one or more of the following sources of payment:
  - (A) Low and Moderate Income Housing Fund.
  - (B) Bond proceeds.
  - (C) Reserve balances.
  - (D) Administrative cost allowance.
  - (E) The Redevelopment Property Tax Trust Fund, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation or by the provisions of this part.
  - (F) Other revenue sources, including rents, concessions, asset sale proceeds, interest earnings, and any other revenues derived from the former redevelopment agency, as approved by the oversight board in accordance with this part.
- (2) A Recognized Obligation Payment Schedule shall not be deemed valid unless all of the following conditions have been met:
  - (A) A Recognized Obligation Payment Schedule is prepared by the successor agency for the enforceable obligations of the former redevelopment agency. ...
  - (B) The Recognized Obligation Payment Schedule is submitted to and duly approved by the oversight board. The successor agency shall submit a copy of the Recognized Obligation Payment Schedule to the county administrative officer, the county auditor-controller, and the Department of Finance at the same time that the successor agency submits the Recognized Obligation Payment Schedule to the oversight board for approval.
  - (C) A copy of the approved Recognized Obligation Payment Schedule is submitted to the county auditor-controller and both the Controller's office and the Department of Finance and be posted on the successor agency's Internet Web site.
- (3) The Recognized Obligation Payment Schedule shall be forward looking to the next six months. ...”

Attachment 1 to this agenda report is ROPS 15-16A, which includes comparable listings of Enforceable Obligations in the DOF-approved ROPS I, II, III, 13-14A, 13-14B, 14-15A and 14-15B. During the presentation of this agenda item, Successor Agency staff will explain enforceable obligations and administrative budget set forth in the ROPS 15-16A. It is noted too that the reinstated City/Agency loan that the DOF approved in May 2014 is listed and eligible for repayment pursuant to the formula of Section 34191.4.

The Successor Agency recommends that the Oversight Board adopt the attached Resolution approving the ROPS 15-16A and authorizing the Successor Agency's Assistant Finance

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Director, in consultation with legal counsel, to request and complete meet and confer session(s) with the DOF and make augmentations, modifications, additions or revisions as may be necessary or directed by DOF, and changes, if any, will be reported back to the Oversight Board. Further, the Successor Agency will cause transmittal of the ROPS 15-16A as approved by the Oversight Board to the State Controller' s Office, the CAC, and the DOF.

Pursuant to Section 34177(m) for each ROPS submitted to the DOF, the DOF shall make its determination of the enforceable obligations and the amounts and funding sources of the enforceable obligations on each ROPS submitted no later than 45 days after submittal.

Respectfully submitted,

Successor Agency to the  
Costa Mesa Redevelopment Agency

Attachments:

1. [Successor Agency Resolution Adopting ROPS 15-16A](#)
2. [Recognized Obligations Payment Schedule for the 15-16A Six-Month Fiscal Period of July 1, 2015 to December 31, 2015](#)
3. [Oversight Board Resolution No. 15-](#)