

Regular Meeting Agenda April 11, 2012

Board Members

Mr. Ed Garcia
*Orange County Board of
Supervisors Representative*

Mr. Bill Heaton
*Orange County Board of
Supervisors Representative*

Mr. Craig Green
*City of Placentia Mayor's
Representative*

Mr. Troy Butzlaff, ICMA-CM
*Former Redevelopment Agency
of the City of Placentia
Employee's Representative*

Ms. Joan Velasco
*County Superintendent of
Education Representative*

Mr. Al Shkoler
*Placentia Library District
Representative*

Mr. Rodrigo Garcia
*Chancellor of the California
Community College
Representative*

Staff

Ken Domer
Assistant City Administrator

Tania Moreno
Deputy City Clerk

**City of Placentia
C/O Oversight Board
401 E Chapman Avenue
Placentia, CA 92870**

**Phone: (714) 993-8117
Fax: (714) 961-0283
Website: www.placentia.org**

Oversight Board of the Successor Agency to the Redevelopment Agency of the City Of Placentia

Copies of all agenda materials are available for public review in the Clerk of the Board's Office (City Clerk) and online at www.placentia.org, and at Placentia Library Reference Desk. Persons who have questions concerning any agenda item may call the Clerk of the Board's Office, (714) 993-8231, to make inquiry concerning the nature of the item described on the agenda.

Procedures for Addressing the Board Members

Any person who wishes to speak regarding an item on the agenda or on a subject within the Oversight Board's jurisdiction during the "**Oral Communications**" portion of the agenda should fill out a "**Speaker Request Form**" and give it to the Clerk of the Board BEFORE that portion of the agenda is called. Testimony for Public Hearings will only be taken at the time of the hearing. Any person who wishes to speak on a Public Hearing item should fill out a "**Speaker Request Form**" and give it to the Clerk of the Board BEFORE the item is called.

PLEASE SILENCE ALL PAGERS, CELL PHONES, AND OTHER ELECTRONIC EQUIPMENT WHILE BOARD MEMBERS ARE IN SESSION.

Special Accommodations

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Clerk of the Board's Office at (714) 993-8231. Notification 48 hours prior to the meeting will generally enable Staff to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

In compliance with California Government Code § 54957.5, any writings or documents provided to a majority of the Oversight Board regarding any item on this agenda that are not exempt from disclosure under the Public Records Act will be made available for public inspection at the Clerk of the Board's Office at City Hall, 401 East Chapman Avenue, Placentia, during normal business hours.

**OVERSIGHT BOARD
OF THE SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF PLACENTIA
REGULAR MEETING AGENDA
April 11, 2012
4:00 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER:

ROLL CALL: Board Member Butzlaff
Board Member Ed Garcia
Board Member Rodrigo Garcia
Board Member Green
Board Member Heaton
Board Member Shkoler
Board Member Velasco

PLEDGE OF ALLEGIANCE: Board Member Shkoler

OATH OF OFFICE:

At this time the Deputy City Clerk will conduct the Oath of Office and swear in the members of the Oversight Board.

ORAL COMMUNICATIONS:

At this time the public may address the Oversight Board concerning any agenda item or on matters within the jurisdiction of the Oversight Board.

1. PRESENTATIONS/ADMINISTRATIVE REPORTS

- a. Introduction of Board Members
- b. Overview of Oversight Board Duties and Assembly Bill X1 26
- c. Overview of former redevelopment agency properties

2. CONSENT CALENDAR: None

3. OLD BUSINESS: None

4. NEW BUSINESS:

- a. **Selection of Oversight Board Officers for 2012**
Recommended Action: It is recommended that the Oversight Board:
 - 1) Select the Oversight Board Chairperson and Vice Chairperson for the 2012 calendar year
- b. **Designation of Staffing in Support of the Oversight Board**
Recommended Action: It is recommended that the Oversight Board:
 - 1) Appoint the Assistant City Administrator as the Executive Director of the Oversight Board and the Deputy City Clerk as the Clerk of the Board

c. **Adoption of a Conflict of Interest Code for Members of the Oversight Board**

Recommended Action: It is recommended that the Oversight Board:

- 1) Adopt Resolution OB-2012-01, A Resolution of the Oversight Board to the Successor Agency of the Redevelopment Agency of the City of Placentia, California, adopting a Conflict of Interest Code

d. **Approval of the Initial Recognized Obligation Payment Schedule for the Period Covering February 1, 2012 to June 30, 2012**

Recommended Action: It is recommended that the Oversight Board:

- 1) Adopt Resolution OB-2012-02, A Resolution of the Oversight Board to the Successor Agency of the Redevelopment Agency of the City of Placentia, California, approving the recognized Obligation Payment Schedule for the period covering February 1, 2012 to June 30, 2012

e. **Approval of Transfer of Housing Responsibilities and All Rights, Powers, Duties and Obligations to the City of Placentia as the Successor Housing Agency in Compliance with Health and Safety Code § 34181 (c)**

Recommended Action: It is recommended that the Oversight Board:

- 1) Adopt Resolution OB-2012-03, A Resolution of the Oversight Board to the Successor Agency of the Redevelopment Agency of the City of Placentia, California, approving the transfer of housing responsibilities and all rights, powers, duties and obligations to the City of Placentia as the Successor Housing Agency in Compliance with Health and Safety Code § 34181 (c)

BOARD MEMBERS COMMENTS AND REQUESTS:

Board Members may make requests or ask questions of Staff. If a Board Member would like formal action on any item it will be placed on a future Board Agenda.

ADJOURNMENT:

The Oversight Board will adjourn to May 9, 2012 at 4:00 p.m.

CERTIFICATION OF POSTING

I, Tania Moreno, Clerk of the Board, hereby certify that the Agenda for the April 11, 2012, meeting of the Oversight Board was posted on April 5, 2012.

Tania Moreno, Clerk of the Board

Oversight Board
of the Successor Agency of the
Redevelopment Agency of the City of Placentia
AGENDA REPORT

TO: BOARD MEMBERS
FROM: ASSISTANT CITY ADMINISTRATOR
DATE: APRIL 11, 2012
SUBJECT: **SELECTION OF BOARD OFFICERS FOR 2012**
FISCAL IMPACT: NONE

SUMMARY:

Health and Safety Code § 34179 requires that each Successor Agency to a former redevelopment agency have an Oversight Board comprised of seven (7) members selected from various taxing entities and the former redevelopment agency. Per § 34719 (a), the Successor Agency shall report the name of the Chairperson and other members to the Department of Finance by May 1, 2012. This action will select a Chairperson and Vice-Chairperson for calendar year 2012.

RECOMMENDATION:

It is recommended that the Board take the following action(s):

1. Select one member to serve as Oversight Board Chairperson for 2012; and
2. Select one member to serve as Oversight Board Vice-Chairperson for 2012.

DISCUSSION:

Various actions related to the implementation of Assembly Bill X1 26 (AB x1 26) must take place according to deadlines contained in the enabling legislation and as amended by the State Supreme Court. One such action is the selection of a Chairperson to be reported to the Department of Finance by May 1, 2012. The Chairperson shall preside over meetings of the Oversight Board.

The following process for selecting a Chairperson and Vice-Chairperson shall be followed:

The Clerk of the Board shall open nominations for Chairperson of the Oversight Board. Nominations must be seconded and the nomination period shall close when no further nominations are made.

If there are two or more nominations, the Clerk shall take a roll call vote starting with the first nomination made. The Clerk shall start with the maker of the motion, then the second, and the

1.a.
April 11, 2012

remainder alphabetically. If a majority is achieved on the first nominee, that member shall be selected Chairperson and no further voting shall take place.

Upon selection of a Chairperson, that Member shall take the center seat on the dais.

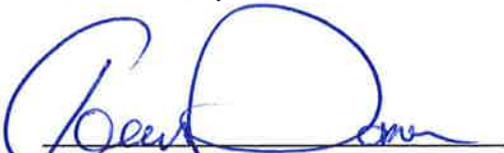
The Chairperson shall open nominations for Vice-Chairperson of the Oversight Board. Nominations must be seconded and the nomination period shall close when no further nominations are made.

If there are two or more nominations, the Clerk shall take a roll call vote starting with the first nomination made. The Clerk shall start with the maker of the motion, then the second, and the remainder alphabetically. If a majority is achieved on the first nominee, that member shall be selected Vice-Chairperson and no further voting shall take place. The selected Vice-Chairperson may remain seating at their current location.

FISCAL IMPACT:

No fiscal impact.

Submitted by:



Kenneth A. Domer
Assistant City Administrator

Oversight Board
of the Successor Agency of the
Redevelopment Agency of the City of Placentia
AGENDA REPORT

TO: BOARD MEMBERS
FROM: ASSISTANT CITY ADMINISTRATOR
DATE: APRIL 11, 2012
SUBJECT: **DESIGNATION OF STAFFING IN SUPPORT OF THE OVERSIGHT BOARD**
FISCAL IMPACT: NOMINAL COSTS ASSOCIATED WITH STAFF TIME TO BE ALLOCATED WITHIN AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE

SUMMARY:

Health and Safety Code § 34179 requires that each Successor Agency to a former redevelopment agency have an Oversight Board comprised of seven (7) members selected from various taxing entities and the former redevelopment agency. The operations of the Oversight Board will require the dedication of Successor Agency Staff time in order to prepare staff reports, conduct meetings and prepare all proper notifications, among other duties as required. This action will designate certain Staff as Staff to the Oversight Board.

RECOMMENDATION:

It is recommended that the Board take the following action(s):

1. Appoint the Assistant City Administrator as the Executive Director of the Oversight Board and the Deputy City Clerk as the Clerk of the Board; and
2. Authorize the Executive Director to designate other Oversight Board Staff positions as applicable in order to carry out the duties of the Oversight Board.
3. Authorize the Executive Director to solicit legal counsel services based on hourly rates to be considered by the Oversight Board at a future meeting.

DISCUSSION:

In order to effectuate the operations of the Oversight Board, it is recommended that the Oversight Board designate certain Successor Agency Staff members as Staff to the Oversight Board. The staffing obligations are required in order to carry out the meetings and follow-through on Oversight Board actions, specifically in communicating with the State Department of Finance.

It is recommended that the Deputy City Clerk be designated as the Clerk of the Board for the Oversight Board in order to fulfill the necessary Brown Act Open Meeting requirements. Additionally, it is recommended that the Assistant City Administrator be designated as the

1.b.
April 11, 2012

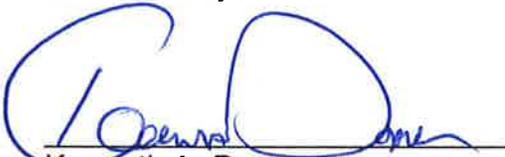
Executive Officer to be a point person for the Oversight Board as well as the official Point of Contact for the Department of Finance. It is also recommended that the Oversight Board authorize the Executive Director to designate, as needed, other Oversight Board Staff positions in order to carry out the business of the Oversight Board. All considerations will be taken to ensure that staff costs are reduced to the minimal level possible in carrying out Oversight Board actions.

Finally, it is proposed that Staff bring back to the Oversight Board options to designate legal counsel, if needed in the future, to be considered at the next meeting. It is generally understood that the Successor Agency's legal counsel, the City Attorney, is conflicted from also representing the Oversight Board. It is Staff's intention to bring back a selection process and slate of potential firms able to provide legal counsel on an hourly basis (versus retainer) in order to reduce costs to the Oversight Board. A review of the Successor Agency's assets, contracts and remaining obligations indicate minimal legal counsel needs; however, an attorney should be at the ready if a need is present.

FISCAL IMPACT:

Nominal costs associated with staffing support of the Oversight Board to be addressed in the administrative budget.

Submitted by:



Kenneth A. Domer
Assistant City Administrator

Oversight Board
of the Successor Agency of the
Redevelopment Agency of the City of Placentia
AGENDA REPORT

TO: BOARD MEMBERS
FROM: ASSISTANT CITY ADMINISTRATOR
DATE: APRIL 11, 2012
SUBJECT: **ADOPTION OF A CONFLICT OF INTEREST CODE FOR MEMBERS OF THE OVERSIGHT BOARD**
FISCAL
IMPACT: NONE

SUMMARY:

The Political Reform Act and regulations promulgated thereunder by the Fair Political Practices Commission ("FPPC"), require that newly established local entities adopt a conflict of interest code. By the enabling legislation, the Oversight Board is deemed a local entity for purposes of the Political Reform Act and, as such, is required to adopt a conflict of interest code. This action adopts a conflict of interest code for members of the Oversight Board.

RECOMMENDATION:

It is recommended that the Board take the following action(s):

1. Adopt Resolution OB-2012-01, A Resolution of the Oversight Board to the Successor Agency of the Redevelopment Agency of the City of Placentia, California, adopting a Conflict of Interest Code

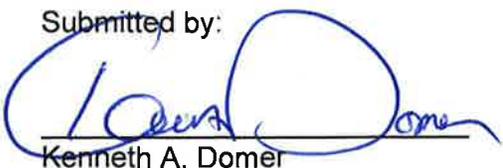
DISCUSSION:

Staff has prepared the attached resolution, pursuant to the model conflict of interest code provided by the FPPC. Once adopted, this resolution will serve as the Oversight Board's conflict of interest code. The proposed conflict of interest code will 1) designate the Oversight Board members as the persons required to file periodic statements of economic interests (Form 700), 2) specify that Board members must complete all reporting categories on their Form 700s, and 3) direct that Form 700s be filed with the Clerk of the Orange County Board of Supervisors (which is the designated code reviewing body). Upon adoption, Staff will forward the resolution to the Clerk of the Board for the Orange County Board of Supervisors for formal approval by the Board of Supervisors in its capacity as the code reviewing body.

FISCAL IMPACT:

None

Submitted by:


Kenneth A. Damer

Assistant City Administrator

Attachment: Resolution OB-2012-01

1.c.
April 11, 2012

RESOLUTION NO. OB-2012-01

**A RESOLUTION OF THE OVERSIGHT BOARD TO THE
SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY
OF THE CITY OF PLACENTIA, CALIFORNIA,
ADOPTING A CONFLICT OF INTEREST CODE**

A. Recitals.

(i) Pursuant to the California Political Reform Act, every governmental agency must adopt a Conflict of Interest Code that sets forth, among other things, officials and employment positions and the disclosure filing requirements for designated employees in positions that involve the making or the participation in the making of governmental decisions and in positions that could affect the outcome of those decisions.

(ii) Sections 87300, 87302 and 87303 of the California Political Reform Act of 1974, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Placentia will adopt and incorporate by reference the terms of the standard model conflict of interest code adopted by the Fair Political Practices Commission (FPPC) by Title 2, Division 6, California Code of Regulations, Section 18730.

(iii) The Oversight Board held a public meeting on April 11, 2012 on the proposed Conflict of Interest Code for the Oversight Board following the notice required by law.

(iv) The Political Reform Act requires that Conflict of Interest Codes approved by a local government agency be approved by a "code reviewing body", which for the Oversight Board is the Orange County Board of Supervisors.

(v) All legal prerequisites to the adoption of this Resolution have occurred.

B. Resolution.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Placentia hereby finds, determines and resolves as follows:

1. In all respects as set forth in the Recitals, Part A., of this Resolution.

2. Appendix "A" and Appendix "B" of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Placentia Conflict of Interest Code read, in words and figures as set forth in Appendix "A" and Appendix "B," attached hereto and by this reference incorporated herein, effective as of the date of adoption of this Resolution.

2. The Chairperson shall sign this Resolution and the Clerk of the Board shall attest and certify to the passage and adoption thereof.

PASSED AND ADOPTED this 11th day of April, 2012.

, CHAIRPERSON

ATTEST:

TANIA A. MORENO, CLERK OF THE BOARD

STATE OF CALIFORNIA
COUNTY OF ORANGE

I, Tania A. Moreno, Clerk of the Board of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Placentia, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the Oversight Board held on the 11th day of April, 2011, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

TANIA A. MORENO, CLERK OF THE BOARD

APPENDIX "A"

CONFLICT OF INTEREST CODE

DESIGNATED
EMPLOYEES

DISCLOSURE
CATEGORIES

Oversight Board

Oversight Board Member

1

APPENDIX "B"

DISCLOSURE CATEGORIES

Disclosure Category 1: Broad responsibilities. Full Disclosure

Persons in this category shall disclose all applicable investments, business positions, and sources of income, including gifts, loans and travel payments. Persons in this category shall further disclose applicable interests in real property located in the City, including property located within a two mile radius of the City or of any property owned or used by the City.*

Disclosure Category 2: City-wide Purchasing Responsibilities

Persons in this category shall disclose all applicable investments, business positions, and income, including loans and gifts, from sources which provide services, supplies, materials, machinery, or equipment of the type utilized by the City*

Disclosure Category 3: Department/Division Purchasing Responsibilities

Persons in this category shall disclose all applicable investments, business positions, and income, including loans and gifts, from sources which provide services, supplies, materials, machinery, or equipment of the type utilized by the designated employee's department or division.*

Disclosure Category 4: Regulatory Power

Persons in this category shall disclose all applicable investments, business positions, and income, including loans and gifts, from any source which is subject to the regulatory, permit, or licensing authority of the designated employee's department or division.*

Disclosure Category 5: Decision-Making Authority Affecting Real Property

Persons in this category shall disclose all applicable investments, business positions, and income, including loans and gifts, from sources which engage in land development, construction, or the acquisition or sale of real property. Persons in this category shall further disclose all interests in real property located in the City, and within a two mile radius of the City or of any property owned or used by the City.*

Disclosure Category 6: Decision-Making Authority Affecting Claims and/or Insurance

Persons in this category shall disclose all applicable investments, business positions, and income, including loans and gifts, from:

A) Persons or entities which provide services, supplies, materials, machinery or equipment of the type utilized by the City. Business positions in business entities that manufacture, sell, supply, or promote personnel training materials or that offer personnel consulting services, and that do business, or expect to do business, within the City.

B) Entities which are engaged in the business of insurance including, but not limited to, insurance companies, carriers, holding companies, underwriters, brokers, solicitors, agents, adjusters, claims managers and actuaries.

C) Financial institutions including, but not limited to, banks, savings and loan associations and credit unions.

D) Entities or persons who have filed a claim, or have a claim pending, against the City which is reviewed by the designated employee's department or division.

E) Income received from investments in, and business positions in business entities that offer, sell, or service group medical insurance, group life insurance, group dental insurance, pension plans, or that make investments or any way manage funds relating thereto, and that do business, or expect to do business, within the City.*

Disclosure Category 7: Investment Responsibilities

Persons in this category shall disclose all applicable investments, business positions, and income, including loans and gifts, from financial institutions doing business with or eligible to do business with the City.*

***Definitions**

"Applicable investments" relates to investments held by the designated employee, spouse and dependent children with an aggregate value of \$2,000 or more located or doing business in the jurisdiction. It includes investments held by a business entity or trust in which the designated employee, spouse and dependent children have an aggregate interest of 10% or greater.

"Applicable business positions" relates to positions in which the designated employee was a director, officer, partner, trustee, employee or held any position of management during the period covered by the report, even if the designated employee received no income from the business entity during the period.

"Applicable income" includes the designated employee's gross income (including loans) and the employee's community property interest in his or her spouse's gross income aggregating \$500 or more received from any source located in or doing business in the jurisdiction. Please note that loans are reported on a separate schedule.

"Applicable gift" includes anything of value for which the designated employee has not provided equal or greater consideration to the donor. A gift is reportable if its fair market value is \$50 or more. In addition, multiple gifts aggregating \$50 or more received during the reporting period from a single source must be reported. Unless otherwise expressly limited in the Disclosure Categories, gifts are reportable without regard to where the donor is located.

"Applicable interest in real property" includes those located in the jurisdiction in which the employee, spouse, or dependent children had a direct, indirect, or beneficial interest aggregating \$2,000 or more any time during the reporting period. The employee is not required to report a residence used exclusively as a personal residence.

"Jurisdiction" means the City of Placentia. Real property is deemed to be "within the jurisdiction" if the property or any part of it is located in or within two miles of the boundaries of the City or any property owned or used by the City, unless a smaller area is specified in the Disclosure Category.

Oversight Board
of the Successor Agency of the
Redevelopment Agency of the City of Placentia

AGENDA REPORT

TO: BOARD MEMBERS

FROM: ASSISTANT CITY ADMINISTRATOR

DATE: APRIL 11, 2012

SUBJECT: **APPROVAL OF THE INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD COVERING FEBRUARY 1, 2012 TO JUNE 30, 2012**

FISCAL
IMPACT: NONE

SUMMARY:

As enacted by Assembly Bill X1 26, Health and Safety Code §34180 requires that Successor Agency actions as listed within the subsections shall first be approved by the Oversight Board. Subsection (g) specifically lists that the Successor Agency action to establish the Recognized Obligation Payment Schedule shall be approved by the Oversight Board. On January 17, 2012 an initial Recognized Obligation Payment Schedule was approved for the period of February 1, 2012 to June 30, 2012. This action seeks approval of a Recognized Obligation Payment Schedule.

RECOMMENDATION:

It is recommended that the Board take the following action(s):

1. Adopt Resolution OB-2012-02, A Resolution of the Oversight Board to the Successor Agency of the Redevelopment Agency of the City of Placentia, California, approving the Recognized Obligation Payment Schedule for the period covering February 1, 2012 to June 30, 2012

DISCUSSION:

On January 17, 2012 the City Council elected to become the Successor Agency to the Redevelopment Agency of the City of Placentia by adopting Resolution No. R-2012-03. One of the responsibilities of the City as Successor Agency is to prepare a Recognized Obligation Payment Schedule (ROPS), which sets forth the nature, amount, and source(s) of payment of all "enforceable obligations" (as defined by law) to be paid by the Successor Agency after the former redevelopment agency's dissolution. The ROPS must cover the forward-looking six month fiscal period, except for the initial draft of the ROPS, which is to cover the period from February 1, 2012, through June 30, 2012. Only payments required pursuant to the ROPS may be made by the successor agency after May 1, 2012.

1.d.
April 11, 2012

The “enforceable obligations” listed in the ROPS may include bonds, loans legally required to be repaid pursuant to a payment schedule with mandatory repayment terms, payments required by the federal government, preexisting obligations to the state or obligations imposed by state law, judgments, settlements or binding arbitration decisions that bind the agency, legally binding and enforceable agreements or contracts, contracts or agreements necessary for the continued administration or operation of the agency including agreements to purchase or rent office space, equipment and supplies, and amounts borrowed from or payments owed to the Low and Moderate Income Housing Fund of a redevelopment agency which had been deferred as of June 29, 2011. However, the ROPS excludes pass-through payments to be made by the county after dissolution of the Agency and any agreements, contracts or arrangements between the City and the Agency, excepting any of the following: (1) any written agreements between the City and the Agency entered into prior to December 31, 2010, solely for the purpose of securing or repaying indebtedness obligations to third parties; and (2) loan agreements entered into between the Agency and the City within two years of the date of creation of the Agency.

Pursuant to Health and Safety Code section 34177(l)(2), as modified by the Supreme Court’s published opinion, the Successor Agency, is required to prepare an initial draft of the ROPS covering the period from February 1, 2012, through June 30, 2012, by March 1, 2012. This draft is submitted to an external auditor (either the county auditor-controller or its designee pursuant to Health and Safety Code Section 34182), for review and certification as to its accuracy (“Certified ROPS”). The Certified ROPS is then to be submitted to and duly approved by the Oversight Board (“Approved ROPS”). The Approved ROPS is finally submitted to the County Auditor-Controller, the State Controller’s office and the State Department of Finance, and posted on the City’s website prior to April 15, 2012.

The City, as Successor Agency, has prepared the initial draft of the ROPS covering the period from February 1, 2012 through June 30, 2012 which will be submitted to the Orange County Auditor-Controller for audit review and certification. Due to unrealistic timelines contained within the enabling legislation and acknowledged by the County Auditor-Controller and the Department of Finance, it is understood that the ROPS to be approved by the Oversight Board and submitted by the April 15, 2012 deadline will not be “certified” through the Agreed Upon Procedural audit. The consensus among all parties is that Successor Agencies should get approval of the initial ROPS, make a submission by April 15, 2012 (or April 16th due to the Sunday) and then after the County Auditor-Controller has certified the ROPS prior to July 1, 2012, gain re-approval from the Oversight Board for a second submission to the State Department of Finance, among other recipient parties.

It must be noted that a second ROPS, or ROPS II, covering the period of July 1, 2012 to December 31, 2012 is being prepared and will set for consideration of approval at the next scheduled Oversight Board meeting.

Listing of Payments

The following are descriptions of payments contained on the ROPS:

Project Name / Debt Obligation	Payee	Description
2003 Improvement COPs	US Bank	Certificate of Participation for Improvement Bonds issued in 2003 for prior improvements.
2002 Tax Allocation Bonds A	US Bank	Series A Housing Bonds issues in 2002 for housing related purchases.
2002 Tax Allocation Bonds B	US Bank	Series B Capital Bonds issued in 2002 for capital project improvements within the project area.
2009 Subordinate Notes	US Bank	Subordinate Short Term Bonds issued in 2009 for property purchases related to forthcoming Metrolink station to include need for parking. Properties purchased include 207-209 Crowther (Packing House) and 101-125 Crowther (parking lot). Balloon payment due July 2014.
2003 COPs City Reimbursement	City of Placentia	Reimbursement Agreement for 2003 COP. The City and former RDA have an agreement in which the former RDA is to reimburse 87.52% of the costs of the COP. As part of the COP, the City pays the former RDA 100% of the amount due (lease payment), the former agency pays the bond debt and then reimburses the City.
Real Estate Advisory Services	Kosmont Companies	Downtown Parking/Retail Development. The City renewed a contract on February 1, 2011 with the Kosmont Companies for advisory services related to the Metrolink Station and parking lot/parking structure development. Earlier contracts starting in 2009 for similar activities.
Employee Costs	Employees of Agency	Payroll for employees
Administrative Overhead	City of Placentia	Overhead for Agency operations to include office, utilities, financial support outside of direct employee costs based on allocation cost study.
Property Management	Consensys Property Management	Prop Mngmnt for Affordable Housing and Commercial Properties. To be terminated and renegotiated between City and Consensys.
EDGE ENA	EDGE, Inc.	Exclusive Negotiating Agreement Parking Structure/Retail. Based on initial deposit for expenses.
Legal Services	Andrew V. Arczynski	Legal services related to redevelopment Counsel.
External Legal Services	Daley & Heft	Legal Services for Commercial Acquisitions. Related to property purchases for Metrolink Station and parking.
Crowther Relocation	Overland Pacific Cutler (or designated firms)	Relocation Expenses related to Crowther Purchase. Payments made for administration of accounts (minimal) and larger payments to individual claimants forthcoming due to relocation benefits legally obligated for current tenants in Packing House.
132 Crowther Building	Keller Williams	Lease payment for building - 132 crowther
132 Crowther Building II	DMWP, LLC	Lease payment for building - 132 crowther
110 Bradford (OCFA)	City of Placentia	Lease payment for property -120 Bradford. Property reverted to City due to lack of payment/inability of payment due to dissolution of agency.
312 Melrose (Parking Structure)	City of Placentia	Lease payment for property - 312 Melrose. Property reverted to City due to lack of payment/inability of payment due to dissolution of agency.
SB 2557 Property Tax Admin	County of Orange	Property Tax Administration Payment
External Audit	Haskell & White, LLP	External audit expenses
Property taxes	County of Orange	Property taxes for Agency-owned properties

Low and Moderate Income Housing	Low and Moderate Income Housing Fund	Low and Mod Income Housing (Half 2011-12)
Bond Administration	Harrell & Company	Continuing Disclosure/Financial Analysis and consulting services related to Successor Agency.
Property Tax Administration	HdL Coren & Cone	Property Tax Financial Analysis
Repair/Maintenance Housing Fund Properties	His House Repairs	Repair and Maintenance for agency-owned house. To be transferred to City.
Repair/Maintenance Housing Fund Properties	To be determined	Property Services. To be transferred to City.
Trustee Fees	US Bank	Trustee Fees for bonds.

The ROPS will be amended as needed (in effect, creating the ROPS II for the next six months) to reflect actual enforceable obligations and brought back to the Oversight Board for approval. The ROPS approved by the Oversight Board will be transmitted to the County Auditor-Controller and State Department of Finance for auditing purposes with the understanding that the County Auditor-Controller will finalize the Agreed Upon Procedural audit by July 1, 2012 and the Successor Agency will then return for approval, prior to re-transmitting the document at a later date.

FISCAL IMPACT:

The ROPS lists the enforceable payment obligations of the former agency and Successor Agency and therefore is legally required in order to make payments. The action of the Oversight Board is reviewable by the Department of Finance. The item will be transmitted to the Department of Finance within three (3) days of adoption and posted on the Successor Agency's website.

Submitted by:

Kenneth A. Domer
 Assistant City Administrator

Attachment:

Resolution OB-2010-02
 Initial Recognized Obligation Payment Schedule

RESOLUTION NO. OB-2012-02

**A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR
AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF
PLACENTIA, CALIFORNIA, APPROVING THE RECOGNIZED
OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD COVERING
FEBRUARY 1, 2012 TO JUNE 30, 2012**

A. Recitals.

(i) On December 29, 2011, the California Supreme Court delivered its decision in *California Redevelopment Association v. Matosantos*, finding ABx1 26 (Dissolution Act) largely constitutional.

(ii) The Dissolution Act and the California Supreme Court's decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency for the City of Placentia (former Agency), were dissolved on February 1, 2012; and

(iii) On January 17, 2012, the Placentia City Council adopted Resolution No. R-2012-03 accepting for the City the role of Successor Agency to the former agency (Successor Agency).

(iv) Under the Dissolution Act the City in its capacity as Successor Agency must prepare a "Recognized Obligation Payment Schedule" (ROPS) that enumerates the enforceable obligations and expenses of the Successor Agency for the six-month period ending June 30, 2012.

(v) Pursuant to Health and Safety Code §34180, Successor Agency actions as listed within the subsections shall first be approved by the Oversight Board. Subsection (g) specifically lists that the Successor Agency action to establish the Recognized Obligation Payment Schedule shall be approved by the Oversight Board to enable the Successor Agency to continue to make payments on enforceable obligations.

(iv) All legal prerequisites to the adoption of this Resolution have occurred.

B. Resolution.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Placentia hereby finds, determines and resolves as follows:

1. In all respects as set forth in the Recitals, Part A., of this Resolution.

2. The Oversight Board hereby approves the ROPS in the form presented to the Oversight Board and attached hereto as Exhibit A, including the agreements and obligations described in the ROPS, and hereby determines that such agreements and obligations constitute "enforceable obligations" or "recognized obligations" for all purposes of the Dissolution Act.

3. The Oversight Board authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to post the ROPS on the Successor Agency website, transmit the ROPS to the Auditor-Controller of the County of Orange and to the State Controller and the State Department of Finance, and to take any other actions necessary to ensure the validity of the ROPS or the validity of any enforceable obligation or other agreement approved by the Oversight Board in this Resolution.

4. The Chairperson shall sign this Resolution and the Clerk of the Board shall attest and certify to the passage and adoption thereof.

PASSED AND ADOPTED this 11th day of April, 2012.

, CHAIRPERSON

ATTEST:

TANIA A. MORENO, CLERK OF THE BOARD

STATE OF CALIFORNIA
COUNTY OF ORANGE

RESOLUTION NO. OB-2012-02

I, Tania A. Moreno, Clerk of the Board of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Placentia, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the Oversight Board held on the 11th day of April, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

TANIA A. MORENO, CLERK OF THE BOARD

Attachment A: Recognized Obligation Payment Schedule

Placentia Redevelopment Agency
Placentia Redevelopment Project

Name of Redevelopment Agency:
Project Area(s)

PRELIMINARY DRAFT OF INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE
Per AB 26 - Section 34167 and 34169

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation as of June 30, 2011	Total Due During Fiscal Year **	Source of Payment	Payments by month											
						July-Dec	Jan	Feb	Mar	April	May	June **	Total				
1) 2003 Improvement COPs	US Bank	Certificate of Participation for Improvements	9,810,183	1,141,479	Lease Payments	155,093	845,093									141,293	986,386
2) 2002 Tax Allocation Bonds A	US Bank	Series A Housing Bonds	4,688,519	357,387	LMHF/RPTTF	141,911		75,238								140,238	215,475
3) 2002 Tax Allocation Bonds B	US Bank	Series B Capital Bonds	6,982,103	530,765	RPTTF	208,553		111,106								211,106	322,213
4) 2009 Subordinate Notes	US Bank	Subordinate Short Term Bonds	8,442,625	796,313	Cap Int/RPTTF	265,438		265,438								265,438	530,875
5) 2003 COPs City Reimbursement	City of Placentia	Reimbursement Agreement for 2003 COP	8,565,872	999,022	RPTTF	135,738	739,625									123,660	863,285
6) Real Estate Advisory Services	Kosmont Companies	Downtown Parking/Retail Development	90,000	34,873	Fund Balance	4,873	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	30,000
7) Employee Costs	Employees of Agency	Payroll for employees	194,992	194,992	ACA/Fund Balance	130,092	10,800	10,800	10,800	10,800	10,800	10,800	10,800	10,800	10,800	10,800	64,800
8) Administrative Overhead	City of Placentia	Overhead for Agency operations	377,563	377,563	ACA/RPTTF	0	0	0	0	0	0	0	0	0	0	0	377,563
9) Property Management	Consensys Property Management	Prop Mgmt for AH and Commercial Properties	60,000	30,000	Rental Income	15,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	15,000
10) EDGE ENA	EDGE, Inc.	Exclusive Negotiating Agreement Parking Strud	50,000	50,000	Deposit	25,000	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	25,002
11) Legal Services	Andrew V. Arczynski	Legal services	26,802	26,802	ACA/RPTTF	11,802	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	15,000
12) External Legal Services	Daley & Heft	Legal Services for Commercial Acquisitions	64	64	Fund Balance	64											0
13) Crowther Relocation	Overland Pacific Cutler (or designat	Relocation Expenses related to Crowther Purch	1,088	1,088	Fund Balance	188	150	150	150	150	150	150	150	150	150	150	900
14) 132 Crowther Building	Keller Williams	Lease payment for building - 132 crowther	60,000	26,250	RPTTF	22,500		3,750									3,750
15) 132 Crowther Building II	DMWP, LLC	Lease payment for building - 132 crowther	234,742	114,742	RPTTF	80,992		33,750									33,750
16) 110 Bradford (OCFA)	City of Placentia	Lease payment for property - 120 Bradford	1,191,850	68,950	RPTTF	68,950											0
17) 312 Melrose (Parking Structure)	City of Placentia	Lease payment for property - 312 Melrose	1,954,850	89,950	RPTTF	89,950											0
18) SB 2557 Property Tax Admin	County of Orange	Property Tax Administration Payment	851,000	23,000	RPTTF	89,950											0
19) External Audit	Haskell & White, LLP	External audit expenses	7,630	7,630	ACA	0	7,630										7,630
20) Property taxes	County of Orange	Property taxes for Agency-owned properties	10,800	10,800	RPTTF	5,400											5,400
21) Low and Moderate Income Housing	Low and Moderate Income Housing	Low and Mod Income Housing (Half 2011-12)	224,000	224,000	RPTTF	224,000											224,000
22) Bond Administration	Harrill & Company	Continuing Disclosure/Financial Analysis	5,000	5,000	ACA	0	224,000										224,000
23) Property Tax Administration	HdL Coren & Cone	Property Tax Financial Analysis	12,090	12,090	ACA	0		5,000									5,000
24) Repair/Maintenance Housing Fund Properties	His House Repairs	Repair and Maintenance	5,000	5,000	LMHF	1,030		7,000								5,090	12,090
25) Repair/Maintenance Housing Fund Properties	To be determined	Property Services	5,000	5,000	LMHF	0		2,000								2,030	4,030
26) Trustee Fees	US Bank	Trustee Fees	105,000	5,250	LMHF	1,500		2,500								2,500	5,000
27)								3,750									3,750
28)																	0
29)																	0
30)																	0
Totals - This Page			43,576,673	5,137,910		1,364,073	1,833,835	488,278	79,117	53,517	27,147	1,292,004	3,773,999				3,773,999
Totals - Page 2			525,676	525,676		0	23,100	251,188	0	0	0	247,388	270,468				270,468
Grand total - All Pages			44,102,349	5,663,586	0	1,364,073	1,856,935	739,466	79,117	53,517	27,147	1,539,392	4,044,387				4,044,387

** Includes Bond Debt Service Due in July to September 2012

RPTTF = Redevelopment Property Tax Trust Fund
LMHF = Low and Moderate Income Housing Fund
ACA = Administrative Cost Allowance

Oversight Board
of the Successor Agency of the
Redevelopment Agency of the City of Placentia
AGENDA REPORT

TO: BOARD MEMBERS

FROM: ASSISTANT CITY ADMINISTRATOR

DATE: APRIL 11, 2012

SUBJECT: **APPROVAL OF TRANSFER OF HOUSING RESPONSIBILITIES AND ALL RIGHTS, POWERS, DUTIES AND OBLIGATIONS TO THE CITY OF PLACENTIA AS THE SUCCESSOR HOUSING AGENCY IN COMPLIANCE WITH HEALTH AND SAFETY CODE §34181(C)**

FISCAL IMPACT: None

SUMMARY:

Health and Safety Code § 34181 (c) states the Oversight Board shall direct the Successor Agency to 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 §34176, which provides that a City may elect to retain housing assets and functions previously performed by the redevelopment agency. This action adopts a resolution directing the City of Placentia, acting as the Successor Agency, to transfer all housing responsibilities and assets to the City of Placentia, acting as the duly elected Successor Housing Agency.

RECOMMENDATION:

It is recommended that the Board take the following action:

1. Adopt Resolution OB-2012-03, A Resolution of the Oversight Board to the Successor Agency of the Redevelopment Agency of the City of Placentia, California, approving the transfer of housing responsibilities and all rights, powers, duties and obligations to the City of Placentia as the Successor Housing Agency in Compliance with Health and Safety Code § 34181 (c).

DISCUSSION:

Under the Dissolution Act, the city that formed a redevelopment agency became the successor agency, unless it opted not to by January 13, 2012. As of the dissolution date of February 1, 2012, all assets properties, contracts, leases, books and records, buildings, and equipment of the former Agency (except for affordable housing assets) transferred by operation of law to the City of Placentia as Successor Agency of the Redevelopment Agency of the City of Placentia (Successor Agency.)

Prior to February 1 and pursuant to §34176, the City of Placentia made an election to retain the affordable housing assets and functions previously performed by the Agency. Housing assets that transfer to the Successor Housing Agency include real property, personal property, contracts, leases, books and records, buildings, equipment, encumbered fund balance of the Low and Moderate Income Housing Fund ("Housing Fund"), and other revenues of the former Agency. However, the unencumbered balances in the

1.e.
April 11, 2012

former Agency's Housing Fund did not transfer to the Successor Housing Agency and now remain on account with the Successor Agency until such monies are remitted to the County Auditor-Controller unless modified by pending legislation.

The Successor Housing Agency is not subject to control by the Oversight Board and, accordingly, on February 1, 2012, under §34176 all affordable housing assets of the former Agency (excluding unencumbered Housing Fund balances) were transferred by operation of law to the City of Placentia acting as the Successor Housing Agency. However, §34181 clouds the presumption of this transfer as it provides the Oversight Board the responsibility to direct the Successor Agency to "[t]ransfer 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."

Since the Successor Agency has existed since February 1, but the Oversight Board is just now being formed (it can be formed as late as May 1), there has not been legal certainty among attorneys, title companies, banks, and other interested parties that all housing assets have in fact transferred to the City of Placentia acting as the Successor Housing Agency; however, that fact can be argued. This action seeks to adopt a resolution to keep the record of the Oversight Board compliant with the understood nature of the dissolution legislation.

As written, the Dissolution Act is not clear if the Successor Housing Agency must meet any existing or future affordable housing obligations (such as replacement housing or inclusionary housing); nor is it clear whether the Successor Housing Agency exercises powers and performs activities pursuant to the Community Redevelopment Law (CRL) statutes that have been repealed or otherwise declared inoperative. However, under §34176, the Successor Housing Agency may enforce affordability covenants and perform related activities pursuant to the CRL (pending legislation would change "may" to "shall").

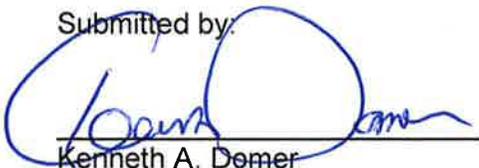
The Successor Agency requests that the Oversight Board affirm that the former Agency's housing assets and housing functions, and the rights, powers, duties and obligations of the former Agency, transferred to the City of Placentia acting as the Successor Housing Agency as of February 1, 2012.

As a general rule of Oversight Board operations, it should be noted that actions of the Oversight Board shall not become effective for three (3) business days, pending any request for review by the Department of Finance (DOF). Should the DOF request a review of the Board's actions, it will have ten (10) days from the date of its request to approve the Oversight Board action or return it to the Oversight Board for reconsideration and the action, if subject to review by DOF, will not be effective until approved by DOF.

FISCAL IMPACT:

No fiscal impact.

Submitted by:



Kenneth A. Domer
Assistant City Administrator

Attachment:

H&SC §§ 34176 and 34181
Reso OB-2012-03

RESOLUTION NO. OB-2012-03

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF PLACENTIA, CALIFORNIA, APPROVING THE TRANSFER OF HOUSING RESPONSIBILITIES AND ALL RIGHTS, POWERS, DUTIES AND OBLIGATIONS TO THE CITY OF PLACENTIA AS THE SUCCESSOR HOUSING AGENCY IN COMPLIANCE WITH HEALTH AND SAFETY CODE § 34181 (C)

A. Recitals.

(i) Pursuant to the California Health and Safety Code §34176 the City of Placentia elected to retain the affordable housing assets and functions previously performed by the former Redevelopment Agency of the City of Placentia.

(ii) Health and Safety Code §34181 (c) states that the Oversight Board shall direct the Successor Agency to transfer housing responsibilities and all rights, powers, duties and obligations per Health and Safety Code §34176.

(iii) Upon the former agency's dissolution, and pursuant to the City Council Resolution No. R-2011-04, adopted January 17, 2012, the City assumed the former Agency's housing assets, which includes all rights, interest privileges, property (real, personal and intangible), including all loans and grants, all property such as land, buildings and dwelling units held by the Agency in connection with the production and preservation of low and moderate income housing, excluding any funds held in the Agency's Low and Moderate Income Housing Fund (collectively, the "housing assets"), and all of the rights, duties, and obligations that remain under the California Redevelopment Law (CRL) with regard to the production and preservation of low and moderate income housing.

(iv) All legal prerequisites to the adoption of this Resolution have occurred.

B. Resolution.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Placentia hereby finds, determines and resolves as follows:

1. In all respects as set forth in the Recitals, Part A., of this Resolution.

2. Effective February 1, 2012, the housing functions and housing assets, which includes all rights, interest privileges, property (real, personal and intangible), including all loans and grants, all property such as land, buildings and dwelling units held by the Agency in connection with the production and preservation of low and moderate income housing, excluding any funds held in the Agency's Low and Moderate Income Housing Fund (collectively, the "housing assets"), and all of the rights, duties, and obligations that remain under the CRL with regard to the production and preservation of low and moderate income housing of the former Redevelopment Agency of the City of Placentia are transferred to the City of Placentia in order to effectuate the election made by the City on January 17, 2012, pursuant to Resolution No. R-2011-04, to retain such housing functions and assets as provided under the provisions of AB X1 26.

2. The Executive Officer or designee is authorized to execute any and all documentation necessary to effectuate such transfer to the City.

3. The Chairperson shall sign this Resolution and the Clerk of the Board shall attest and certify to the passage and adoption thereof.

PASSED AND ADOPTED this 11th day of April, 2012.

, CHAIRPERSON

ATTEST:

TANIA A. MORENO, CLERK OF THE BOARD

STATE OF CALIFORNIA
COUNTY OF ORANGE

RESOLUTION NO. OB-2012-03

I, Tania A. Moreno, Clerk of the Board of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Placentia, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the Oversight Board held on the 11th day of April, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

TANIA A. MORENO, CLERK OF THE BOARD