

Orange Countywide Oversight Board

Agenda Item No. 8a

Date: 1/16/2024

From: Staff to the Oversight Board

Subject: Resolution Approving FY 2024-25 Recognized Obligation Payment Schedule (“**ROPS 24-25**”) for Huntington Beach Successor Agency (“**HBSA**”)

Recommended Action: Adopt Resolution No. 2024-007 approving HBSA’s ROPS 24-25, with proviso referencing Resolution No. 2024-007

Background

By a separate agenda report, Oversight Board staff has presented proposed Resolution No. 2024-006, for the request to the State Department of Finance (“**DOF**”) for directions regarding the outstanding amount of the “Waterfront Loan” – which is an item on the HBSA’s proposed ROPS 24-25.

Attached in **Exhibit A** is the staff report submitted by HBSA, requesting the Oversight Board to approve its proposed ROPS 24-25. The form of resolution, as proposed by HBSA, is included in such staff report.

Discussion

If the Oversight Board decides to adopt Resolution No. 2024-006, the Oversight Board should consider the inclusion of a reference to Resolution No. 2024-006 in its resolution approving HBSA’s ROPS 24-25. In the attached Resolution No. 24-007, the language has been added to Section 2 for that purpose.

Attachment:

Exhibit A: HBSA Staff Report

Exhibit B: Resolution No. 24-007, as proposed by Oversight Board staff (see underlined language in Section 2, showing the modification from the HBSA’s proposed form)

EXHIBIT A

Huntington Beach Staff Report

For ROPS 2024-25

(see attached)

Orange Countywide Oversight Board

Agenda Item No. 8a

Date: 1/16/2024

From: Successor Agency to the Huntington Beach Redevelopment Agency

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

Recommended Action:

Approve resolution approving FY 2024-25 ROPS and Administrative Budget for the Huntington Beach Successor Agency

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

The Successor Agency to the Redevelopment Agency of the City of Huntington Beach (Successor Agency) is performing its functions under the Dissolution Law, Division 24, Parts 1.8 and 1.85 of the Health and Safety Code, as amended by Assembly Bill 1484 and other subsequent legislation (together, as amended, the “Dissolution Law”), to administer the enforceable obligations and otherwise unwind the former Agency’s affairs, all subject to the review and approval by the seven-member Oversight Board. Under the mandatory dates in the Dissolution Law, the Successor Agency must submit a copy of ROPS 2024-25 after approval from the Orange Countywide Oversight Board (“Oversight Board”), and transmittal to the County Executive Officer (“CEO”), County Auditor-Controller (“CAC”), State Controller’s Office (“SCO”), and DOF on or before February 1, 2024. The FY 2023-24 ROPS attached to the Oversight Board resolution included with this agenda report sets forth comparable listings of the Enforceable Obligations listed in prior ROPS. Included in the ROPS 2024-25 are all of the enforceable obligations of the Huntington Beach Successor Agency requiring payment during FY 2024-25. These obligations include the following annual bond debt service payments and cooperation agreements:

- Debt Service Payments (lines 3 and 4) for the 2002 and 1999 Tax Allocation Refunding Bonds in the merged project area.
- Development Disposition Agreements and Owner Participation Agreements for Bella Terra, Waterfront, and the Strand Developments (lines 2, 14, 15, 29, and 30)

Of note, the ROPS also includes a request for funds in the amount of \$9,828,541 to repay a portion of monies owed to the City from the former Redevelopment Agency for the purchase of real property (the “Waterfront Loan”) in Fiscal Year 1988-89 in the amount of \$22.4M, which was loaned to the Agency at a 10-percent interest rate. Between 1989 and 2011, the former Redevelopment Agency made payments on various City-Agency loans, with \$14.8M of these payments being applied to the Waterfront loan. This loan had been listed on previous ROPs and denied by the DOF until it was ultimately approved as an enforceable obligation by the California Superior Court on February 17, 2023. The Department of Finance concurred with the Court’s ruling in their letter dated May 19, 2023 stating the following:

“Waterfront Commercial Master Site Plan. Finance no longer denies this item. In compliance with the Judgement, the Agreement for the Purchase and Sale of Property (Waterfront Loan) dated September 19, 1988 between the City and the former Redevelopment Agency of the City of Huntington Beach is considered an enforceable obligation, and future requests for funding of supported outstanding amounts will be allowable.”

The total amount of the loan as of June 30, 2023 is \$30,464,000, comprised of \$22,400,000 in principal and \$8,064,000 in accrued interest calculated in accordance with Health and Safety Code Section 34191.4(b)(3)

“If the oversight board finds that the loan is an enforceable obligation, any interest on the remaining principal amount of the loan that was previously unpaid after the original effective date of the loan shall be recalculated from the date of origination of the loan as approved by the redevelopment agency on a quarterly basis, at a simple interest rate of 3 percent. The recalculated loan shall be repaid to the city, county, or city and county in accordance with a defined schedule over a reasonable term of years. Moneys repaid shall be applied first to the principal, and second to the interest.”

The \$9,828,541 repayment amount requested in the FY 2024-25 ROPS was calculated using the Department of Finance’s Sponsoring Entity Loan Repayment Calculator based on the provisions outlined in Health and Safety Code Section 34191.3(b)(3)(A), which calculated the maximum repayment amount authorized per fiscal year. This amount will be recalculated each fiscal year based on the estimated tax revenue available for repayment of the loan.

Also included as part of the ROPS is the FY 2024-25 administrative budget of \$250,000 on line item no. 50, an amount allowed under dissolution law. This amount is consistent with the amount requested and approved by all prior Oversight Boards and the Department of Finance (DOF) in each year of redevelopment dissolution. Attached is a line item budget justifying administrative costs. The current Successor Agency administrative budget includes both direct and indirect personnel costs of \$250,000 related to the management of the Successor Agency. The percentage used to estimate indirect costs for FY 2024-25 is 0.5%. Since the dissolution of the former Redevelopment Agency, staff have dedicated a significant number of hours managing and providing information for the ROPS, Housing Asset Transfer review, Long-Range Property Management Plan, and other projects associated with the wind down of the Successor Agency. The total cost associated with administering Successor Agency activities far exceeds the \$250,000 minimum annual administrative allowance provided to the Agency.

The attached ROPS for 2024-25 and administrative budget and related resolutions (Attachments 2 and 3) were presented for approval by the Huntington Beach Successor Agency on December 19, 2023. The Huntington Beach Successor Agency requests that the Orange Countywide Oversight Board adopt the attached Resolution approving the FY 2024-25 ROPS and Administrative Budget for the Huntington Beach Successor Agency.

Impact on Taxing Entities

Amounts requested for distribution from Huntington Beach’s Redevelopment Property Tax Trust Fund (RPTTF) for the 2024-25 period will reduce the RPTTF distribution to all other taxing entities by \$8,035,180 in the 2024-25A period and by \$7,163,948 in the 2024-25B period.

Staff Contact(s)

Sunny Han, Chief Financial Officer, sunny.han@surfcity-hb.org

Attachments

1. Orange Countywide Oversight Board Resolution
2. Huntington Beach Resolution 2023-04
3. Huntington Beach Resolution 2023-05
4. DOF Determination Letter 2023-24 and Huntington Beach ROPS 2023-24
5. Superior Court of California Ruling dated February 17, 2023

6. Department of Finance Recognized Obligation Payment Schedule Letter dated May 19, 2023
7. Department of Finance Section 34191.3(b)(3)(A) Sponsoring Entity Loan Repayment Calculator
8. Recalculated Waterfront Loan per Health and Safety Code Section 34191.4(b)(3)

**RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD
RESOLUTION NO. 24-007**

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH
OVERSIGHT OF THE SUCCESSOR AGENCY TO THE HUNTINGTON BEACH
REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION
PAYMENT SCHEDULE [ROPS] 2024-25 A-B FOR THE ANNUAL FISCAL PERIOD OF
JULY 1, 2024 TO JUNE 30, 2025, INCLUDING THE FY 2024-25 ADMINISTRATIVE
BUDGET, 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 former Redevelopment Agency of the City of Huntington Beach (“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 Huntington Beach (“City”); and

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 25 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 former Redevelopment Agency of the City of Huntington Beach (“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 2024-25, in the form required by DOF, is attached as Exhibit A and the Fiscal Year (“FY”) 2024-25 Administrative Budget is attached as Exhibit B, and both attachments are 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, including the FY 2024-25 administrative budget included herewith.

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 Huntington Beach’s Chief Financial Officer, 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.

RESOLUTION NO. 2023-04

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH APPROVING THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2024 THROUGH JUNE 30, 2025

WHEREAS, California Health and Safety Code section 34177(j) requires that the Successor Agency to the Redevelopment Agency of the City of Huntington Beach (“Successor Agency”) prepare an administrative budget for each annual fiscal period; and

A draft administrative budget for the fiscal period of July 1, 2024 through June 30, 2025 (“Administrative Budget”) is attached hereto as Exhibit A; and


California Health and Safety Code section 34177(k) requires the Successor Agency to provide to the County Auditor-Controller administrative cost estimates for expenses from the administrative budget that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund for each annual fiscal period; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

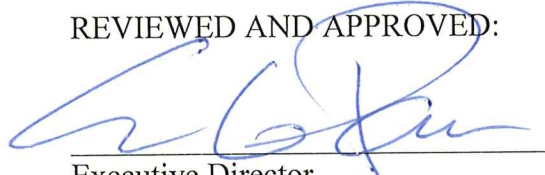
1. The Successor Agency hereby finds and determines that the foregoing recitals are true and correct.
2. The Administrative Budget attached hereto as Exhibit A is hereby approved.
3. The Successor Agency staff is directed to: (i) provide the required cost estimates for expenses to the County Auditor-Controller; and (ii) to do any and all things and to execute and deliver any and all documents which may be necessary or advisable in order to effectuate the purposes of this Resolution.
4. The Successor Agency does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Successor Agency and the City of Huntington Beach under law and/or in equity.

PASSED AND ADOPTED by the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a regular meeting thereof held on the 19th day of December, 2023.



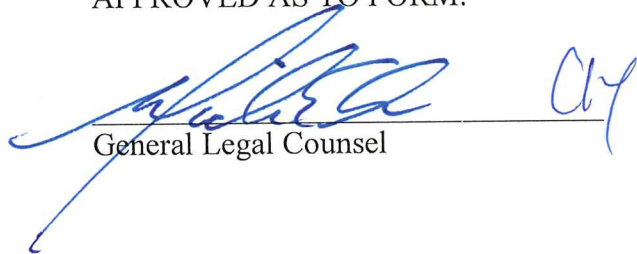
Chairperson

REVIEWED AND APPROVED:



Executive Director

APPROVED AS TO FORM:



General Legal Counsel

EXHIBIT A

ADMINISTRATIVE BUDGET FOR THE PERIOD
JULY 1, 2024 THROUGH JUNE 30, 2025

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**Successor Agency
Administrative Budget
Department Budget Summary
Other Funds by Object Account**

OTHER FUNDS

Expenditure Object Account	ROPS 24-25 Budget
RORF Administration (350)	
PERSONNEL SERVICES	
Salaries/Benefits - Permanent	250,000
PERSONNEL SERVICES	250,000
Total	250,000
Revenue Summary	
ROPS 24-25 Budget	
Administrative Allowance	250,000
Total	250,000

Significant Changes

Pursuant to AB x126 and AB 1484, the Successor Agency receives RPTTF funding from the County Auditor-Controller to pay Enforceable Obligations. The Successor Agency also receives a 3% of actual distributed RPTTF in the preceding fiscal year, or a minimum of \$250,000 for administration of the winding down of the former Redevelopment Agency per fiscal year. Administrative costs associated with the "wind down" and dissolution of the Redevelopment Agency that exceed the administrative cost allowance will be funded by Other Funds, pursuant to State rules. Administrative expenses include: personnel costs, legal, and other professional services expenses associated with the dissolution and administration of the Successor Agency.

**Successor Agency
Res. No. 2023-04**

**STATE OF CALIFORNIA
COUNTY OF ORANGE) ss:
CITY OF HUNTINGTON BEACH)**

I, ROBIN ESTANISLAU the Clerk of the Successor Agency to the former City of Huntington Beach Redevelopment Agency, Huntington Beach, California, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by The Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a **special** meeting held on **December 19, 2023** and that is was so adopted by the following vote:

AYES: Board Members: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, Kalmick
NOES: Board Members: None
ABSENT: Board Members: None
ABSTAIN: Board Members: None



Clerk of The Successor Agency to
the Redevelopment Agency of the
City of Huntington Beach, California

Huntington Beach

ROPS 2024-25 Annual

[Summary](#) [Detail](#) [Cash Balances](#) [Submission](#)

Requested Funding for Obligations		24-25A Total	24-25B Total	ROPS Total
A	Obligations Funded as Follows (B+C+D)	0	76,969	76,969
B	Bond Proceeds	0	0	0
C	Reserve Balance	0	0	0
D	Other Funds	0	76,969	76,969
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	8,035,180	7,163,948	15,199,128
F	RPTTF	7,910,180	7,038,948	14,949,128
G	Administrative RPTTF	125,000	125,000	250,000
H	Current Period Obligations (A+E)	8,035,180	7,240,917	15,276,097

Huntington Beach




ROPS 2024-25 Annual




[Summary](#) [Detail](#) [Cash Balances](#) [Submission](#)





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+										
	Item #	Obligation Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Total Outstanding Obligation	Total Requested Funding	Notes
	3	2002 Tax Allocation Refunding Bonds	Bonds Issued On or Before 12/31/10	06/19/2002	08/01/2024	Bank of New York Trust Co.	Tax Allocation Bonds Debt Service Payments	799,500	799,500	
	4	1999 Tax Allocation Refunding Bonds	Bonds Issued On or Before 12/31/10	01/12/1999	08/01/2024	Bank of New York Trust Co.	Tax Allocation Bonds Debt Service Payments	369,000	369,000	
	5	2002 Tax Allocation Refunding Bonds	Fees	11/17/2010	06/30/2024	Arbitrage Compliance Specialist	Tax Allocation Bonds arbitrage rebate calculation - Federal IRS Compliance	500	500	
	6	1999 Tax Allocation Refunding Bonds	Fees	11/17/2010	06/30/2024	Arbitrage Compliance Specialist	Tax Allocation Bonds arbitrage rebate calculation - Federal IRS Compliance	500	500	
	8	2002 Tax Allocation Refunding Bonds	Fees	06/19/2002	08/01/2024	Bank of New York Mellon	Tax Allocation Bonds - Payment to Fiscal Agent	1,600	1,600	
	9	1999 Tax Allocation Refunding Bonds	Fees	01/12/1999	08/01/2024	Bank of New York Mellon	Tax Allocation Bonds - Payment to Fiscal Agent	1,600	1,600	
	12	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds	Bonds Issued On or Before 12/31/10	05/13/2010	09/01/2021	US Bank	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds Debt Service Payments	-	-	

	Item #	Obligation Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Total Outstanding Obligation	Total Requested Funding	Notes
	14	Strand Hotel and Mixed-Use Project, Parking & Infrastructure	OPA/DDA/Construction	06/01/1999	09/30/2033	CIM Group, LLC and Kane Ballmer and Berkman	Property Tax Sharing Agreement under the Disposition and Development Agreement (DDA) for development of hotel, retail, restaurant, and public parking structure. The Implementation of the DDA and the Sixth Implementation Agreement were entered into from June 1999 to November 2008.	5,862,789	677,904	
	15	Strand Project Additional Parking	OPA/DDA/Construction	01/20/2009	09/30/2033	CIM Group, LLC	Property Tax Sharing Agreement under the Disposition and Development Agreement (DDA) and Sixth Implementation Agreement for the Strand projects parking structure authorized on January 20, 2009.	543,529	49,576	
	17	Pacific City - Very Low Income Units	OPA/DDA/Construction	10/16/2006	11/26/2024	Makar Properties	15% affordable housing requirement pursuant to Attachment 5 of the Owner Participation Agreement approved on October 16, 2006. Of the 15% required housing obligation, 5% very-low income housing is to be developed by the Housing Authority. The Developer is required to provide the remaining 10% on site.	-	-	

	Item #	Obligation Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Total Outstanding Obligation	Total Requested Funding	Notes
	21	Abdelmudi Owner Participation Agreement/Rent Differential Agreement	OPA/DDA/Construction	05/28/1991	12/31/2017	Abdelmudi Development Company	Owner Participation Agreement/Rent Differential Agreement approved on May 28, 1991 for the development of the three story building at the Oceanview Promenade. The Third Implementation Amendment took effect on November 21, 1994.	-	-	
	29	Bella Terra Parking Infrastructure Property Tax Sharing Agreement	OPA/DDA/Construction	10/02/2000	09/30/2025	Bella Terra Associates LLC	Property Tax Sharing Agreement required under the terms of the Owner Participation Agreement (dated 10/2/2000) and Second Implementation Agreement (dated 9/17/2007) for the development of the Huntington Center (Bella Terra). Includes legal requirements to enforce obligation.	1,874,824	1,874,824	
	30	Bella Terra Phase II Property Tax Sharing Agreement	OPA/DDA/Construction	10/04/2010	07/01/2036	Bella Terra Villas, LLC and Kane Ballmer Berkman	Agreement approved on October 4, 2010 for construction of a 467 mixed-use unit project. Construction is complete and financed by property tax allocations. Includes legal requirements to implement obligation.	11,329,189	1,412,552	

	Item #	Obligation Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Total Outstanding Obligation	Total Requested Funding	Notes
	50	Enforcement of Successor Agency dissolution compliance and monitoring per AB 1X26 and AB1484	Admin Costs	02/01/2012	11/26/2040	Successor Agency, Kane Ballmer, Keyser Marston, and Davis Farr P et al	Successor Agency administrative obligations relating to maintaining payments on enforceable obligations and other activities as required by AB 1X26	250,000	250,000	
	64	Successor Agency Financial Statement Audit	Dissolution Audits	11/04/2013	08/01/2024	Davis Farr LLP	Statutorily required annual financial statement audit of Successor Agency.	10,000	10,000	
	79	Land Sale Emerald Cove	City/County Loan (Prior 06/28/11), Property transaction	05/18/2009	10/01/2030	City of Huntington Beach	Legally Binding Operative Agreement Principal Amount - \$1,740,834, Interest Rates 3%, Debt Incurred on May 18, 2009	-	-	
	119	Waterfront Commercial Master Site Plan	City/County Loan (Prior 06/28/11), Property transaction	09/19/1988	06/30/2040	City of Huntington Beach	Acquisition of the Waterfront property related to the Waterfront Commercial Master Site Plan	31,136,000	9,828,541	

Huntington Beach

ROPS 2024-25 Annual

[Summary](#) [Detail](#) [Cash Balances](#) [Submission](#)

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. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips](#).

[Export to Excel](#)

Note: Cash Balances data is auto-saved.

July 1, 2021 through June 30, 2022

(Report Amounts in Whole Dollars)

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			169,574			//	
2	Revenue/Income (Actual 06/30/22) RPTTF amount should tie to the ROPS 21-22 total distribution from the County Auditor-Controller				76,969	7,022,930	//	
3	Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)			169,574		6,062,956	//	
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					959,974	//

6	Ending Actual Available Cash Balance (06/30/22) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$	0	\$	0	\$	0	\$	76,969	\$	0	
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**Successor Agency
Administrative Budget
Department Budget Summary
Other Funds by Object Account**

OTHER FUNDS

Expenditure Object Account	ROPS 24-25 Budget
RORF Administration (350)	
PERSONNEL SERVICES	
Salaries/Benefits - Permanent	250,000
PERSONNEL SERVICES	250,000
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Revenue Summary	
ROPS 24-25 Budget	
Administrative Allowance	250,000
Total	250,000

Significant Changes

Pursuant to AB x126 and AB 1484, the Successor Agency receives RPTTF funding from the County Auditor-Controller to pay Enforceable Obligations. The Successor Agency also receives a 3% of actual distributed RPTTF in the preceding fiscal year, or a minimum of \$250,000 for administration of the winding down of the former Redevelopment Agency per fiscal year. Administrative costs associated with the "wind down" and dissolution of the Redevelopment Agency that exceed the administrative cost allowance will be funded by Other Funds, pursuant to State rules. Administrative expenses include: personnel costs, legal, and other professional services expenses associated with the dissolution and administration of the Successor Agency.

**City of Huntington Beach
FY 2024/25
Administrative Allowance Budget**

		<u>Fiscal Year</u> <u>2024/2025</u>		<u>Successor</u>	<u>SA</u>	<u>% of Time</u>
		<u>Costs</u>	<u>Hourly Rate</u>	<u>Agency Hours</u>	<u>Administration</u>	<u>Spent on SA</u> <u>Issues</u>
Direct Personnel Costs	Department					
City Manager/Executive Director	City Manager	\$ 375,460	\$ 180.51	21	\$ 3,755	1.00%
Assistant City Manager	City Manager	330,517	158.90	21	3,305	1.00%
City Council/Successor Agency Board Members	City Council	94,786	45.57	4	190	0.20%
City Clerk/Board Clerk	City Clerk	224,863	108.11	4	450	0.20%
Deputy City Clerk	City Clerk	135,742	65.26	4	271	0.20%
City Attorney	City Attorney	365,449	175.70	20	3,514	0.96%
Chief Assistant City Attorney	City Attorney	283,222	136.16	20	2,723	0.96%
City Treasurer	Finance	111,790	53.75	104	5,590	5.00%
Chief Financial Officer	Finance	312,146	150.07	104	15,607	5.00%
Assistant Chief Financial Officer	Finance	234,770	112.87	320	36,118	15.38%
Finance Manager Treasury	Finance	218,030	104.82	104	10,902	5.00%
Finance Manager Accounting	Finance	212,805	102.31	180	18,416	8.65%
Principal Finance Analyst	Finance	192,379	92.49	208	19,238	10.00%
Senior Accountant	Finance	158,725	76.31	192	14,652	9.23%
Accounting Technician II	Finance	112,611	54.14	21	1,126	1.00%
Senior Payroll Technician	Finance	116,251	55.89	120	6,707	5.77%
Community Development Director	Community Development	249,791	120.09	180	21,617	8.65%
Deputy Director of Community Development	Community Development	232,170	111.62	240	26,789	11.54%
Economic Development Project Manager	Economic Development	184,995	88.94	180	16,009	8.65%
Total Direct Personnel Costs					206,977	
Indirect Costs (applied at .5% of total cost)						
General Liability Insurance		4,887,622			24,438	
Workers Compensation Insurance		7,153,578			35,768	
Facilities Maintenance and Utilities		7,339,576			36,698	
Computer Maintenance		1,786,368			8,932	
General and Office Supplies		2,288,503			11,443	
Legal - City Attorney		2,921,219			14,606	
Human Resources		1,746,599			8,733	
Information Services		7,627,351			23,005	
Total Indirect Cost					163,622	
Total Successor Agency Admin Allowance Cost					\$ 370,599	
Total Successor Agency FY 2024/25 Proposed Admin Budget					\$ 250,000	

RESOLUTION NO. 2023-05

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JULY 1, 2024 – JUNE 30, 2025 (“ROPS 24-25”)

WHEREAS, pursuant to AB x1 26 (as amended by AB 1484, the “Dissolution Act”), the separate legal entity known as Successor Agency to the Redevelopment Agency of the City of Huntington Beach (“Successor Agency”) must prepare “Recognized Obligation Payment Schedules” (“ROPS”) that enumerate the enforceable obligations and expenses of the Successor Agency for each successive annual fiscal period until the wind down and disposition of assets of the former Redevelopment Agency of the City of Huntington Beach; and

The Successor Agency staff has prepared a ROPS for the annual fiscal period commencing on July 1, 2024 and continuing through June 30, 2025 (“ROPS 24-25”) which is attached hereto as Exhibit A; and

After reviewing ROPS 24-25, presented to and recommended for approval by Successor Agency staff, and after reviewing any written and oral comments from the public relating thereto, the Successor Agency Board desires to approve the ROPS 24-25; and

All of the prerequisites with respect to the approval of this Resolution have been met.

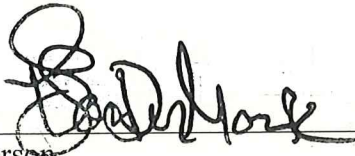
NOW, THEREFORE, the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

1. The Successor Agency hereby finds and determines that the foregoing recitals are true and correct.
2. The Successor Agency hereby approves ROPS 24-25 in the form presented to the Successor Agency and attached hereto as Exhibit A, and hereby determines that such agreements and obligations constitute “enforceable obligations” and “recognized obligations” for all purposes under the Dissolution Act.
3. The Successor Agency authorizes and directs the Successor Agency staff to: (i) take all actions necessary under the Dissolution Act to post ROPS 24-25 on the Successor Agency website once approved by the Oversight Board to the Successor Agency; (ii) transmit ROPS 24-25 to the Auditor-Controller and the County Administrator of the County of Orange and to the State Controller and the State Department of Finance (“DOF”); and (iii) to do any and all things and to execute and deliver any and all documents which may be necessary or advisable in order to effectuate the purposes of this Resolution. In addition, the Successor Agency authorizes and directs the Successor Agency staff to make such non-substantive revisions to ROPS 24-25 as may be necessary to submit ROPS 24-25 in any modified form required by DOF, and ROPS 24-25 as so modified shall thereupon constitute ROPS 24-25 as approved by the Successor Agency pursuant to this Resolution.

4. The Successor Agency authorizes the Executive Director, or designee, to make such non-substantive changes and amendments to ROPS 24-25 as may be approved by the Executive Director of the Successor Agency and its legal counsel, ROPS 24-25 as so modified shall thereupon constitute ROPS 24-25 as approved by the Successor Agency pursuant to this Resolution.

5. The Successor Agency does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Successor Agency and the City of Huntington Beach under law and/or in equity.

PASSED AND ADOPTED by the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a regular meeting thereof held on the 19th day of December, 2023.



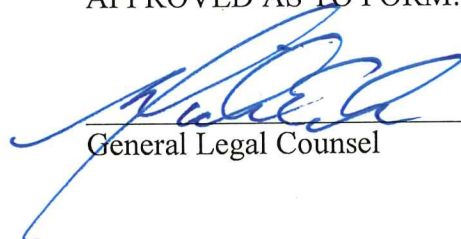
Chairperson

REVIEWED AND APPROVED:



Executive Director

APPROVED AS TO FORM:



General Legal Counsel

EXHIBIT A

RECOGNIZED OBLIGATION PAYMENT SCHEDULE
FOR THE PERIOD JULY 1, 2024 THROUGH JUNE 30, 2025
("ROPS 24-25")

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Huntington Beach
ROPS 2024-25 Annual

Summary Detail Cash Balances Submission

Requested Funding for Obligations	24-25A Total	24-25B Total	ROPS Total
A Obligations Funded as Follows (B+C+D)	0	76,969	76,969
B Bond Proceeds	0	0	0
C Reserve Balance	0	0	0
D Other Funds	0	76,969	76,969
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	8,035,180	7,163,948	15,199,128
F RPTTF	7,910,180	7,038,948	14,949,128
G Administrative RPTTF	125,000	125,000	250,000
H Current Period Obligations (A+E)	8,035,180	7,240,917	15,276,097

Huntington Beach

ROPS 2024-25 Annual

[Summary](#) [Detail](#) [Cash Balances](#) [Submission](#)

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Item #	Obligation Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Total Outstanding Obligation	Total Requested Funding	Notes
3	2002 Tax Allocation Refunding Bonds	Bonds Issued On or Before 12/31/10	06/19/2002	08/01/2024	Bank of New York Trust Co.	Tax Allocation Bonds Debt Service Payments	799,500	799,500	
4	1999 Tax Allocation Refunding Bonds	Bonds Issued On or Before 12/31/10	01/12/1999	08/01/2024	Bank of New York Trust Co.	Tax Allocation Bonds Debt Service Payments	369,000	369,000	
5	2002 Tax Allocation Refunding Bonds	Fees	11/17/2010	06/30/2024	Arbitrage Compliance Specialist	Tax Allocation Bonds arbitrage rebate calculation - Federal IRS Compliance	500	500	
6	1999 Tax Allocation Refunding Bonds	Fees	11/17/2010	06/30/2024	Arbitrage Compliance Specialist	Tax Allocation Bonds arbitrage rebate calculation - Federal IRS Compliance	500	500	
8	2002 Tax Allocation Refunding Bonds	Fees	06/19/2002	08/01/2024	Bank of New York Mellon	Tax Allocation Bonds - Payment to Fiscal Agent	1,600	1,600	
9	1999 Tax Allocation Refunding Bonds	Fees	01/12/1999	08/01/2024	Bank of New York Mellon	Tax Allocation Bonds - Payment to Fiscal Agent	1,600	1,600	
12	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds	Bonds Issued On or Before 12/31/10	05/13/2010	09/01/2021	US Bank	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds Debt Service Payments	-	-	

Item #	Obligation Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Total Outstanding Obligation	Total Requested Funding	Notes
14	Strand Hotel and Mixed-Use Project, Parking & Infrastructure	OPA/DDA/Construction	06/01/1999	09/30/2033	CIM Group, LLC and Kane Ballmer and Berkman	Property Tax Sharing Agreement under the Disposition and Development Agreement (DDA) for development of hotel, retail, restaurant, and public parking structure. The Implementation of the DDA and the Sixth Implementation Agreement were entered into from June 1999 to November 2008.	5,862,789	677,904	
15	Strand Project Additional Parking	OPA/DDA/Construction	01/20/2009	09/30/2033	CIM Group, LLC	Property Tax Sharing Agreement under the Disposition and Development Agreement (DDA) and Sixth Implementation Agreement for the Strand projects parking structure authorized on January 20, 2009.	543,529	49,576	
17	Pacific City - Very Low Income Units	OPA/DDA/Construction	10/16/2006	11/26/2024	Makar Properties	15% affordable housing requirement pursuant to Attachment 5 of the Owner Participation Agreement approved on October 16, 2006. Of the 15% required housing obligation, 5% very-low income housing is to be developed by the Housing Authority. The Developer is required to provide the remaining 10% on site.	-	-	

Item #	Obligation Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Total Outstanding Obligation	Total Requested Funding	Notes
21	Abdelmudi Owner Participation Agreement/Rent Differential Agreement	OPA/DDA/Construction	05/28/1991	12/31/2017	Abdelmudi Development Company	Owner Participation Agreement/Rent Differential Agreement approved on May 28, 1991 for the development of the three story building at the Oceanview Promenade. The Third Implementation Amendment took effect on November 21, 1994.	-	-	
29	Bella Terra Parking Infrastructure Property Tax Sharing Agreement	OPA/DDA/Construction	10/02/2000	09/30/2025	Bella Terra Associates LLC	Property Tax Sharing Agreement required under the terms of the Owner Participation Agreement (dated 10/2/2000) and Second Implementation Agreement (dated 9/17/2007) for the development of the Huntington Center (Bella Terra). Includes legal requirements to enforce obligation.	1,874,824	1,874,824	
30	Bella Terra Phase II Property Tax Sharing Agreement	OPA/DDA/Construction	10/04/2010	07/01/2036	Bella Terra Villas, LLC and Kane Ballmer Berkman	Agreement approved on October 4, 2010 for construction of a 467 mixed-use unit project. Construction is complete and financed by property tax allocations. Includes legal requirements to implement obligation.	11,329,189	1,412,552	

Item #	Obligation Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Total Outstanding Obligation	Total Requested Funding	Notes
50	Enforcement of Successor Agency dissolution compliance and monitoring per AB 1X26 and AB1484	Admin Costs	02/01/2012	11/26/2040	Successor Agency, Kane Ballmer, Keyser Marston, and Davis Farr P et al	Successor Agency administrative obligations relating to maintaining payments on enforceable obligations and other activities as required by AB 1X26	250,000	250,000	
64	Successor Agency Financial Statement Audit	Dissolution Audits	11/04/2013	08/01/2024	Davis Farr LLP	Statutorily required annual financial statement audit of Successor Agency.	10,000	10,000	
79	Land Sale Emerald Cove	City/County Loan (Prior 06/28/11), Property transaction	05/18/2009	10/01/2030	City of Huntington Beach	Legally Binding Operative Agreement Principal Amount - \$1,740,834, Interest Rates 3%, Debt Incurred on May 18, 2009	-	-	
119	Waterfront Commercial Master Site Plan	City/County Loan (Prior 06/28/11), Property transaction	09/19/1988	06/30/2040	City of Huntington Beach	Acquisition of the Waterfront property related to the Waterfront Commercial Master Site Plan	31,136,000	9,828,541	

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[Summary](#) [Detail](#) [Cash Balances](#) [Submission](#)

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. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips](#).

Export to Excel **Note: Cash Balances data is auto-saved.**

July 1, 2021 through June 30, 2022
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H
		Bond Proceeds		Fund Sources	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	Reserve Balance 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			169,574			
2	Revenue/Income (Actual 06/30/22) RPTTF amount should tie to the ROPS 21-22 total distribution from the County Auditor- Controller				76,969	7,022,930	
3	Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)			169,574		6,062,956	
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		959,974	

**Successor Agency
Res. No. 2023-05**

**STATE OF CALIFORNIA
COUNTY OF ORANGE) ss:
CITY OF HUNTINGTON BEACH)**

I, ROBIN ESTANISLAU the Clerk of the Successor Agency to the former City of Huntington Beach Redevelopment Agency, Huntington Beach, California, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by The Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a **special** meeting held on **December 19, 2023** and that is was so adopted by the following vote:

AYES: Board Members: Moser, Bolton, Burns, Van Der Mark, Strickland, McKeon, Kalmick
NOES: Board Members: None
ABSENT: Board Members: None
ABSTAIN: Board Members: None



Clerk of The Successor Agency to
the Redevelopment Agency of the
City of Huntington Beach, California



Transmitted via e-mail

April 14, 2023

Sunny Rief, Assistant Chief Financial Officer
City of Huntington Beach
2000 Main Street
Huntington Beach, CA 92648

2023-24 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Huntington Beach Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2023 through June 30, 2024 (ROPS 23-24) to the California Department of Finance (Finance) on January 29, 2023. Finance has completed its review of the ROPS 23-24.

Based on a sample of line items reviewed and application of the law, Finance made the following determinations:

- Item No. 12 – Emerald Cove 2010 Series A Lease Revenue Refunding Bonds in the total outstanding amount of \$6,837,845 was requested in error. Item No. 12 was denied in Finance's determination letter dated December 18, 2012. The Agency inadvertently requested Redevelopment Property Tax Trust Fund (RPPTF) under Item No. 12 instead of Item No. 79 – Land Sale Emerald Cove. Finance is approving funding for Item No. 79 pursuant to the judgment in the matter of *City of Huntington Beach et al. v. State of California et al.* (Case No. 34-2018-80002876). Therefore, with the Agency's concurrence, Finance made the following adjustments:

Item No.	Requested RPPTF	Adjusted RPPTF	Authorized RPPTF
12	\$6,837,845	(\$6,837,845)	\$0
79	0	6,837,845	6,837,845
Total	\$6,837,845	\$0	\$6,837,845

- Item No. 29 – Bella Terra Parking Infrastructure Property Tax Sharing Agreement. The Agency requested \$2,347,103 in error. According to the debt service schedule, the amount needed for the January 1, 2024 through June 30, 2024 (ROPS 23-24B) period should be \$1,939,365. Therefore, with the Agency's concurrence, Finance made an adjustment of \$407,738.
- The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the July 1, 2020 through June 30, 2021 (ROPS 20-21) period. The ROPS 20-21 prior period adjustment (PPA) will offset the ROPS 23-24 RPTTF distribution. The amount of RPTTF authorized includes the prior period adjustment (PPA) resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$12,164,145, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2023 through December 31, 2023 period (ROPS A period), and one distribution for the January 1, 2024 through June 30, 2024 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 23-24 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Except for the adjusted item, Finance approves the remaining items listed on the ROPS 23-24 at this time. If the Agency disagrees with our determination with respect to any items on the ROPS 23-24, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days from the date of this letter. The Agency must use the RAD App to complete and submit its Meet and Confer request form. The Meet and Confer process and guidelines are available on our website:

http://dof.ca.gov/Programs/Redevelopment/Meet_And_Confer/

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 23-24. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

The ROPS 23-24 form submitted by the Agency and this determination letter will be posted on our website:

<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

This determination is effective for the ROPS 23-24 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of the redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Todd Vermillion, Supervisor, or Dylan Newton, Staff, at (916) 322-2985.

Sincerely,


for JENNIFER WHITAKER
Program Budget Manager

cc: Ursula Luna-Reynosa, Director of Community Development,
City of Huntington Beach
Christopher Ranftl, Administrative Manager I, Property Tax Unit, Orange County
Kathy Tavoularis, Countywide Oversight Board Representative

Approved RPTTF Distribution July 2023 through June 2024			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 8,844,592	\$ 3,803,238	\$ 12,647,830
Administrative RPTTF Requested	125,000	125,000	250,000
Total RPTTF Requested	8,969,592	3,928,238	12,897,830
RPTTF Requested	8,844,592	3,803,238	12,647,830
<u>Adjustment(s)</u>			
Item No. 12	(6,837,845)	0	(6,837,845)
Item No. 29	0	(407,738)	(407,738)
Item No. 79	6,837,845	0	6,837,845
	0	(407,738)	(407,738)
RPTTF Authorized	8,844,592	3,395,500	12,240,092
Administrative RPTTF Authorized	125,000	125,000	250,000
ROPS 20-21 Prior Period Adjustment (PPA)	(325,947)	0	(325,947)
Total RPTTF Approved for Distribution	\$ 8,643,645	\$ 3,520,500	\$ 12,164,145

Huntington Beach

ROPS 2023-24 Annual

<u>Summary</u>	<u>Detail</u>	<u>Cash Balances</u>	<u>Submission</u>	
Requested Funding for Obligations		23-24A Total	23-24B Total	ROPS Total
A	Obligations Funded as Follows (B+C+D)	132,058	0	132,058
B	Bond Proceeds	0	0	0
C	Reserve Balance	132,058	0	132,058
D	Other Funds	0	0	0
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	8,969,592	3,928,238	12,897,830
F	RPTTF	8,844,592	3,803,238	12,647,830
G	Administrative RPTTF	125,000	125,000	250,000
H	Current Period Obligations (A+E)	9,101,650	3,928,238	13,029,888


Huntington Beach

ROPS 2023-24 Annual

[Summary](#) [Detail](#) [Cash Balances](#) [Submission](#)

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+	Item #	Obligation Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Total Outstanding Obligation	Total Requested Funding	Notes
	2	Hyatt Regency Huntington Beach Project	OPA/DDA/Construction	09/14/1998	09/30/2023	PCH Beach Resorts LLC	Disposition and Development Agreement approved on September 14, 1998 for the Waterfront Development	-	-	
	3	2002 Tax Allocation Refunding Bonds	Bonds Issued On or Before 12/31/10	06/19/2002	08/01/2024	Bank of New York Trust Co.	Tax Allocation Bonds Debt Service Payments	2,575,000	982,000	
	4	1999 Tax Allocation Refunding Bonds	Bonds Issued On or Before 12/31/10	01/12/1999	08/01/2024	Bank of New York Trust Co.	Tax Allocation Bonds Debt Service Payments	1,190,000	453,625	
	5	2002 Tax Allocation Refunding Bonds	Fees	11/17/2010	06/30/2024	Arbitrage Compliance Specialist	Tax Allocation Bonds arbitrage rebate calculation - Federal IRS Compliance	500	500	
	6	1999 Tax Allocation Refunding Bonds	Fees	11/17/2010	06/30/2024	Arbitrage Compliance Specialist	Tax Allocation Bonds arbitrage rebate calculation - Federal IRS Compliance	500	500	
	8	2002 Tax Allocation Refunding Bonds	Fees	06/19/2002	08/01/2024	Bank of New York Mellon	Tax Allocation Bonds - Payment to Fiscal Agent	1,600	1,600	
	9	1999 Tax Allocation Refunding Bonds	Fees	01/12/1999	08/01/2024	Bank of New York Mellon	Tax Allocation Bonds - Payment to Fiscal Agent	1,600	1,600	
	12	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds	Bonds Issued On or Before 12/31/10	05/13/2010	09/01/2021	US Bank	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds Debt Service Payments	6,837,845	6,837,845	
	14	Strand Hotel and Mixed-Use Project, Parking & Infrastructure	OPA/DDA/Construction	06/01/1999	09/30/2033	CIM Group, LLC and Kane Ballmer and Berkman	Property Tax Sharing Agreement under the Disposition and Development Agreement (DDA) for development of hotel, retail, restaurant, and public parking structure. The Implementation of the DDA and the Sixth Implementation Agreement were entered into from June 1999 to November 2008.	4,970,141	677,904	
	15	Strand Project Additional Parking	OPA/DDA/Construction	01/20/2009	09/30/2033	CIM Group, LLC	Property Tax Sharing Agreement under the Disposition and Development Agreement (DDA) and Sixth Implementation Agreement for the Strand projects parking structure authorized on January 20, 2009.	337,219	49,576	

	Item #	Obligation Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Total Outstanding Obligation	Exhibit A Total Requested Funding	Notes
	17	Pacific City - Very Low Income Units	OPA/DDA/Construction	10/16/2006	11/26/2024	Makar Properties	15% affordable housing requirement pursuant to Attachment 5 of the Owner Participation Agreement approved on October 16, 2006. Of the 15% required housing obligation, 5% very-low income housing is to be developed by the Housing Authority. The Developer is required to provide the remaining 10% on site.	-	-	
	21	Abdelmudi Owner Participation Agreement/Rent Differential Agreement	OPA/DDA/Construction	05/28/1991	12/31/2017	Abdelmudi Development Company	Owner Participation Agreement/Rent Differential Agreement approved on May 28, 1991 for the development of the three story building at the Oceanview Promenade. The Third Implementation Amendment took effect on November 21, 1994.	-	-	
	29	Bella Terra Parking Infrastructure Property Tax Sharing Agreement	OPA/DDA/Construction	10/02/2000	09/30/2025	Bella Terra Associates LLC	Property Tax Sharing Agreement required under the terms of the Owner Participation Agreement (dated 10/2/2000) and Second Implementation Agreement (dated 9/17/2007) for the development of the Huntington Center (Bella Terra). Includes legal requirements to enforce obligation.	3,487,056	2,347,103	
	30	Bella Terra Phase II Property Tax Sharing Agreement	OPA/DDA/Construction	10/04/2010	07/01/2036	Bella Terra Villas, LLC and Kane Ballmer Berkman	Agreement approved on October 4, 2010 for construction of a 467 mixed-use unit project. Construction is complete and financed by property tax allocations. Includes legal requirements to implement obligation.	12,130,583	1,417,635	
	50	Enforcement of Successor Agency dissolution compliance and monitoring per AB 1X26 and AB1484	Admin Costs	02/01/2012	11/26/2040	Successor Agency, Kane Ballmer, Keyser Marston, and Davis Farr P et al	Successor Agency administrative obligations relating to maintaining payments on enforceable obligations and other activities as required by AB 1X26	250,000	250,000	
	64	Successor Agency Financial Statement Audit	Dissolution Audits	11/04/2013	08/01/2024	Davis Farr LLP	Statutorily required annual financial statement audit of Successor Agency.	10,000	10,000	
	76	Waterfront Hyatt Regency Hotel (Parcel 5), Waterfront Hilton Hotel/Parcel C (Parcel 6 and 7)	Project Management Costs	12/01/2015	09/30/2016	HB Staffing	Project Management Costs for Consultant to draft documents for the disposition of Successor Agency property under the LRPMP and prepare draft documents	-	-	
	77	Waterfront Hyatt Regency Hotel (Parcel 5), Waterfront Hilton Hotel/Parcel C (Parcel 6 and 7)	Project Management Costs	07/08/2012	07/08/2016	Kane Ballmer & Berkman	Legal Costs for outside counsel to negotiate terms for the disposition of Successor Agency property under the LRPMP and draft various documents including Purchase and Sale Agreement	-	-	

	Item #	Obligation Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Total Outstanding Obligation	Exhibit A Total Requested Funding	Notes
	78	Waterfront Hyatt Regency Hotel (Parcel 5), Waterfront Hilton Hotel/Parcel C (Parcel 6 and 7)	Project Management Costs	06/15/2010	09/30/2017	Keyser Marston	Economic Analysis services to prepare financial analysis to negotiate terms for the disposition of Successor Agency property under the LRPMP	-	-	
	90	Unfunded CalPERS Pension Liabilities	Unfunded Liabilities	06/30/2011	11/26/2026	CalPERS	Unfunded CalPERS pension obligation as per CalPERS actuarial valuation as of June 30, 2016	-	-	
	91	Unfunded Supplemental Retirement Liabilities	Unfunded Liabilities	09/30/2011	11/26/2026	US Bank	Unfunded actuarial accrued liability as of September 30, 2013 as per actuarial valuation by Bartel Associates, LLC.	-	-	
	92	Unfunded OPEB Liabilities	Unfunded Liabilities	06/30/2011	11/26/2024	CalPERS/CERBT	Unfunded actuarial accrued liability as of June 30, 2013 as per Bartel Associates, LLC.	-	-	
	93	Land Sale Emerald Cove	City/County Loan (Prior 06/28/11), Property transaction	05/18/2009	10/01/2030	COHB Park A&D Fund	Legally Binding Operative Agreement Principal Amount - \$1,740,834, Interest Rates 3%, Debt Incurred on May 18, 2009	-	-	
	95	Huntington Center Redevelopment Plan development	City/County Loan (Prior 06/28/11), Property transaction	06/09/2005	10/01/2030	City of Huntington Beach	Land and Right-of-way acquisition costs connected with the Gothard-Hoover Extension project and development of a public storage facility	-	-	
	96	Main-Pier Redevelopment Project Phase II	City/County Loan (Prior 06/28/11), Property transaction	09/10/2005	10/01/2030	City of Huntington Beach	Costs incurred to acquire land within the Main-Pier project area for Phase II development projects	-	-	
	97	Development of Downtown Main-Pier project area	City/County Loan (Prior 06/28/11), Property transaction	06/04/1990	10/01/2030	City of Huntington Beach	Costs incurred to acquire land within the Main-Pier project area to implement the construction of parking facilities within the Downtown Main-Pier area	-	-	
	98	Third Block West commercial/residential project	City/County Loan (Prior 06/28/11), Property transaction	06/18/2005	10/01/2030	City of Huntington Beach	Relocation, property acquisition, and other project costs associated with the Third Block West Condominium/Retail/Office project in the Main-Pier Redevelopment project area	-	-	
	99	Second Block Alley and Street Improvement Project	City/County Loan (Prior 06/28/11), Property transaction	06/10/2005	10/01/2030	City of Huntington Beach	Property acquisition cost associated with the Second Block alley and street improvement project	-	-	
	100	Strand Project	City/County Loan (Prior 06/28/11), Property transaction	06/18/2005	10/01/2030	City of Huntington Beach	Relocation costs paid to Wind and Sea Surf Shop	-	-	
	101	Pierside Hotel/Retail/Parking Structure Project	City/County Loan (Prior 06/28/11), Property transaction	05/15/1992	10/01/2030	City of Huntington Beach	Relocation costs paid to Terry's Coffee Shop and First Interstate Bank	-	-	
	102	Waterfront Commercial Master Site Plan	City/County Loan (Prior 06/28/11), Property transaction	03/01/1989	10/01/2030	City of Huntington Beach	Costs related to the relocation, buyout, and demolition of Driftwood and Pacific Mobile Home Parks related to the Waterfront Commercial Master Site Plan	-	-	
	103	Strand Project	City/County Loan (Prior 06/28/11), Property transaction	10/19/1992	10/01/2030	City of Huntington Beach	Property acquisition costs associated with the Strand Project	-	-	

	Item #	Obligation Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Total Outstanding Obligation	Exhibit A Total Requested Funding	Notes
	104	Operative Agreement for the Huntington Beach Redevelopment Project	City/County Loan (Prior 06/28/11), Other	06/17/2002	10/01/2030	City of Huntington Beach	Loan repayment for advance made on capital projects in FY 2004/05	-	-	

Huntington Beach

ROPS 2023-24 Annual

[Summary](#) [Detail](#) [Cash Balances](#) [Submission](#)

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. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips](#).

[Export to Excel](#)

Note: Cash Balances data is auto-saved.

July 1, 2020 through June 30, 2021
(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	
		Fund Sources						
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF		
ROPS 20-21 Cash Balances (07/01/20 - 06/30/21)		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 07/01/20) RPTTF amount should exclude "A" period distribution amount			17,006	74,212	1,602,447	//	
2	Revenue/Income (Actual 06/30/21) RPTTF amount should tie to the ROPS 20-21 total distribution from the County Auditor-Controller					5,152,462	//	
3	Expenditures for ROPS 20-21 Enforceable Obligations (Actual 06/30/21)			17,006	74,212	6,296,904	//	
4	Retention of Available Cash Balance (Actual 06/30/21) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						//	
5	ROPS 20-21 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 20-21 PPA form submitted to the CAC	No entry required					325,947	//

6	Ending Actual Available Cash Balance (06/30/21) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 132,058	Exhibit A
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**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO**

HRG DATE / TIME	February 17, 2023 / 2:00 P.M.	DEPT. NO.	32
JUDGE	James P. Arguelles	CLERK	Ward
City of Huntington Beach, a California charter city, et al., Petitioners/Plaintiffs, v. Edmund G. Brown, Jr., individually and in his official capacity as Governor of the State of California, et al., Respondents/Defendants.		Case No.: 34-2018-80002876	
Nature of Proceedings:		Amended Petition for Writ of Mandamus; Motion to Strike – Combined Final Ruling	

The petition after remand is GRANTED, and a writ of mandate shall issue directing Respondent Department of Finance (DOF) to treat the Waterfront Loan on Petitioner City of Huntington Beach as Successor Agency's (Successor Agency) Recognized Obligation Payment Schedule (ROPS) for the period July 2017 through July 2018 as an enforceable obligation.

The motion to strike is GRANTED.

Petitioners' request for judicial notice is unopposed and GRANTED.

The documentation attached by exhibit to Petitioners' reply brief is stricken as Respondent has not had the opportunity to respond.

Introduction

On May 25, 2022, the Court entered a judgment in this case granting in part and denying in part the First Amended Petition and Complaint (Petition) of petitioners City of Huntington Beach (City), the Successor Agency to the Dissolved Huntington Beach Redevelopment Agency (Former RDA), and the City of Huntington Beach Housing Authority (collectively "Petitioners"). Pursuant to the judgment, the Court issued a writ of mandate commanding DOF, among other

things, to reconsider whether the so-called Waterfront Loan Agreement (“Waterfront Loan” or “Agreement”) between the City and the Former RDA constituted an “enforceable obligation” pursuant to the Dissolution Law in the Health and Safety Code.¹ DOF had determined that the Waterfront Loan was not an enforceable obligation, but the Court rejected DOF’s rationale. The Court remanded for DOF to decide whether the Waterfront Loan contained a genuine obligation “to pay,” which is required for it to qualify as an enforceable loan agreement.

On remand, Petitioners tendered new documentation in an attempt demonstrate that the Waterfront Loan was an enforceable loan agreement. DOF once again determined that the Waterfront Loan was not enforceable.

Petitioners now ask the Court to issue a further writ of mandate directing DOF to treat the Waterfront Loan as an enforceable obligation supporting the allocation of tax revenues. DOF opposes. In addition, DOF moves for an order striking from the administrative record on remand certain financial records that Petitioners have provided to the Court but failed to provide to DOF below.

Factual and Procedural Background

As previously detailed in the Court’s April 21, 2022 final merits ruling, the Waterfront Loan is memorialized in a written agreement between the City and the Former RDA. This document, executed in 1988, describes the City’s sale of real property to the Former RDA for a price of \$22.4 million. The property is located within the “Main-Pier Project Area,” and the transfer was made to facilitate development within this area. The City deeded the property to the Former RDA in 1989. Subject to the City granting an extension, the Former RDA was required to repay the loan in 1988. The written agreement provides:

This Agreement constitutes an indebtedness of the [Former RDA] incurred in carrying out the Project and a pledging of the tax allocations from the project to repay such indebtedness ... provided, however, that such pledge of tax allocations shall always be subordinate and subject to the right of the [Former RDA] to pledge or commit tax allocations from the Project to repay bonds or other indebtedness incurred by the [Former RDA] in carrying out the Project.

In 1988, the City granted the Former RDA an extension of undefined duration, and the extension triggered a 10-percent interest rate.

Under the Dissolution Law, the Successor Agency received a finding of completion in May 2014. In 2017, the Successor Agency’s oversight board issued resolutions finding that the Waterfront

¹ In its final merits ruling dated April 21, 2022, the Court examined the Dissolution Law in some detail. For the sake of brevity, the Court does not reprint that examination here and instead incorporates its April 21, 2022 final merits ruling by reference.

Loan had been made for legitimate redevelopment purposes, and that the loan was an enforceable obligation. The Successor Agency then tendered its ROPS 17-18. The Successor Agency provided DOF with financial records showing that between 1989 and 2011, the Former RDA made payments on various City loans, and that \$14.78 million of these payments were the Waterfront Loan's pro rata share. DOF objected to the Waterfront Loan. After meeting and conferring with the City, DOF formally disapproved the Waterfront Loan.

Petitioners then filed this action and sought, among other things, a writ of mandate directing DOF to treat the Waterfront Loan as an enforceable obligation. As noted above, the Court remanded for DOF to decide whether the Waterfront Loan contained a genuine obligation to pay. (See Health & Safety Code § 34191.4, subd. (b)(2)(B) [enforceable loan agreements include transfers of real property interests from a sponsor entity to a redevelopment agency provided that redevelopment agency was "obligated to pay ... for the real property interest"].)²

On May 25, 2022, the City provided DOF with additional documentation in an attempt to demonstrate that the Waterfront Loan had to be repaid by a date certain. On August 24, 2022, DOF determined once again that the Waterfront Loan was not an enforceable obligation. DOF proffered three grounds for the determination: 1) the Agreement is unenforceable because it allows the Former RDA to make payments in perpetuity, if at all, and thus does not create an actual obligation to pay; 2) the City's additional documentation does not contain the sort of evidence that the Court indicated was relevant; and 3) although legislation post-dating the Waterfront Loan imposed deadlines for redevelopment agencies to pay on debt and make final payments, the legislation does not affect the Former RDA's contractual right to limit or avoid repayment. (See Exh. A to DOF's Return to Writ of Mandate, p. 2.)

This proceeding for a further writ of mandate followed.

Standards of Review

The Court reviews DOF's treatment of items on a ROPS pursuant to Code of Civil Procedure Section 1085. "A traditional writ of mandate under Code of Civil Procedure section 1085 is a method for compelling a public entity to perform a legal and usually ministerial duty." (*Vallejo Police Officers Assn. v. City of Vallejo* (2017) 15 Cal.App.5th 601, 611.)

Ordinary mandate is used to review an adjudicatory decision when an agency is not required to hold an evidentiary hearing. [Citation.] The scope of review is limited, out of deference to the agency's authority and presumed expertise: "The court may not reweigh the evidence or substitute its judgment for that of the agency. [Citation.] . . . 'A court will uphold the agency action unless the action is arbitrary, capricious, or lacking in evidentiary support.'"

² Undesignated statutory references shall be to the Health and Safety Code.

(*Stone v. Regents of Univ. of Calif.* (1999) 77 Cal.App.4th 736, 745.) While the court accords “weak deference” to an agency’s statutory interpretation of its governing statutes “where its expertise gives it superior qualifications to do so,” the issue is ultimately subject to de novo review. (*City of Brentwood v. Campbell* (2015) 237 Cal.App.4th 488, 500.)

Discussion

The Motion to Strike

The supplemental administrative record that Petitioner lodged in this proceeding after remand includes the Former RDA’s financial statements for 1988 and 1989. (Supp. AR 62-84; 89-116.) Petitioners did not tender these documents for DOF’s consideration before DOF issued its August 24, 2022 decision. (See Exh. B to Ferrari Decl., ¶ 4.) Accordingly, DOF moves the Court to strike these statements from the supplemental administrative record.

In their reply brief on the merits, Petitioners argue, not that they provided DOF with the disputed documents, but that the documents simply convey information that Petitioners had previously submitted to DOF, i.e., before the Court remanded for further proceedings on the Waterfront Loan. The administrative record before the Court when it issued its April 21, 2022 merits ruling, which presumably includes the documents that Petitioners submitted to DOF originally, is no longer in the Court’s possession.

The Court declines to consider extra-record evidence that was not presented to DOF. (See *Golden Drugs Co., Inc. v. Maxwell-Jolly* (2009) 179 Cal.4th 1455, 1468-70.) DOF’s motion to strike Exhibits 3 and 5 from the supplemental administrative record is granted.

In any event, and consistent with the analysis below, even if the Court were to consider the financial statements in question, it would not alter the outcome. Petitioners tender the financial statements to establish that the Former RDA lacked sufficient tax revenue to pay the \$22.4 million debt in 1988, and that the City effectively granted the Former RDA an extension to repay the loan. The Court, however, determined in its April 21, 2022 ruling that the Former RDA had received an extension. Therefore, neither the extension nor the need for it are currently at issue.

The Enforceability of Waterfront Loan

The principal question before the Court is whether, notwithstanding that the Agreement contains no repayment deadline and subordinates the Former RDA’s pledge of Main-Pier Project tax revenues to repayment of other debts supporting the Main-Pier Project, the Agreement nonetheless obligated the Former RDA “to pay” pursuant to Section 34191.4, subdivision (b)(2)(B). In its April 21, 2022 merits ruling, the Court expressed the view that the existence of a genuine obligation to pay turned in part on whether the Agreement allowed for payments into perpetuity. In turn, the Court indicated that whether the Agreement allowed for perpetual payments depended on the ratio between Main-Pier Project tax allocations and other

Main-Pier Project indebtedness. The Court tendered this ratio on the theory that, even though the Agreement does not express a repayment deadline, perhaps if the parties understood how much tax increment revenue would remain available to the Former RDA periodically after it paid its other project debts, they could have reached a tacit understanding about the likely deadline on repayment. The Court agrees with DOF that the documents submitted for DOF's consideration on remand do not provide any insight into this ratio. Nor do the documents establish that the Agreement requires the Former RDA to repay the loan in any amount at any time.

Based on its further review of the express terms of the Dissolution Law, however, the Court concludes that the Legislature intended for the Agreement to qualify as an enforceable loan for the transfer of real property.

“The fundamental objective of statutory interpretation is to determine the Legislature's intent.” (*City of Oakland v. Department of Finance* (2022) Cal.App.5th 79 431, 443-444.) The Court begins with the statutory text, which is the best indicator of legislative intent. (See *San Diegans for Open Gov't v. Public Facilities Financing Auth. of City of San Diego* (2019) 8 Cal.5th 733, 740.) The Court considers a provision of a statute within the context of the statute and the statutory scheme of which it is a part. (See *City of Petaluma v. Cohen* (2015) 238 Cal.App.4th 1430, 1440.) If the text is clear, then there is nothing to construe, and the Court's inquiry ends. (See *Lopez v. Sony Electronics, Inc.* (2018) 5 Cal.5th 627, 634.) If the text is ambiguous, then the Court consults a variety of extrinsic aids, including “the ostensible objects to be achieved, the evils to be remedied, the legislative history, [and] public policy[.]” (*Bitner v. Department of Corrections & Rehab.* (2023) 87 Cal.App.5th 1048, 1058.)

Section 34191.4, subdivision (b)(2)(B) predicates an enforceable loan for real property upon the redevelopment agency's obligation to pay. Because the Dissolution Law does not define the terms “obligate” or “to pay,” the Court applies commonly understood meanings. The word “obligate” means “[t]o bind by legal or moral duty.” (See *Black's Law Dict.* (7th ed. 1999) p. 1101, col. 2.) The verb “to pay” means to give in return for goods or services, or to discharge a debt. (See *Webster's 3d New Internat. Dict.* (1986) p. 1659.)

The Agreement contains terms consistent with these definitions. It identifies \$22.4 million as the price for the real property, as well as a 10-percent annual interest rate if not paid in 1988. In addition, the Agreement contains the Former RDA's pledge of project tax allocations to repay the loan. The Redevelopment Law contemplated pledges of this kind. (See § 33671 [authorizing redevelopment agencies to pledge of tax increment funds to repay loans]; see also § 33671.5 [“Whenever any redevelopment agency is authorized to, and does, expressly pledge taxes allocated ... to secure, directly or indirectly, the obligations of the agency ... then that pledge ... shall have priority over any other claim to those taxes not secured by a prior express pledge of those taxes”].)

Both DOF and the Court have expressed concern about the subordination provisions attached to the Former RDA's pledge in the Agreement. The pledge was made “always ... subordinate

and subject to the right of the [Former RDA] to pledge or commit tax allocations from the Project to repay bonds or other indebtedness incurred by the [Former RDA] in carrying out the Project.” Coupled with the lack of any schedule requiring payment of specific sums at specific points in time, this qualifying language raises the prospect that the Former RDA could simply pay *de minimis* amounts, or pay nothing at all, into perpetuity. Several things temper concerns that the Agreement contains an insufficient payment obligation.

First, as the Court pointed out in its April 21, 2022 merits ruling, the implied covenant of good faith and fair dealing prevented the Former RDA from incurring additional debt on the Main-Pier Project solely to avoid paying down the Waterfront Loan. Hence, the Former RDA did not have unbridled discretion to ignore its payment obligation and associated pledge of tax increment under the Agreement.

Second, section 34191.4, subdivision (b) accounts for loans with large amounts of accumulated interest as well as loans lacking reasonable repayment deadlines. Subdivision (b)(3) reads, in relevant part:

If the oversight board finds that the loan is an enforceable obligation, any interest on the remaining principal amount of the loan that was previously unpaid after the original effective date of the loan shall be recalculated from the date of origination of the loan as approved by the redevelopment agency on a quarterly basis, at a simple interest rate of 3 percent. The recalculated loan shall be repaid to the city ... in accordance with a defined schedule over a reasonable term of years. Moneys repaid shall be applied first to the principal, and second to the interest.

If the Legislature had meant to exclude as unenforceable loans lopsided by unpaid interest, or loans without reasonable payment deadlines, then it would not have provided for the recalculation of interest or the imposition of a reasonable deadline.

Third, the obligation to pay in section 34191.4, subdivision (b)(2)(B) stands in contrast with requirements for other enforceable obligations under the Dissolution Law. Subdivision (b)(2)(A) of the same section defines loan agreements not involving transfers of interests in real property. These loans must include an obligation to pay “pursuant to a required repayment schedule.” Although the statute does not define the term “repayment schedule” as used in this subdivision, it clearly denotes specified sums owed at specified points in time. (Cf. § 34171, subd. (h) [“Recognized Obligation Payment Schedule” means a documents setting forth minimum payments and corresponding due dates].) The omission of the term “repayment schedule” in subdivision (b)(2)(B) reflects a legislative decision to treat loans for interests in real property differently than other loans. And it specifically reflects an intent not to require payments of particular amounts at particular times as necessary to establish an enforceable loan for real property.

The definition of enforceable “loans for money” under section 34171, subdivision (d)(1)(B) also sheds some light. This subdivision is part of the definition of “enforceable obligation” whether

or not the successor agency has obtained a finding of completion. Subdivision (d)(1)(B) extends enforceable obligations to “[l]oans for money borrowed by the redevelopment agency for a lawful purpose, to the extent they are legally required to be repaid pursuant to a required repayment schedule *or other mandatory loan terms.*” (Emphasis added.)³ The Legislature was aware of this language when it subsequently enacted section 34191.4. (See *Fermino v. Fedco, Inc.* (1994) 7 Cal.4th 701, 720.) Mandatory loan terms include the terms of repayment. (See *City of Grass Valley v. Cohen* (2017) 17 Cal.App.5th 567, 583.) Yet, when the Legislature enacted section 34191.4, subdivision (b)(2)(B), it did not require a repayment deadline. “Ordinarily, where the Legislature uses a different word or phrase in one part of a statute than it does in other sections or in a similar statute concerning a related subject, it must be presumed that the Legislature intended a different meaning.” (*Campbell v. Zolin* (1995) 33 Cal.App.4th 489, 497.)

Instead, section 34191.4, subdivision (b)(2)(B) requires the former redevelopment agency to possess an obligation “to pay.” The Agreement contains the Former RDA’s pledge of project tax increment to pay the \$22.4 million purchase price. Although this pledge was made subject to other project indebtedness, it secured the Former RDA’s obligation “to pay.” The Court does not believe that more was required to establish an obligation within the purview of section 34191.4, subdivision (b)(2)(B). As a result, the Agreement contains an obligation to pay, and DOF should have treated it as an enforceable obligation when the Successor Agency submitted its ROPS 17-18.

Disposition

The petition after remand is granted, and a writ of mandate shall issue directing DOF to treat the Waterfront Loan on the Successor Agency’s ROPS 17-18 as an enforceable obligation. DOF shall file a return no later than 60 days after the writ issues.

The motion to strike is granted.

Pursuant to C.R.C. 3.1312, counsel for Petitioners shall **serve and then lodge** (1) for the Court’s signature an amended judgment to which this ruling is attached as Exhibit A and the April 21,

///

³ These provisions do not apply to loans that a sponsor entity made to its redevelopment agency. (See § 34171, subd. (d)(2).)


2022 ruling is attached as Exhibit B, and (2) for the clerk's signature a writ of mandate.

Unless otherwise ordered, any administrative record, exhibit, deposition, or other original document offered in evidence or otherwise presented at trial, will be returned at the conclusion of the matter to the custody of the offering party. The custodial party must maintain the administrative record and all exhibits and other materials in the same condition as received from the clerk until 60 days after a final judgment or dismissal of the entire case is entered.

SO ORDERED.

Dated: February 27, 2023




Hon. James P. Arguelles
California Superior Court Judge
County of Sacramento

Sponsoring Entity Loan Repayment Calculator

Base Year:	ROPS II July thru December 2012	ROPS III January thru June 2013	Total For Base Year
Total Residual Balance	740,249	853,341	1,593,590

Comparison Year:	ROPS 23-24A July thru December 2023	ROPS 23-24B January thru June 2024	Total For Comparison Year
Total Residual Balance	4,154,498	17,096,173	21,250,671

A Total Residual Balance for Comparison Year	21,250,671
B Total Residual Balance for Base Year	1,593,590
A-B Difference of Residual Balance	19,657,081
Divide Difference by two	÷2
Maximum Repayment Amount Authorized Per Fiscal Year	9,828,541

**Orange County
Auditor-Controller**

July 2012 to December 2012 - ROPS II

	Successor Agency for Garden Grove	Successor Agency for Huntington Beach	Successor Agency for Irvine	Successor Agency for La Habra	Successor Agency for La Palma	Successor Agency for Lake Forest	Successor Agency for Mission Viejo
RPTTF Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deposits:							
Secured Property Tax Increment	9,999,853	6,164,806	3,194,193	1,210,869	1,216,384		2,914,554
Public Utility Property Tax Increment	-	-	-	-	-		-
Supplemental Property Tax Increment	-	-	-	-	-		-
Unsecured Property Tax Increment	-	-	-	-	-		-
Miscellaneous Revenues (Bond Debt Increment & Interest)	-	-	-	-	-		-
Deposit totals	9,999,853	6,164,806	3,194,193	1,210,869	1,216,384	-	2,914,554
RPTTF Available Balance	9,999,853	6,164,806	3,194,193	1,210,869	1,216,384	-	2,914,554
H&S Code 34183 Distributions							
Total County Admin Fees	256,920	179,239	66,600	33,917	33,547	-	77,110
Total Pass-Through	3,396,468	1,816,732	638,839	210,506	217,654	-	1,666,258
RPTTF Available for ROPS	6,346,465	4,168,835	2,488,754	966,446	965,183	-	1,171,186
ROPS Enforceable Obligations Payable from Property Taxes	11,567,900	5,580,531	898,596	1,153,265	337,193	701,234	2,126,338
Successor Agency Administrative Cost Allowance (ACA)	347,037	167,416	258,036	175,133	233,735		155,000
Less: Carryover Property Tax Revenue From 7/1/11 - 1/31/12 after 4/15/12 ROPS	11,911,555	1,369,715	835,055		533,120		1,454,805
Total ROPS and ACA (If negative, then 0)	3,382	4,378,232	321,577	1,328,398	37,808	701,234	826,533
Total Maximum ROPS Distribution	3,382	3,428,586	321,577	966,446	37,808	-	826,533
SCO Invoices for Audit and Oversight							
H&S Code 34183 Dist Totals	3,656,770	5,424,557	1,027,016	1,210,869	289,009	-	2,569,901
Residual Balance	6,343,083	740,249	2,167,177	-	927,375	-	344,653
	Residual		Residual		Residual		Residual

AB1484 True Up of ROPS I

Calculation:

RPTTF Available for 7/1/12 to 12/31/12 ROPS	6,346,465	4,168,835	2,488,754		965,183		1,171,186
Less: 7/1/12 to 12/31/12 ROPS Enforceable Obligations Payable from Property Taxes	(11,567,900)	(5,580,531)	(898,596)		(337,193)		(2,126,338)
Less: Successor Agency Administrative Cost Allowance (ACA)	(347,037)	(167,416)	(258,036)		(233,735)		(155,000)
Residual Balance from 7/1/12 to 12/31/12 Period	(5,568,472)	(1,579,112)	1,332,122		394,255		(1,110,152)
Tax Increment Allocated to RDAs from 7/1/11 to 1/31/12	16,272,451	8,889,565	3,312,374	1,683,817	1,632,358	-	4,104,769
Less: ROPS Approved for 1/1/12 to 6/30/12	4,360,896	7,519,850	2,356,439	1,896,840	940,363	1,026,377	1,113,221
Residual Balance from 1/1/12 to 6/30/12 Period	11,911,555	1,369,715	955,935	(213,023)	691,995	(1,026,377)	2,991,548
Residual Balance from 7/1/12 to 12/31/12 Period	(5,568,472)	(1,579,112)	1,332,122		394,255		(1,110,152)
Residual Balance from 1/1/12 to 6/30/12 Period	11,911,555	1,369,715	955,935		691,995		2,991,548
Less: Residual Distributed to Affected Taxing Entities in June 2012	(6,343,083)	(740,249)	(2,167,177)		(927,375)		(344,653)
Residual Balance Remaining to be Paid to Affected Taxing Entities	5,568,472	629,466	120,880	-	158,875	-	2,646,895

Recognized Obl
(Re

Allocation Period: January 2013 - June 2013
ycc
County : 30 - Orange County

Title of Former Redevelopment Agency (RDA):	Countywide Totals	ANAHEIM RDA	BREA RDA	BUENA PARK RDA	COSTA MESA RDA	CYPRESS RDA	FOUNTAIN VALLEY RDA	FULLERTON RDA	GARDEN GROVE RDA	HUNTINGTON BEACH RDA	IRVINE RDA
RPTTF Deposits (Note that entering the deposits by source is optional):											
Secured & Unsecured Property Tax Increment (TI)	242,159,564	29,157,700	18,724,456	14,999,664	2,354,615	3,671,432	5,425,008	10,221,992	14,561,949	9,079,553	3,332,039
Supplemental & Unitary Property TI	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings/Other	-	-	-	-	-	-	-	-	-	-	-
Penalty Assessments	-	-	-	-	-	-	-	-	-	-	-
Total Deposits	242,159,564	29,157,700	18,724,456	14,999,664	2,354,615	3,671,432	5,425,008	10,221,992	14,561,949	9,079,553	3,332,039

RPTTF Distributions (Include all payments made pursuant to Health and Safety Code (H&S) Section 34183. Note that the following distributions are not necessary listed in the priority order required by H&S 34183):

Administrative Distributions-											
Administrative Fees to County Auditor-Controller	398,739	36,291	24,447	27,752	12,461	9,439	12,390	15,939	18,068	13,609	9,596
SB 2557 Administration Fees	-	-	-	-	-	-	-	-	-	-	-
SCO Invoices for Audit and Oversight	-	-	-	-	-	-	-	-	-	-	-
Total Administrative Distributions	398,739	36,291	24,447	27,752	12,461	9,439	12,390	15,939	18,068	13,609	9,596
Passthrough Distributions-											
City Passthrough Payments	2,195,007	173,133	23,360	222,084	-	10,552	62,731	106,335	126,428	165,956	10,343
County Passthrough Payments	5,040,420	312,676	345,435	238,521	-	161,472	40,230	41,252	118,861	139,512	51,471
Special District Passthrough Payments	7,975,502	517,829	155,454	376,758	-	380,461	43,221	53,852	229,152	113,117	135,673
K-12 School Passthrough Payments - Tax Portion	3,298,962	414,406	-	472,234	-	4,993	147,013	173,911	18,968	207,584	155,839
K-12 School Passthrough Payments - Facilities Portion	18,322,074	1,561,336	1,358,527	956,167	-	434,247	192,509	227,732	1,027,821	418,675	204,067
Community College Passthrough Payments - Tax Portion	707,954	72,146	5,671	78,880	-	1,553	30,117	28,461	27,008	46,512	31,674
Community College Passthrough Payments - Facilities Portion	3,494,112	236,860	6,288	134,920	-	28,089	33,288	31,456	40,291	88,414	35,008
County Office of Education - Tax Portion	80,442	8,777	1,330	15,799	-	330	2,093	2,380	2,235	2,066	8,043
County Office of Education - Facilities Portion	723,052	77,156	5,671	108,636	-	15,404	8,922	10,147	29,148	18,375	34,290
Education Revenue Augmentation Fund (ERAF)	-	-	-	-	-	-	-	-	-	-	-
Total Passthrough Distributions	41,837,526	3,374,319	1,901,716	2,603,999	-	1,037,101	560,124	675,526	1,619,912	1,200,211	666,404
Total Administrative and Passthrough Distributions	42,236,265	3,410,610	1,926,163	2,631,751	12,461	1,046,540	572,514	691,465	1,637,980	1,213,820	676,004
Total RPTTF Balance Available to Fund Enforceable Obligations (EOs)	199,923,299	25,747,090	16,798,293	12,367,913	2,342,154	2,624,892	4,852,494	9,530,527	12,923,969	7,865,733	2,656,035

EO Distributions (Includes approved EOs, Successor Agency's (SAs) administrative cost allowance (ACA), and prior period adjustments, and excludes the above passthrough and non-SA administrative distributions)-

Non-ACA ROPS RPTTF Funding Requested by SA	249,939,547	29,368,046	18,130,944	11,843,728	458,338	2,512,997	1,049,489	14,387,035	14,814,862	11,915,468	18,701,464
ACA Funding Requested by SA	6,572,542	1,069,623	329,586	138,650	125,000	70,279	165,956	175,000	380,364	304,106	224,500
Less Items Denied/Reclassified by Department of Finance	(109,003,736)	(8,860,028)	(60,000)	(3,165,862)	(67,000)	(2,092,176)	(196,981)	(9,450,468)	(475,119)	(5,207,182)	(18,431,464)
Less Prior Period Adjustments Per H&S Section 34186 (a)	(22,949,729)	(7,084,581)	-	(3,519,251)	-	-	-	(4,947,162)	-	-	-
Maximum Authorized Distributions (Total ROPS III RPTTF amount approved by the Department of Finance for Non-ACA and ACA EOs)	124,558,624	14,493,060	18,400,530	5,297,265	516,338	491,100	1,018,464	164,405	14,720,107	7,012,392	494,500
Actual Distributions (Lesser of the total ROPS III RPTTF amount approved by the Department of Finance or the actual amount distributed for Non-ACA and ACA EOs)	119,092,597	14,493,060	16,798,293	5,297,265	516,338	491,100	1,018,464	164,405	12,923,969	7,012,392	494,500
Total Distributions	161,328,861	17,903,670	18,724,456	7,929,016	528,799	1,537,640	1,590,978	855,870	14,561,949	8,226,212	1,170,504

Residual Balance (Total Deposits - Total Distributions)	80,830,703	11,254,030	-	7,070,648	1,825,816	2,133,792	3,834,030	9,366,122	-	853,341	2,161,535
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Residual Distributions Pursuant to H&S Section 34183(a)(4) (Figures should include the effect of "haircutting" pursuant to H&S Section 34188):

Cities	10,239,034	1,219,456.60	-	818,721.34	276,590.40	196,779.87	518,909.16	1,467,671.48	-	127,258.60	33,545.89
Counties	5,426,041	769,618.69	-	418,022.57	156,494.87	121,484.37	266,111.90	569,383.59	-	48,539.86	166,945.02
Special Districts	8,514,883	1,004,029.43	-	780,877.49	131,201.43	467,452.13	287,207.69	757,287.20	-	83,762.26	440,138.07
K-12 Schools	35,202,078	5,404,646.46	-	3,181,219.85	691,035.32	873,738.08	1,776,460.30	4,353,057.84	-	373,198.12	947,456.55
Community Colleges	6,494,480	871,128.80	-	473,461.46	192,629.26	108,894.23	327,460.11	644,699.75	-	75,893.43	216,278.47
County Office of Education	1,642,375	229,507.83	-	248,701.70	27,816.91	57,799.51	55,952.92	132,305.58	-	10,842.55	39,641.49
Total ERAF (Please break out the ERAF amounts into the following categories if this information is readily available):	13,221,813	1,755,642.19	-	1,149,643.59	350,047.81	307,643.81	601,927.93	1,441,716.56	-	133,846.17	317,529.50
ERAF - K-12	-	-	-	-	-	-	-	-	-	-	-
ERAF - Community Colleges	-	-	-	-	-	-	-	-	-	-	-
ERAF - County Offices of Education	-	-	-	-	-	-	-	-	-	-	-
Total Residual Distributions (Total Residual Distributions Must Equal the Total Residual Balance)	80,740,704	11,254,030	-	7,070,648	1,825,816	2,133,792	3,834,030	9,366,122	-	853,341	2,161,535
Total Residual Distributions to K-14 Schools:	56,560,746	8,260,925	-	5,053,027	1,261,529	1,348,076	2,761,801	6,571,780	-	593,780	1,520,906
Percentage of Residual Distributions to K-14 Schools	70.1%	73.4%	#DIV/0!	71.5%	69.1%	63.2%	72.0%	70.2%	#DIV/0!	69.6%	70.4%

Recognized Obligation Payment Schedule (ROPS) Redevelopment Property Tax Trust Fund (RPTTF) Distributions (to be completed by County Auditor-Controllers (CACs) All values must be reported in whole dollars.														
	Report Type:	Actual												
	Allocation Period:	Jul 1 - Dec 31												
	ROPS Allocation Cycle:	2023-24A - 24												
	County:	Orange												
Successor Agency to Former Redevelopment Agency														
Line #	Description	Countywide Totals	Anaheim - 07	Brea - 37	Buena Park - 41	Costa Mesa - 76	Cypress - 83	Fountain Valley - 114	Fullerton - 119	Garden Grove - 121	Huntington Beach - 145	Irvine - 155	La Habra - 162	La Palma - 165
1	RPTTF Deposits - Entering the deposits by source is optional.	387,459,713	38,560,031	29,919,585	28,327,384	2,847,170	0	6,940,456	16,926,302	21,200,201	18,121,805	35,333,215	2,731,571	1,936,675
2	Secured & Unsecured Property Tax Increment (II)	0												
3	Supplemental & Unitary Property TI	0												
4	Penalty Assessment Revenue	0												
5	Other - RPTTF Cumulative Interest Earnings	243,075					182,420							
6	Other - Orange County Transfer to Lake Forest	8,295,646												
7	Total RPTTF Deposits (sum of lines 1:6)	395,998,434	38,560,031	29,919,585	28,327,384	2,847,170	182,420	6,940,456	16,926,302	21,200,201	18,121,805	35,333,215	2,731,571	1,936,675
8	Total RPTTF Available to Fund CAC Administrative Costs and Passsthroughs	395,998,434	38,560,031	29,919,585	28,327,384	2,847,170	182,420	6,940,456	16,926,302	21,200,201	18,121,805	35,333,215	2,731,571	1,936,675
9	RPTTF Distributions - Include all payments made pursuant to Health and Safety Code (HSC) Section 34183. Note the following distributions are not necessary listed in the priority order required by HSC 34183.													
10	Administrative Distributions:													
11	Administrative Fees to CAC	285,031	25,580	19,366	18,893	2,122	1,900	6,684	13,896	17,751	12,584	23,985	4,152	1,254
12	SB 2557 Administrative Fees	4,321,410	435,202	307,744	276,626	36,470	0	78,551	178,923	210,009	198,338	430,101	21,265	20,733
13	SCO invoices for Audit and Oversight - Funding should only be allocated for this purpose when there is sufficient RPTTF to fully fund the approved enforceable obligations as shown on line 39.	0												
14	Other	0												
15	Total Administrative Distributions (sum of lines 11:14)	4,606,441	460,782	327,110	295,519	38,592	1,900	85,235	192,819	227,760	210,922	454,086	25,417	21,987
16	Passthrough Distributions:													
17	City	8,741,936	1,060,237	1,614,578	625,351	0	0	150,739	374,477	445,843	465,599	103,897	73,352	24,151
18	County	9,310,611	809,723	725,202	591,584	0	0	101,752	226,517	250,973	431,509	724,764	41,626	54,416
19	City &/or County - Other	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Special Districts	17,698,610	1,247,474	1,037,815	1,045,732	0	0	154,440	279,972	565,448	409,727	2,508,872	79,439	163,023
21	K-12 School - Tax Portion	18,445,471	1,647,613	3,023,404	1,861,121	0	0	482,037	964,804	37,656	1,224,326	3,166,709	170,262	66,761
22	K-12 School - Facilities Portion	42,790,000	4,439,094	3,959,053	2,918,770	0	0	631,213	1,263,381	3,256,721	1,647,298	4,146,707	222,953	87,422
23	K-12 School - Other	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Community College - Tax Portion	3,701,419	291,711	550,279	319,130	0	0	97,109	157,102	147,011	275,180	599,959	27,062	11,458
25	Community College - Facilities Portion	7,575,189	630,034	608,203	419,750	0	0	107,331	173,639	178,321	326,991	663,112	29,911	12,664
26	Community College - Other	0	0	0	0	0	0	0	0	0	0	0	0	0
27	County Office of Education - Tax Portion	341,977	26,273	90,906	46,153	0	0	5,139	10,060	8,978	9,574	43,967	3,927	1,756
28	County Office of Education - Facilities Portion	1,911,393	187,009	387,545	256,568	0	0	21,910	42,886	74,697	54,726	187,436	16,741	7,487
29	County Office of Education - Other	0												
30	Education Revenue Augmentation Fund (ERAF)	0												
31	Other	0												
32	Total Passthrough Distributions (sum of lines 17:31)	110,516,606	10,339,168	11,996,985	8,084,159	0	0	1,751,670	3,492,838	4,965,648	4,844,930	12,145,423	665,273	429,138
33	Total Administrative and Passthrough Distributions (line 15 plus 32)	115,123,047	10,799,950	12,324,095	8,379,678	38,592	1,900	1,836,905	3,685,657	5,193,408	5,055,852	12,599,509	690,690	451,125
34	Total RPTTF Available to Fund Successor Agency (SA) Enforceable Obligations (EOs) (line 8 minus 33)	280,875,387	27,760,081	17,595,490	19,947,706	2,808,578	180,520	5,103,551	13,240,645	16,006,793	13,065,953	22,733,706	2,040,881	1,485,550
35	Finance Approved RPTTF for Distribution to SA:													
36	Non-Admin EOs	98,119,722	11,848,758	22,500	4,852,100	1,710,056	0	100,000	4,484,698	6,263,296	8,844,592	30,333,028	549,359	555,597
37	Admin Allowance	1,236,623	235,000	7,750	76,987	0	0	0	130,406	125,000	125,000	40,000	32,560	5,000
38	Less Prior Period Adjustments (PPA) (Enter as a negative number)	(17,244,693)	(5,161,856)	(472)	(472)				(26,910)	(6,388,296)	(325,947)	(4,702,114)	(3,005)	
39	Total Finance Approved RPTTF for Distribution (sum of lines 36:38)	82,111,652	6,921,902	30,250	4,928,615	1,710,056	0	100,000	4,588,194	0	8,643,645	25,670,914	578,914	560,597
40	CAC Distributed ROPS RPTTF													
41	Non-Admin EOs	74,466,520	6,921,902	22,500	4,852,100	1,710,056	0	100,000	4,484,698	0	8,643,645	18,353,706	549,359	555,597
42	Admin Allowance	425,961	0	7,750	76,515	0	0	0	103,496	0	0	0	29,555	5,000
43	Insufficient RPTTF (line 39 minus 44) If there is insufficient RPTTF in "A" period, shortfall will be funded in "B" period, if possible.	7,219,171	0	0	0	0	0	0	0	0	0	7,317,208	0	0
44	Total CAC Distributed RPTTF for SA EOs (line 41 plus 42)	74,892,481	6,921,902	30,250	4,928,615	1,710,056	0	100,000	4,588,194	0	8,643,645	18,353,706	578,914	560,597
45	Pension Override/State Water Project Override Revenues pursuant to HSC 34183 (a) (1) (B)	267,810									267,810			
46	Other	0												
47	Other	0												
48	Total ROPS Only RPTTF Balance Available for Distribution to ATEs (line 34 minus 44:47)	205,715,096	20,838,179	17,565,240	15,019,091	1,098,522	180,520	5,003,551	8,652,451	16,006,793	4,154,498	4,380,000	1,461,967	924,953
49	RPTTF Distributions to ATEs:													
50	Cities	26,275,263	2,265,037	2,906,073	1,751,829	167,428	16,753	675,710	1,364,587	2,920,187	690,342	64,397	249,171	115,791
51	Counties	12,049,294	1,429,299	987,051	894,872	74,315	8,082	272,757	529,397	834,263	239,900	259,741	78,126	49,361
52	Special Districts	22,025,040	1,698,499	1,413,763	1,580,889	95,548	41,268	416,993	657,135	1,544,589	293,014	899,097	111,933	162,284
53	K-12 Schools	91,118,954	10,137,657	7,437,349	6,785,231	416,942	73,952	2,354,292	4,036,193	6,705,912	1,840,685	1,961,153	664,358	361,440
54	Community Colleges	16,412,955	1,617,974	1,139,853	1,013,480	116,225	9,375	426,410	599,417	1,170,324	375,081	452,685	88,448	55,894
55	County Office of Education	4,221,624	424,915	609,934	532,206	16,784	4,976	71,192	123,948	237,279	53,629	82,935	39,030	29,277
56	Total ERAF - Please break out the ERAF amounts into the following categories, if possible (sum of lines 57:59)	33,611,966	3,264,798	3,071,217	2,460,584	211,280	26,114	786,197	1,341,774	2,594,239	661,847	659,992	230,901	150,906
57	ERAF - K-12	0												
58	ERAF - Community Colleges	0												
59	ERAF - County Offices of Education	0												
60	Total RPTTF Distributions to ATEs (sum of lines 50:56) - Total residual distributions must equal total residual balance as shown on line 48.	205,715,096	20,838,179	17,565,240	15,019,091	1,098,522	180,520	5,003,551	8,652,451	16,006,793	4,154,498	4,380,000	1,461,967	924,953
61	Total Residual Distributions to K-14 Schools (sum of lines 53:56)	145,365,499	15,445,344	12,258,353	10,791,501	761,231	114,417	3,638,091	6,101,332	10,707,754	2,931,242	3,156,765	1,022,737	597,517
62	Percentage of K-14 Schools to Residual Distributions (line 61/60)	71%	74%	70%	72%	69%	63%	73%	71%	67%	71%	72%	70%	65%
63	Comments:							Formally dissolved on 01/24/2023 per Countywide Oversight Board Resolution No. 23-009				Due to Settlement Agmt, the \$4.38M residual should be funded before the judgement amount in the EOs.		

Recognized Obligation Payment Schedule (ROPS) Redevelopment Property Tax Trust Fund (RPTTF) Distributions (to be completed by County Auditor-Controllers (CACs) All values must be reported in whole dollars.														
Report Type: Estimate														
Allocation Period: Jan 1 - Jun 30														
ROPS Allocation Cycle: 2023-24B - 25														
County: Orange														
Successor Agency to Former Redevelopment Agency														
Line #	Description	Countywide Totals	Anaheim - 07	Brea - 37	Buena Park - 41	Costa Mesa - 76	Cypress - 83	Fountain Valley - 114	Fullerton - 119	Garden Grove - 121	Huntington Beach - 145	Irvine - 155	La Habra - 162	La Palma - 165
1	RPTTF Deposits - Entering the deposits by source is optional.	525,940,392	52,587,076	38,538,073	34,456,967	4,157,378	0	8,986,075	22,297,383	25,712,380	22,316,814	59,098,182	3,249,938	2,093,401
2	Secured & Unsecured Property Tax Increment (TI)	0												
3	Supplemental & Unitary Property TI	0												
4	Penalty Assessment Revenue	0												
5	Other	0												
6	Other	0												
7	Total RPTTF Deposits (sum of lines 1:6)	525,940,392	52,587,076	38,538,073	34,456,967	4,157,378	0	8,986,075	22,297,383	25,712,380	22,316,814	59,098,182	3,249,938	2,093,401
8	Total RPTTF Available to Fund CAC Administrative Costs and Passthroughs	525,940,392	52,587,076	38,538,073	34,456,967	4,157,378	0	8,986,075	22,297,383	25,712,380	22,316,814	59,098,182	3,249,938	2,093,401
9	RPTTF Distributions - Include all payments made pursuant to Health and Safety Code (HSC) Section 34183. Note the following distributions are not necessary listed in the priority order required by HSC 34183.													
10	Administrative Distributions:													
11	Administrative Fees to CAC	489,860	48,701	35,536	34,869	4,641	0	8,188	20,952	26,485	21,686	46,722	10,485	2,218
12	SB 2557 Administrative Fees	0												
13	SCO invoices for Audit and Oversight - Funding should only be allocated for this purpose when there is sufficient RPTTF to fully fund the approved enforceable obligations as shown on line 39.	0												
14	Other	0												
15	Total Administrative Distributions (sum of lines 11:14)	489,860	48,701	35,536	34,869	4,641	0	8,188	20,952	26,485	21,686	46,722	10,485	2,218
16	Passthrough Distributions:													
17	City	7,954,974	599,526	821,797	679,405	0	0	161,336	425,006	485,233	485,005	174,077	86,796	25,470
18	County	11,827,149	944,274	841,499	661,974	0	0	108,905	258,086	296,332	464,751	1,038,981	41,944	58,160
19	City &/or County - Other	0												
20	Special Districts	22,151,905	1,464,758	927,839	1,175,789	0	0	165,297	319,004	688,323	435,606	3,596,715	90,076	173,727
21	K-12 School - Tax Portion	20,335,624	1,856,551	1,436,609	2,177,615	0	0	515,924	1,100,468	53,341	1,272,946	4,541,456	194,627	70,406
22	K-12 School - Facilities Portion	53,344,585	4,843,574	4,020,194	3,396,544	0	0	675,587	1,441,029	2,642,530	1,806,182	5,946,896	312,474	92,195
23	K-12 School - Other	0												
24	Community College - Tax Portion	4,108,281	326,949	289,948	372,174	0	0	103,936	179,091	159,027	286,128	859,984	30,784	12,084
25	Community College - Facilities Portion	9,714,794	746,286	320,468	493,576	0	0	114,876	197,944	189,990	372,118	950,509	34,025	13,355
26	Community College - Other	0												
27	County Office of Education - Tax Portion	347,950	29,865	45,781	54,171	0	0	5,500	11,069	9,729	9,963	63,023	4,451	1,852
28	County Office of Education - Facilities Portion	2,127,811	222,676	195,173	277,370	0	0	23,450	47,191	111,218	66,256	268,680	18,977	7,896
29	County Office of Education - Other	0												
30	Education Revenue Augmentation Fund (ERAF)	0												
31	Other	0												
32	Total Passthrough Distributions (sum of lines 17:31)	131,913,073	11,034,459	8,899,308	9,288,618	0	0	1,874,811	3,978,888	4,635,723	5,198,955	17,440,321	814,154	455,145
33	Total Administrative and Passthrough Distributions (line 15 plus 32)	132,402,933	11,083,160	8,934,844	9,323,487	4,641	0	1,882,999	3,999,840	4,662,208	5,220,641	17,487,043	824,639	457,363
34	Total RPTTF Available to Fund Successor Agency (SA) Enforceable Obligations (EOs) (line 8 minus 33)	393,537,459	41,503,916	29,603,229	25,133,480	4,152,737	0	7,103,076	18,297,543	21,050,172	17,096,173	41,611,139	2,425,299	1,636,038
35	Finance Approved RPTTF for Distribution to SA:													
36	Non-Admin EOs	0												
37	Admin Allowance	0												
38	Less Prior Period Adjustments (PPA) (Enter as a negative number)	0												
39	Total Finance Approved RPTTF for Distribution (sum of lines 36:38)	0	0	0	0	0	0	0	0	0	0	0	0	0
40	CAC Distributed ROPS RPTTF													
41	Non-Admin EOs	0												
42	Admin Allowance	0												
43	Insufficient RPTTF (See line 43 in "A" ROPS) Insufficient RPTTF in "A" Period for Finance Approved RPTTF to be Funded in "B" Period	0												
44	Total CAC Distributed RPTTF for SA EOs (sum of lines 41:43)	0	0	0	0	0	0	0	0	0	0	0	0	0
45	Pension Override/State Water Project Override Revenues pursuant to HSC 34183 (a) (1) (B)	0												
46	Other	0												
47	Other	0												
48	Total ROPS Only RPTTF Balance Available for Distribution to ATEs (line 34 minus 44:47)	393,537,459	41,503,916	29,603,229	25,133,480	4,152,737	0	7,103,076	18,297,543	21,050,172	17,096,173	41,611,139	2,425,299	1,636,038
49	RPTTF Distributions to ATEs:													
50	Cities	0												
51	Counties	0												
52	Special Districts	0												
53	K-12 Schools	0												
54	Community Colleges	0												
55	County Office of Education	0												
56	Total ERAF - Please break out the ERAF amounts into the following categories, if possible (sum of lines 57:59)	0	0	0	0	0	0	0	0	0	0	0	0	0
57	ERAF - K-12	0												
58	ERAF - Community Colleges	0												
59	ERAF - County Offices of Education	0												
60	Total RPTTF Distributions to ATEs (sum of lines 50:56) - Total residual distributions must equal total residual balance as shown on line 48.	0	0	0	0	0	0	0	0	0	0	0	0	0
61	Total Residual Distributions to K-14 Schools (sum of lines 53:56)	0	0	0	0	0	0	0	0	0	0	0	0	0
62	Percentage of K-14 Schools to Residual Distributions (line 61/60)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
63	Comments:			Annual TI limit removed per HSC 34189(a)				Formally dissolved on 01/24/2023 per Countywide Oversight Board Resolution No. 23-009						



Transmitted via e-mail
REVISED

May 19, 2023

Sunny Rief, Assistant Chief Financial Officer
City of Huntington Beach
2000 Main Street
Huntington Beach, CA 92648

Subject: 2017-18 Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) April 10, 2017, May 17, 2017, November 14, 2017, and August 24, 2022 Recognized Obligation Payment Schedule (ROPS) determination letters for the period of July 1, 2017 through June 30, 2018 (ROPS 17-18), with respect to Item Number 88 only.

A revision to the City of Huntington Beach Successor Agency's (Agency) ROPS 17-18 determination letters is necessary to comply with the judgment in the matter of *City of Huntington Beach et al. v. State of California et al.* (Case No. 34-2018-80002876) (Judgment). Pursuant to the February 17, 2023 Judgment, Finance makes the following determination:

- Item No. 88 – Waterfront Commercial Master Site Plan. Finance no longer denies this item. In compliance with the Judgment, the Agreement for the Purchase and Sale of Property (Waterfront Loan) dated September 19, 1988 between the City and the former Redevelopment Agency of the City of Huntington Beach is considered an enforceable obligation, and future requests for funding of supported outstanding amounts will be allowable.

All other previous determinations made in Finance's April 10, 2017, May 17, 2017, November 14, 2017, and August 24, 2022 ROPS 17-18 determination letters stand.

Sunny Rief
May 19, 2023
Page 2

Please direct inquiries to Chikako Takagi-Galamba, Manager at (916) 322-2985.

Sincerely,



 JENNIFER WHITAKER
Program Budget Manager

cc: Ursula Luna-Reynosa, Director of Community Development, City of Huntington
Beach
Christopher Ranftl, Administrative Manager I, Property Tax Unit, Orange County
Kathy Tavoularis, Countywide Oversight Board Representative

Waterfront Loan Recalculated per Health and Safety Code Section 34191.4(b)(3)

FYE June 30,	Principal	Principal Payments	Principal Balance	Accrued Interest	Cumulative Interest	Interest Payments	Interest Balance	Outstanding Loan Balance
1989	22,400,000		22,400,000					22,400,000
1990	22,400,000		22,400,000	672,000	672,000	(6,672)	665,328	23,065,328
1991	22,400,000		22,400,000	672,000	1,337,328	(11,407)	1,325,921	23,725,921
1992	22,400,000		22,400,000	672,000	1,997,921	(1,997,921)	-	22,400,000
1993	22,400,000		22,400,000	672,000	672,000	(181,678)	490,322	22,890,322
1994	22,400,000		22,400,000	672,000	1,162,322	(608,831)	553,491	22,953,491
1995	22,400,000		22,400,000	672,000	1,225,491	(257,412)	968,078	23,368,078
1996	22,400,000		22,400,000	672,000	1,640,078	(1,640,078)	-	22,400,000
1997	22,400,000		22,400,000	672,000	672,000	(672,000)	-	22,400,000
1998	22,400,000		22,400,000	672,000	672,000	(672,000)	-	22,400,000
1999	22,400,000		22,400,000	672,000	672,000	(73,282)	598,718	22,998,718
2000	22,400,000		22,400,000	672,000	1,270,718	(100,212)	1,170,505	23,570,505
2001	22,400,000		22,400,000	672,000	1,842,505	(93,562)	1,748,943	24,148,943
2002	22,400,000		22,400,000	672,000	2,420,943	(248,212)	2,172,731	24,572,731
2003	22,400,000		22,400,000	672,000	2,844,731	(2,844,731)	-	22,400,000
2004	22,400,000		22,400,000	672,000	672,000	(672,000)	-	22,400,000
2005	22,400,000		22,400,000	672,000	672,000	(672,000)	-	22,400,000
2006	22,400,000		22,400,000	672,000	672,000	(672,000)	-	22,400,000
2007	22,400,000		22,400,000	672,000	672,000	(672,000)	-	22,400,000
2008	22,400,000		22,400,000	672,000	672,000	(672,000)	-	22,400,000
2009	22,400,000		22,400,000	672,000	672,000	(672,000)	-	22,400,000
2010	22,400,000		22,400,000	672,000	672,000	(672,000)	-	22,400,000
2011	22,400,000		22,400,000	672,000	672,000	(672,000)	-	22,400,000
2012	22,400,000		22,400,000	672,000	672,000		672,000	23,072,000
2013	22,400,000		22,400,000	672,000	1,344,000		1,344,000	23,744,000
2014	22,400,000		22,400,000	672,000	2,016,000		2,016,000	24,416,000
2015	22,400,000		22,400,000	672,000	2,688,000		2,688,000	25,088,000
2016	22,400,000		22,400,000	672,000	3,360,000		3,360,000	25,760,000
2017	22,400,000		22,400,000	672,000	4,032,000		4,032,000	26,432,000
2018	22,400,000		22,400,000	672,000	4,704,000		4,704,000	27,104,000
2019	22,400,000		22,400,000	672,000	5,376,000		5,376,000	27,776,000
2020	22,400,000		22,400,000	672,000	6,048,000		6,048,000	28,448,000
2021	22,400,000		22,400,000	672,000	6,720,000		6,720,000	29,120,000
2022	22,400,000		22,400,000	672,000	7,392,000		7,392,000	29,792,000
2023	22,400,000		22,400,000	672,000	8,064,000		8,064,000	30,464,000
2024	22,400,000		22,400,000	672,000	8,736,000		8,736,000	31,136,000

EXHIBIT B

Resolution No. 2024-007

**As proposed by Oversight Board staff
(see underlined language in Section 2, showing the modification from the
HBSA's proposed form)**

(see attached)

**RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD
RESOLUTION NO. 24-007**

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH
OVERSIGHT OF THE SUCCESSOR AGENCY TO THE HUNTINGTON BEACH
REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION
PAYMENT SCHEDULE [ROPS] 2024-25 A-B FOR THE ANNUAL FISCAL PERIOD OF
JULY 1, 2024 TO JUNE 30, 2025, INCLUDING THE FY 2024-25 ADMINISTRATIVE
BUDGET, 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 former Redevelopment Agency of the City of Huntington Beach (“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 Huntington Beach (“City”); and

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 25 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 former Redevelopment Agency of the City of Huntington Beach (“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 2024-25, in the form required by DOF, is attached as Exhibit A and the Fiscal Year (“FY”) 2024-25 Administrative Budget is attached as Exhibit B, and both attachments are 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, including the FY 2024-25 administrative budget included herewith; *provided that this approval shall be automatically modified by any DOF’s direction pursuant to Oversight Board Resolution No. 24-006.*

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 Huntington Beach’s Chief Financial Officer, 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.