

RESOLUTION NO. 45

RESOLUTION OF THE LOS ANGELES COUNTY THIRD SUPERVISORIAL DISTRICT CONSOLIDATED OVERSIGHT BOARD APPROVING THE AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY TO THE CITY OF SANTA MONICA FOR THE PERIOD JANUARY 1, 2019 THROUGH JUNE 30, 2019

WHEREAS, pursuant to ABx 1 26, enacted on June 28, 2011, and as subsequently amended by AB 1484, SB 341, and SB 107 ("Dissolution Act"), the Redevelopment Agency to the City of Santa Monica was dissolved as of February 1, 2012, and the City of Santa Monica elected to serve as the Successor Agency to the former Redevelopment Agency to the City of Santa Monica ("Successor Agency"); and

WHEREAS, pursuant to Health and Safety Code Section 34179 (q), commencing on and after July 1, 2018, the County of Los Angeles, where more than 40 oversight boards were created by the Dissolution Act, shall have five consolidated oversight boards each encompassing the five supervisorial districts; and

WHEREAS, the Third Supervisorial District Consolidated Oversight Board ("Third District Consolidated Oversight Board") has jurisdiction over the Successor Agency; 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 ("ROPS") may be made by the Successor Agency from the funds specified in the Recognized Obligation Payment Schedule; and

WHEREAS, Section 34177(o) of the Health and Safety Code requires that the Successor Agency submit an oversight board-approved ROPS to the Department of Finance ("DOF") and County Auditor-Controller ("CAC") no later than February 1 of each year, commencing February 1, 2016; and

WHEREAS, Section 37177(o) of the Health and Safety Code allows one amendment to ROPS approved by the DOF, if the oversight board makes a finding that a revision is necessary for the payment of approved enforceable obligations during the second one-half of the ROPS period, which is defined as January 1 to June 30, inclusive; and

WHEREAS, the revised ROPS must be approved by the oversight board and submitted to the DOF no later than October 1; and

WHEREAS, the Successor Agency submitted an oversight board-approved ROPS to the Department of Finance (“DOF”) and County Auditor-Controller (“CAC”) for FY 2018-19 no later than February 1, 2018; and

WHEREAS, the FY 2018-19 ROPS was approved by the CAC and DOF; and

WHEREAS, one of the enforceable obligations on the FY 2018-19 ROPS consists of a Bank of America loan with floating interest rate payments, which could not be determined with certainty at the time the FY 2018-19 ROPS was approved by the DOF; and

WHEREAS, interest rates have risen faster than anticipated at the time the FY 2018-19 ROPS was approved by the DOF; and

WHEREAS, the Successor Agency has proposed a revision to increase the payment on the FY 2018-19 ROPS of the Bank of America enforceable obligation from \$1,830,492 to \$2,331,331, due to the change in interest rates since the DOF’s approval of the FY 2018-19 ROPS; and

WHEREAS, the Third District Consolidated Oversight Board held a regular meeting on September 24, 2018 to consider the Successor Agency’s request for a revision to the FY 2018-19 ROPS; and

WHEREAS, after considering the oral and written testimony presented at the September 24, 2018 hearing, the Third District Consolidated Oversight Board finds that the proposed revision is necessary for the approval of the Bank of America enforceable obligation; and

WHEREAS, under Title 14 of the California Code of Regulations, Section 15061(b)(3), the approval of the revision to the FY 2018-19 ROPS is exempt from the requirements of the California Environmental Quality Act (“CEQA”), in that it can be seen with certainty that there is no possibility that the revision to the FY 2018-19 ROPS will have any significant effect on the environment.

NOW THEREFORE, THE LOS ANGELES COUNTY THIRD SUPERVISORIAL DISTRICT CONSOLIDATED OVERSIGHT BOARD DOES HEREBY RESOLVE AND FIND AS FOLLOWS:

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

SECTION 2. The Third District Consolidated Oversight Board hereby finds that the Successor Agency’s proposed revision to increase the payment to Bank of America from \$1,830,492 to \$2,331,331 is necessary for the approval of the Bank of America enforceable obligation; and approves and adopts the amended Recognized Obligation Payment Schedule for the period January 2019 – June 2019, inclusive, attached hereto as Exhibit 1 (referenced hereinafter as “the Recognized Obligation Payment Schedule”).

SECTION 3. The Third District Consolidated Oversight Board authorizes the Successor Agency to:

- (1) Submit the amended Recognized Obligation Payment Schedule for the period January 2019 – June 2019, inclusive, to the Department of Finance; and

(2) Take such other actions and execute such other documents as are appropriate to effectuate the intent of this Resolution.

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

PASSED, APPROVED AND ADOPTED this 24th day of September, 2018, by the following vote:

Ayes: J. GORDON; J. HEILMAN; C. HOUWEN; K. KING; S. KOFFROTH
M. LAN; P. SILVERN

Noes: NONE

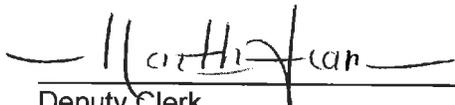
Abstain: NONE

Absent: NONE



Third Supervisorial District
Consolidated Oversight Board, Chair

ATTEST:



Deputy Clerk

Exhibit 1
Amended Recognized Obligation Payment Schedule (ROPS 18-19B)

Amended Recognized Obligation Payment Schedule (ROPS 18-19B) - Summary

Filed for the January 1, 2019 through June 30, 2019 Period

Successor Agency: Santa Monica
 County: Los Angeles

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	ROPS 18-19B Authorized Amounts	ROPS 18-19B Requested Adjustments	ROPS 18-19B Amended Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ 3,300,000	\$ -	\$ 3,300,000
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	3,300,000	-	3,300,000
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 5,130,492	\$ 500,839	\$ 5,631,331
F RPTTF	5,130,492	500,839	5,631,331
G Administrative RPTTF	-	-	-
H Current Period Enforceable Obligations (A+E):	\$ 8,430,492	\$ 500,839	\$ 8,931,331

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.

John Heilman
 Name Title
 /s/ John Heilman 9/24/18
 Signature Date

Santa Monica Amended Recognized Obligation Payment Schedule (ROPS 18-19B) - ROPS Detail

January 1, 2019 through June 30, 2019

(Report Amounts in Whole Dollars)

Item #	Project Name/Debt Obligation	Obligation Type	Total Outstanding Balance	AUTHORIZED AMOUNTS					Total	REQUESTED ADJUSTMENTS					Total	Notes
				Fund Sources						Fund Sources						
				Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
			\$ 381,730,678	\$ -	\$ -	\$ 3,300,000	\$ 5,130,492	\$ -	\$ 8,430,492	\$ -	\$ -	\$ -	\$ 500,839	\$ -	\$ 500,839	
1	2011 Earthquake RDA Bonds	Bonds Issued After 12/31/10	\$ 84,709,509	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
2	2006 Earthquake RDA Series A Bonds	Bonds Issued On or Before 12/31/10	\$ 52,468,281	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
5	2011 Earthquake RDA Bonds (Reserve)	Reserves	\$ -	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
9	1981 CDBG Promissory Note	City/County Loans After 6/27/11	\$ -	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
10	1983 CDBG Promissory Note	City/County Loans After 6/27/11	\$ -	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
11	Collective Bargaining Units (EPP, MTA, ATA, MEA) Costs	Unfunded Liabilities	\$ -	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
13	Bank of America Term Loan	Third-Party Loans	\$ 31,818,182	-	-	-	1,830,492	-	\$ 1,830,492	-	-	-	500,839	-	\$ 500,839	Increase to account for adjustable interest rate.
14	Civic Center Joint Use Agreement	Miscellaneous	\$ -	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
15	Ocean Park Lease	OPA/DDA/Construction	\$ -	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
16	1978 Promissory Notes	City/County Loan (Prior 06/28/11), Property transaction	\$ 8,338,557	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
17	2003 Promissory Note A	City/County Loan (Prior 06/28/11), Property transaction	\$ 26,501,168	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
18	2003 Promissory Note B	City/County Loan (Prior 06/28/11), Property transaction	\$ 13,991,989	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
23	Low-Mod Housing for Seniors	Miscellaneous	\$ -	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
24	Arizona and 4th Notes	Miscellaneous	\$ 81,600,000	-	-	3,300,000	-	-	\$ 3,300,000	-	-	-	-	-	\$ -	
30	Successor Administrative Cost Allowance	Admin Costs	\$ 639,873	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
34	Bond Trustee Fees- 2011 Earthquake RDA Bonds	Fees	\$ 51,819	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
35	Bond Trustee Fees- 2006 Earthquake RDA Series A Bonds	Fees	\$ 11,300	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
40	Arizona and 4th-Reimbursement Agreement	Miscellaneous	\$ 81,600,000	-	-	-	3,300,000	-	\$ 3,300,000	-	-	-	-	-	\$ -	
41	Affordable Housing-2711-2713 Pico Blvd.	Improvement/Infrastructure	\$ -	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	