

3. Recognized Obligation Payment Schedule (ROPS) for the Period of July 1, 2024 Through June 30, 2025

Department(s):

Recommended Action: Adopt a resolution approving the Recognized Obligation Payment Schedule for the period of July 1, 2024 through June 30, 2025 pursuant to Part 1.85 of Division 24 of the California Health & Safety Code.

SUCCESSOR AGENCY RESOLUTION NO. 2024-XXX entitled A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF SANTA ANA APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 24-25 FOR THE PERIOD OF JULY 1, 2024 TO JUNE 30, 2025 PURSUANT TO HEALTH AND SAFETY CODE SECTION 24177(o), AND PART 1.85 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE ("DISSOLUTION ACT")



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
January 16, 2024

TOPIC: Recognized Obligation Payment Schedule (ROPS) Fiscal Year (FY) 2024-2025

AGENDA TITLE

Recognized Obligation Payment Schedule (ROPS) for the Period of July 1, 2024 Through June 30, 2025

RECOMMENDED ACTION

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GOVERNMENT CODE §84308 APPLIES: Yes

DISCUSSION

In 1973, the City of Santa Ana adopted an ordinance to create a Redevelopment Agency. Throughout the years, the Redevelopment Agency completed numerous projects to eliminate blight, spur economic growth, funded construction of affordable housing projects, and provided infrastructure and community facility improvements within the defined project areas.

Pursuant to Part 1.85 of Division 24 of the California Health and Safety Code ("Dissolution Act"), the City Council on January 9, 2012, elected for the City to act as the "Successor Agency" to the dissolved Community Redevelopment Agency ("Agency"). On February 1, 2012, in accordance with the Dissolution Act and the California Supreme Court's decision in *California Redevelopment Association v. Matosantos*, Case No. S194861, the Agency was dissolved and the City began to serve as the "Successor Agency." The City Council serves as the governing body of the Successor Agency under the Dissolution Act as amended by AB 1484, AB 471, and SB

107, to administer the enforceable obligations of the Agency and otherwise unwind the Agency's affairs.

Effective July 1, 2018, the local Oversight Board to the Successor Agency was dissolved and the new Orange Countywide Oversight Board (OCOB) was established. The OCOB now has oversight with respect to the Dissolution process, including review and approval of the ROPS.

The ROPS includes the administrative cost allowance as required under Health and Safety Code Section 34177 (j) through (k), and is presented in the format designed by the Department of Finance (DOF).

Upon Successor Agency approval, the ROPS will be submitted to the Orange Countywide Oversight Board for approval at its January 23, 2024 meeting. Upon OCOB approval, the ROPS will be submitted to the DOF, County, and other appropriate entities as required by the Dissolution Act by the February 1, 2024 deadline. The ROPS will also posted on the Successor Agency's website.

FISCAL IMPACT

The Successor Agency is limited to making only payments listed on the approved ROPS for each annual period. Administrative expenses are capped at three percent (3%) of the actual property tax distributed for the ROPS in the preceding fiscal year or the minimum of \$250,000 per year. However, the OCOB has been requesting that successor agencies reduce and minimize the administrative allowance necessary to oversee the remaining obligations on the ROPS. Therefore, the Successor Agency estimates the administrative cost allowance for FY 2024-2025 will be \$116,260 based upon the expected actual cost of administering the Successor Agency.

Funds will be budgeted for FY 2024-2025 in the Redevelopment Obligation Retirement Funds (account no. 67118021-various, 67018843-various) upon approval of the ROPS by the DOF.

EXHIBIT(S)

1. Resolution
 - A. Recognized Obligation Payment Schedule FY 2024-2025

Submitted By: Michael L. Garcia, Executive Director of Community Development

Approved By: Tom Hatch, Interim City Manager

SUCCESSOR AGENCY RESOLUTION NO. 2024-__

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF SANTA ANA APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 24-25 FOR THE PERIOD OF JULY 1, 2024 TO JUNE 30, 2025 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(o), AND PART 1.85 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE ("DISSOLUTION ACT")

BE IT RESOLVED BY THE MEMBERS OF THE SUCCESSOR AGENCY OF THE CITY OF SANTA ANA, AS FOLLOWS:

Section 1. The City Council of Santa Ana, acting as Successor Agency, conclusively finds, determines and declares as follows:

A. On January 9, 2012, pursuant to section 34173 of the California Health & Safety Code, the City of Santa Ana ("City") elected to serve as the Successor Agency for the dissolved Community Redevelopment Agency ("Agency") of the City of Santa Ana and selected the Housing Authority of the City of Santa Ana to act as "Successor Housing Agency."

B. The City Council serves as the governing body of the Successor Agency under the Dissolution Act, as amended by AB 1484, AB 471, and SB 107, to administer the enforceable obligations of the Agency and otherwise unwind the Agency's affairs.

C. SB 107 revised the timeline for the preparation of the required Recognized Obligation Payment Schedule ("ROPS") from each six-month period to a one-year period beginning July 1, 2016.

D. The annual ROPS includes the administrative cost allowance as required under Health and Safety Code Section 34177 (j) through (k).

E. The annual ROPS for the July 1, 2024 through June 30, 2025 period must be approved by the Countywide Oversight Board and submitted to the County Auditor-Controller, State Controller's Office, and to the State Department of Finance ("DOF") no later than February 1, 2024.

Section 2. The Successor Agency approves the Recognized Obligation Payment Schedule 24-25, attached hereto as Exhibit A and incorporated herein by this reference, and authorizes the submission to the County of Orange and Countywide Oversight Board for review and approval.

Section 3. Pursuant to the Dissolution Act, the Successor Agency further authorizes the transmittal of the ROPS 24-25, upon subsequent Countywide Oversight Board approval, to DOF

with copies to the County Administrative Officer, the County Auditor-Controller, and the State Controller's Office.

Section 4. The City Manager, or his/her designee ("City Manager"), is directed to post on the City's website the ROPS 24-25 in the manner required by law.

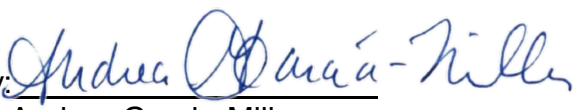
Section 5. The City Manager and/or the Executive Director of Community Development, or their respective designees, as delegated officials of the City acting as Successor Agency, are authorized to make or accept any augmentation, modification, additions, or revisions to the ROPS as may be necessary and appropriate in their reasonable discretion, based on review or communications from the Countywide Oversight Board, the State Department of Finance or County of Orange.

Section 6. This Resolution shall take effect immediately upon its adoption by the Successor Agency, and the Clerk of the Council shall attest to and certify the vote adopting of this Resolution.

ADOPTED this _____ day of _____, 2024.

Valerie Amezcua
Mayor

APPROVED AS TO FORM:
Sonia R. Carvalho, City Attorney

By: 
Andrea Garcia-Miller
Assistant City Attorney

AYES:	Councilmembers:	_____
NOES:	Councilmembers:	_____
ABSTAIN:	Councilmembers:	_____
NOT PRESENT:	Councilmembers:	_____

CERTIFICATION OF ATTESTATION AND ORIGINALITY

I, _____, Clerk of the Council do hereby attest to and certify the attached Resolution No. 2024-XX to be the original resolution adopted by the City Council acting as the Successor Agency to the former Community Redevelopment Agency on January ____, 2024.

Date: _____

City Clerk
City of Santa Ana

Exhibit A

EXHIBIT 1

Recognized Obligation Payment Schedule (ROPS 24-25) - Summary
Filed for the July 1, 2024 through June 30, 2025 Period

Successor Agency: Santa Ana

County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		24-25A Total (July - December)	24-25B Total (January - June)	ROPS 24-25 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ 113,236	\$ 113,236	\$ 226,472
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	113,236	113,236	226,472
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 11,176,422	\$ 814,014	\$ 11,990,436
F	RPTTF	11,118,292	755,884	11,874,176
G	Administrative RPTTF	58,130	58,130	116,260
H	Current Period Enforceable Obligations (A+E):	\$ 11,289,658	\$ 927,250	\$ 12,216,908

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

EXHIBIT 1

Santa Ana Recognized Obligation Payment Schedule (ROPS 24-25) - ROPS Detail																									
July 1, 2024 through June 30, 2025																									
(Report Amounts in Whole Dollars)																									
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W			
Item #	Project Name/Debt Obligation	Obligation Type	Contract/ Agreement Execution Date	Contract/ Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 24-25 Total	24-25A (July - December)					24-25A Total	24-25B (January - June)					24-25B Total			
											Fund Sources						Fund Sources								
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF				
	28	DDA - Sycamore Parking Concepts	OPA/DDA/Const ruction	12/16/2002	6/30/2029	Sycamore Parking Concepts	Development of Sycamore Garage (Pkg Structure)	Merged		\$ 60,860,039		\$ 12,216,908		\$ 0	\$ 0	\$ 113,236	\$ 11,118,292	\$ 58,130	\$ 11,289,658	\$ 0	\$ 0	\$ 113,236	\$ 755,884	\$ 58,130	\$ 927,250
	30	Erickson Lease Agreement - Honda	Business Incentive Agreements	1/19/2006	6/30/2032	Erickson Prop. Corp.	Leasehold Rights on AutoMall Property	Merged		792,648	N	\$ 226,472				113,236		\$ 113,236			113,236			\$ 113,236	
	33	Off Site Improvemnts (Nexus)	Improvement/Infra structure	4/4/2005	6/30/2032	Various	Construction of Publicly Owned Improvements - Nexus	Merged		5,000,000	N	\$ -					\$ -							\$ -	
	34	Project Costs for Item #33	Project Management Costs	4/4/2005	6/30/2032	Successor Agency / Various	Project Management / Services	Merged		123,250	N	\$ -					\$ -							\$ -	
	35	SA Venture Partnership & Other MainPlace Agreements	OPA/DDA/Const ruction	5/15/1984	6/30/2032	Various	Permit Fee Obligation for Improvements	Merged		1,600,000	N	\$ -					\$ -							\$ -	
	36	Project Costs for Item #35	Project Management Costs	5/15/1984	6/30/2032	Successor Agency / Various	Project Management / Services	Merged		100,000	N	\$ -					\$ -							\$ -	
	37	DDA - Discovery Science Center	OPA/DDA/Const ruction	4/21/1997	6/30/2032	City of Santa Ana	Permit Fee Obligation for Expansion	Merged		199,000	N	\$ -					\$ -							\$ -	
	62	Audited Financial Statements / Due Diligence Reviews	Professional Services	5/14/2003	6/30/2032	MGO / City of Santa Ana / Various	Required Per Bond Documents / AB 1484	Merged		40,000	N	\$ 5,000			5,000		\$ 5,000							\$ -	
	63	Employee Pension Liability	Unfunded Liabilities	2/1/2012	6/30/2032	CalPERS / Successor Agency	Public Employee Defined Benefit Pension Plan	Merged		118,729	N	\$ -					\$ -							\$ -	
	64	Other Postemploy ment Benefits (OPEB)	Unfunded Liabilities	2/1/2012	6/30/2032	Successor Agency / Various	OPEB Liability for Successor Agency Staff	Merged		182,872	N	\$ -					\$ -							\$ -	
	66	Successor Agency Admin.	Admin Costs	2/1/2012	6/30/2032	Successor Agency / Various	Operating costs	Merged		760,000	N	\$ 116,260				58,130	\$ 58,130					58,130		\$ 58,130	
	160	2018 Tax Allocation Bonds Series A	Bonds Issued After 12/31/10	11/8/2018	9/1/2031	Bank of New York Mellon	Debt service on bonds to refund 2003 Bonds and 2011 Bonds	Merged		10,146,375	N	\$ 1,271,375			1,084,125		\$ 1,084,125				187,250			\$ 187,250	
	161	2018 Tax Allocation Bonds Series A- Indenture of Trust	Fees	11/8/2018	6/30/2032	Keyser Marston Associates / Urban Futures	Continuing disclosure	Merged		13,950	N	\$ 1,550					\$ -				1,550			\$ 1,550	
	162	2018 Tax Allocation Bonds Series A- Indenture of Trust	Fees	11/8/2018	6/30/2032	BLX	Arbitrage rebate analysis	Merged		13,500	N	\$ 1,500			1,500		\$ 1,500							\$ -	

EXHIBIT 1

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name/Debt Obligation	Obligation Type	Contract/ Agreement Execution Date	Contract/ Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 24-25 Total	24-25A (July - December)					24-25A Total	24-25B (January - June)					24-25B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
163	2018 Tax Allocation Bonds Series A- Indenture of Trust	Fees	11/8/2018	6/30/2032	Bank of NY Mellon	Trustee fees	Merged	14,400	N	\$ 1,800				1,800		\$ 1,800						\$ -
164	2018 Tax Allocation Bonds Series B	Bonds Issued After 12/31/10	11/8/2018	9/1/2028	Bank of New York Mellon	Debt service on bonds to refund 2003 Bonds and 2011 Bonds	Merged	41,728,815	N	\$ 10,589,151				10,022,567		\$ 10,022,567				566,584		\$ 566,584
165	2018 Tax Allocation Bonds Series B- Indenture of Trust	Fees	11/8/2018	6/30/2029	Keyser Marston Associates / Urban Futures	Continuing disclosure	Merged	4,000	N	\$ 500						\$ -				500		\$ 500
166	2018 Tax Allocation Bonds Series B- Indenture of Trust	Fees	11/8/2018	6/30/2029	BLX	Arbitrage rebate analysis	Merged	13,500	N	\$ 1,500				1,500		\$ 1,500						\$ -
167	2018 Tax Allocation Bonds Series B- Indenture of Trust	Fees	11/8/2018	6/30/2029	Bank of NY Mellon	Trustee fees	Merged	9,000	N	\$ 1,800				1,800		\$ 1,800						\$ -

Santa Ana Recognized Obligation Payment Schedule (ROPS 24-25) - Notes July 1, 2024 through June 30, 2025	
Item #	Notes/Comments
28	<i>Item has been completed.</i>
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Santa Ana Recognized Obligation Payment Schedule (ROPS 24-25) - Report of Cash Balances
July 1, 2021 through June 30, 2022
(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. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H
	ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)	Fund Sources				RPTTF	Comments
		Bond Proceeds		Reserve Balance	Other Funds		
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	
1	Beginning Available Cash Balance (Actual 07/01/21) RPTTF amount should exclude "A" period distribution amount		1,404	0	44,884	1,394,978	The prior report did not include an adjustment for Other Funds. The beginning balance was adjusted to reconcile to the cash balance as of June 30, 2021.
2	Revenue/Income (Actual 06/30/22) RPTTF amount should tie to the ROPS 21-22 total distribution from the County Auditor-Controller		-		250,826	5,224,307	
3	Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)				226,471	6,743,444	
4	Retention of Available Cash Balance (Actual 06/30/22) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)		1,404				
5	ROPS 21-22 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 21-22 PPA form submitted to the CAC	No entry required				85,472	
6	Ending Actual Available Cash Balance (06/30/22) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 69,239	\$ (209,631)	Notified DOF of negative balance and will analyze balance.