

RESOLUTION NO. 3 (SAS) Oversight Board

A RESOLUTION OF THE SANTA MONICA REDEVELOPMENT SUCCESSION AGENCY
OVERSIGHT BOARD APPROVING AND ADOPTING THE AMENDED RECOGNIZED
OBLIGATION PAYMENT SCHEDULE FOR JULY 2012 – DECEMBER 2012

WHEREAS, pursuant to the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.), the City Council of the City of Santa Monica (the "Council") adopted the Earthquake Recovery Redevelopment Project by Ordinance No. 1747 (CCS) on June 21, 1994, the Downtown Redevelopment Project by Ordinance No. 1021 (CCS) on January 13, 1976, the Ocean Park 1A Project by Ordinance No. 497 (CCS) on June 30, 1960, and the Ocean Park 1B Project by Ordinance No. 516 (CCS) on January 24, 1961 (collectively the "Redevelopment Plans"); and

WHEREAS, the California Legislature adopted, and the Governor signed, Assembly Bill No. x1 26 and x1 27 (2011-2012 1st Ex. Sess.) enacted as Stats. 2011, 1st Ex. Sess. 2011-2012, chs. 5-6 (hereinafter AB 26 and AB 27) into law; and

WHEREAS, in July 2011, *California Redevelopment Agency v. Matosantos* was filed in the California Supreme Court, challenging the constitutionality of AB 26 and AB 27, and on December 29, 2011, the Supreme Court issued its opinion in *Matosantos*, upholding AB 26 and exercising its power of reformation to revise and extend each effective date or deadline for performance of an obligation in part 1.85 of division 24 of the Health and Safety Code, and invalidating AB 27; and

WHEREAS, the City of Santa Monica is the designated Successor Agency of the Redevelopment Agency of the City of Santa Monica, within the meaning of AB 26; and

WHEREAS, Section 34177(a)(1) of the Health and Safety Code, as reformed by the California Supreme Court in *Matosantos*, provides that on or after February 1, 2012, and until a Recognized Obligation Payment Schedule becomes operative, only payments required pursuant to an enforceable obligations payment schedule shall be made; and

WHEREAS, Section 34177(a)(3) of the Health and Safety Code, as reformed by the California Supreme Court in *Matosantos*, provides that commencing on May 1, 2012, only those payments listed in a Recognized Obligation Payment Schedule may be made by the Successor Agency from the funds specified in the Recognized Obligation Payment Schedule; and

WHEREAS, under Title 14 of the California Code of Regulations, Section 15061(b)(3), the approval of a Recognized Obligation Payment Schedule is exempt from the requirements of the California Environmental Quality Act ("CEQA"), in that it is not a project as the adoption of a Recognized Obligation Payment Schedule will not have the potential of causing a significant environmental effect and it can be seen with certainty that there is no possibility that the adoption of Recognized Obligation Payment Schedule will have any significant effect on the environment; and

WHEREAS, on February 28, 2012, the Successor Agency approved a draft Recognized Obligation Payment Schedule for the period July 2012 – December 2012, inclusive; and

WHEREAS, subsequent to the adoption of the draft Recognized Obligation Payment Schedule for the period July 2012 – December 2012, inclusive, Successor Agency staff recommended changes to the schedule based upon information provided by the County Auditor-Controller; and

WHEREAS, on April 10, 2012, the Successor Agency approved a draft Amended Recognized Obligation Payment Schedule for the period July 2012 – December 2012 inclusive;

and

WHEREAS, the Santa Monica Redevelopment Successor Agency Oversight Board ("Oversight Board") has reviewed and duly considered the amended Recognized Obligation Payment Schedule for the period July 2012 – December 2012, inclusive, attached as Exhibit 1, and other written evidence presented at the meeting, if any.

NOW, THEREFORE, THE OVERSIGHT BOARD DOES RESOLVE AS FOLLOWS:

SECTION 1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.

SECTION 2. The Oversight Board hereby approves and adopts the amended Recognized Obligation Payment Schedule for the period July 2012 – December 2012, inclusive, attached as Exhibit 1 (referenced hereinafter as "the Recognized Obligation Payment Schedule").

SECTION 3. The Oversight Board authorizes the Successor Agency's Chief Administrative Officer or his designee to:

- (1) Obtain certification of the amended Recognized Obligation Payment Schedule by the County Auditor-Controller;
- (2) Submit copies of the amended Recognized Enforceable Obligation Payment Schedule to the County Auditor-Controller and both the State Controller's Office and the State Department of Finance, and post copies of the amended Recognized Enforceable Obligation Payment Schedule on the Successor Agency's Internet Web site; and

(3) Take such other actions and execute such other documents as are appropriate to effectuate the intent of this Resolution and to implement the amended Recognized Obligation Payment Schedule on behalf of the Successor Agency.

SECTION 4. The Secretary of the Oversight Board shall certify the adoption of this Resolution and thenceforth and thereafter the same shall be in full force and effect.

APPROVED BY A MAJORITY OF THE TOTAL MEMBERSHIP OF THE OVERSIGHT BOARD:



CHAIR OF THE OVERSIGHT BOARD

Successor Agency of the Redevelopment Agency of the City of Santa Monica
 All Project Areas
 DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Six Months Ended December 31, 2012
 Per AB 25

Project Name / Debt Obligation	Project Area	Source of Funds	Payee	Description	Payments by month											
					July	Aug	Sept	Oct	Nov	Dec	Total					
1) Wells Fargo Term Loan (Reserve for Jan. 2013 Payment)	Earthquake	RORF	Wells Fargo	Public uses, including affordable housing (Reserve for Jan. 2013 Payment)	4,357,800	72,086	72,086	72,086	72,086	72,086	72,086	72,086	72,086	72,086	4,718,230	
2) Wells Fargo Term Loan (Reserve for Jan. 2013 Payment)	Earthquake	RORF	Wells Fargo	Public uses, including affordable housing (Reserve for Jan. 2013 Payment)	-	-	-	-	-	-	-	-	-	-	4,357,800	
3) 2011 Earthquake RDA Bonds Reserves	Earthquake	RORF	Union Bank	Public uses, including affordable housing	1,131,206	-	-	-	-	-	-	-	-	-	1,131,206	
4) 2011 Earthquake RDA Bonds Reserves	Earthquake	Reserve Balance from Bond Proceeds	Union Bank/Reserves	2011 Earthquake RDA Bonds reserve as required per the bond indenture	-	2,262,413	-	-	-	-	-	-	-	-	2,262,413	
5) 2011 Earthquake RDA Bonds (Reserve for Jan. 2013 Payment)	Earthquake	RORF	Union Bank/Reserves	2011 Earthquake RDA Bonds reserve for Jan. 2013 Payment	-	-	-	-	-	-	-	-	1,131,206	1,131,206		
6) 2006 Earthquake RDA Series A Bonds (Reserve for Jan. 2013 Payment)	Earthquake	RORF	Union Bank	Property acquisition and improvements	1,113,647	-	-	-	-	-	-	-	-	1,113,647		
7) 2006 Earthquake RDA Series A Bonds (Reserve for Jan. 2013 Payment)	Earthquake	RORF	Union Bank	2006 Earthquake RDA Series A Bond reserve for Jan. 2013 Payment	-	-	-	-	-	-	-	-	1,113,647	1,113,647		
8) 2006 Earthquake RDA Series B Bonds (Reserve for Jan. 2013 Payment)	Earthquake	RORF	Union Bank	Property acquisition and improvements	2,115,138	-	-	-	-	-	-	-	-	2,115,138		
9) 2006 Earthquake RDA Series B Bonds (Reserve for Jan. 2013 Payment)	Earthquake	RORF	Union Bank	2006 Earthquake RDA Series B Bond reserve for Jan. 2013 Payment	-	-	-	-	-	-	-	-	-	55,000		
10) 2002 Ocean Park Bond Reserves	Ocean Park	RORF	Mellon Bank	Property acquisition and development, including affordable housing	1,499,005	-	-	-	-	-	-	-	-	1,499,005		
11) 2002 Ocean Park Bond Reserves	Ocean Park	Reserve Balance from Bond Proceeds	Bank/Reserves	2002 Ocean Park Bonds reserves as required per the bond indenture	-	1,749,280	-	-	-	-	-	-	-	1,749,280		
12) 2002 Ocean Park Bond - Plan Limit Special Fund	Ocean Park	Reserve	Mellon Bank/Special Fund	2002 Ocean Park Bonds Plan Limit Special Fund per the bond indenture ¹	1,695,919	-	-	-	-	-	-	-	-	1,695,919		
13) 2002 Ocean Park Bond (Reserve for Jan. 2013 Payment)	Ocean Park	RORF	City of Santa Monica	2002 Ocean Park Bond reserve for Jan. 2013 Payment	-	-	-	-	-	-	-	-	219,630	219,630		
14) Bank of America Line of Credit (Reserve for Jan. 2013 Payment)	Earthquake	RORF	Bank of America	Affordable housing development	1,987,390	-	-	-	-	-	-	-	-	1,987,390		
15) Bank of America Line of Credit (Reserve for Jan. 2013 Payment)	Earthquake	RORF	Bank of America	Affordable housing development (Reserve for Jan. 2013 Payment)	-	-	-	-	-	-	-	-	2,019,698	2,019,698		
16) Administrative Cost	All	RORF	Spurgin et al	Property acquisition (Reserve for Jan. 2013 Payment)	-	-	-	-	-	-	-	-	-	3,900,000		
17) Administrative Cost	All	RORF	Successor Agency ²	Property acquisition (Reserve for Jan. 2013 Payment)	172,206	172,206	172,206	172,206	172,206	172,206	172,206	172,206	172,206	1,033,236		
18) AB 1290 Statutory pass-through Payment	Earthquake	Successor Agency	Oversight Board Meeting Costs	Oversight Board Costs ³	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	100,002.00		
19) AB 1290 Statutory pass-through Payment	Earthquake	Successor Agency Custodial Account	LA County General Fund	Estimated AB 1290 Pass-through payments for November 2011 through January 2012 ⁴	-	-	1,228,971	-	-	-	-	-	-	1,228,971		
20) AB 1290 Statutory pass-through Payment	Downtown	Successor Agency Custodial Account	LA County General Fund	Estimated AB 1290 Pass-through payments for November 2011 through January 2012 ⁴	-	-	118,708	-	-	-	-	-	-	118,708		
21) FY 11-12 Pass-Through Est.	Earthquake	Successor Agency Custodial Account	Various Taxing Entities	Estimated Pass-through payments for November 2011 through January 2012 ⁴	-	-	6,005,035	-	-	-	-	-	-	6,005,035		
22) FY 11-12 Pass-Through Est.	Downtown	Successor Agency Custodial Account	Various Taxing Entities	Estimated Pass-through payments for November 2011 through January 2012 ⁴	-	-	172,342	-	-	-	-	-	-	172,342		
23) ERAF FY 10-11	Earthquake	Reserve	LA County	ERAF ⁵	-	1,202,546	-	-	-	-	-	-	-	1,202,546		
24) ERAF Impound FY 10-11	Earthquake	Reserve	LA County	ERAF Impound ⁵	-	2,789,150	-	-	-	-	-	-	-	2,789,150		
Total															42,085,941	

1) \$1,695,919 is already in a reserve account.
 2) City of Santa Monica has elected to be designated as the Successor Agency.
 3) Listed expenditures are estimates.
 4) Pass-through payment amounts are carried over from November 2011-Jan 2012.
 5) Amounts are carried over from FY 2010-2011. These amounts may be adjusted pending the final outcome of the LAUSD Case

Adopted and approved this 23rd day of April, 2012.



_____, Chair

Redevelopment Successor Agency Oversight Board

I, Maria M. Stewart, Secretary to the Successor Agency Oversight Board, do hereby certify that the foregoing Resolution No. 3 (SAS-Oversight Board) was duly adopted at a meeting of the Oversight Board meeting held on the 23rd day of April, 2012, by the following vote:

- AYES: Board members Dijkstra, Kanschat, Lawson, Luboff, Maez, Vice Chair Moran, Chair Silvern
- NOES: None.
- ABSENT: None.

ATTEST:



Maria M. Stewart, Secretary
Successor Agency Oversight Board