

Orange Countywide Oversight Board

Date: 9/18/2018

Agenda Item No. 9B

From: Successor Agency to the Garden Grove Redevelopment Agency

Subject: Resolution of the Countywide Oversight Board Approving Amendment to the Recognized Obligation Payment Schedule (ROPS) 18-19B

Recommended Action:

Approve resolution approving amendment to FY 2018-19B ROPS for the Garden Grove Successor Agency

The Garden Grove Successor Agency requests approval of the Amended Recognized Obligation Payment Schedule (ROPS) 18-19 B for the second half of Fiscal Year 2018-19. The amendment would increase Redevelopment Property Trust Fund (“RPTTF”) budget by \$16,080 for Line Item Number 6 – Katella Cottages OPA and increase funding in “Other Funds” by \$108 for Line Item Number 27 – Agency Property Maintenance/Management. These line items incurred approved allowable expenses during ROPS 17-18, but were not submitted for payment and paid until ROPS 18-19A period.

The Garden Grove Successor Agency resolution approving the Amended ROPS 18-19B will be voted upon at the September 11, 2018 City of Garden Grove Successor Agency regularly scheduled meeting. Successor Agency approval is subject to submittal to and approval by the Oversight Board and then by the State Department and Finance (DOF). The Successor Agency also requests authorization to post the approved Resolution and Amended ROPS 18-19 B to the City’s website and to transmit the Amended ROPS 18-19 B to the DOF. Further, the City of Garden Grove’s Community and Economic Development Director and her designees, in consultation with legal counsel, shall be authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by DOF.

Impact on Taxing Entities

No fiscal impact until approved by DOF. If the DOF approves the Amended ROPS as submitted, the Successor Agency will increase its previously authorized ROPS 18-19B distribution amount of \$10,656,693 to \$10,672,881, a difference of \$16,188 in RPTTF and Other Funds for the period of January 1, 2019 to June 30, 2019, to pay the Successor Agency’s enforceable obligations.

Attachments

- Oversight Board Resolution Amending ROPS 18-19B
- Amended Recognized Obligation Payment Schedule 18-19 B
- Placeholder for Pending Resolution from Garden Grove Successor Agency

RESOLUTION NO. 18-___

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH OVERSIGHT OF THE SUCCESSOR AGENCY TO THE GARDEN GROVE REDEVELOPMENT AGENCY APPROVING THE AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE 18-19 B FOR THE PERIOD OF JANUARY 1, 2019 TO JUNE 30, 2019, SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE STATE DEPARTMENT OF FINANCE (“DOF”) UNDER CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85; AUTHORIZING THE POSTING AND TRANSMITTAL THEREOF; AND AUTHORIZING THE COMMUNITY AND ECONOMIC DEVELOPMENT DIRECTOR, IN CONSULTATION WITH LEGAL COUNSEL, TO MAKE AUGMENTATIONS, MODIFICATIONS, ADDITIONS OR REVISIONS AS MAY BE NECESSARY OR DIRECTED BY DOF.

WHEREAS, the Garden Grove Agency for Community Development (“Former Agency”) was established as a community redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Sections 33000, *et seq.*, and previously authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council (“City Council”) of the City of Garden Grove (“City”); and

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation, and most recently by Senate Bill 107 (together, the “Dissolution Law”); and

WHEREAS, as of February 1, 2012 the former Agency was dissolved pursuant to the Dissolution Law, and, as a separate public entity, corporate and politic, the Successor Agency to the Garden Grove Agency for Community Development (“Successor Agency”) administers the enforceable obligations of the former Agency and otherwise unwinds the former Agency’s affairs, all subject to the review and approval by an oversight board (“Oversight Board”); and

WHEREAS, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Law; and

WHEREAS, Sections 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State Department of Finance (“DOF”); and

WHEREAS, Section 34177(o) of the Dissolution Law requires that beginning with the annual ROPS for the 16-17 fiscal period of July 1, 2016 to June 30, 2017 (“ROPS 16-17”) inclusive, and for each period from July 1 to June 30, inclusive, thereafter, shall be submitted to

the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2016, and each February 1 thereafter; and

WHEREAS, Section 34177(E) provides that once per ROPS period, and no later than October 1, a Successor Agency may submit one amendment to the ROPS if the Oversight Board makes a finding that a revision is necessary for payment of approved enforceable obligations during the second one-half of the ROPS period defined as January 1 to June 30, inclusive. The Successor Agency may only amend the amount requested for payment of approved enforceable obligations; and

WHEREAS, the Oversight Board has reviewed the Amended ROPS 18-19 B prepared, approved, and presented by the Successor Agency and desires to approve the Amended ROPS 18-19 B, and desires to authorize the Successor Agency, to cause posting of Amended ROPS 18-19 B on the City's website: <https://ggcity.org/> and to direct transmittal of such ROPS to the DOF, with copies to the County Executive Officer, the County Auditor-Controller, and the State Controller's Office;

NOW, THEREFORE, BE IT RESOLVED THAT THE ORANGE COUNTYWIDE OVERSIGHT BOARD does hereby resolve as follows:

Section 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part hereof.

Section 2. Pursuant to the Dissolution Law, the Oversight Board hereby approves Amended ROPS 18-19 B; provided however, that the Amended ROPS 18-19 B is approved subject to the condition such ROPS is to be submitted to and reviewed by the State Department of Finance. Further, the Community and Economic Development Director and her designees, in consultation with legal counsel, shall be authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by DOF.

Section 3. The Oversight Board authorizes transmittal of the Amended ROPS 18-19 B to the DOF, with copies to the County Administrative Officer, the County Auditor-Controller, and the State Controller's Office.

Section 4. The Community and Economic Development Director or her authorized designee is directed to post this Resolution, including the Amended ROPS 18-19 B, on the City/Successor Agency website pursuant to the Dissolution Law.

Section 5. Pursuant to Section 34179(h) written notice and information about all actions taken by the Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF's choosing. An Oversight Board's action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review; provided however, that pursuant to Section 34177(m) as to each ROPS submitted the DOF shall make its determination of the enforceable obligations and the amounts and funding sources of the enforceable obligations thereon no later than 45 days after submittal.

Section 6. The Secretary of the Oversight Board shall certify to the adoption of this Resolution.

Amended Recognized Obligation Payment Schedule (ROPS 18-19B) - Summary

Filed for the January 1, 2019 through June 30, 2019 Period

Successor Agency: Garden Grove
 County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	ROPS 18-19B Authorized Amounts	ROPS 18-19B Requested Adjustments	ROPS 18-19B Amended Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ 2,732,183	\$ 108	\$ 2,732,291
B Bond Proceeds	-	-	-
C Reserve Balance	1,228,631	-	1,228,631
D Other Funds	1,503,552	108	1,503,660
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 7,924,510	\$ 16,080	\$ 7,940,590
F RPTTF	7,630,409	16,080	7,646,489
G Administrative RPTTF	294,101	-	294,101
H Current Period Enforceable Obligations (A+E):	\$ 10,656,693	\$ 16,188	\$ 10,672,881

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 Title

/s/ _____
 Signature Date

Orange Countywide Oversight Board
Placeholder for Pending Resolution

Date: 9/18/2018

From: Successor Agency to the Garden Grove Redevelopment Agency

Subject: Resolution of the Garden Grove City Council Approving the Amended Recognized Obligation Payment Schedule 18-19 B for the period of January 1, 2019 to June 30, 2019

The resolution of the Garden Grove City Council approving the Amended Recognized Obligation Payment Schedule 18-19 B will be voted upon at their 9/11/2018 meeting. As such, the resolution is not yet available for submission but will be provided before the Countywide Oversight Board votes upon its resolution regarding the Amended Recognized Obligation Payment Schedule 18-19 B.