County Executive Office

Memorandum

S44B

April 27, 2012

To: **Susan Novak, Clerk of the Board**

From: **Thomas G. Mauk, County Executive Officer**

Subject: **Exception to the Rule 21**

2012 APR 27 AM 11:50

The County Executive Office is requesting a supplemental for the May 1, 2012 Board Hearing Meeting.

Agency: **OC Community Resources**
Subject: **Adoption of the Recognized Obligation Payment Schedule**
District **All**

Reason for supplemental: To comply with the State Department of Finance revised deadlines.

Concur: FOR JMWM

John M. W. Moorlach, Chairman, Board of Supervisors

cc: Rob Richardson, County Executive Office

Agenda Item (Clerk's Use Only)

SUPPLEMENTAL AGENDA ITEM
AGENDA STAFF REPORT

S44B

ASR Control

MEETING DATE:	May 1, 2012
LEGAL ENTITY TAKING ACTION:	Board of Supervisors
BOARD OF SUPERVISORS DISTRICT(S):	All Districts
SUBMITTING AGENCY/DEPARTMENT:	OC Community Resources
DEPARTMENT CONTACT PERSON(S):	Steve Franks (714) 480-2788 Julia Bidwell (714) 480-2991

SUBJECT: Adoption of the Recognized Obligation Payment Schedule

CEO CONCUR	COUNTY COUNSEL REVIEW	CLERK OF THE BOARD
		Discussion Calendar 3 Votes Board Majority

Budgeted: Yes **Current Year Cost:** N/A **Annual Cost:** FY 2012-13: $67,015,496.59

Staffing Impact: No **# of Positions:** **Sole Source:** N/A
Current Fiscal Year Revenue: $67,015,496.59
Funding Source: Successor Agency Funds: 100%

Prior Board Action: 08/24/11 #46; 4/03/12 #4

RECOMMENDED ACTION(S):
Acting as the County's Successor Agency:

1. Adopt the Recognized Obligation Payment Schedule (ROPS) for the period of July1, 2012 through December 31, 2012.

2. Direct staff to submit the ROPS to the County's Oversight Board.

3. Upon approval of the County's Oversight Board, authorize staff to submit the ROPS to the State Department of Finance and the State Controller's Office.

4. Direct staff to notify your Board of any changes made to the ROPS by the County Auditor/Controller, County's Oversight Board, the State Department of Finance, and/or the State Controller's Office.

SUMMARY:

Adoption of the Recognized Obligation Payment Schedule and its submission to the County's Oversight Board and subsequently to the State Department of Finance and the State Controller's Office by May 11, 2012 will allow the County of Orange to be in compliance with the requirements of AB 1X 26 (Redevelopment Elimination Bill).

BACKGROUND INFORMATION:

On December 29, 2011, the California Supreme Court (the Court) issued an opinion in CRA v. Matosantos on the constitutionality of AB 1X 26 & 27. In their opinion, the Court upheld the provisions of AB 1X 26, effectively eliminating redevelopment agencies statewide, but struck down AB 1X 27, the legislation that would have allowed redevelopment agencies to continue so long as they provided payments to the State.

State law requires Successor Agencies to prepare a Recognized Obligation Payment Schedule (ROPS) that identifies the known financial obligations of the former redevelopment agency. The attached ROPS is being presented to your Board to identify the known financial obligations, for the period of time between July 1, 2012 through December 31, 2012, of the former Orange County Development Agency, and to authorize the use of Successor Agency funds to pay those obligations pending final approval by the County Oversight Board, State Department of Finance, and State Controller's Office. The financial obligations listed on the ROPS are consistent with your Board's actions of April 3, 2012 as well as those actions taken by the Oversight Board on April 12, 2012. The Tonner Hills affordable housing development was included on the Board of Supervisors approved Enforceable Obligation Payment Schedule (EOPS) with a payment to be made in December 2011. However, no payment was made against this obligation and the final payment is now being processed as part of this ROPS. The ROPS includes estimates of actual project and administrative costs.

If adopted by your Board, the ROPS will be submitted to the County's Oversight Board for further consideration and approval. After which the ROPS will be forwarded by May 11, 2012 to the County Auditor/Controller, State Department of Finance and State Controller's Office for final approval.

Should any of the obligations listed on the ROPS be altered by the Auditor/Controller, the County's Oversight Board, the State Department of Finance, and/or the State Controller's Office, staff will notify your Board.

Compliance with CEQA: The subject activity is not a project as defined by CEQA pursuant to Section 15378(b)(2).

FINANCIAL IMPACT:

There are potential financial liabilities for the County and/or Successor Agency based on the interpretation and implementation of AB 1X 26.

STAFFING IMPACT:

N/A

ATTACHMENT(S):

Attachment A: Recognized Obligation Payment Schedule

Attachment A: Recognized Obligation Payment Schedule

Name of Redevelopment Agency: Orange County Development Agency

Project Area(s) Santa Ana Heights and Neighborhood Development and Preservation Project

RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34177(l) and 34183(a)(2)

(Non-Housing Projects)

	Project Name / Debt Obligation	Payee	Description	Funding Source	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2012-13	Payments by month (Estimated) July	August	September	October	November	December	Total
1)	Silverado Community Center	OC Parks	Construction of a Community Center	Redevelopment Property Tax Trust Fund	$ 12,000,000.00	$ 3,000,000.00			$ 3,000,000.00				$ 3,000,000.00
2)	Community Stabilization Prog.	County of Orange	Project Area Improvement Program	Redevelopment Property Tax Trust Fund	$ 31,200,000.00	$ 7,800,000.00						$ 3,900,000.00	$ 3,900,000.00
3)	Animal Control Facility	OC Animal Care	Construction of an Animal Control Facil.	Bond Proceeds	$ 763,239.00	$ 763,239.00						$ 763,239.00	$ 763,239.00
4)	Colonia Storm Drain Project	OC Public Works	Drainage Improvement Project	Redevelopment Property Tax Trust Fund	$ 4,000,000.00	$ 500,000.00	$ 100,000.00	$ 100,000.00	$ 50,000.00	$ 50,000.00	$ 25,000.00	$ 25,000.00	$ 350,000.00
5)	El Modena Community Cntr.	OC Community Resources	Community Center Rehabilitation	Redevelopment Property Tax Trust Fund	$ 3,000,000.00	$ 3,000,000.00				$ 3,000,000.00			$ 3,000,000.00
6)	Orange-Olive Alleyway	OC Public Works	Roadway/Drainage Improvement	Redevelopment Property Tax Trust Fund	$ 230,000.00	$ 230,000.00	$ 80,000.00	$ 80,000.00	$ 70,000.00				$ 230,000.00
7)	Modjeska Olive Storm Drain	OC Public Works	Drainage Improvement Project	Redevelopment Property Tax Trust Fund	$ 1,500,000.00	$ 1,300,000.00	$ 600,000.00	$ 300,000.00	$ 200,000.00	$ 100,000.00	$ 100,000.00		$ 1,300,000.00
8)	Inter-Canyon Bridge Improv.	OC Public Works	Bridge Improvements	Redevelopment Property Tax Trust Fund	$ 75,000.00	$ 75,000.00	$ 75,000.00						$ 75,000.00
9)	Midway City Storm Drain	OC Public Works	Drainage Improvement Project	Redevelopment Property Tax Trust Fund	$ 3,600,000.00	$ 3,600,000.00	$ 600,000.00	$ 100,000.00	$ 100,000.00	$ 200,000.00	$ 200,000.00	$ 250,000.00	$ 1,450,000.00
10)	Eastside Water Association	Eastside Water Assoc.	Public Facility Improvements	Redevelopment Property Tax Trust Fund	$ 180,000.00	$ 180,000.00						$ 180,000.00	$ 180,000.00
11)	Kline Drive Improvements	OC Public Works	Roadway/Drainage Improvement	Bond Proceeds	$ 1,000.00	$ 1,000.00		$ 1,000.00					$ 1,000.00
12)	Utility Undergrounding	City of Newport Beach	Undergrounding Utility Poles	Bond Proceeds	$ 1,495,559.00	$ 1,495,559.00		$ 1,495,559.00					$ 1,495,559.00
13)	Sewer Improvement Project	Costa Mesa San. District	Sewer improvements along Bristol St.	Redevelopment Property Tax Trust Fund	$ 449,643.00	$ 449,643.00	$ 449,643.00						$ 449,643.00
14)	Executive Director-Homeless	Children & Family Comm.	Executive Director, Ten-Year Plan	Redevelopment Property Tax Trust Fund	$ 75,000.00	$ 75,000.00	$ 75,000.00						$ 75,000.00
15)	Agency Administration	County of Orange	Staff Salaries, Benefits, etc.	Administrative Cost Allowance	*	$ 1,951,907.67	$ 162,658.97	$ 162,658.97	$ 162,658.97	$ 162,658.98	$ 162,658.98	$ 162,658.97	$ 975,953.84
16)	Annexation Agreement	City of Lake Forest	Property Tax Allocation	Redevelopment Property Tax Trust Fund	*	$ 4,855,993.00	$ 4,855,993.00						$ 4,855,993.00
17)	Annexation Agreement	City of Lake Forest (Interest-estimated)	Interest Earned On Property Tax Allocation	Redevelopment Property Tax Trust Fund	*	$ 1,869.00	$ 1,869.00						$ 1,869.00
18)	Special Counsel	Burke, Williams, Sorensen	Special Counsel to Successor Agency	Redevelopment Property Tax Trust Fund	$ 240,000.00	$ 60,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 30,000.00
19)	Special Counsel	Goldfarb & Lipman	Special Counsel to Successor Agency	Redevelopment Property Tax Trust Fund	$ 240,000.00	$ 60,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 5,000.00	$ 30,000.00
20)													$ -
23)													$ -
24)													$ -
25)													$ -
	Totals - This Page				$ 59,049,441.00	$ 29,399,210.67	$ 7,010,163.97	$ 2,249,217.97	$ 3,592,658.97	$ 3,522,658.98	$ 497,658.98	$ 5,290,897.97	$ 22,163,256.84
	Totals - Page 2				$ 258,393,520.92	$ 28,328,335.92	$ 6,412,746.78	$ 10,043,419.75	$ 43,419.76	$ 43,419.75	$ 4,606,513.74	$ 6,573,374.74	$ 25,622,894.52
	Totals - Page 3				$ 74,518,438.00	$ 9,287,950.00	$ 13,200.00	$ 4,099,406.00	$ 13,200.00	$ 13,200.00	$ 13,200.00	$ 13,200.00	$ 4,165,406.00
	Grand total - All Pages				$ 391,961,399.92	$ 67,015,496.59	$ 13,436,110.75	$ 16,392,043.72	$ 3,649,278.73	$ 3,579,278.73	$ 5,117,372.72	$ 11,877,472.71	$ 51,951,557.36

* TBD- Formula Driven based on approved enforceable obligations as defined by AB 1X 26.

Approved By
County Board of Supervisors (Successor Agency) on _____
Oversight Board on _____

Name of Redevelopment Agency: Orange County Development Agency

Project Area(s): Santa Ana Heights and Neighborhood Development and Preservation Project

INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34177(l) and 34183(a)(2)

(Affordable Housing Projects)

	Project Name / Debt Obligation	Payee	Description	Funding Source	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2012-13	Payments by month (Estimated) July	August	September	October	November	December	Total
1)	Birch Hills Apartment Homes	Jamboree Housing Corp	Affordable Housing Development	Redevelopment Property Tax Trust Funds	$ 3,990,000.00	$ 3,990,000.00	$ 3,990,000.00						$ 3,990,000.00
2)	Stonegate Apt Homes	Katella Family Housing Partners, L.P.	Affordable Housing Development	Redevelopment Property Tax Trust Funds	$ 936,495.00	$ 936,495.00						$ 936,495.00	$ 936,495.00
3)	Stonegate Apt Homes II	Katella II Family Housing Partners, L.P.	Affordable Housing Development	Redevelopment Property Tax Trust Funds	$ 593,460.00	$ 593,460.00						$ 593,460.00	$ 593,460.00
4)	Avenida Villas Apartments	AMCAL Avenida Fund, L.P.	Affordable Housing Development	Redevelopment Property Tax Trust Funds	$ 344,922.90	$ 344,922.90							$ -
5)	Buena Vista Apartments	C&C Development and OHDC	Affordable Housing Development	Redevelopment Property Tax Trust Funds	$ 279,327.02	$ 279,327.02	$ 279,327.02						$ 279,327.02
6)	Tonner Hills Apartments	Jamboree Housing Corp	Affordable Housing Development	Redevelopment Property Tax Trust Funds	$ 2,100,000.00	$ 2,100,000.00	$ 2,100,000.00						
7)	Emergency Shelter	OC Community Resources	Affordable Housing	Redevelopment Property Tax Trust Funds	$ 5,000,000.00	$ 5,000,000.00						$ 5,000,000.00	$ 5,000,000.00
8)	Affordable Housing	Developers	Construction of affordable housing	Redevelopment Property Tax Trust Funds	$ 22,413,318.00	$ 4,563,094.00					$ 4,563,094.00		$ 4,563,094.00
9)	The Ranch Project	Rancho Mission Viejo LLC	Affordable Housing	Redevelopment Property Tax Trust Funds	$ 215,000,000.00	$ 10,000,000.00		$ 10,000,000.00					$ 10,000,000.00
10)	Monitoring Fees	County of Orange	Administrative Cost Allowance	Redevelopment Property Tax Trust Funds	$ 6,535,998.00	$ 121,037.00	$ 10,086.42	$ 10,086.42	$ 10,086.42	$ 10,086.42	$ 10,086.41	$ 10,086.41	$ 60,518.50
11)	Professional Services	Rosenow Spevacek Group	Consultant for Affordable Housing	Redevelopment Property Tax Trust Funds	$ 225,000.00	$ 75,000.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 37,500.00
12)	Professional Services	Affordable Housing Clearing House	Consultant for Affordable Housing	Redevelopment Property Tax Trust Funds	$ 225,000.00	$ 75,000.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	$ 6,250.00	37,500.00
13)	Professional Services	Terra West Advisors	Consultant for Affordable Housing	Redevelopment Property Tax Trust Funds	$ 150,000.00	$ 50,000.00	$ 4,166.67	$ 4,166.66	$ 4,166.67	$ 4,166.67	$ 4,166.66	$ 4,166.67	25,000.00
14)	Professional Services	CSH	Consultant for Affordable Housing	Redevelopment Property Tax Trust Funds	$ 300,000.00	$ 100,000.00	$ 8,333.34	$ 8,333.33	$ 8,333.34	$ 8,333.33	$ 8,333.33	$ 8,333.33	50,000.00
15)	Professional Services	Nancy Lewis Associates, Inc.	Consultant for Affordable Housing	Redevelopment Property Tax Trust Funds	$ 300,000.00	$ 100,000.00	$ 8,333.33	$ 8,333.34	$ 8,333.33	$ 8,333.33	$ 8,333.34	$ 8,333.33	50,000.00
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	Totals - This Page				$ 258,393,520.92	$ 28,328,335.92	$ 6,412,746.78	$ 10,043,419.75	$ 43,419.76	$ 43,419.75	$ 4,606,513.74	$ 6,573,374.74	$ 25,622,894.52

Approved By
County Board of Supervisors (Successor Agency) on _____
Oversight Board on _____

Name of Redevelopment Agency: Orange County Development Agency

Project Area(s) Santa Ana Heights and Neighborhood Development and Preservation Project

INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34177(l) and 34183(a)(2)

(Debt Service - Santa Ana Heights/NDAPP)

	Project Name / Debt Obligation	Payee	Description	Funding Source	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2012-13	Payments by month (Estimated) July	August	September	October	November	December	Total
1)	2003 OCDA Tax Allocation Refunding Bonds	US Bank	Refund and defease 1993 OCDA Santa Ana Heights Tax Allocation Rev Bonds	Redevelopment Property Tax Trust Fund	$ 35,277,322.00	$ 2,965,353.00		$ 2,347,552.00					$ 2,347,552.00
2)	2001 OCDA Tax Allocation Refunding Bonds	US Bank	Refund portion of OCDA 1992 Tax Allocation Revenue Bonds, Series A	Redevelopment Property Tax Trust Fund	$ 23,241,116.00	$ 2,164,197.00		$ 1,738,654.00					$ 1,738,654.00
3)	Bankruptcy Recovery Contribution	General Fund (Budget Control 016)	Per Health and Safety Code 33670.9	Redevelopment Property Tax Trust Fund	$ 16,000,000.00	$ 4,000,000.00							$ -
4)	Administrative Costs (Debt Service Only)					$ 158,400.00	$ 13,200.00	$ 13,200.00	$ 13,200.00	$ 13,200.00	$ 13,200.00	$ 13,200.00	$ 79,200.00
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	Totals - This Page				$ 74,518,438.00	$ 9,287,950.00	$ 13,200.00	$ 4,099,406.00	$ 13,200.00	$ 13,200.00	$ 13,200.00	$ 13,200.00	$ 4,165,406.00

Approved By:
County Board of Supervisors (Successor Agency) on _____.
Oversight Board on _____.