



**AGENDA REPORT**  
**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY**  
**TO THE SAN CLEMENTE REDEVELOPMENT AGENCY**  
**MEETING DATE: FEBRUARY 26, 2013**

Agenda Item     C      
**Approvals:**     [Signature]      
City Manager     [Signature]      
Dept. Head                       
Attorney                       
Finance                     

**Department:** Finance & Administrative Services  
**Prepared By:** Jake Rahn, Financial Services Officer

**Subject:** ***APPROVAL OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS)***

**Summary:** Under Health and Safety Code Section 34180, certain actions of the Successor Agency (City) require approval of the Oversight Board. As part of the requirement to dissolve the Redevelopment Agency, the Oversight Board is required to take actions. These include the approval of the Recognized Obligation Payment Schedule (ROPS).

The ROPS have been presented to the Oversight Board on a semi-annual basis over the last year. The City is now preparing the ROPS for FY 2014 and will be presenting the ROPS covering the first six months of the fiscal year (July 2013 to December 2013). The ROPS schedule is again in a new format, but still lists the outstanding obligations of the former redevelopment agency including the General Fund loan, the operating agreement (lease) costs for the Casa Romantica and the Administrative Budget. In addition, a summary of past costs is included as part of the ROPS. The obligations are discussed in more detail below.

*General Fund Advance (loan).* Under AB 1484, General Fund loans are eligible for repayment upon completion of the July payment process and other provisions. However, FY 2014 payments amounts have been listed on the ROPS as a result of a recent court injunction (*City of Pasadena Successor vs. Ana Matosantos, Director of the State of California Department of Finance*). The annual payments under the loan agreement represent the amount that would have been paid during FY 2014.

*Casa Romantica Lease Obligation.* The rental agreement with the Casa Romantica Cultural Center (CRCC) created an obligation under an amendment dated July 1, 2008 to perform certain maintenance items. Termite work was recently completed and staff is working to proceed with the painting in spring. The ROPS for July – December 2013 reflects the estimated obligation period costs, and includes an amount related to an electrical panel replacement.

*Administrative Budget.* The Budgeted Administrative costs shown on the ROPS represents the annual threshold allowed under State law.

A separate agenda report gives a brief status update on the dissolution process steps and where the City is in the process.

**Recommended**

**Action:**

STAFF RECOMMENDS THAT THE OVERSIGHT BOARD

- 1) Approve the revised Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2013 through December 31, 2013.
- 2) Adopt Resolution No. \_\_\_\_\_ entitled "A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE SAN CLEMENTE REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177"

**Fiscal Impact:**

These costs will be funded through an allocation by the County from the Redevelopment Property Tax Trust Fund.

**Attachments:**

Resolution No. \_\_\_\_\_  
Exhibit "A" - Draft Recognized Obligation Payment Schedule

**Notification:**

State of California Department of Finance  
State of California State Controllers Office  
County of Orange Auditor Controller  
Casa Romantica Cultural Center

RESOLUTION NO.

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR  
AGENCY TO THE SAN CLEMENTE REDEVELOPMENT AGENCY  
APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE  
PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177

**WHEREAS**, the San Clemente Redevelopment Agency (“Redevelopment Agency”) was a redevelopment agency in the City of San Clemente (“City”), duly created pursuant to the California Community Redevelopment Law and Health and Safety Code Section 33000, *et. seq.*; and

**WHEREAS**, the City Council of the City of San Clemente (“City”) adopted a redevelopment plan for San Clemente’s redevelopment project area; and

**WHEREAS**, Assembly Bill x1 26 chaptered and effective on June 27, 2011 added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 chaptered and effective on June 27, 2012 (together, the “Dissolution Act”); and

**WHEREAS**, as of February 1, 2012, the Agency was dissolved pursuant to the Dissolution Act and as a separate legal entity the City Council of the City adopted Resolution No 12-04 on January 17, 2012, pursuant to Part 1.85 of the Dissolution Act, electing for the City to serve as the successor agency to the San Clemente Redevelopment Agency under the Dissolution Act (“Successor Agency”); and

**WHEREAS**, the Successor Agency administers the enforceable obligations of the former Agency and otherwise unwinds the Agency’s affairs, all subject to the review and approval by a seven-member oversight board (“Oversight Board”); and

**WHEREAS**, pursuant to Section 34179 the Oversight Board has been established for the Successor Agency and all seven members have been appointed to the Oversight Board; and

**WHEREAS**, Health and Safety Code Section 34177 requires the RDA Successor Agency to submit the Recognized Obligation Payment Schedule (ROPS) to the Oversight Board for approval and, upon such approval, the RDA Successor Agency is required to submit a copy of such approved ROPS to the County of Orange Auditor-Controller, the California State Controller, and the State of California Department of Finance and post the Approved ROPS on the RDA Successor Agency’s website; and

**WHEREAS**, Health and Safety Code Section 34180 requires the Oversight Board to approve the RDA Successor Agency’s establishment of the ROPS prior to the RDA Successor Agency acting upon the ROPS;

NOW, THEREFORE, The Oversight Board to the Successor Agency of the San Clemente Redevelopment Agency does hereby resolve as follows:

Section 1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. The Oversight Board hereby approves and adopts the ROPS, in substantially the form attached to this Resolution as Exhibit A, pursuant to Health and Safety Code Section 34177.

Section 3. The Oversight Board hereby directs the RDA Successor Agency to submit copies of the ROPS approved by the Oversight Board to the County of Orange Auditor-Controller, the State of California Controller and the State of California Department of Finance (DOF) after the effective date of this Resolution or, if the DOF requests a review of the ROPS prior to the effective date of this Resolution, upon approval of the ROPS by the DOF, and to post the ROPS on the RDA Successor Agency’s website.

Section 4. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable.

Section 5. The Secretary of the Successor Agency to the San Clemente Redevelopment Agency shall certify to the adoption of this Resolution.

Section 6. The actions taken by the Oversight Board shall take effect upon the date of its adoption, subject to the DOF’s review pursuant to Health and Safety Code Section 34179.

Section 7. The Secretary of the Successor Agency shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

ATTEST:

\_\_\_\_\_  
SECRETARY, OVERSIGHT BOARD

\_\_\_\_\_  
CHAIR, OVERSIGHT BOARD

STATE OF CALIFORNIA    )  
COUNTY OF ORANGE    ) §  
CITY OF SAN CLEMENTE   )

I, JOANNE BAADE, Secretary to the Oversight Board of the Successor Agency to the San Clemente Redevelopment Agency, hereby certify that the foregoing resolution was duly adopted at a special meeting of the Oversight Board, held on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
SECRETARY, OVERSIGHT BOARD

EXHIBIT A

RECOGNIZED OBLIGATION PAYMENT SCHEDULE

[Attached behind this page]

## SUCCESSOR AGENCY CONTACT INFORMATION

### Successor Agency

ID: 207  
County: Orange  
Successor Agency: San Clemente

### Primary Contact

Honorific (Ms, Mr, Mrs)

First Name

Last Name

Title

Address

City

State

Zip

Phone Number

Email Address

<b>Jacob</b>
<b>Rahn</b>
<b>Financial Services Manager</b>
<b>100 Avenida Presidio</b>
<b>San Clemente</b>
<b>CA</b>
<b>92672</b>
<b>949-361-8359</b>
<b>rahnj@san-clemente.org</b>

### Secondary Contact

Honorific (Ms, Mr, Mrs)

First Name

Last Name

Title

Phone Number

Email Address

<b>Sandee</b>
<b>Chiswick</b>
<b>Senior Accountant</b>
<b>949-361-8270</b>
<b>chiswicks@san-clemente.org</b>

**SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

Filed for the July 1, 2013 to December 31, 2013 Period

Name of Successor Agency: **SAN CLEMENTE (ORANGE)**

Outstanding Debt or Obligation	Total
Total Outstanding Debt or Obligation	<b>\$2,192,931</b>
<b>Current Period Outstanding Debt or Obligation</b>	
A Available Revenues Other Than Anticipated RPTTF Funding	\$0
B Enforceable Obligations Funded with RPTTF	\$164,916
C Administrative Allowance Funded with RPTTF	\$250,000
D Total RPTTF Funded (B + C = D)	\$414,916
E Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be same amount as ROPS form six-month total</i>	\$414,916
F Enter Total Six-Month Anticipated RPTTF Funding	\$870,939
G Variance (F - D = G) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	\$456,023

Prior Period (July 1, 2012 through December 31, 2012) Estimated vs. Actual Payments (as required in HSC section 34186 (a))	Amount
H Enter Estimated Obligations Funded by RPTTF (lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)	\$138,958
I Enter Actual Obligations Paid with RPTTF	\$1,276
J Enter Actual Administrative Expenses Paid with RPTTF	\$2,598
K Adjustment to Redevelopment Obligation Retirement Fund (H - (I + J) = K)	\$135,084
L Adjustment to RPTTF (D - K = L)	\$279,832

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





SAN CLEMENTE (DRAFT)  
 Pursuant to Health and Safety Code section 34186 (a)  
 PRIOR PERIOD ESTIMATED OBLIGATIONS vs. ACTUAL PAYMENTS  
 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROWS II)  
 July 1, 2012 through December 31, 2012

Item #	Project Name / Debt Obligation	Funder	Description/Project Scope	Project Area	Lease		Bond Proceeds		Reserve Balance		Admin Allowance		MFTE		Other	
					Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual
1	Los Remedios Lease Obligation	Los Remedios Cultural Center Non-profit	Estimate for lease obligation for ongoing maintenance (\$30,000 annually) and maintenance due to delayed maintenance resulting from scheduling with operating expenses.	Project Area #1	\$0	\$0	\$0	\$0	\$0	\$0	\$258,872	\$0	\$15,000	\$15,276	\$0	\$0
2	Administrative Costs	City of San Clemente	Administrative costs related to the former RDA	Project Area #1	\$0	\$0	\$0	\$0	\$0	\$0	123,952	2,598	\$0	\$0	\$0	\$0
3	General Fund Loan	City of San Clemente	Repayment on loan for prior capital projects (2.88% interest rate)	Project Area #1	\$0	\$0	\$0	\$0	\$0	\$0	114,313	\$0	\$0	\$0	\$0	\$0

