

## RESOLUTION NO. OB17-018

### **A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE WEST HOLLYWOOD COMMUNITY DEVELOPMENT COMMISSION ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2017 THROUGH JUNE 30, 2018, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177**

The Oversight Board of the Successor Agency to the West Hollywood Community Development Commission (“Oversight Board”) does resolve as follows:

Section 1. The Oversight Board finds and declares that:

- A. Pursuant to Health & Safety Code §§ 34177 and 34180, on May 21, 2012, the Oversight Board approved an Initial Recognized Obligation Payment Schedule (“ROPS”) for the period from February 1, 2012 through June 30, 2012 and a ROPS for the period from July 1, 2012 through December 31, 2012, and submitted the Recognized Obligation Payment Schedules to the Department of Finance (“DOF”) and State Controller;
- B. On May 31, 2012, DOF approved both the February – June 2012 ROPS and July – December 2012 ROPS;
- C. On June 27, 2012, the State Legislature enacted AB 1484 to “clean up” the prior redevelopment dissolution legislation (AB x1 26), which imposes additional Successor Agency auditing requirements;
- D. On August 23, 2012, the Oversight Board approved the ROPS for the period from January 1, 2013 through June 30, 2013, and transmitted the approved ROPS to DOF;
- E. On October 15, 2012, DOF issued a determination letter on ROPS No. 3, objecting to six enforceable obligations, including a permanent financing loan in the amount of \$3.5 million for the Courtyard at La Brea affordable housing project, \$27 million in funding for the Plummer Park project, \$1.8 million in funding for disabled access improvements to West Hollywood Community Housing Corporation buildings, and funding for employee oversight costs for the Janet L. Witkin Center affordable housing project, Courtyard at La Brea affordable housing project, and Plummer Park project. After a meet and confer with the Successor Agency, DOF issued a final determination letter reasserting its denial of the six disputed enforceable obligations;
- F. On February 28, 2013, the Oversight Board approved the ROPS for the period from July 1, 2013 through December 31, 2013 (ROPS 13-14A or ROPS No. 4), without the six disputed enforceable obligations and transmitted the approved ROPS to DOF; however, as part of the resolution approving that ROPS the Successor Agency and Oversight Board affirmed their claim that each of the six

disputed obligations represents an enforceable obligation that should be included on ROPS No.4;

- G. On April 15, 2013, DOF approved the ROPS for the period from July 1, 2013 through December 31, 2013;
- H. On September 18, 2013, the Oversight Board approved ROPS No. 5 (13-14B) for the period from January 1, 2014 through June 30, 2014, and transmitted the approved ROPS to DOF (Resolution No. OB13-009);
- I. On October 28, 2013, DOF approved the January - June 2014 ROPS (13-14B);
- J. On February 20, 2014, the Oversight Board approved ROPS No. 6 (14-15A) for the period from July 1, 2014 through December 31, 2014, and transmitted the approved ROPS to DOF (Resolution No. OB14-012);
- K. On April 3, 2014, DOF approved the July - December 2014 ROPS (14-15A);
- L. On September 25, 2014, the Oversight Board approved ROPS No. 7 (14-15B) for the period from January 1, 2015 through June 30, 2015, and transmitted the approved ROPS to DOF (Resolution No. OB14-013);
- M. On November 11, 2014, DOF approved the January - June 2015 ROPS (14-15B);
- N. On February 26, 2015, the Oversight Board approved ROPS No. 8 (15-16A) for the period from July 1, 2015 through December 31, 2015, and transmitted the approved ROPS to DOF (Resolution No. OB15-014);
- O. On March 25, 2015, DOF approved the July-December 2015 ROPS (15-16A);
- P. On September 22, 2015, the State Legislature enacted Senate Bill ("SB") 107 to amend the prior redevelopment dissolution legislation (AB x1 26 and AB 1484), which imposes additional Successor Agency requirements;
- Q. On September 24, 2015, the Oversight Board approved ROPS No. 9 (15-16B) for the period from January 1, 2016 through June 30, 2016, and transmitted the approved ROPS to DOF (Resolution No. OB15-015);
- R. On November 6, 2015, DOF approved the January-June 2016 ROPS (15-16B);
- S. On February 8, 2016, the Oversight Board approved ROPS No. 10 (16-17) for the period from July 1, 2016 through June 30, 2017, and transmitted the approved ROPS to DOF;
- T. On April 13, 2016, DOF approved the July – June 2017 ROPS (16-17).

Section 2. *Recognized Obligation Payment Schedule and Administrative Budget.* The Oversight Board hereby adopts the Recognized Obligation Payment Schedule for the period from July 1, 2017 through June 30, 2018 (ROPS 17-18), attached as Exhibit A to this Resolution, and Successor Agency Administrative Budget for the period from July 1, 2017 through June 30, 2018, attached as Exhibit B to this Resolution.

Section 3. *Adoption Under Protest.* The Oversight Board determines that it must approve a ROPS to avoid imposition of potential penalties and fines to the City of West Hollywood (“City”) or the Successor Agency by DOF. Neither the adoption of this Resolution, the approval of this ROPS, nor the performance of actions under or pursuant to this Resolution is intended by the Oversight Board, City, or Successor Agency to waive any right any of them may have to challenge DOF’s previous denial of disputed enforceable obligations included on the January – June 2013 ROPS, their exclusion on this ROPS, and/or the legality of all or any portion of AB x1 26, AB 1484, or the ROPS process, through administrative or judicial proceedings.

Section 4. *Authorization.* The officers and staff of the Oversight Board are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including but not limited to providing documents associated with the ROPS and Administrative Budget to the County Auditor-Controller, State Controller, and State Department of Finance.

Section 5. *Amendment.* The ROPS and Administrative Budget may be amended from time to time at any public meeting of the Oversight Board.

Section 6. *Environmental Determination.* This Resolution is exempt from review under the California Environmental Quality Act (California Public Resources Code §§ 2100, et seq., “CEQA”) and CEQA regulations (14 California Code of Regulations §§ 15000, et seq.) because it establishes rules and procedures to implement government funding mechanisms; does not involve any commitment to a specific project which could result in a potentially significant physical impact on the environment; and constitutes an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. Accordingly, this Resolution does not constitute a “project” that requires environmental review (see specifically 14 CCR § 15378(b)(4-5)).

Section 7. *Reliance on Record.* Each and every one of the findings and determinations in this Resolution are based on the competent and substantial evidence, both oral and written, contained in the entire record relating to the Oversight Board and applicable law. The findings and determinations constitute the independent findings and determinations of the Oversight Board in all respects and are fully and completely supported by substantial evidence in the record as a whole.

Section 8. *Summaries of Information.* All summaries of information in the findings, which precede this Section, are based on the substantial evidence in the record including, without limitation, verbal and documentary evidence submitted to the Oversight Board. The absence of any particular fact from any such summary is not an indication that a particular finding is not based in part on that fact.

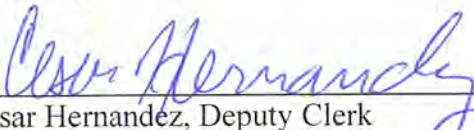
Section 9. The Oversight Board secretary is directed to certify the adoption of this Resolution; record this Resolution in the book of the Oversight Board's original resolutions; and make a minute of the adoption of the Resolution in the Oversight Board's records and the minutes of this meeting.

Section 10. This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.

PASSED, APPROVED, AND ADOPTED this 26th day of January 26, 2017.

  
\_\_\_\_\_  
Yvonne Quarker, Vice-Chair

ATTEST:

  
\_\_\_\_\_  
Cesar Hernández, Deputy Clerk  
Los Angeles County Board of Supervisors  
Acting as Secretary for the Oversight Board  
of the Successor Agency to the  
West Hollywood Community Development Commission

I HEREBY CERTIFY that the above and foregoing ordinance was duly passed and adopted by the Oversight Board of the Successor Agency to the West Hollywood Community Development Commission its regular meeting held on the 26th day of January, 2017, by the following vote, to wit:

AYES: Flaks, Arevalo, Smith, Quarker  
NOES: None  
ABSENT: Zimmerman and Reilly  
ABSTAIN: None

**EXHIBIT A  
TO RESOLUTION**

**ROPS 17-18**

**Recognized Obligation Payment Schedule (ROPS 17-18) - Summary**

Filed for the July 1, 2017 through June 30, 2018 Period

Successor Agency: West Hollywood  
 County: Los Angeles

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	17-18A Total (July - December)	17-18B Total (January - June)	ROPS 17-18 Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ 7,792,202	\$ -	\$ 7,792,202
B Bond Proceeds	5,647,427	-	5,647,427
C Reserve Balance	2,144,775	-	2,144,775
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 334,882	\$ 3,946,414	\$ 4,281,296
F RPTTF	184,882	3,946,414	4,131,296
G Administrative RPTTF	150,000	-	150,000
H Current Period Enforceable Obligations (A+E):	\$ 8,127,084	\$ 3,946,414	\$ 12,073,498

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

Yvonne Quarker VICE-CHAIR  
 Name Title  
 /s/ Yvonne Quarker 1-26-17  
 Signature Date

## Recognized Obligation Payment Schedule (ROPS 17-18) - Summary

Filed for the July 1, 2017 through June 30, 2018 Period

Successor Agency:

West Hollywood

County:

Los Angeles

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	17-18A Total (July - December)	17-18B Total (January - June)	ROPS 17-18 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ 7,792,202</b>	<b>\$ -</b>	<b>\$ 7,792,202</b>
B Bond Proceeds	5,647,427	-	5,647,427
C Reserve Balance	2,144,775	-	2,144,775
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 334,882</b>	<b>\$ 3,946,414</b>	<b>\$ 4,281,296</b>
F RPTTF	184,882	3,946,414	4,131,296
G Administrative RPTTF	150,000	-	150,000
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 8,127,084</b>	<b>\$ 3,946,414</b>	<b>\$ 12,073,498</b>

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (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

**West Hollywood Recognized Obligation Payment Schedule (ROPS 17-18) - ROPS Detail**

**July 1, 2017 through June 30, 2018**

**(Report Amounts in Whole Dollars)**

A	B	C	D	E	F	G	H	I	J	K	L					Q	R					W										
											M						N						O					P				
											17-18A (July - December)						17-18B (January - June)						Fund Sources					Fund Sources				
											Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date		Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired		ROPS 17-18 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	17-18A Total	Bond Proceeds	Reserve Balance	Other Funds
7	2011 Tax Allocation Non-Housing Bonds Series A (Principal)	Bonds Issued After 12/31/10	3/1/2011	9/1/2042	Bank of New York	Principal due on bonds issued to fund non-housing projects	Eastside	\$ 27,370,000	N	\$ 320,000	\$ 5,647,427	\$ 2,144,775	\$ 294,858	\$ 184,882	\$ 25,142	\$ 150,000	\$ 320,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -								
8	2011 Tax Allocation Non-Housing Bonds Series A (Interest)	Bonds Issued After 12/31/10	3/1/2011	9/1/2042	Bank of New York	Interest due on bonds issued to fund non-housing projects	Eastside	36,063,312	N	\$ 2,018,988		934,049		79,645		\$ 1,013,694					1,005,294		\$ 1,005,294									
9	2011 Tax Allocation Non-Housing Bonds Series A (Fees)	Fees	3/1/2011	9/1/2042	Bank of New York	Fees due on bonds issued to fund non-housing projects	Eastside	43,750	N	\$ 1,750						\$ -					1,750		\$ 1,750									
10	2011 Tax Allocation Housing Bonds Series B (Principal)	Bonds Issued After 12/31/10	3/1/2011	9/1/2042	Bank of New York	Principal due on bonds issued to fund housing projects	Eastside	8,575,000	N	\$ 60,000		55,286		4,714		\$ 60,000							\$ -									
11	2011 Tax Allocation Housing Bonds Series B (Interest)	Bonds Issued After 12/31/10	3/1/2011	9/1/2042	Bank of New York	Interest due on bonds issued to fund housing projects	Eastside	15,368,500	N	\$ 811,725		374,976		31,974		\$ 406,950					404,775		\$ 404,775									
12	2011 Tax Allocation Housing Bonds Series B (Fees)	Fees	3/1/2011	9/1/2042	Bank of New York	Fees due on bonds issued to fund housing projects	Eastside	43,750	N	\$ 1,750						\$ -					1,750		\$ 1,750									
17	La Brea Courtyard Project (Permanent Financing Loan)	GPA/DDA/Construction	3/1/2011	9/1/2042	West Hollywood Community Housing Corporation	Permanent financing for a 32-unit low and moderate income affordable housing project.				N																						
18	La Brea Courtyard Project (Oversight [Employee] Costs)	Project Management Costs	2/1/2012	6/30/2014	City of West Hollywood as Successor Housing Agency	Direct employee costs to manage and oversee the terms and conditions of the agreements, including project management, during pre-development and construction.				N																						
19	West Hollywood Community Housing Corporation - Disabled Access Improvements and Rehabilitation of Low and Moderate Income Affordable Housing Projects	GPA/DDA/Construction	3/1/2011	9/1/2042	West Hollywood Community Housing Corporation	Construction and permanent financing for the completion of renovations to existing low and moderate income affordable housing projects owned by the West Hollywood Community Housing Corporation in the East Side Project Area.				N																						
20	Phase 1 - Plummer Park Master Plan (Hard & Soft Improvement Costs)	GPA/DDA/Construction	3/1/2011	9/1/2042	City of West Hollywood	Implementation of Phase 1 of the Plummer Park Master Plan, including renovation and expansion of the park (located within the East Side Redevelopment Project Area).				N																						
21	Phase 1 - Plummer Park Master Plan (Oversight [Employee] Costs)	Project Management Costs	2/1/2012	6/30/2014	City of West Hollywood	Employee oversight costs for implementation of Phase 1 of the Plummer Park Master Plan, including renovation and expansion of the park (located within the East Side Redevelopment Project Area).				N																						
24	Writ of Mandate in Los Angeles Unified School District v. County of Los Angeles	Litigation	6/15/2012	1/1/3000	Los Angeles Unified School District	The difference in the amount WHCDC paid and the amount the County calculates as owed that is consistent with the Court's order, plus 7% interest and less the amount diverted by the county and to be paid out.	Eastside			N	\$ -					\$ -							\$ -									
25	Successor Agency Administrative Costs/Budget	Admin Costs	7/1/2015	6/30/2016	Successor Agency to the West Hollywood Community Development Commission	Various administrative costs for continued operation of the Successor Agency to the West Hollywood Community Development Commission during the 2017-18 fiscal year.	Eastside	3,750,000	N	\$ 150,000						150,000	\$ 150,000							\$ -								
26	2013 Tax Allocation Refunding Bonds (Principal)	Bonds Issued After 12/31/10	12/24/2013	9/1/2033	Bank of New York	Principal due on bonds issued to refund the 2003 tax allocation bonds, as part of the LA County pooled refunding program	Eastside	7,990,000	N	\$ 325,000		299,465		25,535		\$ 325,000								\$ -								
27	2013 Tax Allocation Refunding Bonds (Interest)	Bonds Issued After 12/31/10	12/24/2013	9/1/2033	Bank of New York	Interest due on bonds issued to refund the 2003 tax allocation bonds, as part of the LA County pooled refunding program	Eastside	3,697,300	N	\$ 395,901		186,141		15,872		\$ 202,013					193,888		\$ 193,888									
28	2013 Tax Allocation Refunding Bonds (Fees)	Fees	12/24/2013	9/1/2033	Bank of New York	Fees for the Local Agency Trustee, due on the bonds issued to refund the 2003 tax allocation bonds, as part of the LA County pooled refunding program	Eastside	34,000	N	\$ 2,000				2,000		\$ 2,000								\$ -								
30	2011 Tax Allocation Non-Housing Bonds Series A (Principal) - Reserves	Reserves	3/1/2011	9/1/2042	Bank of New York	Reserve for 9/1/2018 principal payment due on bonds issued to fund non-housing projects. Reserve is required pursuant to the bond covenants.	Eastside	330,000	N	\$ 330,000						\$ -					330,000		\$ 330,000									
31	2011 Tax Allocation Non-Housing Bonds Series A (Interest) - Reserves	Reserves	3/1/2011	9/1/2042	Bank of New York	Reserve for 9/1/2018 interest payment due on bonds issued to fund non-housing projects. Reserve is required pursuant to the bond covenants.	Eastside	1,005,294	N	\$ 1,005,294						\$ -					1,005,294		\$ 1,005,294									
32	2011 Tax Allocation Housing Bonds Series B (Principal) - Reserves	Reserves	3/1/2011	9/1/2042	Bank of New York	Reserve for 9/1/2018 and principal payment due on bonds issued to fund non-housing projects. Reserve is required pursuant to the bond covenants.	Eastside	60,000	N	\$ 60,000						\$ -					60,000		\$ 60,000									
33	2011 Tax Allocation Housing Bonds Series B (Interest) - Reserves	Reserves	3/1/2011	9/1/2042	Bank of New York	Reserve for 9/1/18 interest payment due on bonds issued to fund non-housing projects. Reserve is required pursuant to the bond covenants.	Eastside	404,775	N	\$ 404,775						\$ -					404,775		\$ 404,775									
34	2013 Tax Allocation Refunding Bonds (Principal) - Reserves	Reserves	12/24/2013	9/1/2033	Bank of New York	Reserve for 9/1/2018 principal payment due on bonds issued to fund non-housing projects. Reserve is required pursuant to the bond covenants.	Eastside	345,000	N	\$ 345,000						\$ -					345,000		\$ 345,000									





**West Hollywood Recognized Obligation Payment Schedule (ROPS 17-18) - Report of Cash Balances  
(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, [see Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H	I	
		<b>Fund Sources</b>							
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>		
	<b>Cash Balance Information by ROPS Period</b>	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	<b>Comments</b>	
<b>ROPS 15-16B Actuals (01/01/16 - 06/30/16)</b>									
1	<b>Beginning Available Cash Balance (Actual 01/01/16)</b>	-	34,211,451	-	125,000	-	280	Bond Proceeds include \$26,446,057 of unspent non-housing proceeds, \$5,647,427 of unspent housing proceeds, and \$2,117,967 (2013 Refunding Bonds \$344,154.50, 2011 Series B \$460,368.75, and 2011 Series A \$1,313,443.75) of reserves held by the bond trustee per the respective bond indentures.	
2	<b>Revenue/Income (Actual 06/30/16)</b> RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016	-	-	-	-	-	3,153,188	\$3,153,188 is equal to the RPTTF distribution from the County Auditor Controller in January 2016. DOF approved a \$3,953,040 distribution, but only \$3,153,188 was available.	
3	<b>Expenditures for ROPS 15-16B Enforceable Obligations (Actual 06/30/16)</b>	-	-	-	125,000	-	1,643,364	Matches ROPS 15-16B approved expenditures of \$1,768,388, less \$24 in reduced bond administrative fees.	
4	<b>Retention of Available Cash Balance (Actual 06/30/16)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	-	-	-	-	-	1,513,300	RPTTF appropriated as part of ROPS 15-16B bond debt service expenditures on ROPS 16-17A. Matches reserve balance allocation on ROPS 16-17A form.	
5	<b>ROPS 15-16B RPTTF Balances Remaining</b>	No entry required						-	
6	<b>Ending Actual Available Cash Balance</b> C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ 34,211,451	\$ -	\$ -	\$ -	\$ (3,196)	Deficit is due to bond administrative fees that were not funded during the ROPS 15-16B period, due to a lack of actual RPTTF available. Costs were funded as part of ROPS 16-17.	

**EXHIBIT B**  
**TO RESOLUTION**

**ADMINISTRATIVE**  
**BUGET**

1/12/2017

Successor Agency to  
West Hollywood Community Development Commission  
Administrative Budget  
July 2017 - June 2018

Account Title	Fiscal Year	Fiscal Year Amount	Payment Source
Wages & Fringes	2018	125,756	Administrative Allowance
Allocated Overhead	2018	13,294	Administrative Allowance
Staffing Costs	2018	1,200	Administrative Allowance
Supplies	2018	250	Administrative Allowance
Professional Services (Audit)	2018	2,000	Administrative Allowance
Legal Services	2018	7,500	Administrative Allowance
Total Admin Costs		150,000	