

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew Fertal  
Dept: Director  
Subject: ADOPTION OF A RESOLUTION  
APPROVING FISCAL YEAR 2014-15  
SUCCESSOR AGENCY BUDGET  
(PUBLIC HEARING)

From: Kingsley Okereke  
Dept: Finance  
Date: June 24, 2014

OBJECTIVE

To request that The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development (Successor Agency) consider the attached annual budget for Fiscal Year 2014-15 and adopt a Resolution approving the budget.

BACKGROUND/DISCUSSION

Pursuant to the Dissolution Act, the Garden Grove Agency for Community Development was dissolved on February 1, 2012. As a result, the Successor Agency is required to prepare and consider for approval a Recognized Obligation Payment Schedule (ROPS) every six months. Once approved, the ROPS is transmitted to the Oversight Board for approval and subsequently submitted to the California Department of Finance (DOF) for review.

The 2014-2015 fiscal year budget for the Successor Agency is based on the enforceable obligations approved by the DOF on the ROPS for July 2014 – December 2014 and estimated for the ROPS for January 2015 – June 2015. For Fiscal Year July 2014 – June 2015 the annual administrative allowance is estimated to be \$640,941.

FINANCIAL IMPACT

The Successor Agency receives all of its funding from the Redevelopment Property Tax Trust Fund (RPTTF) pursuant to AB1X26 and AB1484 through the County Auditor Controller in an amount to cover the approved enforceable obligations by the DOF.

Fiscal Year 2014-15  
Successor Agency Budget  
June 24, 2014  
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RECOMMENDATION

It is recommended that the Successor Agency:

- ◆ Adopt the attached Resolution approving the Successor Agency's budget for Fiscal Year 2014-15.



KINGSLEY OKEREKE  
Finance Director




Jim DellaLonga  
Senior Project Manager

Attachment 1: Successor Agency Budget for Fiscal Year 2014-15  
Attachment 2: Resolution

SucAgenBudget 6/18/13

**Recommended for Approval**



Matthew Fertal  
Director

FISCAL YEAR 14-15

PROPOSED BUDGET

THE CITY OF GARDEN GROVE AS SUCCESSOR AGENCY

TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT

THE CITY OF GARDEN GROVE AS SUCCESSOR AGENCY  
TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT  
FISCAL YEAR 2014-15 PROPOSED BUDGET ANALYSIS (\$000)

	Total Proposed Budget
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<u>Funds Available:</u>	
Reserves and Ending Balances	\$ 0.0
Operating Revenues	<u>27,105.0</u>
Total Funds Available	\$ 27,105.0
 <u>Less: Operating Expenditures:</u>	
Administrative Allowance (Schedule 1)	(640.9)
Recognized Obligation Payments (Schedule 2)	<u>(26,464.1)</u>
Total Expenditures	\$ (27,105.0)
 Net Amount Available	 <u><u>\$ 0.0</u></u>

SCHEDULE 1  
 ANALYSIS OF SUCCESSOR AGENCY  
 PROPOSED ADMINISTRATIVE ALLOWANCE PACKAGES (\$000)  
 FISCAL YEAR 2014-15

Package No.	Description	Proposed Budget
	ADMINISTRATIVE ALLOWANCE	
1020	General Accounting	\$ 69.2
1021	Financial Planning	81.4
2500	SRDA Administration	<u>490.3</u>
	TOTAL ADMINISTRATIVE ALLOWANCE	<u>\$ 640.9</u>

SCHEDULE 2  
ANALYSIS OF SUCCESSOR AGENCY  
PROPOSED RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) (\$000)  
FISCAL YEAR 2014-15

Package No.	Description	Proposed Budget
ROPS		
2502	Agency Debt Service	\$ 9,095.5
2503	Agency Real Prop.	250.0
2512	GG Center Bldg. Lease	660.0
2513	Coastline Bldg. Lease	320.7
2521	OfficeMax Rebate	600.0
2522	Residence Inn Rebate	1,300.0
2523	Hyatt Rebate	2,250.0
2525	GG Hyundai	190.0
2526	Katella Cottages	60.0
2527	Augustine LTD	88.3
2531	Sheraton Rebate	200.0
2554	Waterpark Hotel DDA	4,278.3
2557	Sycamore Walk DDA	23.0
2562	Brookhurst Triangle DDA	7,128.3
9513	Depreciation	<u>20.0</u>
TOTAL ROPS		<u><u>\$ 26,464.1</u></u>

## SUCCESSOR AGENCY

## RESOLUTION NO.

A RESOLUTION OF THE CITY OF GARDEN GROVE AS SUCCESSOR AGENCY TO  
THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT ADOPTING AN  
ANNUAL BUDGET FOR FISCAL YEAR 2014-15

WHEREAS, The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development has given careful consideration to the adoption of the budget for Fiscal Year 2014-15.

NOW, THEREFORE, BE IT RESOLVED that the Director is hereby authorized to expend in accordance with Section 33606 of the Health and Safety Code of the State of California on behalf of The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development an amount of \$27,105,043 from new appropriations and reserved fund balances for the planned activities shown below:

Expenditures

Administrative Allowance	\$ 640,941
Recognized Obligation Payments	<u>26,464,102</u>
Total Expenditures	\$ 27,105,043

BE IT FURTHER RESOLVED by The City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development that the total of \$27,105,043, which the Director is authorized to expend in accordance with the laws of the State of California, shall be appropriated from the following funds of the Successor Agency for the Fiscal Year 2014-15. Expenditures pursuant to this Successor Agency budget are subject to compliance with the requirements of ABx1 26.

Funding

Successor to Redevelopment Agency Fund*	\$ 27,105,043
Total Funding	\$ 27,105,043

\* Transfers Into The Successor Redevelopment Agency Fund:

Redevelopment Agency Obligation Retirement Fund To Successor Redevelopment Fund	\$26,605,043
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