

**The City of Garden Grove as Successor Agency to the
Garden Grove Agency for Community Development**

INTER-DEPARTMENT MEMORANDUM

To: Matthew J. Fertal
Dept: Director
Subject: ADOPTION OF A RESOLUTION
APPROVING THE RECOGNIZED
OBLIGATION PAYMENT SCHEDULE
(ROPS) AND ADMINISTRATIVE
BUDGET

From: Kingsley Okereke
Dept: Finance
Date: February 25, 2014

OBJECTIVE

The purpose of this report is to request that the City of Garden Grove as Successor Agency to the Garden Grove Agency for Community Development ("Successor Agency") adopt a Resolution approving the Recognized Obligation Payment Schedule ("ROPS") and Administrative Budget pursuant to Section 34177 of the Health and Safety Code, and transmit said ROPS and Administrative Budget to the Oversight Board for approval.

BACKGROUND/ANALYSIS

Staff has prepared for the Successor Agency's consideration and approval, the ROPS and Administrative Budget for the period covering July 1, 2014 through December 31, 2014 (Attached). The attached Successor Agency Resolution approves the ROPS and Administrative Budget, and authorizes their transmittal to the Oversight Board, the County Auditor-Controller, the Department of Finance, and the State Controller's Office.

FINANCIAL IMPACT

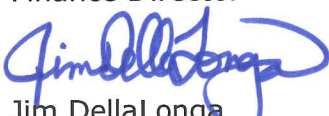
None.

RECOMMENDATION

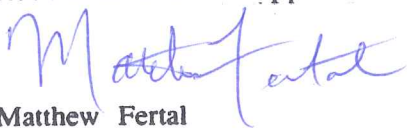
Staff recommends that the Successor Agency:

- Adopt a Resolution approving the Recognized Obligation Payment Schedule and Administrative Budget pursuant to Section 34177 of the Health and Safety Code; and
- Transmit approved ROPS and Administrative Budget to the Oversight Board for approval.

KINGSLEY OKEREKE
Finance Director


Jim DellaLonga
Senior Project Manager

Recommended for Approval


Matthew Fertal
Director

Attachment 1: Successor Agency Resolution
Recognized Obligation Payment Schedule
.. Administrative Budget

GARDEN GROVE SUCCESSOR AGENCY

RESOLUTION NO.

A RESOLUTION OF THE CITY OF GARDEN GROVE AS SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET, AND AUTHORIZING CERTAIN OTHER ACTIONS PURSUANT TO HEALTH & SAFETY CODE SECTION 34177

WHEREAS, the Garden Grove Agency for Community Development ("Former Agency") was established as a community redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health & Safety Code Sections 33000, *et seq.* ("CRL"), and previously authorized to transact business and exercise the powers of a redevelopment agency pursuant to action by the City Council ("City Council") of the City of Garden Grove ("City");

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies ("Dissolution Act");

WHEREAS, on December 29, 2011, in the petition *California Redevelopment Association v. Matosantos*, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of and on February 1, 2012, under the dates in the Dissolution Act that were reformed and extended thereby ("Supreme Court Decision");

WHEREAS, Assembly Bill 1484 ("AB 1484"), enacted on June 27, 2012, made certain amendments to the Dissolution Act, including with respect to the process for adopting Recognized Obligation Payment Schedules;

WHEREAS, the Former Agency is now a dissolved community redevelopment agency pursuant to the Dissolution Act;

WHEREAS, by a Resolution considered and approved by the City Council at an open public meeting the City chose to become and serve as the Successor Agency to the dissolved Former Agency under the Dissolution Act;

WHEREAS, as of and on and after February 1, 2012, the City serving as the Successor Agency performing its functions as the successor agency under the Dissolution Act to administer the enforceable obligations of the Former Agency and otherwise unwind the Former Agency's affairs, all subject to the review and approval by a seven-member Oversight Board formed thereunder;

WHEREAS, under Part 1.8 of the Dissolution Act, the Agency prior to its dissolution adopted an original and an amended Enforceable Obligation Payment Schedule ("EOPS") and authorized the Director and/or Finance Director or their

authorized designees to augment or modify the EOPS and transmit the EOPS to the Successor Agency and to the County Auditor-Controller, the State Department of Finance ("Department of Finance"), and the State Controller's Office;

WHEREAS, under Part 1.8 of the Dissolution Act, the Former Agency prior to its dissolution adopted an original and an Initial Recognized Obligation Payment Schedule ("IROPS") and authorized the Director and/or Finance Director or their authorized designees to augment or modify the IROPS and transmit the IROPS to the Successor Agency and to the County Auditor-Controller, the Department of Finance, and the State Controller's Office;

WHEREAS, pursuant to Health & Safety Code Section 34171(h), a "Recognized Obligation Payment Schedule" (ROPS) means the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each six-month fiscal period as provided in Health & Safety Code Section 34177(l) and (m);

WHEREAS, pursuant to Health & Safety Code Section 34177 (l) and (m);, the Successor Agency has prepared its ROPS for the period covering July 1, 2014, through December 31, 2014, in the form attached to this Resolution as Attachment No. 1 and incorporated herein by this reference;

WHEREAS, pursuant to Health & Safety Code Section 34177(j), the Successor Agency has prepared its Administrative Budget for the period covering July 1, 2014, through December 31, 2014, ("Administrative Budget 14-15A"), in the form attached to this Resolution as Attachment No. 2 and incorporated herein by this reference;

WHEREAS, by this Resolution, pursuant to Health & Safety Code Section 34177(l)(2)(B), as amended by AB 1484, the Successor Agency, approves the ROPS and authorizes the transmittal of the ROPS to the Oversight Board and concurrently to the County Administrative Officer, the County Auditor-Controller, and the Department of Finance; and

WHEREAS, pursuant to Health & Safety Code Section 34177(l)(2)(C), a copy of the ROPS, upon approval by the Oversight Board, is to be submitted to the State Controller's Office, the Department of Finance, and shall be posted on the Successor Agency's website.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF GARDEN GROVE AS SUCCESSOR AGENCY TO THE GARDEN GROVE AGENCY FOR COMMUNITY DEVELOPMENT:

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

Section 2. The ROPS and the Administrative Budget are approved together with such augmentation, modification, additions or revisions as the City Manager and/or the Finance Director or their authorized designees may make thereto.

Section 3. The Director or his authorized designees on behalf of the Successor Agency shall cause the approved ROPS and Administrative Budget to be transmitted to the Oversight Board and to be transmitted to the County Auditor-Controller, the State Controller's Office, and the Department of Finance; further, upon approval by the Oversight Board, the Director or his authorized designees on behalf of the Successor Agency shall cause the ROPS to be posted on the City's website.

Section 4. This Resolution shall be effective immediately upon adoption.

Section 5. The City Clerk on behalf of the Successor Agency shall certify to the adoption of this Resolution.