

Orange Countywide Oversight Board

Agenda Item No. 4c

Date: 1/23/2024

From: Successor Agency to the Costa Mesa Redevelopment Agency

Subject: Resolution of the Countywide Oversight Board Approving Annual Recognized Obligation Payment Schedule (ROPS)

Recommended Action:

Adopt resolution approving Fiscal Year 2024-25 ROPS for the Costa Mesa Successor Agency

The Costa Mesa Successor Agency requests approval of the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for Fiscal Year 2024-25.

Under the Dissolution Law, Division 24, Parts 1.8 and 1.85 of the California Health and Safety Code (“Dissolution Law”), in particular Section 34171(h), each ROPS is "the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each fiscal year as provided in subdivision (o) of Section 34177." Under the mandatory dates in the Dissolution Law, the Successor Agency must submit a copy of ROPS, after approval from the Orange Countywide Oversight Board (“Oversight Board”), and transmittal to the County Administrative Officer (“CAO”), County Auditor Controller (“CAC”), State Controller’s Office (“SCO”), and DOF by February 1, 2024.

The enforceable obligations of the Costa Mesa Successor Agency (CMSA) are paid in full as of August 31, 2023, therefore the CMSA is not requesting any Redevelopment Property Tax Trust Fund (RPTTF) allocation for Fiscal Year 2024-25. CMSA will initiate dissolution procedures. In anticipation of the dissolution of the CMSA, no administrative budget is requested for Fiscal Year 2024-25. The CMSA is scheduled to review the Fiscal Year 2024-25 ROPS at its February 6, 2024 meeting.

Impact on Taxing Entities

Because the CMSA is not requesting any RPTTF for Fiscal Year 2024-25, all of the RPTTF will be available to be distributed to the taxing entities.

Staff Contact(s)

Andrea Pham, Finance Manager, is the primary staff contact on this item and can be reached by email at andrea.pham@costamesaca.gov.

Attachments

1. Orange Countywide Oversight Board Resolution Approving ROPS FY 2024-25 A-B
2. Exhibit A: Fiscal Year 2024-25 ROPS A-B
3. Placeholder for Successor Agency Resolution Approving ROPS FY 2024-25 A-B (Successor Agency will approve the Fiscal Year ROPS 2024-25 A-B on February 6, 2024)

**RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD
RESOLUTION NO. 24-010**

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH
OVERSIGHT OF THE SUCCESSOR AGENCY TO THE COSTA MESA *APPROVING THE
RECOGNIZED OBLIGATION PAYMENT SCHEDULE [ROPS] 2024-25 A-B* FOR THE
ANNUAL FISCAL PERIOD OF JULY 1, 2024 TO JUNE 30, 2025, SUBJECT TO
SUBMITTAL TO, AND REVIEW BY THE STATE DEPARTMENT OF FINANCE [DOF]
PURSUANT TO DISSOLUTION LAW, AND AUTHORIZING POSTING AND
TRANSMITTAL THEREOF

WHEREAS, the Costa Mesa (“Former Agency”) was established as a community redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Costa Mesa (“City”); and

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

WHEREAS, as of February 1, 2012 the Agency was dissolved pursuant to the Dissolution Law, and as a separate public entity, corporate and policy the Successor Agency to the Costa Mesa Redevelopment Agency (“Successor Agency”) administers the enforcement obligations of the Former Agency and otherwise unwinds the Former Agency’s affairs, all subject to the review and approval by a seven-member oversight board; and

WHEREAS, pursuant to Health and Safety Code Section 34179(j) on July 1, 2018 the Orange Countywide Oversight Board (“Oversight Board”) has jurisdiction over the Successor Agency and all other successor agencies in Orange County; and

WHEREAS, every oversight board, both the prior local oversight board and this newly established Orange Countywide Oversight Board, have fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law; and

WHEREAS, Section 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, review and approved by the Successor Agency and then reviewed and approved by the Orange Countywide Oversight Board final review and approval by the State Department of Finance (“DOF”); and

WHEREAS, Section 34177(l) and 34177(o) of the Dissolution Law requires that the annual ROPS for the 2024-25 A-B fiscal period of July 1, 2024 to June 30, 2025 (“ROPS 2024-25 A-B”) shall be submitted to the DOF by the Successor Agency, after approval by the Orange Countywide Oversight Board, no later than February 1, 2024; and

WHEREAS, the ROPS FY 2024-25, in the form required by DOF, is attached as Exhibit A and is fully incorporated by this reference; and

WHEREAS, the Orange Countywide Oversight Board has reviewed and considered the Successor Agency’s ROPS 2024-25 A-B and desires to approve it and authorize and direct the Successor Agency staff to transmit the ROPS 2024-25 A-B to the DOF, with copies to the County Executive Officer (“CEO”), County Auditor-Controller (“CAC”), and the State Controller’s Office (“SCO”) as required under the Dissolution Law;

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD:

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

SECTION 2. The Orange Countywide Oversight Board hereby approves ROPS 2024-25 A-B submitted therewith and incorporated by this reference.

SECTION 3. The Orange Countywide Oversight Board authorizes transmittal of the ROPS 2024-25 A-B to the DOF, with copies to the CEO, the CAC, and the SCO.

SECTION 4. The City of Costa Mesa’s Finance Director/Treasurer or authorized designee is directed to post this Resolution, including the ROPS 2024-25 A-B, on the City/Successor Agency website pursuant to the Dissolution Law.

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

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

Recognized Obligation Payment Schedule (ROPS 24-25) - Summary
Filed for the July 1, 2024 through June 30, 2025 Period

Successor Agency: Costa Mesa

County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	24-25A Total (July - December)	24-25B Total (January - June)	ROPS 24-25 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ -	\$ -	\$ -
F RPTTF	-	-	-
G Administrative RPTTF	-	-	-
H Current Period Enforceable Obligations (A+E)	\$ -	\$ -	\$ -

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

 Name Title

/s/ _____
 Signature Date

Costa Mesa
Recognized Obligation Payment Schedule (ROPS 24-25) - Report of Cash Balances
July 1, 2021 through June 30, 2022
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.							
A	B	C	D	E	F	G	H
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
	ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	Comments
1	Beginning Available Cash Balance (Actual 07/01/21) RPTTF amount should exclude "A" period distribution amount.	-	-	-		3,000	Prior ROPS excess cash
2	Revenue/Income (Actual 06/30/22) RPTTF amount should tie to the ROPS 21-22 total distribution from the County Auditor-Controller					1,902,703	AB1484 requires 20% (\$381,141) of loan repayment (\$1,905,703) to be transferred to Low and Moderate Income Housing Asset Fund per HSC 34191.4(s)(2)(c).
3	Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)					1,905,703	Successor Agency's FY 21/22 total expenditures and loan repayments
4	Retention of Available Cash Balance (Actual 06/30/22) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
5	ROPS 21-22 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 21-22 PPA form submitted to the CAC		No entry required				
6	Ending Actual Available Cash Balance (06/30/22) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$-	\$-	\$-	

Costa Mesa
Recognized Obligation Payment Schedule (ROPS 24-25) - Notes
July 1, 2024 through June 30, 2025

Item #	Notes/Comments
6	

SUCCESSOR AGENCY RESOLUTION NO 24-00

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE F 2024-25 FOR THE ANNUAL FISCAL PERIOD OF JULY 1, 2024 TO JUNE 30, 2025, SUBJECT TO SUBMITTAL TO, AND REVIEW BY THE ORANGE COUNTY-WIDE OVERSIGHT BOARD AND THE STATE OF CALIFORNIA, DEPARTMENT OF FINANCE UNDER CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.8 AND 1.85 AND, AUTHORIZING THE POSTING AND TRANSMITTAL THEREOF

WHEREAS, the former Costa Mesa Redevelopment Agency (Former Agency) was established as a redevelopment agency which was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.*, and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Costa Mesa (City) and

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

WHEREAS, as of February 1, 2012 the Former Agency was dissolved under the Dissolution Law, and as a separate public entity, the Successor Agency to the Costa Mesa Redevelopment Agency (Successor Agency) administers the enforceable obligations of the former Agency and otherwise dissolves the former Agency's affairs, all subject to the review and approval by a seven-member oversight board and

WHEREAS, under Section 34179(j) of the Dissolution Law, in every California county there shall be one oversight board that is staffed by the county's auditor-controller and

WHEREAS, the applicable consolidated oversight board overseeing this Successor Agency is called the Orange Countywide Oversight Board (Oversight Board) and

WHEREAS, every oversight board, both the prior local oversight board and the Oversight Board, has fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Dissolution Law and

WHEREAS, Sections 34177(m), 34177(o) and 34179 provide that each ROPS is submitted to, reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board before final review and approval by the State of California, Department of Finance (DOF) and

WHEREAS, Section 34177(o) of the Dissolution Law requires that the annual ROPS for the 2024-24 A-B fiscal period of July 1, 2024 to June 30, 2025 (ROPS FY

2024-25) shall be submitted to the DOF by the Successor Agency, after approval by the Oversight Board, no later than February 1, 2024 and

WHEREAS, the ROPS FY 2024-25, in the form required by DOF, is attached as Exhibit A and fully incorporated by this reference and

WHEREAS, the Successor Agency has reviewed the ROPS FY 2024-25 and desires to approve this schedule and to authorize and direct the Successor Agency staff to transmit the ROPS FY 2024-25 to the Oversight Board, with copies to the Orange County Administrative Officer (CAO), Orange County Auditor-Controller (CAC), the State Controller's Office (SCO) and DOF as required by Dissolution Law and

WHEREAS, the Successor Agency shall post the ROPS FY 2024-25 on the City/Successor Agency website www.costamesaca.gov.

NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE COSTA MESA REDEVELOPMENT AGENCY:

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

Section 2 The Successor Agency approves ROPS FY 2024-25 submitted herewith as Attachment 1, under the requirements of the Dissolution Law provided however, that the ROPS FY 2024-25 is approved subject to the condition such ROPS FY 2024-25 is to be transmitted to the Oversight Board for review and approval and a copy of such ROPS FY 2024-25 shall concurrently be sent to the CAO, CAC, SCO, and DOF. Further, the Finance Director (and her authorized designee), in consultation with legal counsel, shall be authorized to request and complete meet and confer session(s), if any, with the DOF and authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by DOF.

Section 3 After approval by the Oversight Board, the Successor Agency authorizes transmittal of the approved ROPS FY 2024-25 again to the CAC, SCO and DOF.

Section 4 The Finance Director of the Successor Agency or her authorized designee is directed to post this Resolution, including the ROPS FY 2024-25, on the City/Successor Agency website (www.costamesaca.gov) under the Dissolution Law.

Section 5 The Secretary of the Successor Agency shall certify to the adoption of this Resolution.

APPROVED AND ADOPTED this th day of 2024.

John Stephens, Chair
Successor Agency to the Costa Mesa
Redevelopment Agency

(SEAL)

ATTEST□

Brenda Green, Secretary
Successor Agency to the Costa Mesa Redevelopment Agency

APPROVED AS TO FORM

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□imberly Hall Barlow,
Successor Agency Counsel

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF COSTA MESA)

I, Brenda Green, Secretary of the Successor Agency to the Costa Mesa Redevelopment Agency, hereby certify that the foregoing resolution was duly adopted by the Successor Agency at a regular meeting held on the th day of 2024, and that it was so adopted by the following vote

AYES

NOES

ABSENT

ABSTAIN

Brenda Green, Secretary
Successor Agency to the Costa Mesa
Redevelopment Agency

(SEAL)

EXHIBIT A
to Successor Agency Resolution No. 2024-xx
RECOGNIZED OBLIGATION PAYMENT SCHEDULE FY 2024-25
FOR PERIOD JULY 1, 2024 TO JUNE 30, 2025