

**OVERSIGHT BOARD MEETING**  
**OF THE FORMER REDEVELOPMENT AGENCY**  
**OF THE CITY OF SANTA CLARITA**

**April 26, 2012**

**11:00 a.m.**

**Century Conference Room**  
**23920 Valencia Boulevard**  
**Santa Clarita, CA 91355**

**AGENDA**

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In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Redevelopment Division at (661) 286-4141. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 35.102-35.104 ADA Title II)

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**I. CALL TO ORDER**

1. Welcome and Introductions – Arminé Chaparyan, Redevelopment Manager
2. Successor Agency Attorney Message – Greg Murphy, Partner, Burke, Williams & Sorenson, LLC.
3. Oath of Office – Sarah Gorman, City Clerk
4. Brown Act Overview – Sarah Gorman, City Clerk

**II. FLAG SALUTE**

**III. ROLL CALL**

**IV. APPROVAL OF AGENDA**

**V. APPROVAL OF MINUTES - none**

**VI. NEW BUSINESS**

**1. ELECTION OF OFFICERS**

Oversight Board members need to elect a Chairperson and Vice Chairperson. Upon the conclusion of the election, the Chairperson will take their seat at the head of the dais and conduct the meeting. Additionally, the Oversight Board needs to select a Public Official to serve as the contact person from the Successor Agency Staff to communicate Oversight Board actions to the Department of Finance.

Recommended Action:

Conduct an election for Chairperson and Vice Chairperson; adopt a resolution designating a Chairperson, Vice Chairperson, and Public Official transmitting the information to the Department of Finance; and direct Successor Agency staff to transmit the resolution to the Department of Finance.

## **2. DATE AND TIME FOR FUTURE MEETINGS**

It is proposed that the Oversight Board meet on the third Tuesday of every month, as needed, at 10:00 a.m. The location will be in the Century Room, located in City Hall, 23920 Valencia Boulevard, Santa Clarita, California.

### Recommended Action

Adopt resolution setting the day, time and location for future Oversight Board meetings.

## **3. ROLES AND RESPONSIBILITIES OF THE OVERSIGHT BOARD**

ABX1 26 outlines the roles and responsibilities of the Oversight Board. The attorney representing the Successor Agency will provide a presentation to the Board.

### Recommended Action

Receive presentation.

## **4. RECOGNIZED OBLIGATION PAYMENT SCHEDULES AND ADMINISTRATIVE BUDGET**

ABX1 26 requires the preparation of a Recognized Obligation Payment Schedule (ROPS) for each six-month period. The ROPS lists enforceable obligations of the Successor Agency and must be approved by the Oversight Board. Additionally, the Successor Agency is allowed an administrative allowance, subject to the approval of the Oversight Board.

### Recommended Action:

Review the ROPS for the period of January 1, 2012 – June 30, 2012 and July 1, 2012 – December 30, 2012; adopt a resolution approving the ROPS for the period of January 1, 2012 – June 30, 2012 and July 1, 2012 – December 31, 2012 and the administrative budget for FY 11-12 and FY 12-13; and direct Successor Agency staff to transmit the approved ROPS documents to the Los Angeles County Auditor-Controller, the State Controller, and the State Department of Finance.

## **VII. PUBLIC PARTICIPATION**

This time has been set aside for the public to address the Board on items that are NOT on the agenda. The Board will not act upon those items at this meeting, other than to review and return without action, or provide direction to staff. ALL speakers must submit a speaker's slip to the Meeting Clerk PRIOR to this portion of the meeting, and prepare a presentation not to exceed three (3) minutes.

## **VIII. STAFF COMMENTS**

## **IX. ADJOURNMENT**

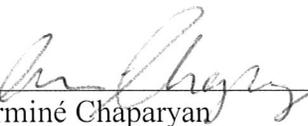
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Complete packets are available for public inspection at City Hall. Any writings or documents distributed to a majority of the members of the Oversight Board regarding any open session item on this agenda will be made available for public inspection in City Hall, Suite 302 located at 23920 Valencia Boulevard, during normal business hours. These writings or documents will also be available for review at the meeting. Thank you for attending the Oversight Board meeting. If you have any questions or wish to know more about the Successor Agency or the Oversight Board, please call (661) 286-4141 Monday through Thursday, 7:30 a.m. to 5:30 p.m. and Fridays 8:00 a.m. to 5:00 p.m.

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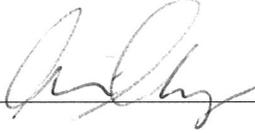
### CERTIFICATION

I, *Arminé Chaparyan*, do hereby certify that I am the duly appointed and qualified *Redevelopment Manager* for the Successor Agency of the former Redevelopment Agency of the City of Santa Clarita, and that on *April 23, 2012*, between the hours of 9:00 a.m. and 5:00 p.m., the foregoing agenda was posted at City Hall, Santa Clarita Library, Valencia Branch, and the Santa Clarita Sheriff's Station.

  
\_\_\_\_\_  
Arminé Chaparyan  
Redevelopment Manager  
Santa Clarita, California

**OVERSIGHT BOARD  
OF THE FORMER REDEVELOPMENT AGENCY  
OF THE CITY OF SANTA CLARITA**

**AGENDA REPORT**

Approved By:  \_\_\_\_\_

Presented By: Arminé Chaparyan

DATE: April 26, 2012

SUBJECT: ELECTION OF OFFICERS

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Recommended Action:

Conduct an election for Chairperson and Vice Chairperson; adopt a resolution designating a Chairperson, Vice Chairperson, and Public Official transmitting the information to the Department of Finance; and direct Successor Agency staff to transmit the resolution to the Department of Finance.

Background:

Section 34179(a) requires that each Successor Agency have an Oversight Board composed of seven members. The members of the Oversight Board are required to elect one of their members as the Chairperson. Successor Agency staff recommends also electing a Vice Chairman in the event that the Chair is absent from a meeting. A list of all Oversight Board members and those appointed to Chairperson and Vice Chairperson must be reported to the Department of Finance by May 1, 2012.

Section 34179(h) requires that the Oversight Board designate an official for the Department of Finance to contact in the event of questions or requests for review of Oversight Board actions. The Redevelopment Manager of the City of Santa Clarita, Arminé Chaparyan, has agreed to accept the responsibility for transmitting the required information and responding to inquiries from the Department of Finance.

Fiscal Impact:

There is no fiscal impact as a result of this item.

Attachments:

Resolution

AC:DC:ms

RESOLUTION 12- \_\_\_\_\_

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY  
TO THE FORMER REDEVELOPMENT AGENCY OF THE  
CITY OF SANTA CLARITA, CALIFORNIA, NAMING THE CHAIRPERSON AND  
VICE CHAIRPERSON FOR THE OVERSIGHT BOARD AND DESIGNATING A  
POINT OF CONTACT FOR THE DEPARTMENT OF FINANCE

WHEREAS, Assembly Bill 1X 26 (“AB 26”) and AB 1X 27 (“AB 27”) were passed by the State Legislature on June 15, 2011 and signed by the Governor on June 28, 2011.

WHEREAS, Among other things, AB 26 amends Sections 33500, 33501, 33607.5, and 33607.7 of the Health and Safety Code and adds Part 1.8 and Part 1.85 to the California Health and Safety Code,

WHEREAS, On August 11, 2011, the California Supreme Court granted a stay to prevent the operation of AB 26 and AB 27 (“Stay”), except for Part 1.8 of the Health and Safety Code (Health and Safety Code §§ 34161-34167).

WHEREAS, On August 17, 2011, the California Supreme Court modified the Stay to exclude Part 1.8 of the Health and Safety Code (Health and Safety Code §§34161-34169.5) and Health and Safety Code Section 34194(b)(2) (“Modified Stay”).

WHEREAS, On December 29, 2011, the California Supreme Court issued its final opinion in the California Redevelopment Association et al v. Matosantos et al and upheld AB 26 as constitutional, freezing redevelopment activities and dissolving redevelopment agencies statewide; and struck down as unconstitutional AB 27 that would have allowed continued operation of redevelopment agencies by making certain voluntary remittance payments.

WHEREAS, By enactment of Part 1.85, the Redevelopment Agency of the City of Santa Clarita was dissolved on February 1, 2012 such that the Agency shall be deemed as a former redevelopment agency under Health and Safety Code Section 34173(a).

WHEREAS, The City of Santa Clarita assumed the responsibility of the Successor Agency for the former Redevelopment Agency of the City of Santa Clarita upon dissolution of the Redevelopment Agency.

WHEREAS, Section 34179 establishes an Oversight Board composed of seven members to oversee the wind down of redevelopment agencies.

WHEREAS, Ken Striplin was appointed by the Mayor of the City of Santa Clarita to represent the former employees of the former Redevelopment Agency; Darren Hernandez was appointed by the Mayor of the City of Santa Clarita ; Michael Clear was appointed by the Los Angeles County Office of Education; Sharlene Coleal was appointed by the California Community Colleges District; John Dortch was appointed by the Los Angeles County Board of Supervisors to represent Los Angeles County; and Los Angeles County has informed Successor Agency Staff that the remaining two appointments will be made in a timely fashion.

WHEREAS, the Oversight Board of the Successor Agency to the Former Redevelopment Agency of the City of Santa Clarita (“Oversight Board”) is directed pursuant to AB 26 to elect a member of the Oversight Board to act as Chairman.

WHEREAS, the Oversight Board is also being requested to elect a member of the Oversight Board to serve as Vice Chairman in the event that the Chair is unable to attend a meeting in the future.

WHEREAS, the Oversight Board is directed pursuant to AB 26 to select an official to whom the Department of Finance may contact with questions related to Oversight Board Actions.

WHEREAS, on April 26, 2012 the Oversight Board, with a quorum of members, conducted an election for Chairperson and Vice Chairperson.

WHEREAS, the Redevelopment Manager of the City of Santa Clarita has agreed to address inquiries from the Department of Finance.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Former Redevelopment Agency of the City of Santa Clarita does hereby resolve as follows:

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

SECTION 2. Oversight Board member \_\_\_\_\_ has been elected to be the Chairperson of the Oversight Board.

SECTION 3. Oversight Board member \_\_\_\_\_ has been elected to be the Vice Chairperson of the Oversight Board.

SECTION 4. The Oversight Board approves and authorizes the Redevelopment Manager of the City of Santa Clarita, or designee, to address inquiries from the Department of Finance.

SECTION 5. This resolution shall take effect immediately upon its adoption.

SECTION 6. The Oversight Board Meeting Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this        day of        2012.

\_\_\_\_\_  
Chairperson

ATTEST:

\_\_\_\_\_  
Oversight Board Meeting Clerk

DATE: \_\_\_\_\_

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES       ) ss.  
CITY OF SANTA CLARITA         )

I, Maggi Sanchez, Oversight Board Meeting Clerk, do hereby certify that the foregoing Resolution was duly adopted by the Oversight Board of the Successor Agency to the Former Redevelopment Agency of the City of Santa Clarita at a regular meeting thereof, held on the            day of            2012, by the following vote:

AYES:            OVERSIGHT BOARD MEMBERS:

NOES:           OVERSIGHT BOARD MEMBERS:

ABSENT:         OVERSIGHT BOARD MEMBERS:

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Oversight Board Meeting Clerk

**OVERSIGHT BOARD  
OF THE FORMER REDEVELOPMENT AGENCY  
OF THE CITY OF SANTA CLARITA**

**AGENDA REPORT**

Approved By: \_\_\_\_\_

Presented By: Arminé Chaparyan

DATE: April 26, 2012

SUBJECT: DATE AND TIME FOR FUTURE MEETINGS

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Recommended Action:

Adopt resolution setting the day, time, and location for future Oversight Board meetings.

Background:

An administrative course of action being recommended is for the Oversight Board to set the meeting days, times, and locations. The date will be the third Tuesday of every month, as needed. The time will be 10:00 a.m. The location will be in the Century Room, located in City Hall, 23920 Valencia Boulevard, Santa Clarita, California. Additionally, it may become necessary for the Oversight Board to have special meetings from time to time.

All meetings, whether they are regularly scheduled or considered a special meeting, will be noticed in accordance with the Ralph M. Brown Act, which includes posting the full agenda 72-hours in advance of the meeting. Additionally, AB 26 requires that the Successor Agency also post the information on the Successor Agency's website.

Fiscal Impact:

There is no fiscal impact as a result of this item.

Attachments:

Resolution

AC:DC:ms

RESOLUTION 12- \_\_\_\_\_

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY  
TO THE FORMER REDEVELOPMENT AGENCY OF THE  
CITY OF SANTA CLARITA, CALIFORNIA, ESTABLISHING THE DATE, TIME,  
AND LOCATION OF THE OVERSIGHT BOARD MEETINGS

WHEREAS, Assembly Bill 1X 26 (“AB 26”) and AB 1X 27 (“AB 27”) were passed by the State Legislature on June 15, 2011 and signed by the Governor on June 28, 2011.

WHEREAS, Among other things, AB 26 amends Sections 33500, 33501, 33607.5, and 33607.7 of the Health and Safety Code and adds Part 1.8 and Part 1.85 to the California Health and Safety Code,

WHEREAS, On August 11, 2011, the California Supreme Court granted a stay to prevent the operation of AB 26 and AB 27 (“Stay”), except for Part 1.8 of the Health and Safety Code (Health and Safety Code §§ 34161-34167).

WHEREAS, On August 17, 2011, the California Supreme Court modified the Stay to exclude Part 1.8 of the Health and Safety Code (Health and Safety Code §§34161-34169.5) and Health and Safety Code Section 34194(b)(2) (“Modified Stay”).

WHEREAS, On December 29, 2011, the California Supreme Court issued its final opinion in the California Redevelopment Association et al v. Matosantos et al and upheld AB 26 as constitutional, freezing redevelopment activities and dissolving redevelopment agencies statewide; and struck down as unconstitutional AB 27 that would have allowed continued operation of redevelopment agencies by making certain voluntary remittance payments.

WHEREAS, By enactment of Part 1.85, the Redevelopment Agency of the City of Santa Clarita was dissolved on February 1, 2012 such that the Agency shall be deemed as a former redevelopment agency under Health and Safety Code Section 34173(a).

WHEREAS, The City of Santa Clarita assumed the responsibility of the Successor Agency for the former Redevelopment Agency of the City of Santa Clarita upon dissolution of the Redevelopment Agency.

WHEREAS, the Oversight Board of the Successor Agency to the Former Redevelopment Agency of the City of Santa Clarita (“Oversight Board”) was created as a result of AB 26.

WHEREAS, the Oversight Board has met and conferred to determine a date, time, and location for the Oversight Board meetings.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Former Redevelopment Agency of the City of Santa Clarita does hereby 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 meetings shall be on the third Tuesday of every month at 10:00 a.m.

SECTION 3. The location of the Oversight Board meetings shall be in the Century Room of the City of Santa Clarita City Hall, 23920 Valencia Boulevard, Santa Clarita, California.

SECTION 4. Special meetings may be called by the Chairperson or by four (4) Board members, and notice thereof shall be provided in accordance with the Brown Act.

SECTION 5. This resolution shall take effect immediately upon its adoption.

SECTION 6. The Oversight Board Meeting Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this            day of            2012.

\_\_\_\_\_  
Chairperson

ATTEST:

\_\_\_\_\_  
Oversight Board Meeting Clerk

DATE: \_\_\_\_\_

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) ss.  
CITY OF SANTA CLARITA        )

I, Maggi Sanchez, Oversight Board Meeting Clerk, do hereby certify that the foregoing Resolution was duly adopted by the Oversight Board of the Successor Agency to the Former Redevelopment Agency of the City of Santa Clarita at a regular meeting thereof, held on the            day of            2012, by the following vote:

AYES:            OVERSIGHT BOARD MEMBERS:

NOES:           OVERSIGHT BOARD MEMBERS:

ABSENT:         OVERSIGHT BOARD MEMBERS:

\_\_\_\_\_  
Oversight Board Meeting Clerk

**OVERSIGHT BOARD  
OF THE FORMER REDEVELOPMENT AGENCY  
OF THE CITY OF SANTA CLARITA**

**AGENDA REPORT**

Approved By:  \_\_\_\_\_

Presented By: \_\_\_\_\_ Gregory M Murphy

DATE: April 26, 2012

SUBJECT: ROLES AND RESPONSIBILITIES OF THE OVERSIGHT BOARD

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Recommended Action:

Receive presentation.

Background:

Sections 34179-34181 outline the roles and responsibilities of the Oversight Board. This section of ABX1 26 is attached. Successor Agency Staff has prepared a presentation to review these Sections of the law which will be provided by the legal counsel of the Successor Agency.

Fiscal Impact:

There is no fiscal impact as a result of this item.

Attachments:

ABX1 26 Sections 34179-34181

AC:DC:ms

shall be modified in the manner described in Section 34191. All other dates shall be modified only as necessary to reflect the appropriate fiscal year or portion of a fiscal year.

CHAPTER 4. OVERSIGHT BOARDS

34179. (a) Each successor agency shall have an oversight board composed of seven members. The members shall elect one of their members as the chairperson and shall report the name of the chairperson and other members to the Department of Finance on or before January 1, 2012. Members shall be selected as follows:

- (1) One member appointed by the county board of supervisors.
- (2) One member appointed by the mayor for the city that formed the redevelopment agency.
- (3) One member appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the former redevelopment agency, which is of the type of special district that is eligible to receive property tax revenues pursuant to Section 34188.
- (4) One member appointed by the county superintendent of education to represent schools if the superintendent is elected. If the county superintendent of education is appointed, then the appointment made pursuant to this paragraph shall be made by the county board of education.
- (5) One member appointed by the Chancellor of the California Community Colleges to represent community college districts in the county.
- (6) One member of the public appointed by the county board of supervisors.
- (7) One member representing the employees of the former redevelopment agency appointed by the mayor or chair of the board of supervisors, as the case may be, from the recognized employee organization representing the largest number of former redevelopment agency employees employed by the successor agency at that time.
- (8) If the county or a joint powers agency formed the redevelopment agency, then the largest city by acreage in the territorial jurisdiction of the former redevelopment agency may select one member. If there are no cities with territory in a project area of the redevelopment agency, the county superintendent of education may appoint an additional member to represent the public.
- (9) If there are no special districts of the type that are eligible to receive property tax pursuant to Section 34188, within the territorial jurisdiction of the former redevelopment agency, then the county may appoint one member to represent the public.
- (10) Where a redevelopment agency was formed by an entity that is both a charter city and a county, the oversight board shall be composed of seven members selected as follows: three members appointed by the mayor of the city, where such appointment is subject to confirmation by the county board of supervisors, one member appointed by the largest special district, by

property tax share, with territory in the territorial jurisdiction of the former redevelopment agency, which is the type of special district that is eligible to receive property tax revenues pursuant to Section 34188, one member appointed by the county superintendent of education to represent schools, one member appointed by the Chancellor of the California Community Colleges to represent community college districts, and one member representing employees of the former redevelopment agency appointed by the mayor of the city where such an appointment is subject to confirmation by the county board of supervisors, to represent the largest number of former redevelopment agency employees employed by the successor agency at that time.

(b) The Governor may appoint individuals to fill any oversight board member position described in subdivision (a) that has not been filled by January 15, 2012, or any member position that remains vacant for more than 60 days.

(c) The oversight board may direct the staff of the successor agency to perform work in furtherance of the oversight board's duties and responsibilities under this part. The successor agency shall pay for all of the costs of meetings of the oversight board and may include such costs in its administrative budget. Oversight board members shall serve without compensation or reimbursement for expenses.

(d) Oversight board members shall have personal immunity from suit for their actions taken within the scope of their responsibilities as oversight board members.

(e) A majority of the total membership of the oversight board shall constitute a quorum for the transaction of business. A majority vote of the total membership of the oversight board is required for the oversight board to take action. The oversight board shall be deemed to be a local entity for purposes of the Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act of 1974.

(f) All notices required by law for proposed oversight board actions shall also be posted on the successor agency's Internet Web site or the oversight board's Internet Web site.

(g) Each member of an oversight board shall serve at the pleasure of the entity that appointed such member.

(h) The Department of Finance may review an oversight board action taken pursuant to the act adding this part. As such, all oversight board actions shall not be effective for three business days, pending a request for review by the department. Each oversight board shall designate an official to whom the department may make such requests and who shall provide the department with the telephone number and e-mail contact information for the purpose of communicating with the department pursuant to this subdivision. In the event that the department requests a review of a given oversight board action, it shall have 10 days from the date of its request to approve the oversight board action or return it to the oversight board for reconsideration and such oversight board action shall not be effective until approved by the department. In the event that the department returns the

oversight board action to the oversight board for reconsideration, the oversight board shall resubmit the modified action for department approval and the modified oversight board action shall not become effective until approved by the department.

(i) Oversight boards shall have fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188. Further, the provisions of Division 4 (commencing with Section 1000) of the Government Code shall apply to oversight boards. Notwithstanding Section 1099 of the Government Code, or any other law, any individual may simultaneously be appointed to up to five oversight boards and may hold an office in a city, county, city and county, special district, school district, or community college district.

(j) Commencing on and after July 1, 2016, in each county where more than one oversight board was created by operation of the act adding this part, there shall be only one oversight board appointed as follows:

(1) One member may be appointed by the county board of supervisors.

(2) One member may be appointed by the city selection committee established pursuant to Section 50270 of the Government Code. In a city and county, the mayor may appoint one member.

(3) One member may be appointed by the independent special district selection committee established pursuant to Section 56332 of the Government Code, for the types of special districts that are eligible to receive property tax revenues pursuant to Section 34188.

(4) One member may be appointed by the county superintendent of education to represent schools if the superintendent is elected. If the county superintendent of education is appointed, then the appointment made pursuant to this paragraph shall be made by the county board of education.

(5) One member may be appointed by the Chancellor of the California Community Colleges to represent community college districts in the county.

(6) One member of the public may be appointed by the county board of supervisors.

(7) One member may be appointed by the recognized employee organization representing the largest number of successor agency employees in the county.

(k) The Governor may appoint individuals to fill any oversight board member position described in subdivision (j) that has not been filled by July 15, 2016, or any member position that remains vacant for more than 60 days.

(l) Commencing on and after July 1, 2016, in each county where only one oversight board was created by operation of the act adding this part, then there will be no change to the composition of that oversight board as a result of the operation of subdivision (b).

(m) Any oversight board for a given successor agency shall cease to exist when all of the indebtedness of the dissolved redevelopment agency has been repaid.

34180. All of the following successor agency actions shall first be approved by the oversight board:

(a) The establishment of new repayment terms for outstanding loans where the terms have not been specified prior to the date of this part.

(b) Refunding of outstanding bonds or other debt of the former redevelopment agency by successor agencies in order to provide for savings or to finance debt service spikes; provided, however, that no additional debt is created and debt service is not accelerated.

(c) Setting aside of amounts in reserves as required by indentures, trust indentures, or similar documents governing the issuance of outstanding redevelopment agency bonds.

(d) Merging of project areas.

(e) Continuing the acceptance of federal or state grants, or other forms of financial assistance from either public or private sources, where assistance is conditioned upon the provision of matching funds, by the successor entity as successor to the former redevelopment agency, in an amount greater than 5 percent.

(f) (1) If a city, county, or city and county wishes to retain any properties or other assets for future redevelopment activities, funded from its own funds and under its own auspices, it must reach a compensation agreement with the other taxing entities to provide payments to them in proportion to their shares of the base property tax, as determined pursuant to Section 34188, for the value of the property retained.

(2) If no other agreement is reached on valuation of the retained assets, the value will be the fair market value as of the 2011 property tax lien date as determined by the county assessor.

(g) Establishment of the Recognized Obligation Payment Schedule.

(h) A request by the successor agency to enter into an agreement with the city, county, or city and county that formed the redevelopment agency that it is succeeding.

(i) A request by a successor agency or taxing entity to pledge, or to enter into an agreement for the pledge of, property tax revenues pursuant to subdivision (b) of Section 34178.

34181. The oversight board shall direct the successor agency to do all of the following:

(a) Dispose of all assets and properties of the former redevelopment agency that were funded by tax increment revenues of the dissolved redevelopment agency; provided, however, that the oversight board may instead direct the successor agency to transfer ownership of those assets that were constructed and used for a governmental purpose, such as roads, school buildings, parks, and fire stations, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset. Any compensation to be provided to the successor agency for the transfer of the asset shall be governed by the agreements relating to the construction or use of that asset. Disposal shall be done expeditiously and in a manner aimed at maximizing value.

(b) Cease performance in connection with and terminate all existing agreements that do not qualify as enforceable obligations.

(c) Transfer housing responsibilities and all rights, powers, duties, and obligations along with any amounts on deposit in the Low and Moderate Income Housing Fund to the appropriate entity pursuant to Section 34176.

(d) Terminate any agreement, between the dissolved redevelopment agency and any public entity located in the same county, obligating the redevelopment agency to provide funding for any debt service obligations of the public entity or for the construction, or operation of facilities owned or operated by such public entity, in any instance where the oversight board has found that early termination would be in the best interests of the taxing entities.

(e) Determine whether any contracts, agreements, or other arrangements between the dissolved redevelopment agency and any private parties should be terminated or renegotiated to reduce liabilities and increase net revenues to the taxing entities, and present proposed termination or amendment agreements to the oversight board for its approval. The board may approve any amendments to or early termination of such agreements where it finds that amendments or early termination would be in the best interests of the taxing entities.

#### CHAPTER 5. DUTIES OF THE AUDITOR-CONTROLLER

34182. (a) (1) The county auditor-controller shall conduct or cause to be conducted an agreed-upon procedures audit of each redevelopment agency in the county that is subject to this part, to be completed by March 1, 2012.

(2) The purpose of the audits shall be to establish each redevelopment agency's assets and liabilities, to document and determine each redevelopment agency's passthrough payment obligations to other taxing agencies, and to document and determine both the amount and the terms of any indebtedness incurred by the redevelopment agency and certify the initial Recognized Obligation Payment Schedule.

(3) The county auditor-controller may charge the Redevelopment Property Tax Trust Fund for any costs incurred by the county auditor-controller pursuant to this part.

(b) By March 15, 2012, the county auditor-controller shall provide the Controller's office a copy of all audits performed pursuant to this section. The county auditor-controller shall maintain a copy of all documentation and working papers for use by the Controller.

(c) (1) The county auditor-controller shall determine the amount of property taxes that would have been allocated to each redevelopment agency in the county had the redevelopment agency not been dissolved pursuant to the operation of the act adding this part. These amounts are deemed property tax revenues within the meaning of subdivision (a) of Section 1 of Article XIII A of the California Constitution and are available for allocation and distribution in accordance with the provisions of the act adding this part.

**OVERSIGHT BOARD  
OF THE FORMER REDEVELOPMENT AGENCY  
OF THE CITY OF SANTA CLARITA**

**AGENDA REPORT**

Approved By: \_\_\_\_\_



Presented By: Arminé Chaparyan

DATE: April 26, 2012

SUBJECT: RECOGNIZED OBLIGATION PAYMENT SCHEDULES AND  
ADMINISTRATIVE BUDGETS

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Recommended Action:

Review the ROPS for the period of January 1, 2012 – June 30, 2012 and July 1, 2012 – December 30, 2012; adopt a resolution approving the ROPS for the period of January 1, 2012 – June 30, 2012 and July 1, 2012 – December 31, 2012 and the administrative budget for FY 11-12 and FY 12-13; and direct Successor Agency staff to transmit the approved ROPS documents to the Los Angeles County Auditor-Controller, the State Controller, and the State Department of Finance.

Background:

ABX1 26 required that each Redevelopment Agency prepare and adopt an Enforceable Obligation Payment Schedule (EOPS) which identified all of the Redevelopment Agency's enforceable obligations from August through December 2011. The Redevelopment Agency Board adopted the EOPS on August 23, 2011. Because of the extension of deadlines related to the Supreme Court's ruling in *California Redevelopment Association vs. Matosantos*, the Redevelopment Agency Board adopted an amended EOPS to include payments that were required to be made in the months of January through June 2012. When the Redevelopment Agency dissolved and the Successor Agency took over the responsibilities as outlined in ABX1 26, the EOPS was replaced by the Recognized Obligation Payment Schedule (ROPS).

The ROPS looks similar to the EOPS with few exceptions. The major differences between the ROPS and the EOPS are: the ROPS must identify the source of payment (fund balance, bond proceeds, administrative allowance, etc.) and some agreements listed on the EOPS are statutorily not allowed to be listed on the ROPS, including pass through payments which are now the responsibility of the Los Angeles County Auditor-Controller.

**Recognized Obligation Payment Schedule**

ABX1 26 requires the Successor Agency to prepare a Recognized Obligation Payment Schedule (ROPS) for each six month period. The ROPS essentially serves as an invoice between the

Successor Agency and Los Angeles County (County) and dictates how much former property tax increment will be released by the County for the six-month period to the Successor Agency to pay for enforceable obligations. Only payments listed on the ROPS may be made by the Successor Agency. The Oversight Board is requested to approve two ROPS documents at this time:

- ROPS for the period of January 1 – June 30, 2012; and
- ROPS for the period of July 1 – December 31, 2012.

The Successor Agency was required to prepare a draft ROPS by March 1, 2012. The draft ROPS covering the period of February 1 – June 30, 2012 was approved by the City Council of the City of Santa Clarita, acting in the role of the Successor Agency (“Successor Agency”), on February 28, 2012. On March 2, 2012, the Department of Finance issued guidance stating that the first ROPS must also include payments to be made in the month of January 2012. An amended ROPS was presented to the Successor Agency on April 24, 2012 for consideration to comply with the Department of Finance guidance.

A copy of an approved ROPS for the period of January 1 – June 30, 2012 was required to be submitted to the Department of Finance, the State Controller, and the County Auditor-Controller by April 15, 2012. Successor Agency staff provided the draft ROPS to the appropriate entities by the deadline with a notation that the Oversight Board has not approved the document, nor has it been certified by Los Angeles County as ABX1 26 requires.

Pursuant to Section 34182 as outlined in ABX1 26, the Los Angeles County Auditor-Controller shall conduct or cause to be conducted an agreed-upon procedures audit of each redevelopment agency to be completed by July 1, 2012. One key component of this audit is to certify the initial ROPS for the period of January 1 – June 30, 2012. The County must provide the findings of their audit to the State Controller’s Office by July 15, 2012. Staff has been in contact with the audit firm selected by the County to complete this action and has provided the requested documentation. A field visit with the auditors and Successor Agency Staff is expected to occur within the next two weeks.

The County of Los Angeles Auditor-Controller has requested that the ROPS for the period of July 1 – December 31, 2012 be provided to them by Friday, April 27, 2012 to ensure they meet the June 1 deadline to disperse tax increment funds to Successor Agencies.

#### **Successor Agency Administrative Budget**

The Successor Agency is allowed an administrative allowance, subject to approval by the Oversight Board. This allowance is up to five percent of the property tax within the Newhall Redevelopment Project Area for Fiscal Year 2011-12 and three percent each year thereafter. Pursuant to Section 34171(b), this amount shall not be less than \$250,000 for any fiscal year unless negotiated by the Successor Agency and Oversight Board.

The Successor Agency is requesting \$252,116.16 for its administrative budget for Fiscal Year 2011-12 to cover all costs to administer the distribution of the former Redevelopment Agency’s

assets and to fulfill all other obligations of the former Agency. The proposed administrative budget includes personnel charges and costs related to the preparation for and hosting of meetings for the Oversight Board (including office supplies, printing, and special supplies) for the period of February 1, 2012, to June 30, 2012. A detailed breakdown of the administrative budget and the costs related to the ROPS is attached.

The Successor Agency is requesting \$526,796 for its administrative budget for Fiscal Year 2012-13 to cover all costs to administer the distribution of the former Redevelopment Agency's assets and to fulfill all other obligations of the former Agency. Staff is aware the amount requested exceeds the statutory minimum. However, these are the actual costs that will be incurred to administer the Successor Agency during Fiscal Year 2012-13. By comparison, the Redevelopment Agency's budget of comparable line-items and charges for Fiscal Year 2011-12 totaled \$557,091.

The proposed administrative budget includes personnel charges, costs related to the preparation for and hosting of meetings for the Oversight Board (including office supplies, printing, and special supplies), contractual services, and overhead reimbursements to the City's General Fund (including appraisals, financial advisor, accounting, mail, and technology). A detailed breakdown of the administrative budget is attached.

#### **Approval Process**

The ROPS documents and the administrative budgets are required to be approved by the Oversight Board. After approval by the Oversight Board, the resolution approving the ROPS documents and the administrative budgets will then be transmitted to the Department of Finance, the State Controller's Office and the County Auditor-Controller. Actions taken by the Oversight Board are not effective for three business days, pending a request for review by the Department of Finance. Once a request for review is made, the Department of Finance has 10 days from the date of the request to approve the Oversight Board action or return it to the Oversight Board for reconsideration. The reconsidered action is not valid until it is approved by the Department of Finance. Additionally, this ROPS must also go through the County Auditor-Controller certification process prior to formal approval.

#### Fiscal Impact:

The Successor Agency has sufficient cash on hand in the Redevelopment Retirement Obligation Fund to pay the expenses outlined in the ROPS for the period of January 1 – June 30, 2012, including the administrative budget. This includes funds previously identified as low- and moderate incoming housing funds. Should it be determined that the Successor Agency may not utilize these funds, there will be a fiscal hardship to meet the obligations for this period. Section 34183(b) and 34183(c) allows the Successor Agency to take into account future cash flow issues to ensure enforceable obligations are paid for. The Successor Agency placed \$1,455,352 on the ROPS for January 1 – June 30, 2012 in order to ensure there was enough cash on hand to meet the obligations at the time the bond debt service payments are due.

The ROPS for the period of July 1 – December 31, 2012 outlines a total of \$2,538,849.94 in enforceable obligations. The Successor Agency is requesting, with the Oversight Board's

approval, that \$1,083,497.94 of former tax increment be released by Los Angeles County taking into account the \$1,455,352 requested in the ROPS for January 1 – June 30, 2012 to ensure sufficient funds were available.

Based on an analysis of previous year's receipts of tax increment, Successor Agency Staff is concerned there will not be sufficient property tax increment collected in the former Newhall Project Area and subsequently released to meet all of the obligations listed on the ROPS for the period of July 1 – December 31, 2012 unless the Successor Agency is allowed to utilize the balance of funds that is available in the Redevelopment Retirement Obligation Fund. The funds available in the Redevelopment Retirement Obligation Fund include former low- and moderate-income housing funds.

Staff has prepared a letter and will transmit that letter, with the Oversight Board's approval, to the Los Angeles County Auditor-Controller informing them of this action by the May 1, 2012 deadline. A copy of that letter is attached.

Attachments:

ROPS January 1 – June 30, 2012  
ROPS July 1 – December 31, 2012  
Successor Agency Administrative Budget FY 11-12  
Successor Agency Administrative Budget FY 12-13  
Resolution  
Letter to Los Angeles County Auditor-Controller

AC:DC:ms

Name of Redevelopment Agency: The City of Santa Clarita Redevelopment Agency  
 Project Area(s): Newhall Redevelopment Project Area

**DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE**  
 Per AB 26 - Section 34167 and 34169

Project Name / Debt Obligation	Payee	Description	Source of Funding	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Total
1) Tax Allocation Bonds Series 2008 Housing Set-Aside Tax Alloc. Bonds Series 2/2008	Bank of New York	Bonds issued to fund redevelopment projects	Tax Increment Revenue *	55,840,758.80	1,781,648.00			668,974.25			1,118,974.00	\$ 1,787,948.25
2) City Loan	Bank of New York	Bonds issued to fund low and moderate income housing projects and programs	Tax Increment Revenue *	16,701,107.21	530,256.00			201,377.87			336,378.00	\$ 537,755.87
3) City Loan entered into on 12/08/09	City of Santa Clarita	Loan for public works project	Tax Increment Revenue	13,042,370.52	823,778.41		823,778.41					\$ 823,778.41
4) City Loan entered into on 6/25/10	City of Santa Clarita	Loan for public works project	Tax Increment Revenue	2,670,688.70	1,505,352.45						1,505,352.45	\$ 1,505,352.45
5) City Loan entered into on 6/25/10	City of Santa Clarita	Loan for public works project	Tax Increment Revenue	2,384,163.20	1,343,849.84						1,343,849.84	\$ 1,343,849.84
6) Successor Agency Employment Costs	Employees of Agency	Payroll costs for Successor Agency employees	Tax Increment Revenue (Admin. Cost Allowance)	161,821.56	161,821.56		32,364.31	32,364.31			32,364.31	\$ 161,821.55
7) Successor Agency Administrative Costs	City of Santa Clarita	Misc. administrative Successor Agency costs	Tax Increment Revenue (Admin. Cost Allowance)	90,294.60	90,294.60		18,058.92	18,058.92			18,058.92	\$ 90,294.60
8) Redevelopment Agency Employment Costs	Employees of Agency	Payroll costs for Redevelopment Agency employees	Tax Increment Revenue	27,222.56	190,557.92	27,222.56						\$ 27,222.56
9) Redevelopment Agency Administrative Costs	City of Santa Clarita	Misc. administrative Redevelopment Agency costs	Tax Increment Revenue	14,396.32	100,585.24	14,396.32						\$ 14,396.32
10) Contract for Audit Services	Caporicci & Larson, Inc.	Audit services	Tax Increment Revenue	7,600.00	10,341.85			0.00	0.00	7,600.00		\$ 7,600.00
11) Contract for Relocation Services	California Property Specialists, Inc.	Property management and relocation services	Tax Increment Revenue	4,816.25	8,312.50	1,252.50		712.75	712.75	712.75		\$ 4,816.25
12) Contract for Consulting Services	Rosenow Spevacek Group, Inc.	Redevelopment consulting	Tax Increment Revenue	3,360.00	3,855.00		672.00	672.00	672.00	672.00		\$ 3,360.00
13) Contract for Engineering Services	HDR Engineering	Engineering services for the Successor Agency	Tax Increment Revenue	4,145.44	18,524.00		829.09	829.09	829.09	829.09		\$ 4,145.44
14) Contract for Attorney Services	Burke Williams Sorenson Fulbright & Jaworski	Legal Fees	Tax Increment Revenue	33,824.76	50,000.00	2,633.00		6,238.35	6,238.35	6,238.35		\$ 33,824.76
15) Newhall Roundabout	Pacific Coast Land Design	Design Services	Tax Increment Revenue	26,040.90	26,040.90	4,595.00		4,301.18	4,301.18	4,301.18		\$ 26,040.90
16) Newhall Roundabout	MNS Engineering	Engineering services	Tax Increment Revenue	36,620.19	36,620.19	7,324.03		7,324.03	7,324.03	7,324.03		\$ 36,620.19
17) Newhall Roundabout	City of Santa Clarita	Project Management Costs	Tax Increment Revenue	15,000.00	15,000.00	3,410.57		1,989.43	2,500.00	2,500.00		\$ 15,000.00
18) Newhall Roundabout	So. Cal. Edison	Streetlight design and pole relocation	Tax Increment Revenue	115,000.00	115,000.00	23,000.00		23,000.00	23,000.00	23,000.00		\$ 115,000.00
19) Newhall Streetscape PH II	Pacific Coast Land Design	Landscape Design	Tax Increment Revenue	10,829.07	10,829.07	2,165.81		2,165.81	2,165.81	2,165.81		\$ 10,829.07
20) Newhall Streetscape PH II	Bryan Smith Consulting	Landscape Design Review/Inspection	Tax Increment Revenue	5,400.00	5,400.00	1,080.00		1,080.00	1,080.00	1,080.00		\$ 5,400.00
21) Newhall Streetscape PH II	County of Los Angeles	Storm Drain Inspection	Tax Increment Revenue	34,238.00	34,238.00	6,847.60		6,847.60	6,847.60	6,847.60		\$ 34,238.00
22) Metrolink/SCRRA Fencing	STL Landscape	Landscape Construction	Tax Increment Revenue	83,269.00	83,269.00	3,333.33		3,333.33	3,333.33	3,333.33		\$ 83,269.00
23) Metrolink/SCRRA Fencing	City of Santa Clarita	Project Management Costs	Tax Increment Revenue	20,000.00	20,000.00	3,333.33		3,333.33	3,333.33	3,333.33		\$ 20,000.00
Totals - This Page				\$ 91,332,968.08	\$ 6,965,574.53	\$ 56,783.28	\$ 932,295.22	\$ 979,779.50	\$ 1,094,273.36	\$ 1,117,027.38	\$ 4,422,004.06	\$ 6,617,316.81
Totals - Page 2				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand total - All Pages				\$ 91,332,968.08	\$ 6,965,574.53	\$ 56,783.28	\$ 932,295.22	\$ 979,779.50	\$ 1,094,273.36	\$ 1,117,027.38	\$ 4,422,004.06	\$ 6,617,316.81

\*Bond debt service payments due in September 2012 are included in the month of June as they are to be paid from 2011-12 tax increment.

**DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE**  
 Per AB 26 - Section 34167 and 34169

Project Name / Debt Obligation	Payee	Description	Source of Funding	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Monthly Payment Schedule						Total	
						Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12		
1) Tax Allocation Bonds Series 2008	Bank of New York	Bonds issued to fund redevelopment projects	Tax Increment Revenue	55,168,126.58	1,778,948.00								\$ 1,118,974.00
2) Housing Set-Aside Tax Alloc. Bonds Series 2008	Bank of New York	Bonds issued to fund low and moderate income housing projects and programs	Tax Increment Revenue	16,498,629.44	535,056.00								\$ 336,378.00
3) City Loan	City of Santa Clarita	Loan for public works project	Tax Increment Revenue	12,640,486.19	840,113.96								\$ 420,056.98
4) City Loan entered into on 12/08/09	City of Santa Clarita	Loan for public works project	Tax Increment Revenue	1,186,850.53	0.00								\$ -
5) City Loan entered into on 6/22/10	City of Santa Clarita	Loan for public works project	Tax Increment Revenue	1,050,518.58	0.00								\$ -
6) Successor Agency Administrative Costs	Various	Administrative agency costs	Tax Increment Revenue (Admin. Cost Allowance)	526,796.00	526,796.00								\$ 526,796.00
7) Contract for Engineering Services	HDR Engineering	Engineering services for the Successor Agency	Tax Increment Revenue	4,145.00	4,145.00								\$ 4,145.00
8) Newhall Roundabout	So. Cal. Edison	Streetlight design and pole relocation	Tax Increment Revenue	115,000.00	115,000.00								\$ 115,000.00
9) Oversight Board Legal Expenses	T.B.D.	Legal costs associated with actions of the Oversight Board	Tax Increment Revenue	35,000.00	35,000.00								\$ 17,499.96
<b>Totals</b>				<b>\$ 87,234,532.32</b>	<b>\$ 3,835,066.96</b>	<b>\$ 110,573.49</b>	<b>\$ 110,573.49</b>	<b>\$ 1,965,982.47</b>	<b>\$ 110,573.49</b>	<b>\$ 110,573.49</b>	<b>\$ 110,573.49</b>	<b>\$ 110,573.49</b>	<b>\$ 2,538,649.94</b>

**Fiscal Year 2011-12 Successor Agency Budget**

**Funding Source: Successor Agency (Fund 392)**

**Account Numbers: 13403 and 13404**

5001.001	Salaries	\$ 115,029.00
5011.001	Health & Welfare	\$ 14,871.00
5011.002	Life Insurance	\$ 241.00
5011.003	Long-Term Disability	\$ 737.00
5011.004	Medicare	\$ 2,049.00
5011.005	Worker's Comp.	\$ 2,443.00
5011.006	PERS	\$ 24,227.00
5011.007	Deferred Compensation	\$ 1,414.00
5011.010	Supplemental Health	\$ 774.42
5011.011	EAP	\$ 36.14
5101.003	Office Supplies	\$ 1,000.00
5191.001	Travel and Training	\$ 1,500.00
5101.004	Printing	\$ 1,000.00
5161.001	Contractual Services	\$ 13,350.00
5111.001	Special Supplies	\$ 1,500.00
5511.100	Reimbursement to GF	\$ 71,944.60
<b>Total Administrative Allowance</b>		<b>\$ 252,116.16</b>

**Fiscal Year 2012-13 Successor Agency Budget**

<b>Funding Source: Successor Agency</b>			
<b>Account Numbers: 13403 and 13404</b>			
5001.001	Regular Employees	\$	215,993
5011.001	Health & Welfare	\$	26,838
5011.002	Life Insurance	\$	454
5011.003	Long-Term Disability Insurance	\$	1,382
5011.004	Medicare	\$	3,835
5011.005	Worker's Compensation	\$	4,507
5011.006	PERS	\$	45,744
5011.007	Deferred Compensation	\$	2,400
5011.010	Supplemental Health	\$	1,908
5011.011	EAP	\$	65
5101.003	Office Supplies	\$	500
5101.004	Printing	\$	500
5161.001	Contractual Services	\$	35,000
5161.100	Legal Services	\$	35,000
5111.001	Special Supplies	\$	2,000
5511.100	Reimbursement to GF	\$	150,670
<b>Total Administrative Allowance</b>		<b>\$</b>	<b>526,796</b>

RESOLUTION 12- \_\_\_\_\_

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY  
TO THE FORMER REDEVELOPMENT AGENCY OF THE  
CITY OF SANTA CLARITA, CALIFORNIA, APPROVING THE RECOGNIZED  
OBLIGATION PAYMENT SCHEDULE FOR JANUARY 1 – JUNE 30, 2012 AND  
JULY 1 – DECEMBER 31, 2012 AND APPROVING THE SUCCESSOR AGENCY  
ADMINISTRATIVE BUDGET FOR FISCAL YEAR 11-12 AND FISCAL YEAR 12-13

WHEREAS, Assembly Bill 1X 26 (“AB 26”) and AB 1X 27 (“AB 27”) were passed by the State Legislature on June 15, 2011 and signed by the Governor on June 28, 2011.

WHEREAS, Among other things, AB 26 amends Sections 33500, 33501, 33607.5, and 33607.7 of the Health and Safety Code and adds Part 1.8 and Part 1.85 to the California Health and Safety Code,

WHEREAS, On August 11, 2011, the California Supreme Court granted a stay to prevent the operation of AB 26 and AB 27 (“Stay”), except for Part 1.8 of the Health and Safety Code (Health and Safety Code §§ 34161-34167).

WHEREAS, On August 17, 2011, the California Supreme Court modified the Stay to exclude Part 1.8 of the Health and Safety Code (Health and Safety Code §§34161-34169.5) and Health and Safety Code Section 34194(b)(2) (“Modified Stay”).

WHEREAS, On December 29, 2011, the California Supreme Court issued its final opinion in the California Redevelopment Association et al v. Matosantos et al and upheld AB 26 as constitutional, freezing redevelopment activities and dissolving redevelopment agencies statewide; and struck down as unconstitutional AB 27 that would have allowed continued operation of redevelopment agencies by making certain voluntary remittance payments.

WHEREAS, By enactment of Part 1.85, the Redevelopment Agency of the City of Santa Clarita was dissolved on February 1, 2012 such that the Agency shall be deemed as a former redevelopment agency under Health and Safety Code Section 34173(a).

WHEREAS, The City of Santa Clarita assumed the responsibility of the Successor Agency for the former Redevelopment Agency of the City of Santa Clarita upon dissolution of the Redevelopment Agency.

WHEREAS, The Supreme Court also extended and modified certain dates and deadlines for performance obligations listed in Part 1.85 of AB 26 since several critical deadlines passed during the effectiveness of the Stay, including dates for the Recognized Obligation Payment Schedule (“ROPS”), an initial draft of which shall be prepared by the successor agency by March 1, 2012 and presented to the oversight board for approval pursuant to Health and Safety Code Section 34177(l) (“Section 34177(l)”).

WHEREAS, On February 28, 2012, the Successor Agency approved the ROPS for the period of February 1, 2012 – June 30, 2012 pursuant to Section 34177(l).

WHEREAS, On March 2, 2012, the Department of Finance issued a letter to Successor Agencies expressing their desire to have the initial ROPS contain costs incurred in the month of January 2012.

WHEREAS, On April 24, 2012, the Successor Agency was presented an amended ROPS for the period of January 1, 2012 – June 30, 2012 in order to comply with the orders of the Department of Finance.

WHEREAS, Section 34177(l) also provides that the ROPS for the period of January 1- June 30, 2012 shall be reviewed and certified by the County auditor-controller, and that the approved ROPS be posted on the successor agency's website and submitted to the County auditor-controller, the State Controller and the Department of Finance.

WHEREAS, On April 24, 2012, the Successor Agency was presented with an ROPS for the period of July 1, 2012 – December 31, 2012.

WHEREAS, Section 34171(b) allows the Successor Agency an administrative cost allowance of up to 5 percent of the property tax allocated to the Successor Agency for Fiscal Year 11-12 and up to 3 percent each year thereafter provided that the amount shall not be less than two hundred and fifty thousand dollars (\$250,000) for any Fiscal Year.

WHEREAS, The Oversight Board desires to approve the ROPS for the period of January 1, 2012 – June 30, 2012 in the form of the ROPS attached hereto and incorporated by reference herein, as previously approved by the Successor Agency on February 28, 2012 and amended on April 24, 2012.

WHEREAS, The Oversight Board desires to approve the ROPS for the period of July 1, 2012 – December 31, 2012 in the form of the ROPS attached hereto and incorporated by reference herein, as previously approved by the Successor Agency on April 24, 2012.

WHEREAS, The Oversight Board desires to approve the Successor Agency's Administrative Budget for FY 11-12.

WHEREAS, The Oversight Board desires to approve the Successor Agency's Administrative Budget for FY 12-13.

WHEREAS, The Oversight Board is aware that there may be a potential cash flow issue associated with the adoption of the ROPS and it is in the best interest to the holders of the enforceable obligations to alleviate the potential cash flow issue by allowing the Successor Agency to pay costs listed on the ROPS for the period of January 1, 2012 – June 30, 2012 and on the ROPS for the period of July 1, 2012 – December 31, 2012, using available fund balance in the Redevelopment Retirement Obligation Fund, which may include funds that are considered low- and moderate-income housing funds.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Former Redevelopment Agency of the City of Santa Clarita does hereby resolve as follows:

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

SECTION 2. The ROPS for the period of January 1, 2012 – June 30, 2012 attached hereto and incorporated by reference herein, and as previously approved by the Successor Agency, is hereby approved.

SECTION 3. The ROPS for the period of July 1, 2012 – December 31, 2012, attached hereto and incorporated by reference herein, and as previously approved by the Successor Agency, is hereby approved.

SECTION 4. The administrative budget for FY 11-12 attached hereto and incorporated by reference herein, and as previously approved by the Successor Agency, is hereby approved.

SECTION 5. The administrative budget for FY 12-13 attached hereto and incorporated by reference herein, and as previously approved by the Successor Agency, is hereby approved.

SECTION 6. Successor Agency staff is directed to transmit the ROPS to the Los Angeles County Auditor-Controller, the State Controller, and the Department of Finance.

SECTION 7. Successor Agency staff is directed to transmit notice of this action to the Department of Finance.

SECTION 8. This resolution shall take effect immediately upon its adoption.

SECTION 9. The Oversight Board Meeting Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this        day of        2012.

\_\_\_\_\_  
Chairperson

ATTEST:

\_\_\_\_\_  
Oversight Board Meeting Clerk

DATE: \_\_\_\_\_

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) ss.  
CITY OF SANTA CLARITA        )

I, Maggi Sanchez, Oversight Board Meeting Clerk, do hereby certify that the foregoing Resolution was duly adopted by the Oversight Board of the Successor Agency to the Former Redevelopment Agency of the City of Santa Clarita at a regular meeting thereof, held on the            day of            2012, by the following vote:

AYES:            OVERSIGHT BOARD MEMBERS:

NOES:           OVERSIGHT BOARD MEMBERS:

ABSENT:         OVERSIGHT BOARD MEMBERS:

---

Oversight Board Meeting Clerk



City of  
**SANTA CLARITA**

23920 Valencia Boulevard • Suite 300 • Santa Clarita, California 91355-2196  
Phone: (661) 259-2489 • FAX: (661) 259-8125  
[www.santa-clarita.com](http://www.santa-clarita.com)

April 30, 2012

Ms. Wendy Watanabe  
Los Angeles County Auditor-Controller  
Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 525  
Los Angeles, CA 90012

Dear Ms. Watanabe:

Subject: Cash Flow

Pursuant to the discussion at the Town Hall Meetings hosted by Los Angeles County related to the implementation of AB 1X 26, Successor Agencies are to report any cash shortages to the Los Angeles County Auditor-Controller by May 1, 2012.

For the Recognized Obligation Payment Schedule covering the period of July – December 2012, the Successor Agency for the Redevelopment Agency of the City of Santa Clarita (Successor Agency) would potentially have a shortage of funds to pay all enforceable obligations listed on the payment schedule.

To alleviate the potential of a shortfall, the Successor Agency obtained approval of the Oversight Board to utilize funds available in the Successor Agency's Redevelopment Obligation Retirement Fund. The funds that are available may include funds formerly contained in the Low- and Moderate-Income Housing Fund. A copy of the resolution certifying this action is enclosed.

Should you have any questions, please contact me at (661) 286-4141 or [achaparyan@santa-clarita.com](mailto:achaparyan@santa-clarita.com).

Sincerely,

Arminé Chaparyan  
Redevelopment Manager

AC:DC:ms

S:\CD\Redevelopment\Successor Agency\Los Angeles County\Cash Flow Issues v2.doc

Enclosure

cc: Ken Pulskamp, City Manager  
Ken Striplin, Assistant City Manager  
Robert Newman, Acting Director of Community Development  
Darren Hernandez, Deputy City Manager  
Carmen Magana, Finance Manager  
Arlene Barrera, Property Tax Division Chief, Los Angeles County

