

RESOLUTION NO. 35 (SAS) Oversight Board

A RESOLUTION OF THE SANTA MONICA REDEVELOPMENT SUCCESSION AGENCY  
OVERSIGHT BOARD APPROVING AND ADOPTING THE RECOGNIZED  
OBLIGATION PAYMENT SCHEDULE FOR JULY 2016 – June 2017

WHEREAS, pursuant to the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) (the “Redevelopment Law”), 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 Nos. 26 and 27 (2011-2012 1<sup>st</sup> Ex. Sess.) enacted as Stats. 2011, 1<sup>st</sup> 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 Redevelopment Law, 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 Redevelopment Law, as reformed by the California Supreme Court in *Matosantos*, provides that on or after February 1, 2012, and until a Recognized Obligation Payment Schedule (“ROPS”) becomes operative, only payments required pursuant to an enforceable obligations payment schedule shall be made; and

WHEREAS, Section 34177(a)(3) of the Redevelopment Law, 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, the California Legislature adopted, and the Governor signed, Assembly Bill No. 1484 enacted as Stats. 2012, ch. 25 (hereinafter AB 1484) into law; and

WHEREAS, the California Legislature adopted, and the Governor signed, Senate Bill 107 enacted as Stats 2015 ch. 325 (hereinafter SB 107) into law; and

WHEREAS, SB 107 requires the Successor Agency to submit to the Los Angeles County Auditor-Controller the ROPS for the twelve (12) month period ending June 30, 2017, for its review before or concurrently with the approval by the Santa Monica Redevelopment Successor Agency Oversight Board (“Oversight Board”); and

WHEREAS, AB 1484 requires the Santa Monica Redevelopment Successor Agency to submit to the State of California Department of Finance the ROPS for the twelve (12) month period ending June 30, 2017, which has been approved by the Oversight Board, no later than February 1, 2016; 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 January 12, 2016, the Successor Agency approved a draft Recognized Obligation Payment Schedule for the period July 2016 – June 2017, inclusive; and

WHEREAS, the Oversight Board has reviewed and duly considered the Recognized Obligation Payment Schedule for the period July 2016 – June 2017, 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 draft Recognized Obligation Payment Schedule for the period July 2016 – June 2017, 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) Submit the Oversight Board approved Recognized Obligation Payment Schedule for the period July 2016 – June 2017 to the Los Angeles County Auditor-Controller for review;
- (2) Submit an electronic copy of the Recognized Obligation Payment Schedule to the State Department of Finance for approval;

- (3) Designate a Successor Agency representative to respond to all questions related to the Recognized Obligation Payment Schedule; and
- (4) Take such other actions and execute such other documents as are appropriate to effectuate the intent of this Resolution and to implement the Recognized Obligation Payment Schedule on behalf of the Oversight Board.

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





**Santa Monica Recognized Obligation Payment Schedule (ROPS 16-17) - Report of Cash Balances**  
**(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	I						
									Fund Sources					
									Bond Proceeds		Reserve Balance		Other	
Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	RPTTF								
<b>Cash Balance Information by ROPS Period</b>														
<b>ROPS 15-16A Actuals (07/01/15 - 12/31/15)</b>														
1	Beginning Available Cash Balance (Actual 07/01/15)													
2	Revenue/Income (Actual 12/31/15) RPTTF amounts should tie to the ROPS 15-16A distribution from the County Auditor-Controller during June 2015		2,262,615		3,383	1,055,287	440,329			The 2011 EQ Bond reserves are included in D1. F1 includes reserves for Bond Trustee Fees from ROPS 14-15B. In G1, we included interest income of \$49,022 from ROPS 14-15A, \$49,325 in interest income from ROPS 14-15B, and \$686,920 in Other Funds unencumbered after the retirement of 2002 Ocean Park Bonds.				
3	Expenditures for ROPS 15-16A Enforceable Obligations (Actual 12/31/15)					310	18,122,349			\$310 in Interest Income during ROPS 15-16A period.				
4	Retention of Available Cash Balance (Actual 12/31/15) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)				3,383	49,022	11,690,757			In G3, \$49,022 in Other Funds from prior period used to pay portion of Collective Bargaining costs. In F9, \$3,383 in ROPS 14-15B RPTTF reserves used to pay EQ Bond Trustee Fees.				
5	ROPS 15-16A RPTTF Balances Remaining						6,475,307							
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ 2,262,615	\$ -	\$ -	\$ 1,006,555	\$ 237,839			158,776 PPA for 15-16A ROPS period				
<b>ROPS 15-16B Estimate (01/01/16 - 06/30/16)</b>														
7	Beginning Available Cash Balance (Actual 01/01/16) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ -	\$ 2,262,615	\$ -	\$ 6,475,307	\$ 1,006,555	\$ 396,615							
8	Revenue/Income (Estimate 06/30/16) RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016						12,565,888							
9	Expenditures for ROPS 15-16B Enforceable Obligations (Estimate 06/30/16)				6,475,307	856,920	12,823,727			In G9, \$956,920 in Other Funds from prior period used to pay portion of Bank of America loan payment. In F9, \$6,475,306 in ROPS 15-16A RPTTF reserves used to pay 2006 & 2011 EQ Bond payments, and Wells Fargo loan payment.				
10	Retention of Available Cash Balance (Estimate 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)													
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ -	\$ 2,262,615	\$ -	\$ (0)	\$ 49,635	\$ 158,776							



Adopted and approved this 19<sup>th</sup> day of January, 2016.

  
\_\_\_\_\_  
Paul Silvern, Chair  
Successor Agency Oversight Board

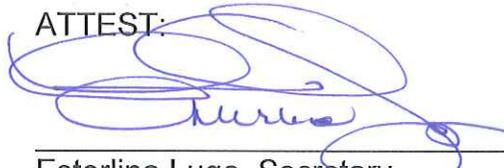
I, Esterlina Lugo, Secretary to the Successor Agency Oversight Board, do hereby certify that the foregoing Resolution No. 35 (SAS-Oversight Board) was duly adopted at a meeting of the Oversight Board meeting held on the 19<sup>th</sup> day of January, 2016, by the following vote:

AYES: Board Members Dijkstra, Girard, Kanschat, Maez, Varon, Chair Silvern

NOES: None

ABSENT: Vice-Chair Moran

ATTEST:

  
\_\_\_\_\_  
Esterlina Lugo, Secretary  
Successor Agency Oversight Board