

**OVERSIGHT BOARD – SUCCESSOR AGENCY TO THE
FORMER REDEVELOPMENT AGENCY OF THE
COUNTY OF VENTURA
AGENDA REPORT**

DATE: January 21, 2016

TO: Oversight Board to Successor Agency

FROM: Donna McKendry, CEO Management Analyst

SUBJECT: **Adoption of Resolution No. 16-02 Approving the Administrative Budget for the Successor Agency to the Former Redevelopment Agency of the County of Ventura for July 1, 2016, through June 30, 2017, and Approving the Annual Recognized Obligation Payment Schedule (Annual ROPS 16-17) for July 1, 2016, through June 30, 2017, Setting Forth a Schedule of Payments for Obligations of the Successor Agency, and Directing Transmission of the Approved Annual ROPS 16-17 to the Ventura County Auditor-Controller, State Controller's Office, and State Department of Finance, as well as Posting of the Approved Annual ROPS 16-17 Schedule on the Successor Agency's Internet Website**

DISCUSSION:

Pursuant to subdivision (j) of Health and Safety Code Section 34177, successor agencies must prepare a proposed administrative budget and submit it to their oversight boards for approval. Subdivision (b)(4) of Health and Safety Code Section 34171 now provides that a successor agency's administrative cost allowance is payable from property tax revenues of up to 50% of the total Redevelopment Property Tax Trust Fund actually distributed to pay enforceable obligations in the preceding fiscal year.

The Successor Agency to the former Redevelopment Agency of the County of Ventura (SA) has prepared the attached July 1, 2016, through June 30, 2017, Administrative Budget (Exhibit A) for your Board's review and approval. In accordance with subdivision (j) of Health and Safety Code section 34177, the proposed administrative budget includes the following: (1) estimated amounts for the SA's administrative costs; (2) the proposed sources of payment for the those costs; and (3) proposals for arrangements for administrative and operations services.

Successor Agency (SA) staff has also prepared a draft Annual Recognized Obligation Payment Schedule for the July 1, 2016, through June 30, 2017 (Annual ROPS 16-17, Exhibit B), pursuant to subdivisions (l) and (o) of Health and Safety Code section 34177. As stated therein and defined in subdivision (h) of Health and Safety Code section 34171, a Recognized Obligation Payment Schedule (ROPS) is a document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations of the successor agency for the entire next fiscal year, 2016-2017, which must be delivered to the State Department of Finance (DOF) on or before February 1, 2016. Further, subdivision (d) of Health and Safety Code Section 34171 provides that enforceable obligations include:

1. Bonds;
2. Loans;
3. Payments required by the federal government;
4. Judgments or settlements;
5. Any legally binding and enforceable agreement or contract; and
6. Contracts or agreements necessary for the continued administration or operation of the redevelopment agency (e.g., employee pay and benefits, rent, insurance, office supplies, etc.).

As stated above, February 1, 2016, is the deadline for the SA to submit a resolution (Exhibit C) from your Board approving the Annual ROPS 16-17 (Exhibit B) for transmission to the DOF along with a copy of the approved Annual ROPS 16-17. Once approved by your Board, a copy of the Annual ROPS 16-17 also must be posted on the SA's internet website and submitted to the Ventura County Auditor Controller and the State Controller's office. (Health & Saf. Code § 34177, subd. (l)(2)(C).)

Currently, the SA has the authority to continue to make payments for the obligations of the former Redevelopment Agency of the County of Ventura (former RDA) and administrative expenses of the SA listed on the ROPS 15-16B. If the Annual ROPS 16-17, for the period of July 1, 2016, through June 30, 2017, is not timely approved by your Board and the DOF, it is possible that payments of SA obligations could not be timely made, which would result in defaults on such SA obligations.

STAFF RECOMMENDATION:

1. Adopt Resolution No. 16-02 (Exhibit C) approving the Administrative Budget (Exhibit A) and Annual ROPS 16-17 (Exhibit B).
2. Upon approval of the Annual ROPS 16-17 by your Board, direct SA staff to transmit the Annual ROPS 16-17 to the DOF, the Ventura County Auditor-

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Controller, and the State Controller's Office, and to post the approved Annual ROPS 16-17 on the SA's internet website.

Exhibit A – Administrative Budget for Fiscal Year 2016-17
Exhibit B – Annual ROPS 16-17
Exhibit C – Resolution No. 16-02