

OVERSIGHT BOARD MEETING
OF THE FORMER REDEVELOPMENT AGENCY
OF THE CITY OF SANTA CLARITA

February 18, 2014
2:00 p.m.

City Hall - Century Conference Room
23920 Valencia Boulevard
Santa Clarita, CA 91355

AGENDA

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Redevelopment Division at (661) 286-4141. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 35.102-35.104 ADA Title II)

- I. CALL TO ORDER
- II. FLAG SALUTE
- III. ROLL CALL
- IV. APPROVAL OF AGENDA
- V. APPROVAL OF MINUTES – Oversight Board Meeting of December 17, 2013
- VI. NEW BUSINESS
 - 1. REVIEW AND APPROVAL OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET (ROPS 14-15A)

ABX1 26 requires the preparation of a Recognized Obligation Payment Schedule (ROPS) for each six-month period. The ROPS lists enforceable obligations of the Successor Agency and must be approved by the Oversight Board. Additionally, the Successor Agency is allowed an administrative allowance of no more than \$250,000, subject to the approval of the Oversight Board.

Recommended Action:

Review the ROPS for the period of July 1, 2014 – December 31, 2014; adopt Resolution 14-01 approving the ROPS for the period of July 1, 2014 – December 31,

2014, and direct Successor Agency staff to transmit the approved ROPS documents to the Los Angeles County Auditor-Controller, the State Controller, and the State Department of Finance.

2. STATE CONTROLLER'S OFFICE AUDIT UPDATE

Recommended Action: Receive verbal update from Successor Agency Staff. No action is required.

VII. PUBLIC PARTICIPATION

This time has been set aside for the public to address the Board on items that are NOT on the agenda. The Board will not act upon those items at this meeting, other than to review and return without action, or provide direction to staff. ALL speakers must submit a speaker's slip to the Meeting Clerk PRIOR to this portion of the meeting, and prepare a presentation not to exceed three (3) minutes.

VIII. STAFF COMMENTS

IX. ADJOURNMENT

Complete packets are available for public inspection at City Hall. Any writings or documents distributed to a majority of the members of the Oversight Board regarding any open session item on this agenda will be made available for public inspection in City Hall, Suite 120 located at 23920 Valencia Boulevard, during normal business hours. These writings or documents will also be available for review at the meeting. Thank you for attending the Oversight Board meeting. If you have any questions or wish to know more about the Successor Agency or the Oversight Board, please call (661) 286-4141 Monday through Thursday, 7:30 a.m. to 5:30 p.m. and Fridays 8:00 a.m. to 5:00 p.m.

CERTIFICATION

I, Arminé Chaparyan, do hereby certify that I am the duly appointed and qualified Redevelopment Manager for the Successor Agency of the former Redevelopment Agency of the City of Santa Clarita, and that on February 14, 2014, between the hours of 9:00 a.m. and 2:00 p.m., the foregoing agenda was posted at City Hall, Santa Clarita Library, Valencia Branch, and the Santa Clarita Sheriff's Station.


Arminé Chaparyan
Redevelopment Manager
Santa Clarita, California

**MINUTES OF THE
MEETING OF THE OVERSIGHT BOARD
OF THE FORMER REDEVELOPMENT AGENCY
OF THE CITY OF SANTA CLARITA**

**Thursday
December 17, 2013
2:00 p.m.**

CALL TO ORDER

The meeting of the Oversight Board of the Successor Agency for the former Redevelopment Agency of the City of Santa Clarita was called to order by Chair Striplin at 2:03 p.m. in the Century Conference Room, 23920 Valencia Boulevard, Santa Clarita, California.

FLAG SALUTE

Chair Striplin led the flag salute.

ROLL CALL

Chair Striplin and Board Members Coleal, Dortch, Hernandez, Koegle, and Swartz were all present.

APPROVAL OF AGENDA

A motion was made by Board Member Dortch and seconded by Board Member Koegle to approve the agenda. Said motion was approved by a vote of 6-0.

APPROVAL OF THE MINUTES

Board Member Koegle requested that the spelling of his last name be corrected throughout the meeting minutes of September 26, 2013.

A motion was made by Board Member Hernandez and seconded by Board Member Koegle to approve the minutes of the Oversight Board Meeting of September 26, 2013. Said motion was approved by a vote 6-0, with corrections to the spelling of Board Member Koegle's name.

NEW BUSINESS

ITEM 1 LONG RANGE PROPERTY MANAGEMENT PLAN (LRPMP)

Arminé Chaparyan, Redevelopment Manager, gave a power point presentation on the requirements for a Long Range Property Management Plan (LRPMP) and the Property Disposition Procedures (PDP), due to the Department of Finance (DOF) by December 20, 2013. Redevelopment consultant, Rosenow Spevacek Group, Inc. (RSG) assisted with the preparation of the LRPMP which include three properties; Newhall Library properties, Redevelopment block purchased for affordable housing/retail development, and the parking triangle (old Moor's Sandwich Shop). Jane Carlson from RSG was in attendance and available for questions.

The Board discussed specific designations for the properties, consistency with the Downtown Newhall Specific Plan, and what may happen if the DOF rejected the proposed uses. Successor agency staff explained that the LRPMP is the next step in the dissolution process.

Other issues discussed and addressed by staff included appraisals and current value of the properties included in the LRPMP, the housing bond transfer, loan agreements, and the Redevelopment block. Successor Agency staff, City Attorney, Joe Montes, and RSG consultant Jane Carlson, addressed specific concerns and questions from the Oversight Board members.

A motion was made by Board Member Coleal and seconded by Board Member Dortch to adopt resolution 13-06, approving the LRPMP, and to adopt resolution 13-07, approving the PDP. A roll call vote was taken. Said motion was approved by a vote of 6-0.

ITEM 2

A verbal update was provided to the Oversight Board by Redevelopment Manager, Arminé Chaparyan, regarding the denial of the request for \$250,000 in administrative cost allowance from the Department of Finance (DOF) as part of the ROPS 13-14B. Ms. Chaparyan explained that staff has an opportunity to meet and discuss the denial action with the DOF and will keep the Oversight Board informed of the outcome. No action required at this time.

PUBLIC PARTICIPATION

There was no public participation.

STAFF COMMENTS

There were no staff comments.

ADJOURNMENT

The meeting was adjourned by Chair Striplin at 2:29 p.m.

Ken Striplin, Chair
Oversight Board

Arminé Chaparyan, Redevelopment Manager
Successor Agency Staff

**OVERSIGHT BOARD
OF THE FORMER REDEVELOPMENT AGENCY
OF THE CITY OF SANTA CLARITA**

AGENDA REPORT

Approved By: _____



Presented By: _____ Armine Chaparyan

DATE: February 18, 2014

SUBJECT: RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND
ADMINISTRATIVE BUDGET FOR FY 14-15

Recommended Action:

Review the ROPS for the period of July 1, 2014 – December 31, 2014 and the administrative budget for FY 14-15; adopt a resolution approving the ROPS for the period of July 1, 2014 – December 31, 2014 and the administrative budget for FY 14-15; and direct Successor Agency staff to transmit the approved ROPS documents to the Los Angeles County Auditor-Controller (County A-C), the State Controller, and the State Department of Finance (DOF).

Background:

ABX1 26 requires the Successor Agency to prepare a Recognized Obligation Payment Schedule (ROPS) for each six month period. The ROPS essentially serves as an invoice between the Successor Agency and Los Angeles County Auditor-Controller (County A-C) and dictates how much former property tax increment will be released by the County for the six-month period to the Successor Agency to pay for enforceable obligations. Only payments listed on the ROPS may be made by the Successor Agency.

Currently, the Successor Agency has two sources of revenue available to pay for costs listed on the approved ROPS.

- Former Tax Increment, now held by the Los Angeles County Auditor-Controller (County A-C) in the Redevelopment Property Tax Trust Fund (RPTTF); and
- Fund balance currently held by the Successor Agency in the Redevelopment Retirement Obligation Fund.

ROPS July 1, 2014 – December 31, 2014

The attached July 1, 2014 – December 31, 2014 (ROPS 14-15A) reflects the next six-month estimated payment obligations for the Successor Agency in the new format provided by the Department of Finance (DOF). ROPS 14-15A will be submitted to the DOF and emailed

separately to the County A-C in accordance with the requirements of Health and Safety Code Section 34177(l)(B).

Successor Agency Administrative Budget

The Successor Agency is allowed an administrative allowance, subject to approval by the Oversight Board. This allowance is up to five percent of the property tax within the Newhall Redevelopment Project Area for Fiscal Year 2011-12 and three percent each year thereafter. Pursuant to Section 34171(b), this amount shall not be less than \$250,000 for any fiscal year unless negotiated by the Successor Agency and Oversight Board.

The Successor Agency is requesting \$250,000 for its administrative budget for Fiscal Year 2014-15 to cover costs to administer the distribution of the former Redevelopment Agency's assets and to fulfill all other obligations of the former Agency. The proposed administrative budget includes personnel charges, costs related to the preparation for and hosting of meetings for the Oversight Board (including office supplies, printing, and special supplies) and costs related to meeting the requirements of AB 1484. A detailed breakdown of the administrative budget and the costs related to the ROPS is attached.

Deadlines and Approval Process

ROPS 14-15A must be submitted to the DOF, County A-C and State Controller by March 1, 2014. If this deadline is not met, the City is subject to a civil penalty of \$10,000 per day for the Successor Agency's failure to timely submit the ROPS.

All ROPS documents are required to be approved by the Oversight Board. After approval by the Oversight Board (OB), the resolution approving the ROPS documents will then be transmitted to the Department of Finance, the State Controller's Office and the County A-C.

Actions taken by the Oversight Board, including the approval of a ROPS, are not effective for five business days, pending a request for review by the Department of Finance. Once a request for review is made, the Department of Finance has 40 days from the date of the request to approve the Oversight Board action or return it to the Oversight Board for reconsideration. The reconsidered action is not valid until it is approved by the Department of Finance.

Fiscal Impact:

The total obligations for the ROPS for the period of July 1, 2014 – December 31, 2014 are \$1,609,952. The enforceable obligation to be funded by RPTTF is \$825,194. The \$825,194 amount includes \$125,000 for administrative cost allowance.

As of December 31, 2013 there was a cash balance of \$320,619. This amount includes the outstanding ERAF obligation of \$101,510 originally listed on ROPS 13-14B from the reserve balance to be paid by the Successor Agency which was denied by the DOF. The available balance of \$228,438 shown on the ROPS 13-14B was requested to be used for paying the bond debt service.

Attachments:

ROPS 14-15A
Administrative Budget FY 14-15
Resolution

AC:DS:kb

Recognized Obligation Payment Schedule (ROPS 14-15A) - Summary

Filed for the July 1, 2014 through December 31, 2014 Period

Name of Successor Agency: Santa Clarita
 Name of County: Los Angeles

	Six-Month Total
Current Period Requested Funding for Outstanding Debt or Obligation	
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF)	
A Funding Sources (B+C+D):	\$ 784,758
B Bond Proceeds Funding (ROPS Detail)	-
C Reserve Balance Funding (ROPS Detail)	784,758
D Other Funding (ROPS Detail)	-
E Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 825,194
F Non-Administrative Costs (ROPS Detail)	700,194
G Administrative Costs (ROPS Detail)	125,000
H Current Period Enforceable Obligations (A+E):	\$ 1,609,952

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding

I Enforceable Obligations funded with RPTTF (E):	825,194
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	-
K Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 825,194

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding

L Enforceable Obligations funded with RPTTF (E):	825,194
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N Adjusted Current Period RPTTF Requested Funding (L-M)	825,194

Certification of Oversight Board Chairman:
 Pursuant to Section 34177(m) 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 agency.

 Name Title
 /s/ _____
 Signature Date

Recognized Obligation Payment Schedule (ROPS) 14-15A - 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.

A	B	C	D	E	F	G	H	I	
		Fund Sources							
		Bond Proceeds		Reserve Balance		Other	RPTTF		
	Cash Balance Information by ROPS Period	Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR balances retained	Prior ROPS RPTTF distributed as reserve for next bond payment	Rent, Grants, Interest, Etc.	Non-Admin and Admin	Comments	
ROPS 13-14A Actuals (07/01/13 - 12/31/13)									
1	Beginning Available Cash Balance (Actual 07/01/13) Note that for the RPTTF, 1 + 2 should tie to columns J and O in the Report of Prior Period Adjustments (PPAs)	5,056,509		866,493	185,782	(9,690)		Interest includes adjustment for FMV	
2	Revenue/Income (Actual 12/31/13) Note that the RPTTF amounts should tie to the ROPS 13-14A distribution from the County Auditor-Controller during June 2013					13,686	733,000		
3	Expenditures for ROPS 13-14A Enforceable Obligations (Actual 12/31/13) Note that for the RPTTF, 3 + 4 should tie to columns L and Q in the Report of PPAs	5,056,509		549,870	185,782		733,000	Bond Debt Service totaling \$1,468,652 (E+F+H)	
4	Retention of Available Cash Balance (Actual 12/31/13) Note that the RPTTF amount should only include the retention of reserves for debt service approved in ROPS 13-14A								
5	ROPS 13-14A RPTTF Prior Period Adjustment Note that the RPTTF amount should tie to column S in the Report of PPAs.	No entry required						-	
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ 316,623	\$ -	\$ 3,996	\$ -		
ROPS 13-14B Estimate (01/01/14 - 06/30/14)									
7	Beginning Available Cash Balance (Actual 01/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ -	\$ -	\$ 316,623	\$ -	\$ 3,996	\$ -		
8	Revenue/Income (Estimate 06/30/14) Note that the RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014						1,401,112		
9	Expenditures for 13-14B Enforceable Obligations (Estimate 06/30/14)			228,438	-	-	708,535		
10	Retention of Available Cash Balance (Estimate 06/30/14) Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14B				-		692,577	Reserve for September 2014 Bond Debt Service	
11	Ending Estimated Available Cash Balance (7 + 8 - 9 -10)	\$ -	\$ -	\$ 88,185	\$ -	\$ 3,996	\$ 0		

Administrative Budget Summary

FY 14-15 Administration Budget for Successor Agency			
Personnel			
	Personnel	\$200,200	
Operations and Maintenance			
	Office Supplies	\$500	
	Auditing Costs	\$2,300	
	Legal Services	\$45,000	
	Special Supplies	\$2,000	
Total Administration Budget FY 14-15		\$250,000	

RESOLUTION 14-01

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE FORMER REDEVELOPMENT AGENCY OF THE
CITY OF SANTA CLARITA, CALIFORNIA, APPROVING THE RECOGNIZED
OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2014 – DECEMBER 31, 2014

WHEREAS, Health and Safety Code Section 34177(l) requires Successor Agencies to adopt a forward-looking Recognized Obligation Payment Schedule (ROPS) for each six month period.

WHEREAS, Only payments listed on the ROPS may be made by the Successor Agency.

WHEREAS, The Oversight Board desires to approve the ROPS for the period of July 1, 2014 – December 31, 2014 in the form of the ROPS attached hereto and incorporated by reference herein, as prepared by the Successor Agency.

WHEREAS, Section 34171(b) allows the Successor Agency an administrative cost allowance of up to 5 percent of the property tax allocated to the Successor Agency for Fiscal Year 11-12 and up to 3 percent each year thereafter provided that the amount shall not be more than two hundred and fifty thousand dollars (\$250,000) for any Fiscal Year.

WHEREAS, Should there be insufficient funds available in the RPTTF to pay enforceable obligations, the Successor Agency will provide notice to the Los Angeles County Auditor-Controller as required by Health and Safety Code Section 34183 (b).

WHEREAS, Pursuant to Health and Safety Code Section 34177(l)(2)(B), Successor Agency staff provided a copy of the ROPS to the Los Angeles County Auditor-Controller, the Los Angeles County Administrative Officer, and the Department of Finance at the same time the ROPS was provided to the Oversight Board.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the former Redevelopment Agency of the City of Santa Clarita does hereby resolve as follows:

SECTION 1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.

SECTION 2. The ROPS for the period of July 1, 2014 – December 31, 2014 attached hereto and incorporated by reference herein is hereby approved.

SECTION 3. The Administration Budget for FY 14-15 attached hereto and incorporated by reference herein is hereby approved.

SECTION 4. Successor Agency staff is directed to transmit notice of this action to the Department of Finance.

SECTION 5. This resolution shall take effect immediately upon its adoption.

SECTION 6. The Oversight Board Meeting Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of February 2014.

Ken Striplin
Chairman

ATTEST:

Terasa Sullivan
Oversight Board Meeting Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF SANTA CLARITA)

I, Terasa Sullivan, Oversight Board Meeting Clerk, do hereby certify that the foregoing Resolution was duly adopted by the Oversight Board of the Successor Agency to the Former Redevelopment Agency of the City of Santa Clarita at a regular meeting thereof, held on the 18th day of February 2014, by the following vote:

AYES:

NOES:

ABSENT:

Oversight Board Meeting Clerk