HUNTINGTON BEACH OVERSIGHT BOARD

of the Successor Agency of the former City of Huntington Redevelopment Agency

Special Meeting Agenda

August 23, 2012

5:00 P.M.
City Hall, 2000 Main Street, Civic Center Lower Level,
Room B-8, Huntington Beach, CA 92648

Huntington Beach Oversight Board

BOARD MEMBERS: City of Huntington Beach appointee **Mayor Don Hansen**; County Board of Supervisors appointees **Lucy Dunn** and **Steve Bone**; Community Colleges Districts appointee **W. Andrew "Andy" Dunn**; Orange County Office of Education appointee **Carrie Delgado**; Former Huntington Beach Redevelopment Agency employee representative **Kellee Fritzal**; Special District – Orange County Sanitation District appointee **Joe Carchio**

CALL TO ORDER: 5:00 P.M.

ROLL CALL: Chair Hansen, Vice Chair L. Dunn, Bone, A. Dunn, Delgado, Fritzal and Carchio

PLEDGE OF ALLEGIANCE: To be announced.

SUPPLEMENTAL COMMUNICATIONS: Announced by Board Secretary.

PUBLIC COMMENTS: *Limited to 3 minutes per person*

BUSINESS:

1) Approve and Adopt the May 14, 2012 Special Meeting Minutes

   Recommended Board Action:
   Approve and adopt the Oversight Board minutes of the special meeting of May 14, 2012, as written and on file in the Office of the Secretary of the Board.

2) Approve the Recognized Obligation Payment Schedule (ROPS) for the Period of January 1, 2013 through June 30, 2013; and approve the Administrative Budget and Related Actions

   Recommended Board Action:
   A) Adopt Resolution No. 2012-02, "A Resolution of the Huntington Beach Oversight Board of the Successor Agency of the Huntington Beach Redevelopment Agency Approving the Recognized Obligation Payment Schedule for the January 1 – June 20, 2013 Six-Month Fiscal Period ("Third ROPS")."

   B) Adopt Resolution No. 2012-03, "A Resolution of the Huntington Beach Oversight Board of the Successor Agency of the Huntington Beach Redevelopment Agency Approving the Successor Agency Administrative Budget and Related Actions."

3) Adopt a Resolution Consenting to and Approving the Termination of an Owner Participation Agreement (OPA) among the City, the former Redevelopment Agency, and Makallon Atlanta Huntington Beach LLC.

Recommended Board Action:
Adopt Resolution No. 2012 -04, "A Resolution of the Huntington Beach Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Consenting to and Approving the Termination of an Owner Participation Agreement Among the City, the Former Redevelopment Agency and Makallon Atlanta Huntington Beach, LLC."

4) Overview of Assembly Bill 1484 – (Discussion Only)

ADJOURNMENT: The next special meeting is tentatively scheduled for Thursday, October 4, 2012, 5:00 p.m. at City Hall, 2000 Main Street, Civic Center Lower Level, Room B-7.

Oversight Board of the Huntington Beach Successor Agency to the Redevelopment Agency

Agenda Item #1

Minutes
City of Huntington Beach Oversight Board of the Successor Agency of the Former City of Huntington Beach Redevelopment Agency

Monday, May 14, 2012
5:30 PM - Room B-8
Civic Center, 2000 Main Street
Huntington Beach, California 92648

An audio recording of this meeting is archived at
http://www.huntingtonbeachca.gov/OversightBoard

CALL TO ORDER - 5:35 PM

ROLL CALL

Present:	Chair Hansen, Bone, A. Dunn (arrived at 5:57 PM), Delgado, and Fritzal
Absent:	Vice Chair L. Dunn, and Carchio

PLEDGE OF ALLEGIANCE - Led by Chair Hansen

SUPPLEMENTAL COMMUNICATIONS

Pursuant to the Brown "Open Meetings" Act, Acting Secretary Robin Lugar announced one supplemental communication received after distribution of the agenda packet:

Amended Page Two of the April 5, 2012 City of Hunting Beach Oversight Board Special Meeting Minutes.

PUBLIC COMMENTS (Limited to 3 minutes per person): None.

BUSINESS

1. Approved and Adopted the April 5, 2012 Minutes

A motion was made by Chair Hansen, second Bone to approve and adopt the Oversight Board minutes of the meeting of April 5, 2012, as written and on file in the Office of the Secretary of the Board, ***as amended by supplemental communication.*** The motion carried by the following roll call vote:

AYES:	Chair Hansen, Bone, Delgado, and Fritzal
NOES:	None
ABSENT:	Vice Chair L. Dunn, A. Dunn, and Carchio

2. Approved Amendments to the Recognized Obligations Payment Schedule (ROPS) for the Period of January 1, 2012 through June 30, 2012; and, approve the ROPS for the Period covering July 1, 2012 to December 31, 2012.

Huntington Beach Finance Director Lori Ann Farrell began to describe line items within the Recognized Obligations Payment Schedule (ROPS) report that are under dispute with the State Department of Finance (DOF).

At 5:35 PM, Chair Hansen recessed the Oversight Board meeting to allow time for Board Member Dunn to arrive.

At 5:57 PM, Member Dunn arrived and Chair Hansen reconvened the meeting.

Director Farrell continued her discussion by informing the Board that the Department of Finance (DOF) contends loans between cities and redevelopment agencies are not pursuable. She also explained that items under dispute are shown as struck in the ROPS report to separate them from items eligible for continued payment. She discussed administrative costs, anticipated action between July - December, 2012, and debt service for property tax sharing.

Questions/Comments:

Board Member Dunn and Director Farrell discussed the State's objections to items shown as struck. Director Farrell explained how providing documentation helps reserve the right to challenge State decisions.

Board Member Delgado and Director Farrell discussed the formula used to establish administrative fees.

A motion was made by Chair Hansen, second Bone to approve Attachment A in its entirety. The motion carried by the following roll call vote:

AYES:	Chair Hansen, Bone, A. Dunn, Delgado, and Fritzal
NOES:	None
ABSENT:	Vice Chair L. Dunn, and Carchio

A motion was made by Chair Hansen, second Delgado to approve line items 2 and 13 shown on page two of seven in Attachment 2. The motion carried by the following roll call vote:

AYES:	Chair Hansen, A. Dunn, Delgado, and Fritzal
NOES:	None
ABSENT:	Vice Chair L. Dunn, and Carchio
ABSTAIN:	Bone

A motion was made by A. Dunn, second Chair Hansen to approve the balance of Attachment 2 (excluding line items 2 and 13). The motion carried by the following roll call vote:

AYES:	Chair Hansen, Bone, A. Dunn, Delgado, and Fritzal
NOES:	None
ABSENT:	Vice Chair L. Dunn, and Carchio

ADJOURNMENT at 6:09 PM to the next meeting tentatively scheduled for Monday, October 8, 2012, 4:30 PM at City Hall, 2000 Main Street, Civic Center Lower Level, Room B-8.

_____

Joan L. Flynn
Secretary of the Huntington Beach Oversight Board of the Successor Agency of the Former City of Huntington Beach, California Redevelopment Agency

_____

Donald F. Hansen Jr.
Chair of the Huntington Beach Oversight Board of the Successor Agency of the Former City of Huntington Beach, California Redevelopment Agency

Oversight Board of the Huntington Beach Successor Agency to the Redevelopment Agency

Agenda Item #2

AGENDA REPORT

Huntington Beach Oversight Board of the Successor Agency to the Redevelopment Agency

MEETING DATE: August 23, 2012

2) SUBJECT/ACTION: Approve the Recognized Obligation Payment Schedule (ROPS) for the Period of January 1, 2013 through June 30, 2013; and approve the Administrative Budget and Related Actions.

RECOMMENDED ACTION: Motion to:

1) Adopt Resolution No. 2012-02, "A Resolution of the Oversight Board of the Successor Agency to the Huntington Beach Redevelopment Agency Approving the Recognized Obligation Payment Schedule for the January 1 – June 20, 2013 Six-Month Fiscal Period ("Third ROPS")".

2) Adopt Resolution No. 2012-03, "A Resolution of the Oversight Board of the Successor Agency to the Huntington Beach Redevelopment Agency Approving the Successor Agency Administrative Budget and Related Actions."

BACKGROUND AND DISCUSSION:

On December 29, 2011, the California Supreme Court upheld ABx1 26 and directed that all redevelopment agencies in the State be dissolved effective February 1, 2012. The passage of AB 1484 on June 27, 2012, amended certain segments of ABx1 26 and was effective immediately upon signature by the Governor. Included in the changes adopted in AB 1484 was a schedule for the adoption of the Recognized Obligation Payment Schedule (ROPS) for the period January 1, 2013, through June 30, 2013. The Oversight Board is requested to approve the ROPS for the January through June 2013 time period, which was approved by the Successor Agency on August 20. The approved ROPS is required to be submitted to the Department of Finance (DOF) by September 1, 2012. DOF provided the form on which the ROPS were to be submitted.

As a result of the Court's ruling on the Dissolution Act, all redevelopment agencies in California were dissolved effective February 1, 2012. The Dissolution Act and AB 1484 prescribe the procedures to wind down the affairs of the former redevelopment agencies. These provisions include the continued payment of enforceable obligations, as defined in the law.

The Recognized Obligation Payment Schedule for January 1, 2013, through June 30, 2013, requests payment for enforceable obligations associated with the former Redevelopment Agency's Tax Allocation Bonds, Development Agreements, legal services, administrative and other costs.

The State Department of Finance has the authority to review the ROPS and return it to the Successor Agency and Oversight Board for reconsideration and modification. Thereafter, the ROPS shall not be effective until approved by the State Department of Finance.

The Administrative Budget for the January 1, 2013, through June 30, 2013, period reflects a total of $357,500. This amount represents three percent (3%) of the projected property tax receipts during this period.

Per Health and Safety Code Section 34177(m)(2), the City will be assessed a $10,000 per day penalty for failure to submit the ROPS on a timely basis. Additionally, failure to submit the ROPS within ten (10) days of the deadline may result in a 25% reduction of a Successor Agency's maximum administrative cost allowance for the period covered by the delinquent ROPS.

Staff will be available to answer any questions regarding the attached ROPS.

FINANCIAL IMPACT:

The ROPS provides the County Auditor-Controller with a payment schedule for the former Redevelopment Agency's enforceable obligations. Once approved by the DOF, the Successor Agency will be entitled to receive property tax revenue up to the amount of the DOF-approved enforceable obligations included in the Payment Schedule.

RESOLUTION NO. 2012-02

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE HUNTINGTON BEACH REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE JANUARY 1 – JUNE 30, 2013 SIX-MONTH FISCAL PERIOD ("THIRD ROPS")

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

The Successor Agency staff has prepared a ROPS for the six-month fiscal period commencing on January 1, 2013 and continuing through June 30, 2013 (the "Third ROPS") which is attached hereto as Exhibit A; and

Under the Dissolution Act, the Third ROPS must be approved by the Successor Agency's oversight board (the "Oversight Board"); and

Pursuant to the Dissolution Act, the duly constituted Oversight Board met at a duly noticed public meeting to consider approval of the Third ROPS; and

After reviewing the Third ROPS presented to and recommended for approval to the Oversight Board by Successor Agency staff, and after reviewing any written and oral comments from the public relating thereto, the Oversight Board desires to approve the Third ROPS.

NOW, THEREFORE, the Oversight Board of the Successor Agency does hereby resolves as follows:

1. The foregoing recitals are true and correct.

2. The Oversight Board hereby approves the Third ROPS in the form presented to the Oversight Board 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 Oversight Board authorizes and directs the Successor Agency staff to: (i) take all actions necessary under the Dissolution Act to post the Third ROPS on the Successor Agency website; (ii) transmit the Third ROPS to the Auditor-Controller and the County Administrator of the County of Orange and to the State Controller and the State Department of Finance (the "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 Oversight Board authorizes and directs the Successor Agency staff to make such non-substantive revisions to the Third ROPS as may be necessary to submit the Third ROPS in any modified form required by DOF, and the Third ROPS as so modified shall thereupon constitute the Third ROPS as approved by the Oversight Board pursuant to this Resolution.

4. This Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code section 34179(h).

PASSED AND ADOPTED by the Oversight Board of the City of Huntington Beach at a special meeting thereof held on the _____ day of _____, 20____.

_____
Chairperson

REVIEWED AND APPROVED:

_____
Executive Director

INITIATED AND APPROVED:

_____
Deputy Executive Director

APPROVED AS TO FORM:

_____
Board Counsel

8.21.12

EXHIBIT A

SUCCESSOR AGENCY OF THE HUNTINGTON BEACH REDEVELOPMENT AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE
January 1, 2013 through June 30, 2013
("Third ROPS")

[Behind this page.]

Successor Agency Contact Information

Name of Successor Agency:	Huntington Beach Redevelopment Agency Successor Agency
County:	Orange
Primary Contact Name:	Lori Ann Farrell
Primary Contact Title:	Director of Finance
Address	2000 Main Street, Huntington Beach, CA 92648
Contact Phone Number:	(714) 536-5225
Contact E-Mail Address:	loriann.farrell@surfcity-hb.org
Secondary Contact Name:	Kellee Fritzal
Secondary Contact Title:	Deputy Director of Economic Development
Secondary Contact Phone Number:	(714) 374-1519
Secondary Contact E-Mail Address:	kfritzal@surfcity-hb.org

Oversight Board Reso No 2012-02 Exhibit "A"

SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE
Filed for the January 1, 2013 to June 30, 2013 Period

Name of Successor Agency: Huntington Beach Redevelopment Agency Successor Agency

		Total Outstanding Debt or Obligation
Outstanding Debt or Obligation		$ 179,228,851
Current Period Outstanding Debt or Obligation		Six-Month Total
A	Available Revenues Other Than Anticipated RPTTF Funding	6,500,000
B	Anticipated Enforceable Obligations Funded with RPTTF	11,915,468
C	Anticipated Administrative Allowance Funded with RPTTF	357,464
D	Total RPTTF Requested (B + C = D)	12,272,932
	Total Current Period Outstanding Debt or Obligation (A + B + C = E) *Should be the same amount as ROPS form six-month total*	$ 18,772,932
E	Enter Total Six-Month Anticipated RPTTF Funding *(Obtain from county auditor-controller)*	7,921,517
F	Variance (E - D = F) *Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding*	$ (4,351,415)
Prior Period (January 1, 2012 through June 30, 2012) Estimated vs. Actual Payments (as required in HSC section 34186 (a))		
G	Enter Estimated Obligations Funded by RPTTF *(Should be the lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)*	7,519,850
H	Enter Actual Obligations Paid with RPTTF	6,215,092
I	Enter Actual Administrative Expenses Paid with RPTTF	250,000
J	Adjustment to Redevelopment Obligation Retirement Fund (G - (H + I) = J)	1,054,758
K	**Adjusted RPTTF** *(The total RPTTF requested shall be adjusted if actual obligations paid with RPTTF are less than the estimated obligation amount.)*	$ 11,218,174

Certification of Oversight Board Chairman:
Pursuant to Section 34177(m) 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 agency.

Name _____ Title _____

Signature _____ Date _____

Oversight Board Reso No 2012-02 Exhibit "A"

Name of Successor Agency: Huntington Beach Redevelopment Agency Successor Agency

County: Orange

Oversight Board Approval Date: _____

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III)
January 1, 2013 through June 30, 2013

Item #	Project Name / Debt Obligation	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2012-13	Funding Source						
									LMIHF	Bond Proceeds	Reserve Balance	Admin Allowance	RPTTF	Other	Six-Month Total
	Grand Total						$ 179,228,851	$ 19,064,581	$ 6,500,000	$ -	$ -	$ 357,464	$ 11,915,468	$ -	$ 18,772,932
1	Land Sale Emerald Cove	May 18, 2009	October 1, 2030	COHB Park A & D Fund	Legally Binding Operative Agreement Principal Amount - $1,740,834, Interest Rates 3.81%, Debt Incurred on May 18, 2009	Merged	5,676,433	442,905					442,905		442,905
2	Hyatt Regency Huntington Beach Project	September 14, 1998, amended February 5, 2001	September 30, 2023	Robert Mayer Corporation	Disposition and Development Agreement approved on September 14, 1998 for the Waterfront Development	Merged	5,433,057	1,043,148					1,043,148		1,043,148
3	2002 Tax Allocation Refunding Bonds	June 19, 2002	August 1, 2024	Bank of New York Trust Co.	Tax Allocation Bonds Debt Service Payments	Merged	16,329,113	1,640,938					1,640,938		1,640,938
4	1999 Tax Allocation Refunding Bonds	January 12, 1999	August 1, 2024	Bank of New York Trust Co.	Tax Allocation Bonds Debt Service Payments	Merged	7,472,947	743,289					743,289		743,289
5	2002 Tax Allocation Refunding Bonds	November 17, 2010	November 17, 2013	Arbitrage Compliance Specialist	Tax Allocation Bonds arbitrage rebate calculation - Federal IRS Compliance	Merged	500	500					500		500
6	1999 Tax Allocation Refunding Bonds	November 17, 2010	November 17, 2013	Arbitrage Compliance Specialist	Tax Allocation Bonds arbitrage rebate calculation - Federal IRS Compliance	Merged	500	500					500		500
7	2002 Tax Allocation Refunding Bonds	June 19, 2002	August 1, 2016	Internal Revenue Service	IRS Arbitrage Rebate Payment	Merged	528,754	528,754					528,754		528,754
8	2002 Tax Allocation Refunding Bonds	June 19, 2002	August 1, 2024	Bank of New York Mellon	Tax Allocation Bonds - Payment to Fiscal Agent	Merged	1,537	1,537					1,537		1,537
9	1999 Tax Allocation Refunding Bonds	January 12, 1999	August 1, 2024	Bank of New York Mellon	Tax Allocation Bonds - Payment to Fiscal Agent	Merged	848	848					848		848
10	2002 Tax Allocation Refunding Bonds	July 7, 2009	July 7, 2012	Harrell & Company Advisors, LLC	Preparation and filing of Continuing Disclosure Annual Reports and Material Event Notices	Merged	250	250					250		250
11	1999 Tax Allocation Refunding Bonds	July 7, 2009	July 7, 2012	Harrell & Company Advisors, LLC	Preparation and filing of Continuing Disclosure Annual Reports and Material Event Notices	Merged	1,525	1,525					1,525		1,525
12	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds	May 13, 2010	September 1, 2021	US Bank	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds Debt Service Payments	Merged	3,849,834	404,932					404,932		404,932
13	HUD Section 108 Infrastructure Loan for Hyatt/Hilton Properties	July 21, 2010	August 1, 2019	Bank of New York Mellon	Legally binding and enforceable loan agreement with the U.S. Department of Housing and Urban Development for capital improvements	Merged	3,025,000	427,512					427,512		427,512
14	Strand Hotel and Mixed-Use Project, Parking & Infrastructure	June 1999 to November 2008	September 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.	Merged	13,344,723	702,903					702,903		702,903
15	Strand Project Additional Parking	January 20, 2009	September 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.	Merged	1,039,285	49,576					49,576		49,576
16	Pacific City	October 16, 2006	FY 2030-31	Makar Properties & Kane Ballmer and Berkman	Owner Participation Agreement approved on October 16, 2006 for future development of a 31-acre site located at Pacific Coast Highway and First Street and financed by property tax allocations.	Merged	5,520,000	20,000					20,000		20,000
17	Pacific City - Very Low Income Units	October 16, 2006	FY 2030-31	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.	Merged	6,500,000	6,500,000	6,500,000						6,500,000
18	Affordable Housing Compliance pursuant to the requirements of Section 33413(b)(4) and 33490(a)(2) and (3) of the California Community Redevelopment Law, Health and Safety Code Section 33000, et. seq. Covenant monitoring per AB 987.	Original Agreement effective July 20, 2010 / Amended on July 26, 2011	July 20, 2013	Amerinational	Statutory obligation for housing compliance services pursuant to the requirements of Section 33413(b)(4) and 33490(a)(2) and (3) of the California. Community Redevelopment Law, Health and Safety Code Section 33000, et. seq. and eligible under Health and Safety Code Section 34171(d)(1)(F)	Merged	75,000	75,000					75,000		75,000
19	Repayment of SERAF Debt Obligation 2009	May 10, 2010	FY 2014-15	Housing Authority	Legally enforceable obligation for SERAF Loan repayment	Merged	3,331,300	-					-		-
20	Repayment of SERAF Debt Obligation 2010	May 10, 2011	FY 2015-16	Housing Authority	Legally enforceable obligation for SERAF Loan repayment	Merged	706,842	-					-		-
21	Abdelmudi Owner Participation Agreement/Rent Differential Agreement	May 28, 1991 and November 21, 1994	December 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.	Merged	6,000	6,000					6,000		6,000
22	Covenant enforcement for Affordable housing projects for the purpose of increasing, improving, and preserving the City's supply of low and moderate income housing pursuant to the requirements of Section 33413(b)(4) and 33490(a)(2) and (3) of the California Community Redevelopment Law, Health and Safety Code Section 33000, et. seq.	February 20, 2012	February 20, 2013	Jessica Latham, Esq	Statutory obligation for legal compliance and operations of Housing Authority pursuant to the requirements of Section 33413(b)(4) and 33490(a)(2) and (3) of the California Community Redevelopment Law, Health and Safety Code Section 33000, et. seq.	Merged	30,000	30,000					30,000		30,000

Oversight Board Reso No 2012-02 Exhibit "A"

Item #	Project Name / Debt Obligation	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2012-13	Funding Source						
									LMIHF	Bond Proceeds	Reserve Balance	Admin Allowance	RPTTF	Other	Six-Month Total
23	Unfunded CalPERS Pension Liabilities	As of 6/30/10	N/A	CalPERS	Unfunded CalPERS pension obligation as per CalPERS actuarial valuation as of June 30, 2010 with estimated factor increase for FY 12/13	Merged	2,674,172	190,951					95,476		95,476
24	Unfunded Supplemental Retirement Liabilities	As of 9/30/11	N/A	US Bank	Unfunded actuarial accrued liability as of September 30, 2012 as per actuarial valuation by Bartel Associates, LLC.	Merged	618,160	57,904					28,952		28,952
25	Public Agency Retirement Systems (PARS) Notes Payable	September 10, 2010	October 10, 2014	Pacific Life Ins	Legally enforceable retirement obligation for early retirement incentive program and annuity contract with Pacific Life Insurance Incorporated.	Merged	60,035	19,985					19,985		19,985
26	Unfunded OPEB Liabilities	As of 6/30/11	N/A	CalPERS/CERBT	Unfunded actuarial accrued liability as of June 30, 2012 as per Bartel Associates, LLC.	Merged	252,593	12,444					6,222		6,222
27	Obligation for unused employee General Leave earned and vested	As of 9/30/11 audited financial statements	N/A	City employees directly involved in Housing and Redevelopment projects and administration	Obligation for unused employee General Leave earned and vested as per MOUs and AB 1X26	Merged	124,391	11,460					11,460		11,460
28	Successor Agency Compliance per H & S Code 33433	May 7, 2007	April 30, 2010	Tierra West	Financial and Real estate consultant	Merged	30,000	15,000					15,000		15,000
29	Bella Terra Parking Infrastructure Property Tax Sharing Agreement	October 2, 2000 and September 17, 2007	September 30, 2025	Bella Terra Associates LLC and Kane Ballmer and Berkman	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.	Merged	13,847,382	1,210,008					1,210,008		1,210,008
30	Bella Terra Phase II	October 4, 2010	July 1, 2036	BTDJM Phase II Associates (DJM) and Kane Ballmer and Berkman	Affordable Housing Agreement approved on October 4, 2010 for construction of a 467 mixed-use unit project. Project is currently under construction and financed by property tax allocations. Includes legal requirements to implement obligation.	Merged	27,438,830	-					10,000		10,000
31	Pierside Pavilion Owner Participation Agreement	July 8, 2009	N/A	Pierside Pavilion, LLC and Kane Ballmer and Berkman	Owner Participation Agreement (OPA) approved on July 8, 2009 for the continued redevelopment of the site located at 300 Pacific Coast Highway in Downtown Huntington Beach. Legal services were incurred to amend the legally obligated OPA.	Merged	4,000	-					4,000		4,000
32	Operative Agreement for the Huntington Beach Redevelopment Project	Fiscal Year 2004/05	October 1, 2030	City of Huntington Beach	Loan repayment for advance made on capital projects in FY 2004/05	Southeast Coastal	283,211	21,319					21,319		21,319
33	Assessment for AES Property Tax Valuation	March 21, 2011	March 21, 2012	Van Horn Consulting	Assessment for AES Property Tax Valuation	Southeast Coastal	5,000	5,000					5,000		5,000
34	Employee termination/layoff costs related to dissolution of Redevelopment Agency	9/30/2011	9/30/2011	Employee 1	Payment of costs incurred to fulfilled collective bargaining agreements for layoffs/terminations of City employees relating to the dissolution of the Redevelopment Agency per Health & Safety Code Section 34171(d)(1)(C)	Merged & Southeast Coastal	18,393	18,393					18,393		18,393
35	Employee termination/layoff costs related to dissolution of Redevelopment Agency	9/30/2011	9/30/2011	Employee 2	Payment of costs incurred to fulfilled collective bargaining agreements for layoffs/terminations of City employees relating to the dissolution of the Redevelopment Agency per Health & Safety Code Section 34171(d)(1)(C)	Merged & Southeast Coastal	24,483	24,483					24,483		24,483
36	Employee termination/layoff costs related to dissolution of Redevelopment Agency	9/30/2011	12/23/2011	Employee 3	Payment of costs incurred to fulfilled collective bargaining agreements for layoffs/terminations of City employees relating to the dissolution of the Redevelopment Agency per Health & Safety Code Section 34171(d)(1)(C)	Merged & Southeast Coastal	75,328	75,328					75,328		75,328
37	Employee termination/layoff costs related to dissolution of Redevelopment Agency	9/30/2011	9/30/2011	Employee 4	Payment of costs incurred to fulfilled collective bargaining agreements for layoffs/terminations of City employees relating to the dissolution of the Redevelopment Agency per Health & Safety Code Section 34171(d)(1)(C)	Merged & Southeast Coastal	9,728	9,728					9,728		9,728
38	Litigation expenses for *City of Palmdale et al. v. Matosantos* pursuant to Health and Safety Code Section 34171(d)(1)(F)	7/08/2012	7/8/2015	Kane Ballmer & Berkman	Payment of litigation costs incurred through June 30, 2012 relating to application for a Temporary Restraining Order pertaining to the June 1, 2012 property tax payments eligible under Health and Safety Code Section 34171(d)(1)(F) as amended by AB 1484	Merged & Southeast Coastal	13,993.00	13,993					13,993		13,993
39	Legal expenses for Successor Agency compliance with AB 1x 26 and AB 1484 pursuant to Health and Safety Code Section 34171(d)(1)(F)	7/08/2012	7/8/2015	Kane Ballmer & Berkman	Legal expenses to ensure Successor Agency compliance with AB 1x 26 and AB 1484	Merged & Southeast Coastal	150,000.00	150,000					75,000		75,000
40	Economic Analysis services related to Successor Agency compliance with AB 1x 26 and AB 1484 pursuant to Health and Safety Code Section 34171(d)(1)(F)	6/15/2010	6/15/2013	Keyser Marston	Economic Analysis consulting services to ensure Successor Agency compliance with AB 1x 26 and AB 1484	Merged & Southeast Coastal	200,000.00	200,000					100,000		100,000
41	Huntington Center Redevelopment Plan development	1987	10/1/2030	Successor Agency	Land and Right-of-way acquisition costs connected with the Gothard-Hoover Extension project and development of a public storage facility	Merged	4,418,384.00	296,498					296,498		296,498
42	Main-Pier Redevelopment Project Phase II	1988	10/1/2030	Successor Agency	Costs incurred to acquire land within the Main-Pier project area for Phase II development projects	Merged	5,150,543.00	345,786					345,786		345,788
43	Development of Downtown Main-Pier project area	1988, 1990	10/1/2030	Successor Agency	Costs incurred to acquire land within the Main-Pier project area to implement the construction of parking facilities within the Downtown Main-Pier area	Merged	3,555,243.00	238,685					238,685		238,685

Oversight Board Reso No 2012-02 Exhibit "A"

Item #	Project Name / Debt Obligation	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2012-13	Funding Source						
									LMIHF	Bond Proceeds	Reserve Balance	Admin Allowance	RPTTF	Other	Six-Month Total
44	Third Block West commercial/residential project	1996	10/1/2030	Successor Agency	Relocation, property acquisition, and other project costs associated with the Third Block West Condominium/Retail/Office project in the Main-Pier Redevelopment project area	Merged	14,871,453.00	1,005,122					1,005,122		1,005,122
45	Second Block Alley and Street Improvement Project	1988	10/1/2030	Successor Agency	Property acquisition cost associated with the Second Block alley and street improvement project	Merged	345,208.00	23,176					23,176		23,176
46	Strand Project	1996	10/1/2030	Successor Agency	Relocation costs paid to Wind and Sea Surf Shop	Merged	87,501.00	5,875					5,875		5,875
47	Pierside Hotel/Retail/Parking Structure Project	1990, 1992	10/1/2030	Successor Agency	Relocation costs paid to Terry's Coffee Shop and First Interstate Bank	Merged	407,212.00	27,339					27,339		27,339
48	Waterfront Commercial Master Site Plan	1989, 2001	10/1/2030	Successor Agency	Costs related to the relocation, buyout, and demolition of Driftwood and Pacific Mobile Home Parks related to the Waterfront Commercial Master Site Plan	Merged	16,960,908.00	1,138,686					1,138,686		1,138,686
49	Strand Project	1990, 1991, 1994, 1998	10/1/2030	Successor Agency	Property acquisition costs associated with the Strand Project	Merged	14,475,988.00	971,859					971,859		971,859
50	Enforcement of Successor Agency	Various	Various	Successor Agency, Kane	Successor Agency administrative obligations relating to	Southeast Coastal	357,484	357,484				357,484			357,484

Oversight Board Reso No 2012-02 Exhibit "A""

Name of Successor Agency: Huntington Beach Redevelopment Agency Successor Agency
County: Orange

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III) – Notes (Optional)
January 1, 2013 through June 30, 2013

Item #	Notes/Comments
1	In 1984, the City of Huntington Beach's Park & Acquisition Fund advanced $1,740,834 to the Redevelopment Agency to purchase the Emerald Cove Land. That same year, the Agency sold $4.6M of Certificates of Participation (COPS) to finance the construction of the Emerald Cove Senior Housing Project. In 2000, the HB Public Finance Authority issued $18M of COPS, which was partly used to defease the RDA Emerald Cove COPS, thereby, resulting in the City completely owning the Emerald Cove Project. In May 2009, the Agency purchased the Emerald Cove Senior Apartments for the sum of $8,483,931, including the bond debt of $5,170,931. Later that year, the Emerald Cove Senior Apartments were sold to Jamboree Housing Corporation (JHC); however, as part of the agreement, the Agency maintained the remaining debt obligation.
2	In order to reduce the interest expense owed on the loan and to comply with the property tax sharing requirements contained in the Second Implementation Agreement to the Amended and Restated DDA, approved February 5, 2001, the Agency is electing to make the annual enforceable obligation payment from the property tax distribution to be received from the County in January 2013.
3	Amount requested includes reserve to meet debt service due as permitted by Health and Safety Code Section 34171(A) as amended by AB 1484.
4	Amount requested includes reserve to meet debt service due as permitted by Health and Safety Code Section 34171(A) as amended by AB 1484.
5	Amount requested includes reserve to meet arbitrage calculation expenses related to the 2002 Tax Allocation Refunding Bonds for the calendar year 2013 as permitted by Health and Safety Code Section 34171(A) as amended by AB 1484.
6	Amount requested includes reserve to meet arbitrage calculation expenses related to the 1999 Tax Allocation Refunding Bonds for the calendar year 2013 as permitted by Health and Safety Code Section 34171(A) as amended by AB 1484.
7	Arbitrage payment due per the requirements of the Tax Certificate for the 2002 Tax Allocation Bonds.
8	Amount requested includes reserve to meet fiscal agent expenses related to the 1999 Tax Allocation Refunding Bonds for the calendar year 2013 as permitted by Health and Safety Code Section 34171(A) as amended by AB 1484.
9	Amount requested includes reserve to meet fiscal agent expenses related to the 2002 Tax Allocation Refunding Bonds for the calendar year 2013 as permitted by Health and Safety Code Section 34171(A) as amended by AB 1484.
10	Per Section 3 of the Continuing Disclosure Certificate for the 2002 Tax Allocation Bonds, the Agency is required to prepare and provide a Continuing Disclosure Report on each April 30th. The Agency is in the process of extending its current contract with Harrell & Company Advisors. Amount requested includes reserve to meet bond-related obligation due as permitted by Health and Safety Code Section 34171(A) as amended by AB 1484.
11	Per Section 3 of the Continuing Disclosure Certificate for the 1999 Tax Allocation Bonds, the Agency is required to prepare and provide a Continuing Disclosure Report on each April 30th. The Agency is in the process of extending its current contract with Harrell & Company Advisors. Amount requested includes reserve to meet bond-related obligation due as permitted by Health and Safety Code Section 34171(A) as amended by AB 1484.
12	Amount requested includes reserve to meet debt service due as permitted by Health and Safety Code Section 34171(A) as amended by AB 1484.
13	Section 108 loans are offered by the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) program. The Agency's Section 108 loan is connected with the 2000 public offering by HUD. Amount requested includes reserve to meet debt service due as permitted by Health and Safety Code Section 34171(A) as amended by AB 1484.
14	To ensure compliance with the property tax sharing requirements contained in the Property Tax Sharing Agreement under the Disposition and Development Agreement (DDA) and Sixth Implementation Agreement for the Strand project's parking structure authorized on January 20, 2009, the annual payment due will be made from the first property tax distribution received in January 2013.
15	To ensure compliance with the property tax sharing requirements contained in the Property Tax Sharing Agreement under the Disposition and Development Agreement (DDA) and Sixth Implementation Agreement for the Strand project's parking structure authorized on January 20, 2009, the annual payment due will be made from the first property tax distribution received in January 2013.
22	The Agency is in the process of extending its current contract with Jessica Lantham, Esq.
23	Contract/Agreement execution date of June 30, 2010 is the date of the most recent actuarial valuation report provided by CalPERS. Valuation report was issued October 2011.
24	Contract/Agreement execution date of September 30, 2011 is the date of the most recent actuarial valuation report prepared by Bartel Associates, LLC. Valuation report was issued on August 2, 2012.
26	Contract/Agreement execution date of June 30, 2011 is the date of the most recent actuarial valuation report prepared by Bartel Associates, LLC. Valuation report was issued on August 2, 2012.

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28	The Agency is in the process of extending its current contract with Tierra West.
34	Amounts represents cost incurred for layoff of City employee performing work directly related to the former Redevelopment Agency as per Health and Safety Code Section 34171 (d)(1)(C) as amended by AB 1484. Due to employee confidentiality requirements, specific employee information has not been included, but will be provided under separate cover upon request.
35	Amounts represents cost incurred for layoff of City employee performing work directly related to the former Redevelopment Agency as per Health and Safety Code Section 34171 (d)(1)(C) as amended by AB 1484. Due to employee confidentiality requirements, specific employee information has not been included, but will be provided under separate cover upon request.
36	Amounts represents cost incurred for layoff of City employee performing work directly related to the former Redevelopment Agency as per Health and Safety Code Section 34171 (d)(1)(C) as amended by AB 1484. Due to employee confidentiality requirements, specific employee information has not been included, but will be provided under separate cover upon request.
36	Amounts represents cost incurred for layoff of City employee performing work directly related to the former Redevelopment Agency as per Health and Safety Code Section 34171 (d)(1)(C) as amended by AB 1484. Due to employee confidentiality requirements, specific employee information has not been included, but will be provided under separate cover upon request.
38	Amount represents payment of litigation costs incurred through June 30, 2012 for *City of Palmdale et al. v. Matosantos* relating to application for a Temporary Restraining Order pertaining to the June 1, 2012 property tax payments eligible under Health and Safety Code Section 34171(d)(1)(F) as amended by AB 1484.
39	Legal expenses for Successor Agency compliance with AB 1x 26 and AB 1484 pursuant to Health and Safety Code Section 34171(d)(1)(F) as amended by AB 1484, which states: *"Contracts or agreements necessary for the administration or operation of the successor agency, in accordance with this part, including, but not limited to, agreements concerning litigation expenses related to assets or obligations, settlements and judgments...".*
40	Consulting services for Successor Agency compliance with AB 1x 26 and AB 1484 eligible for reimbursement pursuant to Health and Safety Code Section 34171(d)(1)(F) as amended by AB 1484, which states: "[Enforceable obligations include] *Contracts or agreements necessary for the administration or operation of the successor agency, in accordance with this part, including, but not limited to, agreements concerning litigation expenses related to assets or obligations, settlements and judgments..."*
41	As per Department of Finance instruction, amounts listed represent relocation and property acquisition costs as per Health and Safety Code Section 34171(d)(1)(B), which states: "[Enforceable obligations include] *Loans of moneys 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."*
42	As per Department of Finance instruction, amounts listed represent relocation and property acquisition costs as per Health and Safety Code Section 34171(d)(1)(B), which states: "[Enforceable obligations include] *Loans of moneys 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."*
43	As per Department of Finance instruction, amounts listed represent relocation and property acquisition costs as per Health and Safety Code Section 34171(d)(1)(B), which states: "[Enforceable obligations include] *Loans of moneys 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."*
44	As per Department of Finance instruction, amounts listed represent relocation and property acquisition costs as per Health and Safety Code Section 34171(d)(1)(B), which states: "[Enforceable obligations include] *Loans of moneys 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."*
45	As per Department of Finance instruction, amounts listed represent relocation and property acquisition costs as per Health and Safety Code Section 34171(d)(1)(B), which states: "[Enforceable obligations include] *Loans of moneys 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."*
46	As per Department of Finance instruction, amounts listed represent relocation and property acquisition costs as per Health and Safety Code Section 34171(d)(1)(B), which states: "[Enforceable obligations include] *Loans of moneys 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."*
47	As per Department of Finance instruction, amounts listed represent relocation and property acquisition costs as per Health and Safety Code Section 34171(d)(1)(B), which states: "[Enforceable obligations include] *Loans of moneys 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."*
48	As per Department of Finance instruction, amounts listed represent relocation and property acquisition costs as per Health and Safety Code Section 34171(d)(1)(B), which states: "[Enforceable obligations include] *Loans of moneys 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."*
49	As per Department of Finance instruction, amounts listed represent relocation and property acquisition costs as per Health and Safety Code Section 34171(d)(1)(B), which states: "[Enforceable obligations include] *Loans of moneys 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."*
50	See breakdown of administrative expenses in the Administrative Budget for the period covering January 1, 2013-June 30, 2013.
RPTTF Column	To the extent RPTTF is not available to pay an enforceable obligation, then the Successor Agency is authorized to make payments on an enforceable obligation from any other funds it may have available, if any, at the time a payment is to be made.

Oversight Board Reso No 2012-02 Exhibit "A"

Name of Successor Agency: Huntington Beach Redevelopment Agency Successor Agency
County: Orange

Pursuant to Health and Safety Code section 34186 (a)
PRIOR PERIOD ESTIMATED OBLIGATIONS vs. ACTUAL PAYMENTS
RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS I)
January 1, 2012 through June 30, 2012

Page/Form	Line	Project Name / Debt Obligation	Payee	Description/Project Scope	Project Area	LMIHF		Bond Proceeds		Reserve Balance		Admin Allowance		RPTTF		Other		
						Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	
		Grand Total				$ 1,679,584	$ 98,610	$ -	$ -	$ -	$ -	$ 250,000	$ 250,000	$ 7,269,850	$ 6,215,092	$ -	$ 172,861	
1/Form A	18	Land Sale Emerald Cove	COHB Park A & D Fund	Legally Binding Operative Agreement Principal Amount - $1,740,834, Interest Rates 3.81%, Debt incurred on May 18, 2009	Merged													
2/Form A	1	Main-Pier Purchase Loan Repayment	Housing Authority	Legally Binding and Enforceable Agreement for Property Acquisition for the Main-Pier Project	Merged													
2/Form A	2	Hyatt Regency Huntington Beach Project	Robert Mayer Corporation	Disposition and Development Agreement approved on September 14, 1998 for the Waterfront Development	Merged									368,826	368,826			
2/Form A	3	2002 Tax Allocation Refunding Bonds	Bank of New York Trust Co.	Tax Allocation Bonds Debt Service Payments	Merged									1,835,738	1,835,738	(A)		
2/Form A	4	1999 Tax Allocation Refunding Bonds	Bank of New York Trust Co.	Tax Allocation Bonds Debt Service Payments	Merged									748,088	745,743	(A)	2,345	(B)
2/Form A	5	2002 Tax Allocation Refunding Bonds	Arbitrage Compliance Specialist	Tax Allocation Bonds arbitrage rebate calculation - Federal IRS Compliance	Merged									500	500	(A)		
2/Form A	6	1999 Tax Allocation Refunding Bonds	Arbitrage Compliance Specialist	Tax Allocation Bonds arbitrage rebate calculation - Federal IRS Compliance	Merged									500	500			
2/Form A	7	2002 Tax Allocation Refunding Bonds	Internal Revenue Service	15th Year Arbitrage Rebate Payment	Merged									-	-			
2/Form A	8	2002 Tax Allocation Refunding Bonds	Bank of New York Mellon	Tax Allocation Bonds - Payment to Fiscal Agent	Merged									1,537	1,537	(A)		
2/Form A	9	1999 Tax Allocation Refunding Bonds	Bank of New York Mellon	Tax Allocation Bonds - Payment to Fiscal Agent	Merged									848	848			
2/Form A	10	2002 Tax Allocation Refunding Bonds	AMBAC	Bank of America Master Repurchase Agreement for Debt Service Reserve	Merged									3,000	3,000			
2/Form A	11	2002 Tax Allocation Refunding Bonds	Harrell & Company Advisors, LLC	Preparation and filing of Continuing Disclosure Annual Reports and Material Event Notices	Merged									250	275	(A)		
2/Form A	12	1999 Tax Allocation Refunding Bonds	Harrell & Company Advisors, LLC	Preparation and filing of Continuing Disclosure Annual Reports and Material Event Notices	Merged									1,525	1,500	(A)		
2/Form A	13	HUD Section 108 Infrastructure Loan for Hyatt/Hilton Properties	Bank of New York Mellon	Legally binding and enforceable loan agreement with the U.S. Department of Housing and Urban Development for capital improvements	Merged									410,350	410,350	(A)		
2/Form A	14	HELP Bowen Court	California Housing Finance Authority	Full payment of loan borrowed by Agency for Senior Rental Complex from the State of California	Merged									-	-			
3/Form A	1	Strand Hotel and Mixed-Use Project, Parking & Infrastructure	CIM Group, LLC	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.	Merged									677,903	677,903	(D)		
3/Form A	2	Strand Project Additional Parking	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.	Merged									49,576	49,576	(D)		
3/Form A	3	Pacific City	Mekar Properties	Owner Participation Agreement approved on October 16, 2006 for future development of a 31-acre site located at Pacific Coast Highway and First Street and financed by property tax allocations.	Merged									-	-			
3/Form A	4	Covenant Monitoring Obligations of Housing Authority	Housing Authority	Statutory obligations for housing affordability, production, reporting and compliance as per Government Code.	Merged									229,801	195,333			
3/Form A	5	Housing Authority Covenant monitoring per AB 987	Keyser Marston	Statutory obligation for Housing reporting, auditing and compliance	Merged									150,000	55,196			
3/Form A	6	Successor Agency compliance and monitoring per AB 1X26	Kane Ballmer and Berkman	Legal costs to ensure Successor Agency compliance with AB 1X26	Merged							68,651	68,651		13,993	(C)		
3/Form A	7	Independent financial statement and compliance audit	Macias Gini & O'Connell LLP	Independent financial statement and compliance of the agency in accordance with Government Auditing Standards Statement on Auditing Standards (SAS) No. 117, "Compliance Audit"	Merged							-	-				5,042	
3/Form A	8	Successor Agency compliance per AB 1X26	Keyser Marston	Legally binding and enforceable agreement for continued administration and operation of Successor Agency	Merged							35,589	35,589					

Oversight Board Reso No. 2012-02 Exhibit "A"

Page/Form	Line	Project Name / Debt Obligation	Payee	Description/Project Scope	Project Area	LMIHF		Bond Proceeds		Reserve Balance		Admin Allowance		RPTTF		Other	
						Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual
4/Form A	1	Affordable Housing Compliance pursuant to the requirements of Section 33413(b)(4) and 33490(a)(2) and (3) of the California Community Redevelopment Law, Health and Safety Code Section 33000, et. seq. Covenant monitoring per AB 987.	Amerinational	Statutory obligation for housing compliance services pursuant to the requirements of Section 33413(b)(4) and 33490(a)(2) and (3) of the California Community Redevelopment Law, Health and Safety Code Section 33000, et. seq.	Merged									75,000	27,500		
4/Form A	2	Affordable Housing Compliance pursuant to the requirements of Section 33413(b)(4) and 33490(a)(2) and (3) of the California Community Redevelopment Law, Health and Safety Code Section 33000, et. seq. Covenant monitoring per AB 987.	Kane Ballmer and Berkman	Statutory obligation for legal, compliance and operations of Housing Authority pursuant to the requirements of Section 33413(b)(4) and 33490(a)(2) and (3) of the California Community Redevelopment Law, Health and Safety Code Section 33000, et. seq.	Merged									150,000	13,309		
4/Form A	3	Repayment of SERAF Debt Obligation 2009	Housing Authority	Legally enforceable obligation for SERAF Loan repayment	Merged									-	-		
4/Form A	4	Repayment of SERAF Debt Obligation 2010	Housing Authority	Legally enforceable obligation for SERAF Loan repayment	Merged									-	-		
4/Form A	5	Abdelmudi Owner Participation Agreement/Rent Differential Agreement	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.	Merged									4,812	1,468		
4/Form A	7	Covenant enforcement for Affordable housing projects for the purpose of increasing, improving, and preserving the City's supply of low and moderate income housing pursuant to the requirements of Section 33413(b)(4) and 33490(a)(2) and (3) of the California Community Redevelopment Law, Health and Safety Code Section 33000, et. seq.	Grace Jo, Esq	Statutory obligation for legal compliance and operations of Housing Authority pursuant to the requirements of Section 33413(b)(4) and 33490(a)(2) and (3) of the California Community Redevelopment Law, Health and Safety Code Section 33000, et. seq.	Merged									40,236	20,524		
4/Form A	8	Unfunded CalPERS Pension Liabilities	CalPERS	Unfunded CalPERS pension obligation as per CalPERS actuarial valuation as of June 30, 2010.	Merged									-	121,906	(H)	
4/Form A	9	Unfunded Supplemental Retirement Liabilities	US Bank	Unfunded actuarial accrued liability as of September 30, 2011 as per actuarial valuation by AON Consulting, Inc.	Merged									-	38,603	(H)	
4/Form A	10	Public Agency Retirement Systems (PARS) Notes Payable	Pacific Life Ins	Legally enforceable retirement obligation for early retirement incentive program and annuity contract with Pacific Life Insurance Incorporated.	Merged									-	-		
4/Form A	11	Unfunded OPEB Liabilities	CalPERS/CERBT	Unfunded actuarial accrued liability as of June 30, 2011 as per AON Consulting, Inc.	Merged									-	8,296	(H)	
4/Form A	12	Obligation for unused employee General Leave earned and vested	City employees directly involved in Housing and Redevelopment projects and administration	Obligation for unused employee General Leave earned and vested as per MOUs and AB 1X26	Merged									-	7,162		
4/Form A	13	Successor Agency Compliance	Negasaki and Associates	Appraisal and real estate consultant	Merged									3,000	-		
4/Form A	14	Successor Agency Compliance per H & S Code 33433	Tierra West	Financial and Real estate consultant	Merged									10,000	25,824		
4/Form A	15	Legally enforceable obligation as per Memorandum of Understanding with bargaining unit	Luis Gomez	Legally enforceable tuition reimbursement benefit as per MOU and AB 1X26	Merged									1,500	1,500		
5/Form A	1	Wildlife Care Center	City of Huntington Beach	Advance from City on construction of Conservancy Grant funded block wall and associated landscaping	Southeast Coastal									27,841	-		
5/Form A	2	Operative Agreement for the Huntington Beach Redevelopment Project	City of Huntington Beach	Loan repayment for advance made on capital projects in FY 2004/05	Southeast Coastal									21,219	-		
5/Form A	3	Assessment for AES Property Tax Valuation	Van Horn Consulting	Assessment for AES Property Tax Valuation	Southeast Coastal									5,000	-		
6/Form B		Emerald Cove 2010 Series A Lease Revenue Refunding Bonds	US Bank	Emerald Cove 2010 Series A Lease Revenue Refunding Bonds Debt Service Payments	Merged	404,564	98,810								305,954	(E)	
8/Form B		Bella Terra Parking Infrastructure Property Tax Sharing Agreement	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)	Merged	1,275,000	(G)								1,275,000	(G)	
8/Form B		Bella Terra Phase II	BTDJM Phase II Associates (DJM)	Affordable Housing Agreement approved on October 4, 2010 for construction of a 467 mixed-use unit project. Project is currently under construction and financed by property tax allocations.	Merged	-	-										

Oversight Board Reso No 2012-02 Exhibit "A"

Page/Form	Line	Project Name / Debt Obligation	Payee	Description/Project Scope	Project Area	LMIHF		Bond Proceeds		Reserve Balance		Admin Allowance		RPTTF		Other		
						Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	
8/Form C	1	Enforcement of Successor Agency compliance and monitoring per AB 1X26	Successor Agency	Successor Agency administrative obligations relating to maintaining payments on enforceable obligations and other activities as required by AB 1X26	Merged							145,780	145,780				165,474	(F)
8/Form C	2	Enforcement of Successor Agency compliance and monitoring per AB 1X26	Successor Agency	Successor Agency administrative obligations relating to maintaining payments on enforceable obligations and other activities as required by AB 1X26	Southeast Coastal							-						
7/Form D	1	Pass Through Agreements (Estimated) ***	Orange County, Various School Districts, and City of Huntington Beach	Pre and Post AB1290 statutory payments mandated by Health and Safety Code (HSC) Section 33607	Merged									2,640,000	207,428			
7/Form D	2	Pass Through Agreements (Estimated) ***	Orange County, Various School Districts, and City of HB	Post AB1290 statutory payments mandated by Health and Safety Code (HSC) Section 33607	Southeast Coastal									13,000	-			

Notes:

(A) Actual includes all debt service and enforceable obligations payments made from the December 2011 property tax payment.

(B) "Other" funding source consists of interest earned on cash held with trustee.

(C) Amount represents payment of litigation costs incurred through June 30, 2012 for City of Palmdale et al. v. Matosantos relating to application for a Temporary Restraining Order pertaining to the June 1, 2012 property tax payments eligible under Health and Safety Code Section 34171(d)(1)(F) as amended by AB 1484.

(D) Due to the $2.3 million shortage in the June 1st property tax payment, all or a portion of this enforceable obligation payment was made from the December 2011 property tax distribution.

(E) Due to the elimination of the 20% housing set-aside requirement, debt service payments outstanding for the July-December period are anticipated to the funded with RPTTF

(F) Actual administrative expenses for the period totaled $415,474 including amounts that had to be charged to other funds.

(G) On the ROPS approved for the January-June 2012 period, this obligation was erroneously listed as funded with Other Revenue (Low and Moderate Income Housing Funds). Per the terms of the Second Implementation Agreement to the Bella Terra Owner Participation Agreement approved on September 17, 2007, all principal and interest payments are to be made solely from Available Site-Generated Property Tax Increment. This oversight was corrected on subsequent ROPS submitted to the Oversight Board and Department of Finance.

(H) The Agency included pension payments and other eligible retirement benefits allowable under Health and Safety Code Section 34173(d)(1)(C) as enforceable obligations on its January-June 2012 ROPS. The Agency has included actual amounts paid for these obligations.

Oversight Board Reso No 2012-02 Exhibit "A"

RESOLUTION NO. 2012-03

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE HUNTINGTON BEACH REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET AND RELATED ACTIONS

WHEREAS, California Health and Safety Code section 34177(j) requires that the Successor Agency of the Huntington Beach Redevelopment Agency ("Successor Agency") prepare an administrative budget for each six month fiscal period; and

A draft administrative budget for the fiscal period of January 1, 2013 through June 30, 2013 ("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 six month fiscal period.

NOW, THEREFORE, the Oversight Board of the Successor Agency does hereby resolves as follows:

1. The Administrative Budget attached hereto as Exhibit A is hereby approved.

2. 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 to execute and deliver any and all documents which may be necessary or advisable in order to effectuate the purposes of this Resolution.

PASSED AND ADOPTED by the Oversight Board of the City of Huntington Beach at a special meeting thereof held on the _____ day of _____, 20____.

_____
Chairperson

REVIEWED AND APPROVED:

_____
Executive Director

INITIATED AND APPROVED:

_____
Deputy Executive Director

APPROVED AS TO FORM:

_____
Board Counsel 8/21/12

EXHIBIT A

SUCCESSOR AGENCY OF THE HUNTINGTON BEACH REDEVELOPMENT AGENCY
ADMINISTRATIVE BUDGET FOR THE FISCAL PERIOD OF JANUARY 1, 2013
THROUGH JUNE 30, 2013

[Behind this page.]

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

OTHER FUNDS

Expenditure Object Account	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Adopted	FY 2011/12 Revised	October 1 - December 31, 2012 Revised	January 1 - June 30, 2013 Proposed	Percent Change From Prior Year
RORF Administration (350)								
PERSONAL SERVICES								
Salaries - Permanent							119,415	100.00%
Salaries - Temporary								
Benefits							45,472	100.00%
PERSONAL SERVICES							**164,886**	100.00%
OPERATING EXPENSES								
Utilities								
Equipment and Supplies							6,000	100.00%
Repairs and Maintenance							2,500	100.00%
Conferences and Training							5,000	100.00%
Professional Services							179,114	100.00%
Administrative Allowance (ROPS I)					250,000			100.00%
Administrative Allowance (ROPS II)					83,708	83,708		100.00%
OPERATING EXPENSES					**333,708**	**83,708**	**192,614**	100.00%
Total					**333,708**	**83,708**	**357,500**	100.00%

Significant Changes

Pursuant to Assembly Bill x1 26, the Successor Agency receives 3% of property tax receipts, or $250,000, whichever is greater, on a semi-annual basis for administration and the "winding down" of the former Redevelopment Agency. In addition, the Successor Agency receives a distribution of property tax based on the Recognized Obligation Payment Schedule (ROPS) on a semi-annual basis. For FY 2011/2012 the Administrative Allowance approved by the Department of Finance totaled $250,000. For the six-month period covering July 1 to December 31, 2012, the Administrative Allowance approved by the Department of Finance totaled $167,416.

Oversight Board of the Huntington Beach Successor Agency to the Redevelopment Agency

Agenda Item #3

AGENDA REPORT

Huntington Beach Oversight Board of the Successor Agency to the Redevelopment Agency

MEETING DATE: August 23, 2012

3) SUBJECT/ ACTION: Adopt a Resolution Consenting to and Approving the Termination of an Owner Participation Agreement (OPA) among the City, the former Redevelopment Agency, and Makallon Atlanta Huntington Beach LLC.

RECOMMENDED ACTION: Motion to:

Adopt Resolution No. 2012 -04, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Consenting to and Approving the Termination of an Owner Participation Agreement Among the City, the Former Redevelopment Agency and Makallon Atlanta Huntington Beach, LLC."

BACKGROUND AND DISCUSSION:

The former Redevelopment Agency, the City and Makallon Atlanta Huntington Beach, LLC., a Delaware limited liability company ("Makar"), executed and delivered an Owner Participation Agreement pursuant to Agency Resolution No. 364 and City Resolution No. 2006-67 approved and adopted at the October 16, 2006, City Council meeting, as supplemented by letter dated February 1, 2008, and that certain Implementation Agreement entered into as of December 15, 2008, (collectively, the 'OPA") for development of Pacific City. Due to the foreclosure of a deed of trust secured by the property, which was the subject of the OPA, Makar is no longer the owner of the property. Staff believes the OPA has been terminated and is no longer in force and effect, but as a precautionary measure, desires to take these perfunctory actions to terminate the OPA.

The OPA was to provide for the development of Pacific City, a mixed-use project as proposed by Makar. In October 2011, a deed of trust secured by the property, which was the subject of the OPA was in default, was foreclosed on, and was sold through a Trustee Sale.

Pursuant to Section 1007 of the OPA, there has been an incurable material default under the OPA due to an assignment without the prior written approval of the City and former Redevelopment Agency.

The OPA has been terminated and is no longer in force and effect due to the incurable material default pursuant to Section 1007 of the OPA, the fact that the OPA was never implemented by Makar and Makar is no longer the owner of the

property, which was the subject of the OPA, and by the foreclosure of the deed of trust which was secured by the property which was the subject of the OPA.

The City and Successor Agency to the Redevelopment Agency provided notice of an incurable material default and termination of the OPA to Makar and the current owner of the Property, 21002 HB, LLC, a Delaware limited liability company ("New Owner").

The New Owner agrees that the OPA has been terminated for the reasons described above.

On August 20, 2012, the Successor Agency to the Redevelopment Agency and the City approved, by Resolutions, the perfunctory termination and recommended it be sent to the Oversight Board for consideration in accordance with applicable law.

FINANCIAL IMPACT: Not Applicable.

RESOLUTION 2012-04

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH CONSENTING TO AND APPROVING THE TERMINATION OF AN OWNER PARTICIPATION AGREEMENT AMONG THE CITY, THE FORMER REDEVELOPMENT AGENCY AND MAKALLON ATLANTA HUNTINGTON BEACH, LLC

WHEREAS, on December 29, 2011, the California Supreme Court delivered its decision in *California Redevelopment Association v. Matosantos*, finding ABx1 26 (the "Dissolution Act") largely constitutional; and

Under the Dissolution Act and the California Supreme Court's decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency of the City of Huntington Beach (the "Former Agency"), were dissolved on February 1, 2012; and

The City Council adopted a resolution accepting for the City the role of Successor Agency to the Former Agency (the "Successor Agency"); and

The Dissolution Act was amended when the Governor signed Assembly Bill 1484 ("AB 1484") on June 27, 2012; and

Under the Dissolution Act, each Successor Agency shall have an oversight board with fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property taxes and other revenues pursuant to Section 34188; and

The oversight board has been established for the Successor Agency (hereinafter referred to as the "Oversight Board") and all seven (7) members have been appointed to the Oversight Board pursuant to California Health and Safety Code Section 34179. The duties and responsibilities of the Oversight Board are set forth in Health and Safety Code Sections 34179 through 34181 of AB 26 as amended by AB 1484; and

The Former Agency, the City, and Makallon Atlanta Huntington Beach, LLC., a Delaware limited liability company ("Makar"), entered into that certain Owner Participation Agreement executed and delivered pursuant to Agency Resolution No. 364 and City Resolution No. 2006-67 approved and adopted at the October 16, 2006 City Council meeting, as supplemented by letter dated February 1, 2008 and that certain Implementation Agreement entered into as of December 15, 2008 (collectively, the 'OPA"); and

Makar defaulted on a promissory note which was secured by a deed of trust recorded against the property which was the subject of the OPA ("Property"). The holder of the promissory note foreclosed on the deed of trust and became the new owner of the Property; and

The OPA has been terminated and is no longer in force and effect due to the fact that the OPA was never implemented by Makar, due to a material incurable default under the OPA (an assignment without the City and Former Agency's approval), and by the foreclosure of the deed of trust. Assuming

arguendo that the OPA was implemented, was not automatically terminated due to a material incurable default under the OPA , did survive the foreclosure of the deed of trust, and is in force and effect, as a precautionary measure, the current owner of the Property, 21002 HB, LLC, a Delaware limited liability company ("New Owner"), the City and the Successor Agency (as the successor-in-interest to the Former Agency under the OPA) all agree to terminate the OPA. The City and New Owner have negotiated a Development Agreement pertaining to the Property. The Development Agreement terms provide that the OPA has been terminated and is no longer in force and effect; and

Health and Safety Code Section 34171(d)(1)(E) provides that nothing in the Dissolution Act prohibits the Successor Agency, with the approval or at the direction of the Oversight Board, from terminating any existing agreements or contracts; and

All legal prerequisites to the adoption of this Resolution have occurred.

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

1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.

2. Assuming *arguendo* the OPA is still in effect, the Oversight Board hereby consents to and approves the termination of the OPA.

3. Without the requirement of any further approval of the Oversight Board, the Executive Director of the Successor Agency or designee is authorized and directed to take any action and execute any and all documents and agreements necessary to implement and effectuate the actions approved by and the purposes of this Resolution, including, without limitation, executing any and all documents on behalf of the Successor Agency.

PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a special meeting thereof held on the _____ day of _____, 20____.

_____
Chairperson

REVIEWED AND APPROVED:

_____
Executive Director

INITIATED AND APPROVED:

_____
Deputy Executive Director

APPROVED AS TO FORM:

_____
Board Counsel

8.20.12

Oversight Board of the Huntington Beach Successor Agency to the Redevelopment Agency

Agenda Item #4

AGENDA REPORT

Huntington Beach Oversight Board of the Successor Agency to the Redevelopment Agency

MEETING DATE: August 23, 2012

4) SUBJECT/ ACTION: Overview of Assembly Bill 1484

BACKGROUND AND DISCUSSION:

As part of the FY 2012-13 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill 1484 (AB 1484,) the primary purpose of which is to make technical and substantive amendments to AB 26 based upon experience to-date at the State and local level in implementing AB 26. In addition, AB 1484 has required that additional requirements be completed by the City prior to moving forward with completing activities, projects, and programs. These requirements include, among other things, the following:

1) Preparing a list of housing assets that will need to be submitted and approved by the Department of Finance (DOF);
2) Conducting an audit of the Low and Moderate Income Housing Fund and Non-Housing Funds;
3) Oversight Board approval of the Recognized Obligation Payment Schedule (ROPS) for the time period of January – June 2013; and
4) The City receiving a "finding of completion" from the DOF regarding completing of the previous tasks.

Upon receiving the finding of completion from the DOF, the Successor Agency will prepare a Property Management Plan for the disposition of former Agency properties.

Pursuant to Assembly Bill 1484 (Assembly Bill X1 26 clean-up legislation,) the Board will need to consider approval of the housing fund audit that will be completed by October 1, 2012. This will require two special meetings (including a public comment session) tentatively scheduled for Thursday, October 4, 2012, and Thursday, October 11, 2012.

FINANCIAL IMPACT: Not Applicable.