

RESOLUTION 12-07

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF SANTA CLARITA, CALIFORNIA, DIRECTING SUCCESSOR AGENCY STAFF TO TRANSMIT A LETTER FROM THE OVERSIGHT BOARD AFFIRMING THE OVERSIGHT BOARD'S INTENTION THAT LOW AND MODERATE INCOME HOUSING FUNDS WERE APPROVED BY THE OVERSIGHT BOARD TO BE USED TO ENSURE ENFORCEABLE OBLIGATIONS WERE PAID

WHEREAS, Health and Safety Code Section 34179.5 requires the Successor Agency to employ a licensed accountant to complete two Due Diligence Reviews of the funds of the former Redevelopment Agency.

WHEREAS, the Successor Agency selected Marcum LLP to complete the Due Diligence Reviews. This selection was approved by the Los Angeles County Auditor Controller as required by Health and Safety Code Section 34179.5.

WHEREAS, Health and Safety Code Section 34179.6(a) requires the Successor Agency to provide the results of the Due Diligence Review to the Oversight Board, the County Auditor-Controller, and State Controller, and the Department of Finance by October 1, 2012.

WHEREAS, the Successor Agency provided the Due Diligence Review for Housing to the Oversight Board, the Los Angeles County Auditor Controller, the State Controller, and the Department of Finance on September 27, 2012.

WHEREAS, the Oversight Board convened a public comment session in accordance with Health and Safety Code Section 34179.6 (b) on October 1, 2012.

WHEREAS, a special meeting of the Oversight Board was held on October 10, 2012 at which time the Oversight Board approved the findings of the Due Diligence Review for Housing by Resolution 12-06.

WHEREAS, on October 11, 2012, notice of the Oversight Board's action in addition to a copy of the approved Due Diligence Review for housing was provided to the Department of Finance, the Los Angeles County Auditor-Controller, and the State Controller's Office.

WHEREAS, on November 9, 2012, the Successor Agency received a letter from the Department of Finance adjusting the balance of former low-and moderate income housing funds available to taxing entities from \$402,766 to \$5,855,293.

WHEREAS, the Successor Agency disagreed with the Department of Finance's determination and requested a Meet and Confer on November 16, 2012.

WHEREAS, a Meet and Confer session was held with the Successor Agency and the Department of Finance on November 30, 2012 as required by AB 1484 and as outlined in the Meet and Confer procedures issued by the Department of Finance.

WHEREAS, on December 15, 2012, the Department of Finance issued their final determination on the Due Diligence Review which included an adjustment from the original projected submission of \$402,766 to \$3,005,293.

WHEREAS, funds in the amount of \$1.8 million that the Department of Finance is requesting to be given to the Los Angeles County Auditor-Controller to be distributed to taxing entities has been spent on obligations in the ROPS 1 and ROPS 2 periods and will be needed for required enforceable obligations during the ROPS 3 period and therefore the Successor Agency does not have the cash available to remit this portion of the total \$3,005,293 demanded by the Department of Finance.

WHEREAS, those funds have specifically been used for the following Oversight Board and Department of Finance approved enforceable obligations in the ROPS 2 (July – December 2012) period: debt service payment for Tax Allocation Bonds Series 2008, Successor Agency administrative costs, and payment to Southern California Edison related to the Newhall roundabout.

WHEREAS, the remainder of those funds are needed to satisfy the following Oversight Board and Department of Finance approved enforceable obligations in the ROPS 3 (January – June 2013) period: Successor Agency administrative costs and unpaid pass through payments.

WHEREAS, at the same time that the Successor Agency is pursuing relief as to the \$1.8 million, it desires to make as full a payment as possible to the Los Angeles County Auditor-Controller so as to reduce the exposure to liability on the part of the City of Santa Clarita and any holder of an enforceable obligation that was paid in part by the disputed funds.

WHEREAS, whether paid now or as part of the non-housing Due Diligence Review process in Spring 2013, all funds in the Redevelopment Obligation Retirement Fund will be transferred to the County Auditor-Controller for distribution to taxing entities.

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 hereby reaffirms the intent of the Board to allow the Successor Agency to utilize any cash available, including funds that may have been considered low- and moderate income housing funds when the Redevelopment Agency was in existence, to ensure that no Oversight Board and Department of Finance approved enforceable obligations are defaulted upon.

SECTION 3. Successor Agency staff is directed to transmit notice of this action to the Department of Finance.

SECTION 4. This resolution shall take effect immediately upon its adoption.

SECTION 5. The Oversight Board Meeting Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of December 2012.



\_\_\_\_\_  
Kenneth W. Striplin  
Chairman

ATTEST:



\_\_\_\_\_  
Helga Deyo  
Oversight Board Meeting Clerk

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

I, Helga Deyo, 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 18th day of December 2012, by the following vote:

AYES: BOARDMEMBERS: COLEAL, DORTCH, HERNANDEZ, KOEGLE,  
SWARTZ, STRIPLIN

NOES: BOARDMEMBERS: NONE

ABSENT: BOARDMEMBERS: HOERBER



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

SENT VIA EMAIL TO [redvelopmentadministration@dof.ca.gov](mailto:redvelopmentadministration@dof.ca.gov)

December 19, 2012

Mr. Steve Szalay  
Local Government Consultant  
Department of Finance  
915 L Street  
Sacramento, CA 95814-3706

SUBJECT: Clarification regarding Oversight Board Action and the Low and Moderate Income Housing Fund Due Diligence Review

Dear Mr. Szalay:

The purpose of this letter is to reaffirm the position of the Oversight Board of the Successor Agency to the former Redevelopment Agency of the City of Santa Clarita (Oversight Board) related to the use of former low- and moderate-income housing funds to ensure that enforceable obligations are paid.

On April 26, 2012, the Oversight Board adopted Resolution 12-03, which is enclosed along with this letter. This resolution states in relevant part:

*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 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.*

We draw your attention to the last two lines: "...using available fund balance in the Redevelopment Retirement Obligation Fund [sic], **which may include funds that are considered low- and moderate-income housing funds.**" This clearly indicates that we were aware of and approved the use of funds that were previously considered to be low- and moderate- income housing funds for the payment of enforceable obligations listed on the ROPS 1 and ROPS 2 as being paid by the Redevelopment Obligation Retirement Fund ("RORF").

Clarification regarding Oversight Board Action and the Low and Moderate Income Housing Fund Due Diligence Review

December 19, 2012

Page 3

As you know, ABx1 26 was the *only operative law* regarding dissolution at the time we adopted Resolution 12-03 in April of this year. Under that law, and specifically under Section 34177(I)(1)(E), funding on a ROPS could include the:

*Redevelopment Property Tax Trust Fund, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation or by the provisions of this part.*

When we approved, in April, the use of RORF funds – including former affordable housing funds – for payment of enforceable obligations, we did so with the understanding that we were *supposed to use those funds* because that is what ABx1 26 required. Now we learn from Successor Agency staff that you are challenging the use of those funds, not in reviewing the ROPS or the Agency's payments of enforceable obligations pursuant to the ROPS, but in an attempt to extract former housing funds that have already been spent.

Specifically, Successor Agency staff explained to us that they made you aware during the DDR review process that the Successor Agency combined all funds into one account, the RORF, due to ABx1 26 not requiring the separation of funds. Further, the Successor Agency has consistently been transparent with our Oversight Board as to its cash flows, its fund balances, the enforceable obligations it was completing, and its plans for dissolution. We at no time have had reason to believe that the Successor Agency was attempting to continue the work of redevelopment and have been, to date, operating under the belief that the dissolution of the former Redevelopment Agency would happen in a relatively short and simple manner.

We were surprised, therefore, at your unwillingness to look at our pre-approval of the use of former low- and moderate-income housing funds and request that you not ignore our resolution approving the use of those funds—a resolution that you did not challenge or request to review within the statutory time frame. In addition, as to the ROPS 3 period that is about to commence, we hereby clarify for you that the “fund balance” identified in that ROPS 3 may (and in fact does) contain funds formerly considered to be low- and moderate-income housing funds and that the expenditure of those funds was and remains approved by the Oversight Board.

As a result of the need for Successor Agency staff to work with you on the Housing Due Diligence Review process to avoid costly interest or penalties, on December 18, 2012, the Oversight Board adopted Resolution 12-07. This resolution directed that his letter that restates our approval of the use of low- and moderate-income housing funds as part of the RORF expenditures be sent to you. That resolution is also enclosed.

Clarification regarding Oversight Board Action and the Low and Moderate Income Housing  
Fund Due Diligence Review

December 19, 2012

Page 3

If you have any questions related to the Oversight Board actions discussed in this  
correspondence, you may direct them to Arminé Chaparyan, Redevelopment Manager, at (661)  
286-4195 or [achaparyan@santa-clarita.com](mailto:achaparyan@santa-clarita.com).

Sincerely,



Kenneth W. Striplin  
Oversight Board Chairperson

KWS:DC:ms

S:\CD\Redevelopment\Successor Agency\Oversight Board\Letters\Letter to DOF re DDR Housing

Enclosures

cc: Oversight Board of the Successor Agency to the former Redevelopment Agency of the  
City of Santa Clarita  
Tom Cole, Director of Community Development  
Arminé Chaparyan, Redevelopment Manager  
Carmen Magana, Finance Manager

RESOLUTION 12- 03

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.

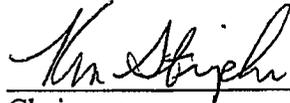
WHEREAS, The Oversight Board desires to approve the Successor Agency's Administrative Budget for FY 11-12.

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

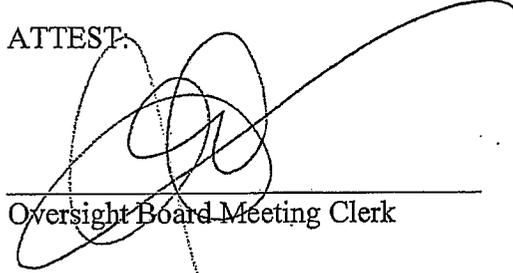
WHEREAS, The Oversight Board is aware that there may be a potential cash flow issue associated with the adoption of the ROPS and it is in the best interest to the holders of the enforceable obligations to alleviate the potential cash flow issue by allowing the Successor Agency to pay costs listed on 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:

PASSED, APPROVED, AND ADOPTED this 26<sup>th</sup> day of April 2012.

  
\_\_\_\_\_  
Chairperson

ATTEST:

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

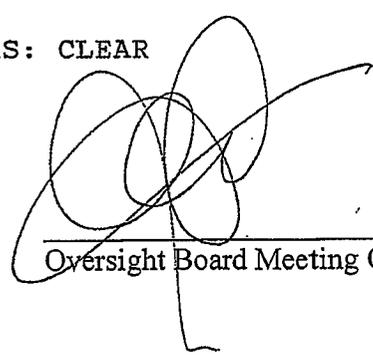
STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) ss.  
CITY OF SANTA CLARITA        )

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 26<sup>th</sup> day of April 2012, by the following vote:

AYES: OVERSIGHT BOARD MEMBERS: COLEAL, DORTCH, HERNANDEZ, STRIPLIN

NOES: OVERSIGHT BOARD MEMBERS: NONE

ABSENT: OVERSIGHT BOARD MEMBERS: CLEAR

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

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	Monthly Payment Schedule					Total	
						Jan-12	Feb-12	Mar-12	Apr-12	May-12		Jun-12
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	55,840,758.00	1,781,648.00		666,974.25			1,118,974.00	\$ 1,787,948.25	
3) City Loan	Bank of New York	Housing projects and programs	Tax Increment Revenue	16,701,107.21	530,256.00		201,377.87			336,378.00	\$ 537,755.87	
4) 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	
5) City Loan entered into on 6/22/10	City of Santa Clarita	Loan for public works project	Tax Increment Revenue	2,570,689.70	1,505,352.45					1,505,352.45	\$ 1,505,352.45	
6) Successor Agency Employment Costs	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	
7) Successor Agency Administrative 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	
8) Redevelopment Agency Employment Costs	City of Santa Clarita	Misc. administrative Successor Agency costs	Tax Increment Revenue (Admin. Cost Allowance)	90,294.60	90,294.60		18,059.92	18,059.92		18,059.92	\$ 90,294.60	
9) Redevelopment Agency Administrative Costs	Employees of Agency	Payroll costs for Redevelopment Agency employees	Tax Increment Revenue	27,222.56	190,557.92						\$ 27,222.56	
10) Contract for Audit Services	City of Santa Clarita	Misc. administrative Redevelopment Agency costs	Tax Increment Revenue	14,396.32	100,585.24		0.00	0.00	0.00	7,600.00	\$ 14,396.32	
11) Contract for Relocation Services	Capricci & Larson, Inc.	Audit services	Tax Increment Revenue	7,600.00	10,341.85						\$ 7,600.00	
12) Contract for Consulting Services	California Property Specialists, Inc.	Property management and relocation services	Tax Increment Revenue	4,816.25	8,312.50		712.75	712.75	712.75	712.75	\$ 4,816.25	
13) Contract for Engineering Services	Rosenow Spiveak Group, Inc.	Redevelopment consulting	Tax Increment Revenue	3,360.00	3,855.00		672.00	672.00	672.00	672.00	\$ 3,360.00	
14) Contract for Attorney Services	Burke Williams Sorenson Fulbright & Jaworski	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	
15) Newhall Roundabout	Pacific Coast Land Design	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	
16) Newhall Roundabout	MNS Engineering	Design Services	Tax Increment Revenue	26,040.90	26,040.90		4,535.00	4,301.18	4,301.18	4,301.18	\$ 26,040.90	
17) Newhall Roundabout	City of Santa Clarita	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	
18) Newhall Roundabout	So. Cal. Edison	Project Management Costs	Tax Increment Revenue	15,000.00	15,000.00		3,410.57	2,500.00	2,500.00	2,500.00	\$ 15,000.00	
19) Newhall Streetscape PH II	Pacific Coast Land Design	Streetsight 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	
20) Newhall Streetscape PH II	Byan Smith Consulting	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	
21) Metrolink/SCRRRA Fencing	County of Los Angeles	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	
22) Metrolink/SCRRRA Fencing	STL Landscape	Storm Drain Inspection	Tax Increment Revenue	83,269.00	83,269.00		6,847.60	6,847.60	6,847.60	6,847.60	\$ 83,269.00	
23) Metrolink/SCRRRA Fencing	City of Santa Clarita	Landscape Construction	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	\$ 6,565,574.53		\$ 56,783.28	\$ 952,295.22	\$ 979,779.50	\$ 109,427.38	\$ 117,027.38	\$ 4,422,004.06
Totals - Page 2				\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand total - All Pages				\$ 91,332,968.08	\$ 6,565,574.53		\$ 56,783.28	\$ 952,295.22	\$ 979,779.50	\$ 109,427.38	\$ 117,027.38	\$ 4,422,004.06

\*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	55,188,126.58	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	12,640,466.19	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	1,059,518.58	0.00							\$ -
6a) Successor Agency Administrative Costs	Various	Administrative agency costs	Tax Increment Revenue (Admin. Cost Allowance)	250,000.00	250,000.00							\$ 125,000.00
6b) Successor Agency Administrative Costs	Various	Administrative agency costs	Retirement Fund Balance	276,796.00	276,796.00							\$ 138,398.00
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>\$ 3,835,058.96</b>	<b>\$ 66,673.83</b>	<b>\$ 66,673.83</b>	<b>\$ 66,673.83</b>	<b>\$ 66,673.83</b>	<b>\$ 66,673.83</b>	<b>\$ 66,673.83</b>	<b>\$ 2,275,451.94</b>

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

<b>Funding Source: Successor Agency (Fund 392)</b>		
<b>Account Numbers: 13403 and 13404</b>		
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 12-07

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF SANTA CLARITA, CALIFORNIA, DIRECTING SUCCESSOR AGENCY STAFF TO TRANSMIT A LETTER FROM THE OVERSIGHT BOARD AFFIRMING THE OVERSIGHT BOARD'S INTENTION THAT LOW AND MODERATE INCOME HOUSING FUNDS WERE APPROVED BY THE OVERSIGHT BOARD TO BE USED TO ENSURE ENFORCEABLE OBLIGATIONS WERE PAID

WHEREAS, Health and Safety Code Section 34179.5 requires the Successor Agency to employ a licensed accountant to complete two Due Diligence Reviews of the funds of the former Redevelopment Agency.

WHEREAS, the Successor Agency selected Marcum LLP to complete the Due Diligence Reviews. This selection was approved by the Los Angeles County Auditor Controller as required by Health and Safety Code Section 34179.5.

WHEREAS, Health and Safety Code Section 34179.6(a) requires the Successor Agency to provide the results of the Due Diligence Review to the Oversight Board, the County Auditor-Controller, and State Controller, and the Department of Finance by October 1, 2012.

WHEREAS, the Successor Agency provided the Due Diligence Review for Housing to the Oversight Board, the Los Angeles County Auditor Controller, the State Controller, and the Department of Finance on September 27, 2012.

WHEREAS, the Oversight Board convened a public comment session in accordance with Health and Safety Code Section 34179.6 (b) on October 1, 2012.

WHEREAS, a special meeting of the Oversight Board was held on October 10, 2012 at which time the Oversight Board approved the findings of the Due Diligence Review for Housing by Resolution 12-06.

WHEREAS, on October 11, 2012, notice of the Oversight Board's action in addition to a copy of the approved Due Diligence Review for housing was provided to the Department of Finance, the Los Angeles County Auditor-Controller, and the State Controller's Office.

WHEREAS, on November 9, 2012, the Successor Agency received a letter from the Department of Finance adjusting the balance of former low-and moderate income housing funds available to taxing entities from \$402,766 to \$5,855,293.

WHEREAS, the Successor Agency disagreed with the Department of Finance's determination and requested a Meet and Confer on November 16, 2012.

WHEREAS, a Meet and Confer session was held with the Successor Agency and the Department of Finance on November 30, 2012 as required by AB 1484 and as outlined in the Meet and Confer procedures issued by the Department of Finance.

WHEREAS, on December 15, 2012, the Department of Finance issued their final determination on the Due Diligence Review which included an adjustment from the original projected submission of \$402,766 to \$3,005,293.

WHEREAS, funds in the amount of \$1.8 million that the Department of Finance is requesting to be given to the Los Angeles County Auditor-Controller to be distributed to taxing entities has been spent on obligations in the ROPS 1 and ROPS 2 periods and will be needed for required enforceable obligations during the ROPS 3 period and therefore the Successor Agency does not have the cash available to remit this portion of the total \$3,005,293 demanded by the Department of Finance.

WHEREAS, those funds have specifically been used for the following Oversight Board and Department of Finance approved enforceable obligations in the ROPS 2 (July – December 2012) period: debt service payment for Tax Allocation Bonds Series 2008, Successor Agency administrative costs, and payment to Southern California Edison related to the Newhall roundabout.

WHEREAS, the remainder of those funds are needed to satisfy the following Oversight Board and Department of Finance approved enforceable obligations in the ROPS 3 (January – June 2013) period: Successor Agency administrative costs and unpaid pass through payments.

WHEREAS, at the same time that the Successor Agency is pursuing relief as to the \$1.8 million, it desires to make as full a payment as possible to the Los Angeles County Auditor-Controller so as to reduce the exposure to liability on the part of the City of Santa Clarita and any holder of an enforceable obligation that was paid in part by the disputed funds.

WHEREAS, whether paid now or as part of the non-housing Due Diligence Review process in Spring 2013, all funds in the Redevelopment Obligation Retirement Fund will be transferred to the County Auditor-Controller for distribution to taxing entities.

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.

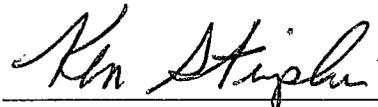
SECTION 2. The Oversight Board hereby reaffirms the intent of the Board to allow the Successor Agency to utilize any cash available, including funds that may have been considered low- and moderate income housing funds when the Redevelopment Agency was in existence, to ensure that no Oversight Board and Department of Finance approved enforceable obligations are defaulted upon.

SECTION 3. Successor Agency staff is directed to transmit notice of this action to the Department of Finance.

SECTION 4. This resolution shall take effect immediately upon its adoption.

SECTION 5. The Oversight Board Meeting Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of December 2012.



Kenneth W. Striplin  
Chairman

ATTEST:



Helga Deyo  
Oversight Board Meeting Clerk

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

I, Helga Deyo, 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 18th day of December 2012, by the following vote:

AYES: BOARDMEMBERS: COLEAL, DORTCH, HERNANDEZ, KOEGLE,  
SWARTZ, STRIPLIN

NOES: BOARDMEMBERS: NONE

ABSENT: BOARDMEMBERS: HOERBER



Oversight Board Meeting Clerk