

Resolution No. 18-010

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH OVERSIGHT OF THE SUCCESSOR AGENCY TO THE MISSION VIEJO REDEVELOPMENT AGENCY APPROVING AN AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE 18-19B FISCAL PERIOD OF JANUARY 1, 2019 TO JUNE 30, 2019, SUBJECT TO SUBMITTAL TO, AND REVIEW BY, THE STATE DEPARTMENT OF FINANCE UNDER CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85, AND AUTHORIZING THE POSTING AND TRANSMITTAL THEREOF

WHEREAS, the Mission Viejo Redevelopment Agency (“former Agency”) previously was a public body, corporate and politic formed, organized, existing and exercising its powers under the California Community Redevelopment Law, Health and Safety Code, Section 33000, *et seq.*, and was formed by the City Council (“City Council”) of the City of Mission Viejo (“City”); and

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and wind down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and by other subsequent legislation (“Dissolution Law”); and

WHEREAS, unless otherwise stated in this resolution, statutory references are to the California Health and Safety Code, Dissolution Law; and

WHEREAS, as of February 1, 2012, the former Agency was dissolved under the Dissolution Law, and as a separate public entity, corporate and politic under Section 34171(g), the Successor Agency to the Mission Viejo Redevelopment Agency (“Mission Viejo Successor Agency”) administers the enforceable obligations of the former Agency and otherwise unwinds the former Agency’s affairs; and

WHEREAS, prior to July 1, 2018 under the Dissolution Law, in particular Sections 34179 and 34180, all Mission Viejo Successor Agency actions were subject to the review and approval by a local seven-member oversight board, which oversaw and administered the Mission Viejo Successor Agency’s activities during the period from dissolution until June 30, 2018; and

WHEREAS, as of, on and after July 1, 2018 under the Dissolution Law, in particular Section 34179(j), in every California county there shall be only one oversight board that is staffed by the county auditor-controller, with certain exceptions that do not apply here; and

WHEREAS, as of, on and after July 1, 2018 Section 34179(j) established the single Orange Countywide Oversight Board, which serves as the oversight board to the 25 successor agencies existing and operating in Orange County, including the Mission Viejo Successor Agency; and

WHEREAS, every oversight board, both the prior local oversight board and this newly

established Orange Countywide Oversight Board, has fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues under the Dissolution Law, in particular Section 34188; and

WHEREAS, Sections 34177(m), 34177(o) and 34179 provide that each Recognized Obligation Payment Schedule ("ROPS") is submitted to, reviewed and approved by the successor agency and then reviewed and approved by the oversight board before final review and approval by the State of California, Department of Finance ("DOF"); and

WHEREAS, Section 34177(o)(1)(E) authorizes that "[o]nce per period, and no later than October 1, a successor agency may submit one amendment to the [ROPS] approved by the department pursuant to this subdivision, 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 shall be defined as January 1 to June 30, inclusive. A successor agency may only amend the amount requested for payment of approved enforceable obligations. The revised [ROPS] shall be approved by the oversight board and submitted to the department by electronic means in a manner of the department's choosing. The department shall notify the successor agency and the county auditor-controller as to the outcome of the department's review at least 15 days before the date of the property tax distribution." and;

WHEREAS, the DOF previously denied ROPS line item 4, in both the ROPS 17-18 and 18-19 and reclassified this line item as payable under the annual Administrative Cost Allowance; and

WHEREAS, under a Settlement Agreement executed on August 13, 2018, the DOF agrees to reverse its reclassification of line item 4 in the amount of \$16,500 for both ROPS 17-18 and 18-19 and approve line item 4 as an enforceable obligation as long as payments under this line item are for property tax review required by Section 4.09 of the Pledge Agreement dated May 1, 1999; and

WHEREAS, ROPS line item 4, is related to services necessary to calculate the property tax increment payment dedicated to the 1999 Variable Rate Demand Revenue Bonds debt service payment obligated under a Pledge Agreement between the former Agency and the Mission Viejo Community Development Financing Authority and listed as ROPS line item 1; and

WHEREAS, the Mission Viejo Successor Agency confirms that expenditures related to line item 4 are expressly for the Agency's property tax review required by Section 4.09 of the Pledge Agreement dated May 1, 1999; and

WHEREAS, the Mission Viejo Successor Agency has prepared and desires to submit an amended ROPS 18-19B to correct the DOF's previous reclassification of line item 4 and obtain approval of funding of line item for ROPS 17-18 and 18-19 fiscal periods in the amount of \$33,000; and

WHEREAS, the Mission Viejo Successor Agency approved the Amended ROPS 18-19B for fiscal period January 1, 2019 to June 30, 2019 at a meeting held on August 28, 2018 by Resolution 18-02; and

WHEREAS, the Amended ROPS 18-19B, in the form required by DOF, is attached as Attachment A, and attachment is fully incorporated by this reference; and

WHEREAS, the Orange Countywide Oversight Board has reviewed the Mission Viejo Successor Agency's amendment of ROPS 18-19B, and desires to make certain findings, including: (i) amendment is necessary to pay a DOF approved enforceable obligation on ROPS 18-19 during the "B" fiscal period as agreed to under the Settlement Agreement executed on August 13, 2018, (ii) Amended ROPS 18-19B is approved, (iii) Mission Viejo Successor Agency or City staff is authorized to post Amended ROPS 18-19B on the City's website: (<http://www.cityofmissionviejo.org>), and (iv) staff is directed to transmit Amended ROPS 18-19B to the DOF, with copies to the County of Orange Administrative Officer, the County of Orange Auditor-Controller, and the State Controller's Office pursuant to the Dissolution Law;

NOW, THEREFORE, BE IT RESOLVED THAT THE ORANGE COUNTYWIDE OVERSIGHT BOARD does hereby resolve as follows:

Section 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

Section 2. The Orange Countywide Oversight Board hereby finds the revision set forth in Amended ROPS 18-19B for funds to be distributed from the Redevelopment Property Tax Trust Fund ("RPTTF") for the fiscal period January 1, 2019 to June 30, 2019 is necessary to pay a DOF approved enforceable obligation for such ROPS 18-19B period; in particular, the amendment is to correct line item 4. to \$33,000, which is an amount equal to the cost for annual review of Net Property Tax Increment Revenues under Section 4.09 of the Pledge Agreement for both FY 2017/18 and 2018/19.

Section 3. Under the Dissolution Law, the Orange Countywide Oversight Board approves Amended ROPS 18-19B (Attachment A); provided however, that the Amended ROPS 18-19B is approved subject to the condition that such amended ROPS is to be submitted to and reviewed by the DOF. Further, the City's Director of Administrative Services and her authorized designees, in consultation with legal counsel, shall be authorized to discuss this matter with the DOF and make augmentations, modifications, additions or revisions as may be necessary or directed by DOF.

Section 4. Orange Countywide Oversight Board authorizes transmittal of Amended ROPS 18-19B, to the DOF with copies to the Orange County Executive Officer, Orange County Auditor-Controller, and State Controller's Office.

Section 5. The City's Director of Administrative Services (and her authorized designees) is directed to post this Resolution, including the Amended ROPS 18-19B, on the City's website (www.cityofmissionviejo.org) pursuant to the Dissolution Law.

Section 6. Under Section 34179(h) written notice and information about certain actions taken by the Orange Countywide Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF's choosing. The Orange Countywide Oversight Board's action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

Section 7. The Clerk of the Orange Countywide Oversight Board shall certify to the adoption of this Resolution.

The foregoing was passed and adopted by the following vote of the Orange Countywide Oversight Board on Tuesday, September 18, 2018:

YES: Board Members: CHRIS GAARDER, STEVE FRANKS, DEAN WEST,
CHARLES BARFIELD, PHILLIP E. YARBROUGH,
STEVE JONES, BRIAN PROBOLSKY

NOES:
EXCUSED:
ABSTAINED:




BRIAN PROBOLSKY
CHAIRMAN

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ANTHONY KUO, Clerk of the Orange Countywide Oversight Board, Orange County, California, hereby certify that a copy of this document has been delivered to the Chairman of the Board and that the above and foregoing Resolution was duly and regularly adopted by the Orange Countywide Oversight Board.

IN WITNESS WHEREOF, I have hereto set my hand.



ANTHONY KUO
Clerk
Orange Countywide Oversight Board

Resolution No: 18-010

Agenda Date: Tuesday, September 18, 2018

Item No: 9c

Amended Recognized Obligation Payment Schedule (ROPS 18-19B) - Summary
 Filed for the January 1, 2019 through June 30, 2019 Period

Successor Agency: Mission Viejo
 County: Orange

	ROPS 18-19B		ROPS 18-19B		ROPS 18-19B	
	Authorized Amounts	Requested Adjustments	Requested Adjustments	Amended Total	Amended Total	Amended Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ 126,122	\$ -	\$ -	\$ 126,122		
B Bond Proceeds	-	-	-	-		
C Reserve Balance	119,022	-	-	119,022		
D Other Funds	7,100	-	-	7,100		
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 759,828	\$ 33,000	\$ 33,000	\$ 792,828		
F RPTTF	634,828	33,000	33,000	667,828		
G Administrative RPTTF	125,000	-	-	125,000		
H Current Period Enforceable Obligations (A+E):	\$ 885,950	\$ 33,000	\$ 33,000	\$ 918,950		

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.

Brian Problosky Chairman
 Name Brian Problosky Title
 /s/ [Signature] Date 9-20-2018
 Signature Date