

Orange Countywide Oversight Board

Date: 9/26/2019

Agenda Item No. 9A

From: Successor Agency to the Anaheim Redevelopment Agency

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

Recommended Action:

Approve resolution approving amendment to FY 2019-20B ROPS for the Anaheim Successor Agency

The Anaheim Successor Agency requests approval of the Amended Recognized Obligation Payment Schedule (ROPS) 19-20B for the second half of Fiscal Year 2019-20. The amendment would request RPTTF funds (Line 151) to repair non-routine maintenance issues. The major non-routine items include: repair of the geo membrane layer, replacement of the perimeter methane monitoring system, repair of below grade header line, and replacement of aging and deteriorated landfill gas collection system parts for the remediation of the Westgate Property landfill (LRPMP Property #16).

Part of the landfill gas collection and monitoring system is the shallow subsurface geomembrane layer which deters water infiltration into the land fill. The geomembrane has been damaged in two locations and in order to meet the requirements of Title 27 (§ 20950 – General Closure and Post-Closure Maintenance) it must be repaired. The residential perimeter continuous gas monitoring system (System) is beyond its useful life cycle and as a result, parts are failing and due to its age replacement parts are no longer available. In order to meet the requirements of Title 27 (§ 20931 – Structure Monitoring) the System must be replaced with current technology. Lastly a recent inspection of the landfill gas collection system header shows that differential settlement has caused multiple low spots in the blow-grade header. These low spots have restricted vacuum to a number of the extraction wells and jeopardize the effectiveness of the entire system. In order to meet the requirements of SCAQMD Rule 1150.1 and State AB 32 these low spots must be repaired.

Impact on Taxing Entities

The proposed ROPS Amendment will reduce residual RPTTF to the taxing entities from the January 2, 2020 distribution by \$613,900. The proposed amount is reflective of the proposal received by Tetra Tech BAS, Inc.

Staff Contact(s)

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Attachments

1. Resolution
2. Amended ROPS FY19-20B

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD APPROVING AN AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE 2019-2020 FISCAL PERIOD OF JANUARY 1, 2020 TO JUNE 30, 2020 FOR THE SUCCESSOR AGENCY TO THE ANAHEIM REDEVELOPMENT AGENCY, SUBJECT TO SUBMITTAL TO, AND REVIEW BY, THE STATE DEPARTMENT OF FINANCE UNDER CALIFORNIA HEALTH AND SAFETY CODE, DIVISION 24, PART 1.85, AND AUTHORIZING THE POSTING AND TRANSMITTAL THEREOF

WHEREAS, the former Anaheim Redevelopment Agency (“Former Agency”) previously was a public body, corporate and politic formed, organized, existing and exercising its powers under the California Community Redevelopment Law, Health and Safety Code, Section 33000, *et seq.*, and was formed by ordinance of the City Council of the City of Anaheim (“City”); and

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

WHEREAS, unless otherwise stated in this resolution, statutory references are to the California Health and Safety Code; and

WHEREAS, as of February 1, 2012, the Former Agency was dissolved under the Dissolution Law, and as a separate public entity, corporate and politic under Section 34171(g), the Successor Agency to the Anaheim Redevelopment Agency (the “Successor Agency”) administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency’s affairs; and

WHEREAS, prior to July 1, 2018 under the Dissolution Law, in particular Sections 34179 and 34180, all actions of the Successor Agency were subject to the review and approval by a local seven-member oversight board, which oversaw and administered the Successor Agency’s activities during the period from dissolution until June 30, 2018; and

WHEREAS, as of, on and after July 1, 2018 under the Dissolution Law, in particular Section 34179(j), in every California county there shall be only one oversight board that is staffed by the county auditor-controller, with certain exceptions that do not apply in the County of Orange; and

WHEREAS, as of, on and after July 1, 2018, the single Orange Countywide Oversight Board was established through the Orange County Auditor-Controller in compliance with Section 34179(j), which serves as the oversight board to the 25 successor agencies existing and operating in Orange County, including the Successor Agency; and

WHEREAS, every oversight board, both the prior local oversight board and this newly established Orange Countywide Oversight Board, has fiduciary responsibilities to the holders of

enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues under the Dissolution Law, in particular Section 34188; and

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

WHEREAS, Section 34177(o)(1)(E) authorizes that “[o]nce per period, and no later than October 1, a successor agency may submit one amendment to the [ROPS] approved by the department pursuant to this subdivision, if the oversight board makes a finding that a revision is necessary for the payment of approved enforceable obligations during the second one-half of the [ROPS] period, which shall be defined as January 1 to June 30, inclusive. A successor agency may only amend the amount requested for payment of approved enforceable obligations. The revised [ROPS] shall be approved by the oversight board and submitted to the department by electronic means in a manner of the department’s choosing. The department shall notify the successor agency and the county auditor-controller as to the outcome of the department’s review at least 15 days before the date of the property tax distribution”; and

WHEREAS, the Former Agency was found to be obligated to provide repairs and replacements for remediation of the Westgate Property landfill. The remediation of the Westgate Property landfill requires ongoing efforts and has been previously addressed in line item 151 of several prior ROPS prepared by the Successor Agency, as subsequently approved by the Oversight Board and the DOF; and

WHEREAS, as described in the accompanying staff report, various repairs are now required to the landfill gas collection and monitoring system at the Westgate Property landfill. The amount of revenues requested by the Successor Agency to be included as a revised item 151 of the current ROPS are described further in the accompanying staff report; and

WHEREAS, the Successor Agency has submitted to the Orange Countywide Oversight Board an amendment to ROPS 19-20 reflecting additional payments from RPTTF for ROPS line item 151, to enable the Successor Agency to pay costs necessary to address current remediation needs at the Westgate Property landfill; and

WHEREAS, the objective of this Orange Countywide Oversight Board resolution is to authorize, make findings, and approve the Successor Agency’s amendment of ROPS 19-20 to correct and increase line item 151 as reflected on the amendment to the Successor Agency’s ROPS 19-20 attached as Attachment No. 1 to this resolution and fully incorporated herein by this reference; and

WHEREAS, the Orange Countywide Oversight Board has reviewed the Successor Agency’s amendment of ROPS 19-20, and desires to make certain findings, including: (i) amendment is necessary to pay a DOF-approved enforceable obligation on ROPS 19-20 during the “B” fiscal period, (ii) ROPS 19-20, as amended, is approved, (iii) the Successor Agency or City staff are authorized to post ROPS 19-20, as amended, on the City’s website, and (iv) staff is directed to transmit ROPS 19-20, as amended, to the DOF, with copies to the County of Orange

Executive Officer, the County of Orange Auditor-Controller, and the State Controller's Office pursuant to the Dissolution Law;

NOW, THEREFORE, THE ORANGE COUNTYWIDE OVERSIGHT BOARD DOES HEREBY RESOLVE AS FOLLOWS:

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 finds the revision set forth in amended ROPS 19-20 for funds to be distributed from the Redevelopment Property Tax Trust Fund (RPTTF) for the fiscal period January 1, 2020 to June 30, 2020 is necessary to pay DOF-approved enforceable obligations for such ROPS 19-20B period; in particular, the amendment is to correct and increase the RPTTF authorized for disbursement to the Successor Agency and payment by the Successor Agency for line item 151.

Section 3. Under the Dissolution Law, the Orange Countywide Oversight Board approves the ROPS 19-20, as amended, (Attachment No. 1); provided however, that the ROPS 19-20, as amended, is approved subject to the condition that such ROPS, as amended, is to be submitted to and reviewed by the DOF. Further, the Executive Director of the Successor Agency and his authorized designees, in consultation with legal counsel, shall be authorized to discuss this matter with the DOF and make augmentations, modifications, additions or revisions as may be necessary or directed by DOF.

Section 4. The Orange Countywide Oversight Board authorizes transmittal of ROPS 19-20, as amended, to the DOF with copies to the Orange County Executive Officer, Orange County Auditor-Controller, and State Controller's Office.

Section 5. The Executive Director of the Successor Agency and his authorized designees directed to post this Resolution, including the ROPS 19-20, as amended, on the City's website pursuant to the Dissolution Law.

Section 6. 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 7. The Clerk of the Orange Countywide Oversight Board shall certify to the adoption of this Resolution.

ATTACHMENT NO. 1

ROPS 19-20, AS AMENDED

(attached)

ATTACHMENT NO. 1

Amended Recognized Obligation Payment Schedule (ROPS 19-20B) - Summary
Filed for the January 1, 2020 through June 30, 2020 Period

Successor Agency: Anaheim
County: Orange

	Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		ROPS 19-20B		ROPS 19-20B	
	Enforceable Obligations Funded as Follows (B+C+D)	ROPS 19-20B Authorized Amounts	ROPS 19-20B Requested Adjustments	ROPS 19-20B Amended Total		
A	Enforceable Obligations Funded as Follows (B+C+D)	\$ 152,000	\$ -	\$ -	\$ 152,000	
B	Bond Proceeds	-	-	-	-	
C	Reserve Balance	-	-	-	-	
D	Other Funds	152,000	-	-	152,000	
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 15,729,277	\$ 798,900	\$ 16,528,177		
F	RPTTF	15,427,619	798,900	16,226,519		
G	Administrative RPTTF	301,658	-	301,658		
H	Current Period Enforceable Obligations (A+E)	\$ 15,881,277	\$ 798,900	\$ 16,680,177		

Certification of Oversight Board Chairman:

Pursuant to Section 34.177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

_____	_____
Name	Title
/s/ _____	
Signature	Date

Anaheim Amended Recognized Obligation Payment Schedule (ROPS 19-20B) - ROPS Detail
January 1, 2020 through June 30, 2020

Item #	Project Name	Obligation Type	Total Outstanding Obligation	Authorized Amounts					Total	Requested Adjustments					Total	Notes
				Fund Sources						Fund Sources						
				Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
			\$290,624,902	\$-	\$-	\$152,000	\$15,620,545	\$301,658	\$15,881,277	\$-	\$-	\$-	\$798,900	\$-	\$798,900	
50	Tax Allocation Refunding Bonds	Bonds Issued On or Before 12/31/10	\$61,605,613	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
54	Fiscal agent/arbitrage svcs	Fees	\$540,000	-	-	-	10,000	-	\$10,000	-	-	-	-	-	\$-	
56	HUD 108 Loan-Capital Projects	CDBG/HUD Repayment to City/ County	\$5,441,212	-	-	-	81,446	-	\$81,446	-	-	-	-	-	\$-	
58	HUD 108 Loan-Westgate	CDBG/HUD Repayment to City/ County	\$4,858,520	-	-	-	100,473	-	\$100,473	-	-	-	-	-	\$-	
63	External Project Costs	Professional Services	\$521,000	-	-	-	17,000	-	\$17,000	-	-	-	-	-	\$-	
64	Plaza Redev. Project Area	OPA/DDA/ Construction	\$20,000	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
66	River Valley Redev. Proj. Area	OPA/DDA/ Construction	\$3,708,716	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
68	Anaheim Westgate Center Proj.	Miscellaneous	\$6,277,789	-	-	-	103,952	-	\$103,952	-	-	-	-	-	\$-	
70	8.9-acre SoCal Edison	Miscellaneous	\$16,162,971	-	-	-	269,140	-	\$269,140	-	-	-	-	-	\$-	
71	Shoe City lease	Miscellaneous	\$1,793,789	-	-	-	18,402	-	\$18,402	-	-	-	-	-	\$-	
75	External Project Costs	Professional Services	\$520,000	-	-	-	2,000	-	\$2,000	-	-	-	-	-	\$-	
103	External Project Costs	Professional Services	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
114	Avon Dakota Revitalization	Miscellaneous	\$7,580,400	-	-	-	2,300,000	-	\$2,300,000	-	-	-	-	-	\$-	
115	Avon Dakota Revitalization	Miscellaneous	\$1,650,000	-	-	-	500,000	-	\$500,000	-	-	-	-	-	\$-	
116	Project Management	Project Management Costs	\$495,000	-	-	-	150,000	-	\$150,000	-	-	-	-	-	\$-	
117	External Project Costs	Professional Services	\$39,600	-	-	-	12,000	-	\$12,000	-	-	-	-	-	\$-	
135	Administrative Cost Allowance	Admin Costs	\$603,316	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
137	Coop. Agr. - Reimb of Costs	Unfunded Liabilities	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
150	Plaza Redev. Project Area (Previous ROPS Line 65)	OPA/DDA/ Construction	\$2,037,835	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
151	Westgate Remediation (Previous ROPS Line 100)	Remediation	\$17,237,874	-	-	-	185,000	-	\$185,000	-	-	-	798,900	-	\$798,900	
180	Cooperation /Loan Agreement - 34173(h) - Retroactive Payments (Previous ROPS Line 153)	City/County Loans After 6/27/11	\$884,429	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
183	Tax Allocation Refunding Bonds (Previous ROPS Line 51)	Reserves	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
184	2010 Taxable Recovery Zone Bonds (Previous ROPS Line 53)	Reserves	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
185	Administrative Cost Allowance to Housing Successor Per AB 471 (Previous ROPS Line 156)	Housing Entity Admin Cost	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	
186	Administrative Cost Allowance to Housing Successor Per AB 471	Housing Entity Admin	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-	

Item #	Project Name	Obligation Type	Total Outstanding Obligation	Authorized Amounts					Total	Requested Adjustments					Total	Notes
				Fund Sources						Fund Sources						
				Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
	(Retroactive Disallowed Allowance) - Previous ROPS Line 156	Cost														
187	Domain Project Area Remediation	Remediation	\$304,000	-	-	152,000	-	-	\$152,000	-	-	-	-	-	-	\$-
191	Insurance for Westgate LandFill (Related to Line 151)	Remediation	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-
192	Overreported "Other Funds" From Cash Balance Form	Miscellaneous	\$-	-	-	-	-	-	\$-	-	-	-	-	-	-	\$-
193	2018 Refunding Bonds Series A	Bonds Issued On or Before 12/31/10	\$148,729,500	-	-	-	7,076,375	-	\$7,076,375	-	-	-	-	-	-	\$-
194	2018 Refunding Bonds Series B	Bonds Issued On or Before 12/31/10	\$276,480	-	-	-	273,240	-	\$273,240	-	-	-	-	-	-	\$-
195	Westgate Remediation - Water Control Board	Remediation	\$513,000	-	-	-	13,125	-	\$13,125	-	-	-	-	-	-	\$-
196	Avon Dakota Revitalization - Retroactive for Line 114	Miscellaneous	\$7,419,600	-	-	-	3,709,800	-	\$3,709,800	-	-	-	-	-	-	\$-
197	Avon Dakota Revitalization - Retroactive for Line 115	Miscellaneous	\$588,096	-	-	-	294,048	-	\$294,048	-	-	-	-	-	-	\$-
198	Avon Dakota Revitalization - Retroactive for Line 117	Miscellaneous	\$623,236	-	-	-	311,618	-	\$311,618	-	-	-	-	-	-	\$-
199	Legal Expenses	Legal	\$192,926	-	-	-	192,926	-	\$-	-	-	-	-	-	-	\$-