

REQUEST FOR COUNCIL ACTION CITY OF SAN DIEGO				CERTIFICATE NUMBER (FOR COMPTROLLER'S USE ONLY) N/A	
TO: CITY COUNCIL		FROM (ORIGINATING DEPARTMENT): Civic San Diego		DATE: 4/23/2015	
SUBJECT: Successor Agency Administrative and Project Management Budget for Fiscal Year 2015-2016					
PRIMARY CONTACT (NAME, PHONE): Wanda Nations,619-533-7109			SECONDARY CONTACT (NAME, PHONE): ,		
COMPLETE FOR ACCOUNTING PURPOSES					
FUND					
FUNCTIONAL AREA					
COST CENTER					
GENERAL LEDGER ACCT					
WBS OR INTERNAL ORDER					
CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00
FUND					
FUNCTIONAL AREA					
COST CENTER					
GENERAL LEDGER ACCT					
WBS OR INTERNAL ORDER					
CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00
COST SUMMARY (IF APPLICABLE):					
ROUTING AND APPROVALS					
CONTRIBUTORS/REVIEWERS:		APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	
Financial Management		ORIG DEPT.	Phillips, Andrew	04/23/2015	
Comptroller		CFO			
Liaison Office		DEPUTY CHIEF			
		COO			
		CITY ATTORNEY			
		COUNCIL PRESIDENTS OFFICE			
PREPARATION OF:	<input type="checkbox"/> RESOLUTIONS	<input type="checkbox"/> ORDINANCE(S)	<input type="checkbox"/> AGREEMENT(S)	<input type="checkbox"/> DEED(S)	
This is for informational purposes only.					
STAFF RECOMMENDATIONS:					
SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION)					
COUNCIL DISTRICT(S):	1-9				
COMMUNITY AREA(S):	General				
ENVIRONMENTAL IMPACT:	The proposed action is not a "project" within the meaning of the California Environmental Quality Act (CEQA), specifically CEQA Guidelines section				

15378(b)(4)-(5), and thus is not subject to CEQA pursuant to CEQA Guidelines section 15060(c)(3). The approval of ROPS 8 and 9, and the ROPS 8 and 9 Budget, are fiscal activities that relate to the future administration of redevelopment operations and are being conducted in order to comply with the Dissolution Laws.

CITY CLERK
INSTRUCTIONS:

**COUNCIL ACTION
EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO**

DATE: 4/23/2015

ORIGINATING DEPARTMENT: Civic San Diego

SUBJECT: Successor Agency Administrative and Project Management Budget for Fiscal Year 2015-2016

COUNCIL DISTRICT(S): 1-9

CONTACT/PHONE NUMBER: Wanda Nations/619-533-7109

DESCRIPTIVE SUMMARY OF ITEM:

The Successor Agency is in the process of winding down the operations of the former Redevelopment Agency of the City of San Diego. Under the Dissolution Laws, the Recognized Obligation Payment Schedule (ROPS) is the governing document as to payments that are allowed to be made by the Successor Agency during each applicable six-month period. The proposed Successor Agency Budget is the combined ROPS (ROPS 15-16A) approved by Council on 2/2/15, and ROPS 9 (ROPS 15-16B) to be presented for approval in September 2015.

STAFF RECOMMENDATION:

EXECUTIVE SUMMARY OF ITEM BACKGROUND:

The Successor Agency, a separate legal entity from the City, is responsible for winding down the operations of the former Redevelopment Agency of the City of San Diego ("Former RDA"). Under the redevelopment dissolution laws, the Successor Agency's budget is approved in six-month increments, not on an annual basis, through each Recognized Obligation Payment Schedule ("ROPS"). The City Council, the Oversight Board, and the California Department of Finance ("DOF") approve each ROPS in advance of each applicable six-month period. The "A" period of the ROPS refers to the period from July through December (i.e., the first six months of the fiscal year). The "B" period of the ROPS refers to the period from January through June (i.e., the last six months of the fiscal year).

In February 2015, the City Council, acting as the Successor Agency's governing board, approved ROPS 8 (15-16A), for the July to December 2015 period, which represents the first half of fiscal year 2016. ROPS 8 also has been approved by the Oversight Board, and currently is under review by the DOF as part of the statutory "meet-and-confer" process. In September 2015, the City Council will be asked to approve ROPS 9 (15-16B) for the January to June 2016 period, which represents the second half of fiscal year 2016.

ROPS 8 shows that the total estimated payments by the Successor Agency during the first half of fiscal year 2016 will be approximately \$79 million, including approximately \$3.14 million for the Administrative and Project Management Budget reflected in line items 466 and 467 of ROPS 8. Given that ROPS 9 is in the initial stage of preparation, the total estimated payments by the Successor Agency during the second half of fiscal year 2016 cannot be predicted with certainty at this time. While the Administrative and Project Management Budget is anticipated to be approximately \$3.51 million in ROPS 9 as discussed below, the Successor Agency's total estimated payments toward enforceable obligations are expected to be considerably less in ROPS

9 than in ROPS 8. The reason for this decrease is that the Successor Agency's scheduled payments for debt service on existing redevelopment bonds – one prominent type of enforceable obligation – are much higher in the “A” periods than in the “B” periods.

FISCAL CONSIDERATIONS:

The fiscal impact to the Successor Agency is dependent upon the review and potential challenge of ROPS 8 and 9 by the Oversight Board, CAC, DOF, and State Controller. The Dissolution Laws limit the amount the Successor Agency can receive annually, as an administrative cost allowance, to three percent of the amount allocated to the Agency. The actual level of funds that the City may utilize in fulfilling its role as the Successor Agency will not be known until the oversight entities review and potentially challenge items listed in ROPS 8 and 9.

Any costs to the Successor Agency beyond those allowed by the Dissolution Laws would impact the City's General Fund. These costs could be offset by increased property tax revenues distributed to the City. Specifically, a portion of the tax increment revenue previously allocated to the Former RDA is reallocated as general property taxes through semi-annual RPTTF distributions on January 2 and June 1 from the CAC to the City and other local taxing entities, to the extent that the Successor Agency does not need the continued property tax revenue in order to pay enforceable obligations. A court decision in Los Angeles involving the allocation of Educational Revenue Augmentation Funds took effect for the first time in connection with the RPTTF distribution for ROPS 7 in early January 2015, and generally has resulted in a greater distribution of RPTTF to school entities and a reduced distribution of RPTTF to the City and the County. Under the updated allocation method, the City receives approximately 17% (as opposed to 21% for ROPS 1 through 6) of the general property taxes that are reallocated to local taxing entities from the residual balance of the RPTTF in accordance with the Dissolution Laws.

EQUAL OPPORTUNITY CONTRACTING INFORMATION (IF APPLICABLE): N/A

PREVIOUS COUNCIL and/or COMMITTEE ACTION (describe any changes made to the item from what was presented at committee): On January 10, 2012, the City Council designated the City to serve as the Successor Agency under the Dissolution Laws. On February 13, 2012, the City Council adopted a resolution establishing certain policies and procedures that govern operation of the Successor Agency. On April 25, 2012, the City Council, in its capacity as the Successor Agency, adopted the Third Amended and Restated EOPS, ROPS 1, and ROPS 2, as well as the ROPS 2 administrative budget. On July 31, 2012, the City Council, in its capacity as the Successor Agency, adopted ROPS 3 as well as the ROPS 3 administrative budget. On February 13, 2013, the City Council, in its capacity as the Successor Agency, adopted ROPS 4 as well as the ROPS 4 administrative budget. On September 10, 2013, the City Council, in its capacity as the Successor Agency, adopted ROPS 5 as well as ROPS 5 administrative budget. On February 10, 2014, the City Council, in its capacity as the Successor Agency, adopted ROPS 6 as well as the ROPS 6 administrative budget. On September 23, 2014, the City Council, in its capacity as the Successor Agency, adopted ROPS 7 as well as the ROPS 7 administrative budget. On February 2, 2015, the City Council, adopted ROPS 8 as well as the ROPS 8 administrative budget. ROPS 9 with the ROPS 9 Administrative and Project Management Budget will be presented to the Successor Agency in September 2015 for approval.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: Redevelopment Project Area Committees, the Southeastern Economic Development Corporation Board, the Civic San Diego Board (formerly Centre City Development Corporation Board), and pertinent community groups have received updates on the legislative matters that have been considered by the State Legislature since January 2011. There has been no additional formal community participation or public outreach on ROPS 8 or 9.

KEY STAKEHOLDERS AND PROJECTED IMPACTS: Key stakeholders include the communities within the boundaries of the 14 former redevelopment project areas as well as the communities outside of the project areas who benefit from the revitalization of the project areas. Key stakeholders also include the local vendors, consultants, development partners, and the City.

Phillips, Andrew
Originating Department

Deputy Chief/Chief Operating Officer



DATE ISSUED: April 23, 2015

ATTENTION: Honorable Chair and Members of the Budget and Government Efficiency Committee
Docket of May 7, 2015

ORIGINATING DEPT.: City of San Diego Successor Agency

SUBJECT: Successor Agency Administrative and Project Management Budget for Fiscal Year 2015-2016

COUNCIL DISTRICTS: 1, 2, 3, 4, 5, 6, 7, 8, 9

STAFF CONTACT: Wanda F. Nations, Principal Accountant
619-533-7109

REFERENCE: February 28, 2012 Report to City Council RTC-12-014
July 17, 2012 Report to City Council RTC-12-096
February 2, 2015 Report to City Council R-309492

SUMMARY:

The Successor Agency, a separate legal entity from the City, is responsible for winding down the operations of the former Redevelopment Agency of the City of San Diego ("Former RDA"). Under the redevelopment dissolution laws, the Successor Agency's budget is approved in six-month increments, not on an annual basis, through each Recognized Obligation Payment Schedule ("ROPS"). The City Council, the Oversight Board, and the California Department of Finance ("DOF") approve each ROPS in advance of each applicable six-month period. The "A" period of the ROPS refers to the period from July through December (i.e., the first six months of the fiscal year). The "B" period of the ROPS refers to the period from January through June (i.e., the last six months of the fiscal year).

In February 2015, the City Council, acting as the Successor Agency's governing board, approved ROPS 8 (15-16A), for the July to December 2015 period, which represents the first half of fiscal year 2016. ROPS 8 also has been approved by the Oversight Board, and currently is under review by the DOF as part of the statutory "meet-and-confer" process. In September 2015, the City Council will be asked to approve ROPS 9 (15-16B) for the January to June 2016 period, which represents the second half of fiscal year 2016.

ROPS 8 shows that the total estimated payments by the Successor Agency during the first half of fiscal year 2016 will be approximately \$79 million, including approximately \$3.14 million for the Administrative and Project Management Budget reflected in line items 466 and 467 of ROPS

8. Given that ROPS 9 is in the initial stage of preparation, the total estimated payments by the Successor Agency during the second half of fiscal year 2016 cannot be predicted with certainty at this time. While the Administrative and Project Management Budget is anticipated to be approximately \$3.51 million in ROPS 9 as discussed below, the Successor Agency's total estimated payments toward enforceable obligations are expected to be considerably less in ROPS 9 than in ROPS 8. The reason for this decrease is that the Successor Agency's scheduled payments for debt service on existing redevelopment bonds – one prominent type of enforceable obligation – are much higher in the "A" periods than in the "B" periods.

DISCUSSION:

I. Background

A. Status of Dissolution.

The Successor Agency is in the process of winding down the Former RDA's operations in accordance with Assembly Bill x1 26 ("AB 26"), enacted on June 28, 2011, Assembly Bill 1484 ("AB 1484"), enacted on June 27, 2012, and subsequent legislation (collectively, the "Dissolution Laws"). On January 10, 2012, the City Council designated the City of San Diego ("City") to serve as the Successor Agency to the Former RDA for purposes of winding down the Former RDA's operations and to retain the Former RDA's housing assets and assume the Former RDA's housing responsibilities. Certain actions and decisions of the Successor Agency are subject to review and approval by the Oversight Board, the DOF, the San Diego County Auditor-Controller ("CAC"), and the State Controller. The CAC is responsible for administering the Redevelopment Property Tax Trust Fund ("RPTTF"), comprised of property tax increment collected in the City's 14 redevelopment project areas.

B. Purpose and Timing of ROPS.

Under the Dissolution Laws, the ROPS is the governing document as to payments allowed to be made by the Successor Agency during each applicable six-month period. Each ROPS is approved on a forward-looking basis for the upcoming six-month period. According to the Dissolution Laws, the ROPS has effectively superseded the Enforceable Obligation Payment Schedule ("EOPS") and the annual Statement of Indebtedness in terms of showing enforceable obligations to be paid by the Successor Agency.

II. Successor Agency Administrative and Project Management Budget

Pursuant to California Health and Safety Code ("Code") section 34177(j), the Successor Agency is required to adopt and propose an administrative budget to the Oversight Board for its approval. The proposed budget must include: 1) estimated amounts for the Successor Agency's administrative costs for the upcoming six-month period; 2) proposed sources of payments for the cost identified; and, 3) proposed arrangements for administrative and operation services provided by a city or other entity.

Based on guidance provided by the DOF and the current language in the Dissolution Laws, the Successor Agency is allowed to fund its administrative function beyond the three percent administrative allowance with any funds on hand, such as bond proceeds or other sources aside from property tax, and project management costs associated with the implementation of enforceable obligations are deemed project-specific expenses and are not counted against the three percent administrative cost allowance. In addition, the Successor Agency's litigation expenses related to assets or obligations, and the costs of maintaining assets prior to disposition, are not counted against the administrative cost allowance.

As outlined in Code section 34177, the purpose of the Successor Agency's administrative function is the orderly wind down of the Former RDA's affairs and includes such functions as: making payments on enforceable obligations; maintaining any required reserves amounts; performing obligations required by enforceable obligations; disposing of assets and properties; enforcing all of the Former RDA's rights; expeditiously winding down the Former RDA's affairs; and, preparing each ROPS and accompanying administrative budget.

For the ROPS 8 period, July to December 2015, which was approved by the Council as Successor Agency on February 2, 2015, the CAC will distribute to the Successor Agency from the RPTTF approximately \$1.8 million for administrative costs, and \$1.3 for project management costs. The second half of the Successor Agency Administrative and Project Management budget will be submitted to the Council as Successor Agency in September 2015, for approval with ROPS 9, for the January to June 2016 period.

The Successor Agency Administrative and Project Management Budget for fiscal year 2015-2016 is approximately \$6.7 million, \$3.14 million of which was approved with ROPS 8 and \$3.5 million will be approved with ROPS9. The budget is segregated by administrative costs and project management costs. The administrative cost portion of the annual budget is \$3.7 million and the project management portion of the budget is \$2.96 million. The Project Management budget for ROPS 9 is being increased to cover project management costs related to completing redevelopment projects shown in the Agreement Regarding Expenditure of Excess Redevelopment Bond Proceeds, which the Council, the Oversight Board, and the DOF approved in conjunction with ROPS 8.

The table below provides a comparison of the proposed FY 2015-16 Budget to the approved FY 2014-15 Budget in terms of administrative and project management expenses.

Expenditure	FY 2015-2016	FY 2014-2015	Change
Legal/Litigation Services	\$ 610,000	\$ 950,000	\$ (340,000)
Financial/Debt Services	\$ 123,000	\$ 230,000	\$ (107,000)
Accounting Services	\$ 456,000	\$ 350,000	\$ 106,000
Real Estate Services	\$ 272,000	\$ 272,000	\$ -
Admin./Project Mgmt Support	\$ 5,197,000	\$ 5,601,525	\$ (404,525)
Total	\$ 6,658,000	\$ 7,403,525	\$ (745,525)

This second table shows the distribution of the fiscal year 2015-2016 budget between the two ROPS periods. The ROPS 8 Budget has been adjusted in accordance to the Preliminary Determination letter received from the Department of Finance on April 13, 2015.

Expenditure	ROPS 8 (15-16A)	ROPS 9 (15-16B)	Total
Legal/Litigation Services	\$ 488,000	\$ 488,000	\$ 976,000
Financial/Debt Services	\$ 50,000	\$ 73,000	\$ 123,000
Accounting Services	\$ 228,000	\$ 228,000	\$ 456,000
Real Estate Services	\$ 136,000	\$ 136,000	\$ 272,000
Admin./Project Mgmt Support	\$ 2,241,000	\$ 2,590,000	\$ 4,831,000
Total	\$ 3,143,000	\$ 3,515,000	\$ 6,658,000

FISCAL CONSIDERATIONS:

The fiscal impact to the Successor Agency is dependent upon the review and potential challenge of ROPS 8 and 9 by the Oversight Board, CAC, DOF, and State Controller. The Dissolution Laws limit the amount the Successor Agency can receive annually, as an administrative cost allowance, to three percent of the amount allocated to the Agency. The actual level of funds that the City may utilize in fulfilling its role as the Successor Agency will not be known until the oversight entities review and potentially challenge items listed in ROPS 8 and 9.

Any costs to the Successor Agency beyond those allowed by the Dissolution Laws would impact the City’s General Fund. These costs could be offset by increased property tax revenues distributed to the City. Specifically, a portion of the tax increment revenue previously allocated to the Former RDA is reallocated as general property taxes through semi-annual RPTTF distributions on January 2 and June 1 from the CAC to the City and other local taxing entities, to the extent that the Successor Agency does not need the continued property tax revenue in order to pay enforceable obligations. A court decision in Los Angeles involving the allocation of Educational Revenue Augmentation Funds took effect for the first time in connection with the RPTTF distribution for ROPS 7 in early January 2015, and generally has resulted in a greater distribution of RPTTF to school entities and a reduced distribution of RPTTF to the City and the County. Under the updated allocation method, the City receives approximately 17% (as opposed to 21% for ROPS 1 through 6) of the general property taxes that are reallocated to local taxing entities from the residual balance of the RPTTF in accordance with the Dissolution Laws.

ENVIRONMENTAL REVIEW: The proposed action is not a “project” within the meaning of the California Environmental Quality Act (CEQA), specifically CEQA Guidelines section 15378(b)(4)-(5), and thus is not subject to CEQA pursuant to CEQA Guidelines section 15060(c)(3). The approval of ROPS 8 and 9, and the ROPS 8 and 9 Budget, are fiscal activities that relate to the future administration of redevelopment operations and are being conducted in order to comply with the Dissolution Laws. The approval of these fiscal activities will not result in the commitment to any new, specific project that may cause a physical change in the environment.

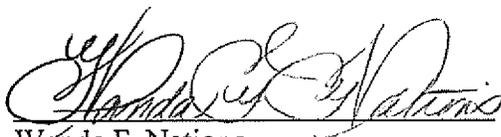
PREVIOUS AGENCY and/or COUNCIL ACTION: On January 10, 2012, the City Council designated the City to serve as the Successor Agency under the Dissolution Laws. On February 13, 2012, the City Council adopted a resolution establishing certain policies and procedures that govern operation of the Successor Agency. On April 25, 2012, the City Council, in its capacity as the Successor Agency, adopted the Third Amended and Restated EOPS, ROPS 1, and ROPS 2, as well as the ROPS 2 administrative budget. On July 31, 2012, the City Council, in its capacity as the Successor Agency, adopted ROPS 3 as well as the ROPS 3 administrative budget. On February 13, 2013, the City Council, in its capacity as the Successor Agency, adopted ROPS 4 as well as the ROPS 4 administrative budget. On September 10, 2013, the City Council, in its capacity as the Successor Agency, adopted ROPS 5 as well as ROPS 5 administrative budget. On February 10, 2014, the City Council, in its capacity as the Successor Agency, adopted ROPS 6 as well as the ROPS 6 administrative budget. On September 23, 2014, the City Council, in its capacity as the Successor Agency, adopted ROPS 7 as well as the ROPS 7 administrative budget. On February 2, 2015, the City Council, adopted ROPS 8 as well as the ROPS 8 administrative budget. ROPS 9 with the ROPS 9 Administrative and Project Management Budget will be presented to the Successor Agency in September 2015 for approval.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: Redevelopment Project Area Committees, the Southeastern Economic Development Corporation Board, the Civic San Diego Board (formerly Centre City Development Corporation Board), and pertinent community groups have received updates on the legislative matters that have been considered by the State Legislature since January 2011. There has been no additional formal community participation or public outreach on ROPS 8 or 9.

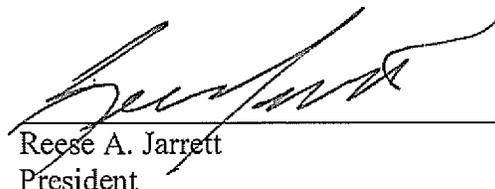
KEY STAKEHOLDERS AND PROJECTED IMPACTS: Key stakeholders include the communities within the boundaries of the 14 former redevelopment project areas as well as the communities outside of the project areas who benefit from the revitalization of the project areas. Key stakeholders also include the local vendors, consultants, development partners, and the City.

Respectfully submitted,

Concurred by:



Wanda F. Nations
Principal Accountant



Reese A. Jarrett
President

Attachments: A – Consolidated FY 2015-2016 Administrative and Project Management Budget

**ANNUAL FISCAL YEAR 2016 BUDGET for the Successor Agency to the
Former Redevelopment Agency of the City of San Diego**

	<u>FTE's</u>	<u>ROPS 8 (Exhibit 1)</u>	<u>ROPS 9 (Exhibit 2)</u>	<u>Total</u>
EXPENDITURES				
Legal Services				
City Attorney's Office	3.25	305,000	305,000	610,000
Outside Legal Counsel		145,000	145,000	290,000
Oversight Board Legal Counsel		38,000	38,000	76,000
Subtotal Legal Services		<u>488,000</u>	<u>488,000</u>	<u>976,000</u>
Financial Services				
Debt Management Department	1	50,000	73,000	123,000
City Treasurers' Office	15 bps	-	-	-
Subtotal Financial Services		<u>50,000</u>	<u>73,000</u>	<u>123,000</u>
Accounting Services				
Comptroller's Office	4	228,000	228,000	456,000
Subtotal Accounting Services		<u>228,000</u>	<u>228,000</u>	<u>456,000</u>
Real Estate Services				
Real Estate Assets Department	1.50	136,000	136,000	272,000
Subtotal Real Estate Services		<u>136,000</u>	<u>136,000</u>	<u>272,000</u>
Administrative Support Services				
Economic Growth Services Dept	1.5	150,000	150,000	300,000
City Departments		-	305,000	305,000
Civic San Diego	23	1,785,000	1,785,000	3,570,000
Legislative Clerk		-	-	-
Other Consultants		100,000	100,000	200,000
General Governmental Service		150,000	150,000	300,000
Contingency		50,000	100,000	150,000
Oversight Board Insurance		6,000	-	6,000
Subtotal Administrative Support Services		<u>2,241,000</u>	<u>2,590,000</u>	<u>4,831,000</u>
Total Expenditures		<u>3,143,000</u>	<u>3,515,000</u>	<u>6,658,000</u>
FUNDING SOURCES				
Admin Fee (3%)		1,872,024	603,784	2,475,808
Estimated Admin Carryover from A to B Period		(29,024)	29,024	-
Reserves		-	-	-
Other Revenue Sources		-	1,227,192	1,227,192
RPTTF Distributions		1,300,000	1,655,000	2,955,000
Total Funding Sources		<u>3,143,000</u>	<u>3,515,000</u>	<u>6,658,000</u>

Pursuant to the Successor Agency's policies and procedures (adopted 2/17/2012) the administrative functions will be coordinated through the Office of the Mayor and carried out by either City staff or employees of a City-owned nonprofit public benefit corporation (i.e., Civic San Diego). The project management column includes estimated litigation expenses, where applicable. In the event the 3% Admin fee is insufficient to cover Admin Expenditures, due to DOF adjustments, the Successor Agency intends on utilizing Other Revenues Sources as shown in the ROPS. Those Other Revenues include rent and lease payment received from Agency owned properties.

**ROPS 15-16A BUDGET for the Successor Agency to the
Former Redevelopment Agency of the City of San Diego**

ROPS Period July 1, 2015 to December 31, 2015 (ROPS 8)

	<u>FTE's</u>	<u>Administrative</u>	<u>Project Management</u>	<u>Total</u>
EXPENDITURES				
Legal Services				
City Attorney's Office	3.25	125,000	180,000	305,000
Outside Legal Counsel		25,000	120,000	145,000
Oversight Board Legal Counsel		38,000	-	38,000
Subtotal Legal Services		<u>188,000</u>	<u>300,000</u>	<u>488,000</u>
Financial Services				
Debt Management Department	1	50,000	-	50,000
City Treasurers' Office	15 bps	-	-	-
Subtotal Financial Services		<u>50,000</u>	<u>-</u>	<u>50,000</u>
Accounting Services				
Comptroller's Office	4	228,000	-	228,000
Subtotal Accounting Services		<u>228,000</u>	<u>-</u>	<u>228,000</u>
Real Estate Services				
Real Estate Assets Department	1.50	136,000	-	136,000
Subtotal Real Estate Services		<u>136,000</u>	<u>-</u>	<u>136,000</u>
Administrative Support Services				
Economic Growth Services Dept	1.5	50,000	100,000	150,000
City Departments		-	-	-
Civic San Diego	23	885,000	900,000	1,785,000
Legislative Clerk		-	-	-
Other Consultants		100,000	-	100,000
General Governmental Service		150,000	-	150,000
Contingency		50,000	-	50,000
Oversight Board Insurance		6,000	-	6,000
Subtotal Administrative Support Services		<u>1,241,000</u>	<u>1,000,000</u>	<u>2,241,000</u>
Total Expenditures		<u>1,843,000</u>	<u>1,300,000</u>	<u>3,143,000</u>
FUNDING SOURCES				
Admin Fee (3%)		1,872,024	-	1,872,024
Estimated Admin Carryover from A to B Period		(29,024)	-	(29,024)
Reserves		-	-	-
Other Revenue Sources		-	-	-
RPTTF Distributions		-	1,300,000	1,300,000
Total Funding Sources		<u>1,843,000</u>	<u>1,300,000</u>	<u>3,143,000</u>

Pursuant to the Successor Agency's policies and procedures (adopted 2/17/2012) the administrative functions will be coordinated through the Office of the Mayor and carried out by either City staff or employees of a City-owned nonprofit public benefit corporation (i.e., Civic San Diego). The project management column includes estimated litigation expenses, where applicable.

In the event the 3% Admin fee is insufficient to cover Admin Expenditures, due to DOF adjustments, the Successor Agency intends on utilizing Other Revenues Sources as shown in the ROPS. Those Other Revenues include rent and lease payment received from Agency owned properties.

**ROPS 15-16B BUDGET for the Successor Agency to the
Former Redevelopment Agency of the City of San Diego**

ROPS Period January 1, 2016 to June 30, 2016 (ROPS 9)

	<u>FTE's</u>	<u>Administrative</u>	<u>Project Management</u>	<u>Total</u>
EXPENDITURES				
Legal Services				
City Attorney's Office	3.25	125,000	180,000	305,000
Outside Legal Counsel		25,000	120,000	145,000
Oversight Board Legal Counsel		38,000	-	38,000
Subtotal Legal Services		<u>188,000</u>	<u>300,000</u>	<u>488,000</u>
Financial Services				
Debt Management Department	1	73,000	-	73,000
City Treasurers' Office	15 bps	-	-	-
Subtotal Financial Services		<u>73,000</u>	<u>-</u>	<u>73,000</u>
Accounting Services				
Comptroller's Office	4	228,000	-	228,000
Subtotal Accounting Services		<u>228,000</u>	<u>-</u>	<u>228,000</u>
Real Estate Services				
Real Estate Assets Department	1.50	136,000	-	136,000
Subtotal Real Estate Services		<u>136,000</u>	<u>-</u>	<u>136,000</u>
Administrative Support Services				
Economic Growth Services Dept	1.5	50,000	100,000	150,000
City Departments		-	305,000	305,000
Civic San Diego	23	885,000	900,000	1,785,000
Legislative Clerk		-	-	-
Other Consultants		100,000	-	100,000
General Governmental Service		150,000	-	150,000
Contingency		50,000	50,000	100,000
Oversight Board Insurance		-	-	-
Subtotal Administrative Support Services		<u>1,235,000</u>	<u>1,355,000</u>	<u>2,590,000</u>
Total Expenditures		<u>1,860,000</u>	<u>1,655,000</u>	<u>3,515,000</u>
FUNDING SOURCES				
Admin Fee (3%)		603,784	-	603,784
Estimated Admin Carryover from A to B Period		29,024	-	29,024
Reserves		-	-	-
Other Revenue Sources		1,227,192	-	1,227,192
RPTTF Distributions		-	1,655,000	1,655,000
Total Funding Sources		<u>1,860,000</u>	<u>1,655,000</u>	<u>3,515,000</u>

Pursuant to the Successor Agency's policies and procedures (adopted 2/17/2012) the administrative functions will be coordinated through the Office of the Mayor and carried out by either City staff or employees of a City-owned nonprofit public benefit corporation (i.e., Civic San Diego). The project management column includes estimated litigation expenses, where applicable. In the event the 3% Admin fee is insufficient to cover Admin Expenditures, due to DOF adjustments, the Successor Agency intends on utilizing Other Revenues Sources as shown in the ROPS. Those Other Revenues include rent and lease payment received from Agency owned properties.