



**AGENDA REPORT**  
**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY**  
**TO THE SAN CLEMENTE REDEVELOPMENT AGENCY**  
**MEETING DATE: AUGUST 23, 2012**

Agenda Item 7-B  
**Approvals:** \_\_\_\_\_  
 City Manager \_\_\_\_\_  
 Dept. Head \_\_\_\_\_  
 Attorney \_\_\_\_\_  
 Finance \_\_\_\_\_

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

**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 amounts were originally presented at the June 19, 2012 City Council meeting approving the enforceable obligations. The ROPS presented to the Oversight Board reflects the time period January through June 2013. The ROPS schedule is a new format, but still lists the outstanding financial obligations of the 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 now included in the ROPS statement. 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. No FY 2013 payments are listed on the ROPS, since payments are not eligible until Fiscal Year 2014. A separate agenda report gives a brief status update on the dissolution process steps. Further information will be given to the Oversight Board in relation to the repayment of the General Fund loan in the future. Future repayment of the loan remains subject to future legislation.

*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, including an exterior painting every 10 years; with the first painting currently due. The ROPS for January 1 – June 30 reflects the estimated obligation period costs.

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

**Recommended**

**Action:** STAFF RECOMMENDS THAT THE OVERSIGHT BOARD  
 1) Approve the revised Recognized Obligation Payment Schedule (ROPS) for the period of January 1, 2013 through June 30, 2013.

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

**Attachments:** Attachment "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

## Successor Agency Contact Information

Name of Successor Agency:	<u>City of San Clemente</u>
County:	<u>Orange</u>
Primary Contact Name:	Jacob Rahn, Financial Svcs Manager,
Primary Contact Title:	100 Avenida Presidio, San Clemente,
Address	CA 92672
Contact Phone Number:	<u>949-361-8359</u>
Contact E-Mail Address:	<u>Rahnj@san-Clemente.org</u>
Secondary Contact Name:	<u>Sandee Chiswick</u>
Secondary Contact Title:	<u>Senior Accountant</u>
Secondary Contact Phone Number:	<u>949-361-8270</u>
Secondary Contact E-Mail Address:	<u>Chiswicks@san-clemente.org</u>

9B-3

**SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

Filed for the January 1, 2013 to June 30, 2013 Period

Name of Successor Agency: City of San Clemente

	Total Outstanding Debt or Obligation
<b>Outstanding Debt or Obligation</b>	<b>\$ 2,192,931</b>
<b>Current Period Outstanding Debt or Obligation</b>	<b>Six-Month Total</b>
A Available Revenues Other Than Anticipated RPTTF Funding	-
B Anticipated Enforceable Obligations Funded with RPTTF	114,586
C Anticipated Administrative Allowance Funded with RPTTF	125,000
D Total RPTTF Requested (B + C = D)	239,586
Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be the same amount as ROPS form six-month total</i>	<b>\$ 239,586</b>
E Enter Total Six-Month Anticipated RPTTF Funding <i>(Obtain from county auditor-controller)</i>	1,050,000
F Variance (E - D = F) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	<b>\$ 810,414</b>
<b>Prior Period (January 1, 2012 through June 30, 2012) Estimated vs. Actual Payments</b> (as required in HSC section 34186 (a))	
G Enter Estimated Obligations Funded by RPTTF <i>(Should be the lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)</i>	312,080
H Enter Actual Obligations Paid with RPTTF	82,495
I Enter Actual Administrative Expenses Paid with RPTTF	119,317
J Adjustment to Redevelopment Obligation Retirement Fund (G - (H + I) = J)	110,268
<b>K Adjusted RPTTF</b> <i>(The total RPTTF requested shall be adjusted if actual obligations paid with RPTTF are less than the estimated obligation amount.)</i>	<b>\$ 129,318</b>

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

\_\_\_\_\_  
Signature Date

7.B.4

Name of Successor Agency: City of San Clemente

County: Orange

Oversight Board Approval Date: \_\_\_\_\_

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III)  
January 1, 2013 through June 30, 2013**

Item #	Project Name / Debt Obligation	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2012-13	Funding Source						
									LMIHF	Bond Proceeds	Reserve Balance	Admin Allowance	RPTTF	Other	Six-Month Total
	<b>Grand Total</b>						\$ 2,192,931	\$ 384,586	\$ -	\$ -	\$ -	\$ 125,000	\$ 114,586	\$ -	\$ 239,586
1	Casa Romantica Lease Obligation	7/1/2008	6/6/2041	Casa Romantica Cultural Center N	Estimate for Lease Obligation for ongoing maintenance (\$30,000 annually) and maintenance due to delayed maintenance timeline due to scheduling with operating non-profit	Project Area #1	164,586	134,586	-	-	-	-	114,586	-	114,586
2	Administrative Costs	Annual	Annual	City of San Clemente	Administrative costs related to the former RDA	Project Area #1	250,000	250,000	-	-	-	125,000	-	-	125,000
	General Fund Loan	7/1/2002	Upon completion of payments	City of San Clemente	Repayment on loan for prior capital projects (2.88% interest rate)	Project Area #1	1,778,345	-	-	-	-	-	-	-	-
3															
4															
5															
6															
7															
8															
9															
10															
11															
12															
13															
14															
15															
16															
17															
18															
19															
20															
21															
22															
23															
24															
25															
26															
27															
28															
29															
30															
31															
32															
33															
34															
35															

7B-5

Name of Successor Agency:  
County:

City of San Clemente  
Orange

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III) -- Notes (Optional)**  
**January 1, 2013 through June 30, 2013**

Item #	Notes/Comments
1	This is the annual funding level of \$30,000 for the estimated maintenance obligation under the lease agreement related to the non-profit's operation of a cultural facility. Also, painting and maintenance for the Casa Romantica were not completed in FY 2012. These costs are scheduled in FY 2013 and unspent amounts of \$29,705 (line 1) and \$79,705 (line 2) from the prior reporting (ROPS I) will be used in FY 2013.
2	This is the annual level based on the State law.
3	This is the amount for the General Fund loan, which will be eligible for payment in FY 2014 upon acceptance.

718-6

Name of Successor Agency:

City of San Clemente

County:

Orange

**Pursuant to Health and Safety Code section 34186 (a)  
PRIOR PERIOD ESTIMATED OBLIGATIONS vs. ACTUAL PAYMENTS  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS I)  
January 1, 2012 through June 30, 2012**

Page/Form	Line	Project Name / Debt Obligation	Payee	Description/Project Scope	Project Area	LMIHF		Bond Proceeds		Reserve Balance		Admin Allowance		RPTTF		Other	
						Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual
		<b>Grand Total</b>				\$ 13,595	\$ 13,595	\$ -	\$ -	\$ -	\$ -	\$ 124,999	\$ 123,736	\$ 187,081	\$ 82,495	\$ 42,318	\$ 42,318
5/ROPS	1	Casa Romantica Lease Obligation	Casa Romantica Cultural Cent	Lease Obligation for ongoing maintenance (\$30,000 annually for two years and \$80,000 for exterior painting-currently due)	Project Area#1	-	-	-	-	-	-	-	-	30,000	5,119	-	-
2/ROPS	2	General Fund Loan	City of San Clemente	Repayment on loan for prior capital projects (2.88% interest rate)	Project Area#1	-	-	-	-	-	-	-	-	-	-	22,486	22,486
1/ROPS	3	Administrative Costs	Various	Costs for staffing, overhead, legal, and contractual services	Project Area#1	-	-	-	-	-	-	124,999	123,736	-	-	-	-
6/ROPS	4	Casa Romantica Lease Obligation	Casa Romantica Cultural Cent	\$80,000 for exterior painting	Project Area#1	-	-	-	-	-	-	-	-	80,000	295	-	-
3/ROPS	5	Legacy Construction	Legacy Construction	Pier Bowl Sidewalk Project	Project Area#1	-	-	-	-	-	-	-	-	77,081	77,081	-	-
7,8,9/ROPS	6	Affordable Housing Assistance	Illumination Found./Friendship	Affordable Housing Assistance	Project Area#1	13,595	13,595	-	-	-	-	-	-	-	-	19,832	19,832

MB-7