



► **SANTA MONICA-MALIBU UNIFIED
SCHOOL DISTRICT**

REDEVELOPMENT FISCAL YEAR 2017/2018 –
2021/2022 AUDIT RESULTS

February 2023



**COOPERATIVE
STRATEGIES**
ASSESS • PLAN • FUND • BUILD

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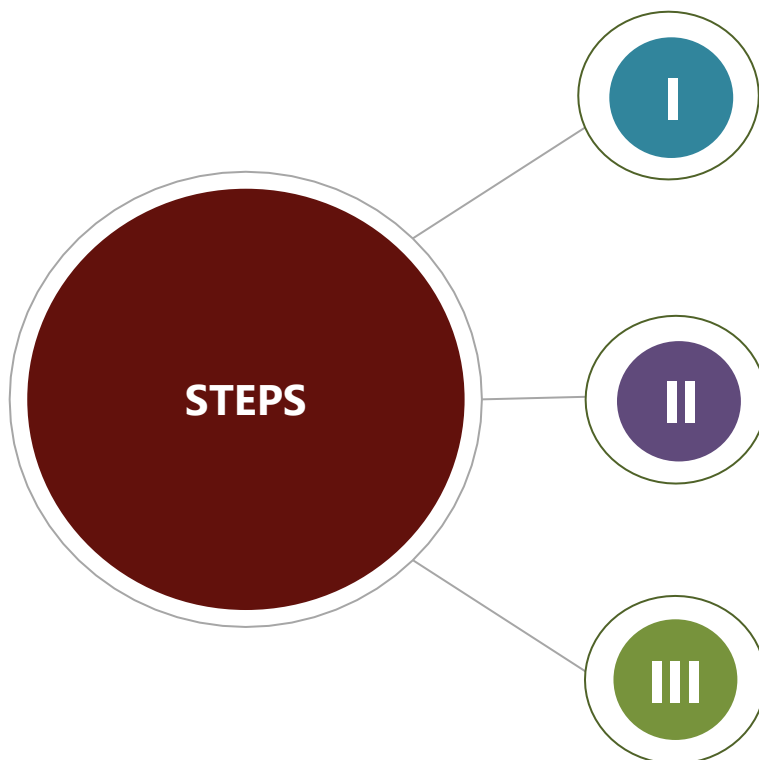
EXHIBITS

EXHIBIT A

Redevelopment Decoder

An aerial photograph of a suburban neighborhood, showing a dense arrangement of houses with reddish-brown roofs. The houses are interspersed with green trees and shrubs. A network of streets with parked cars and some moving vehicles is visible. The overall scene is a typical residential area.

INTRODUCTION



WEBSITE

- Go to our website at <http://www.coopstrategies.com>
- Click "LOGIN" in the top right hand corner

REDEVELOPMENT

- Click on "Redevelopment"

LOG IN

- Type in your username and password (case sensitive)
- Click on "Login"

USERNAMES

gcruz
Mcanaday

PASSWORD

sixteenth

SEARCH ALL DOCUMENTS



Payment Analysis



Aggregate Results by Agency



Aggregate Results by Payment Type



Redevelopment Decoder

[View All Projects in All Cities](#)

Choose Agency

Choose Project Area

Choose Project Code

Go

Clear



► ORGANIZATIONAL CHART

Redevelopment project areas




Santa Monica-Malibu Unified School District

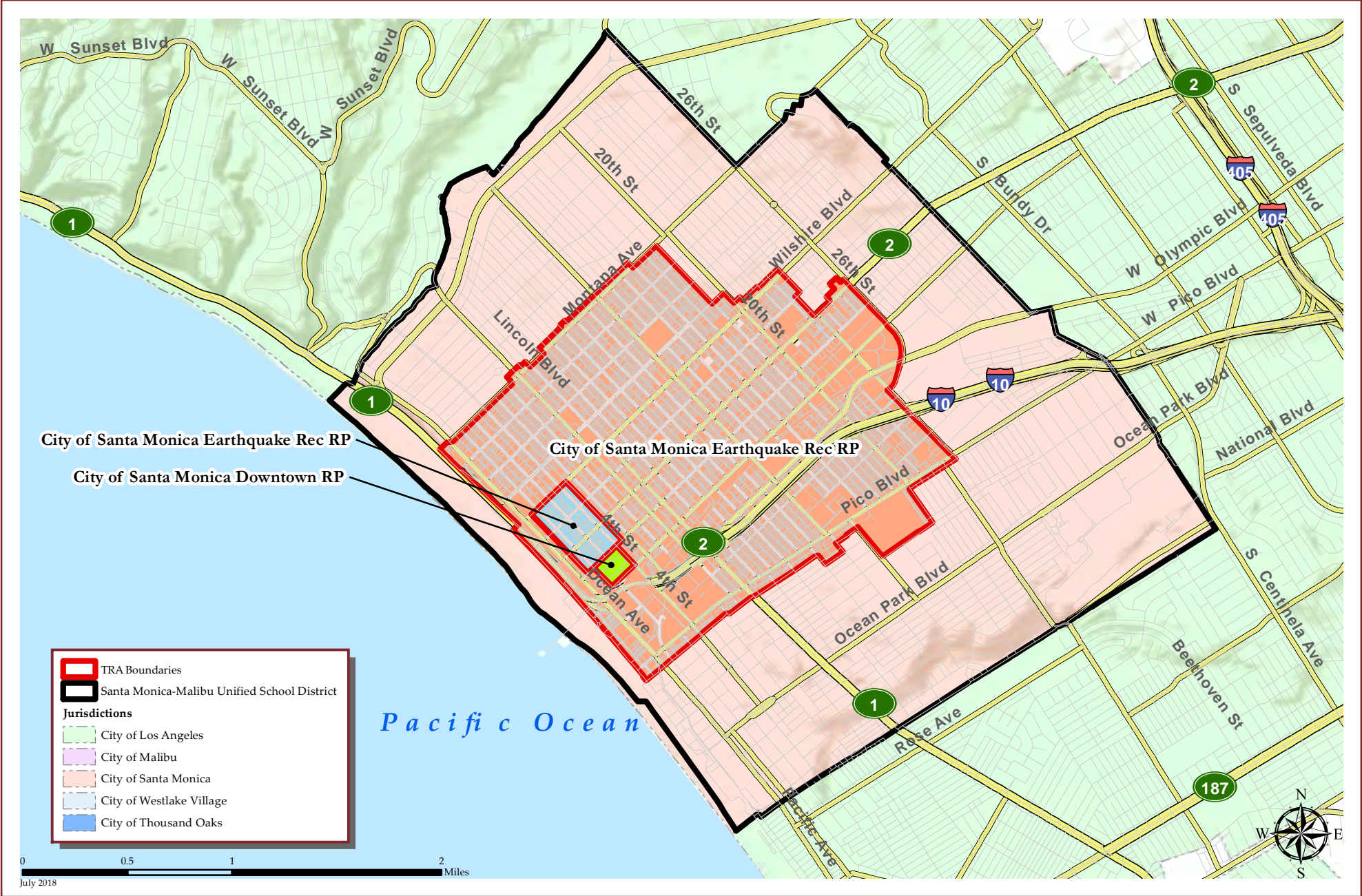
Santa Monica Redevelopment Agency

**City of Santa Monica
Downtown RP**

**City of Santa Monica
Earthquake Rec RP**

Legend

-  School District
-  Redevelopment Agency
-  Redevelopment Project Area





AGGREGATE RESULTS

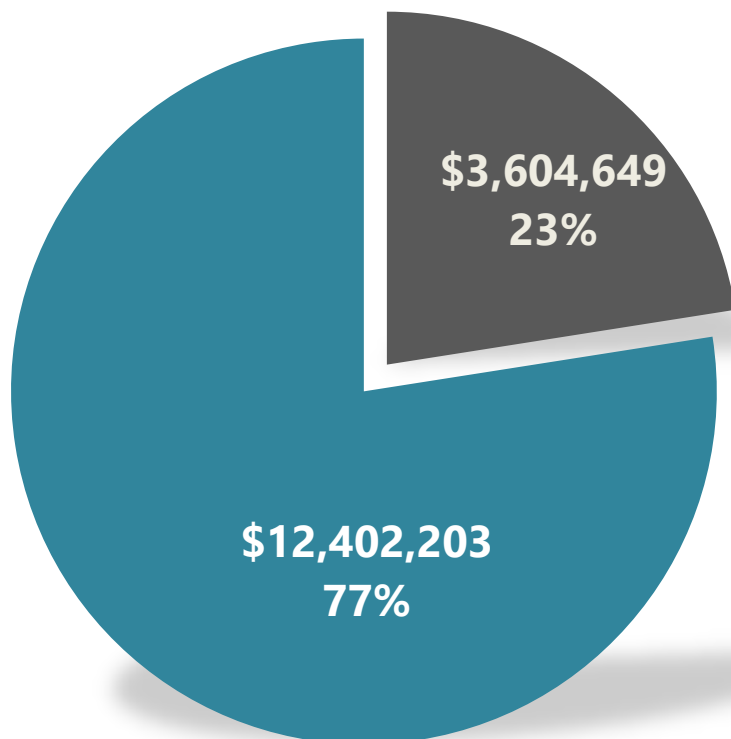
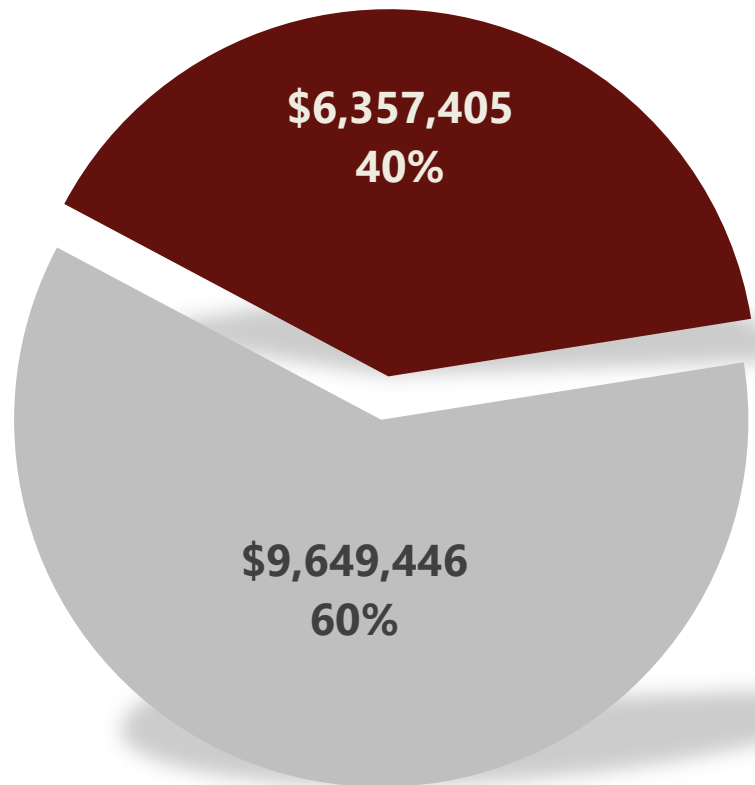


► FISCAL YEAR 2017/2018
SNAPSHOT REPORT

\$16,006,852

AGENCY TOTAL

- Pass-Through Payments
- Residual Revenue



USE OF FUNDS

- Facilities
- Non-Facilities

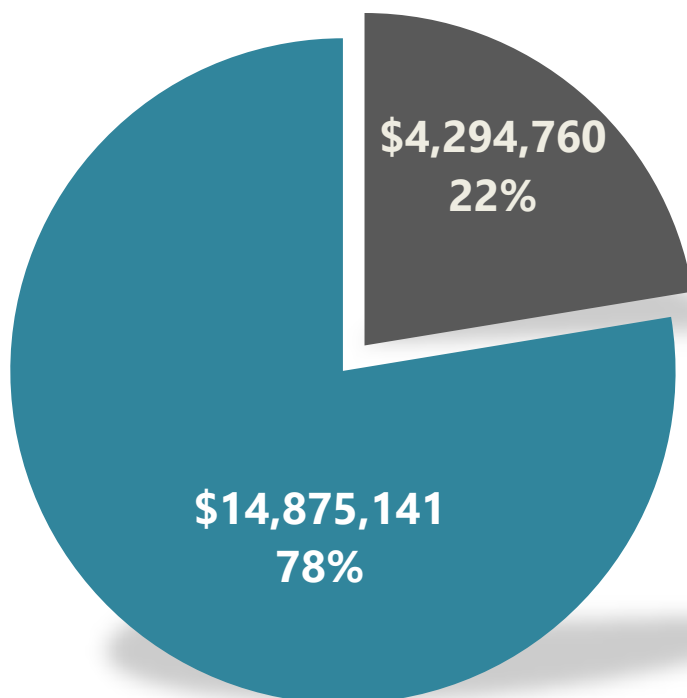
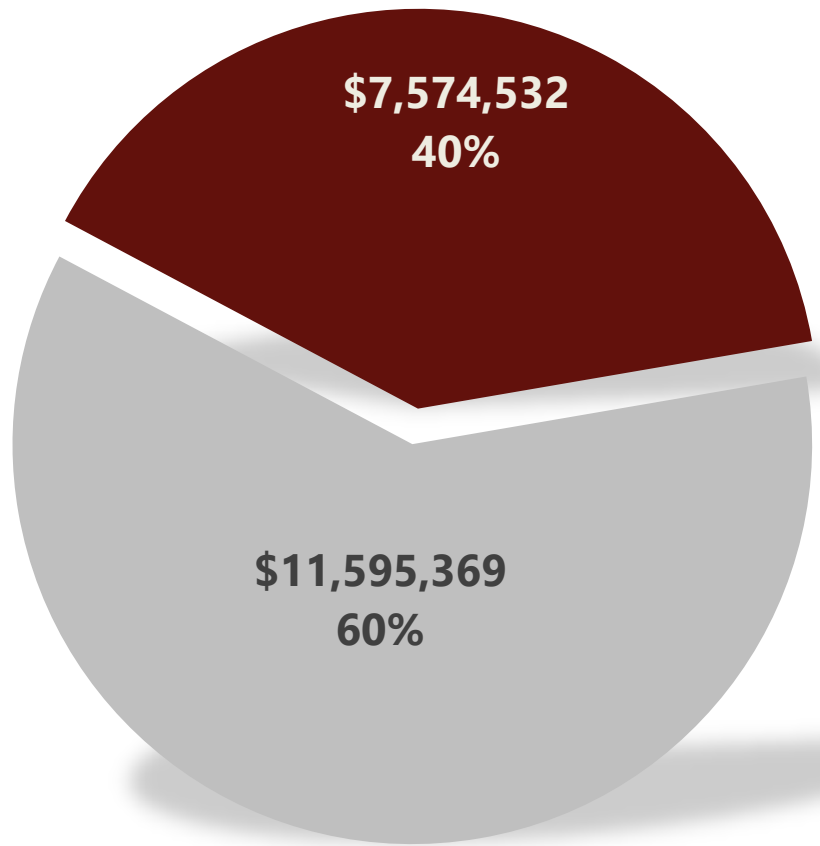


► FISCAL YEAR 2018/2019 SNAPSHOT REPORT

\$19,169,901

AGENCY TOTAL

- Pass-Through Payments
- Residual Revenue



USE OF FUNDS

- Facilities
- Non-Facilities



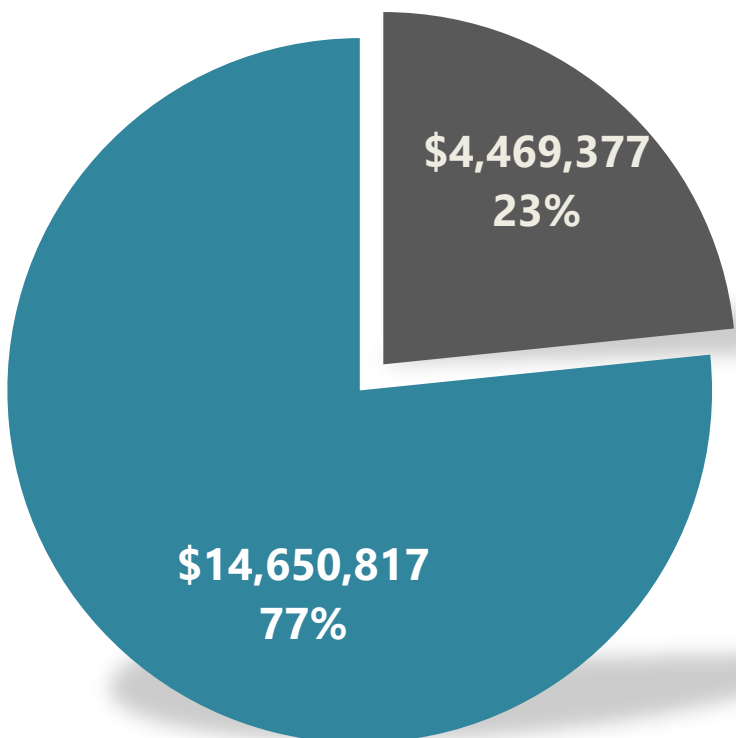
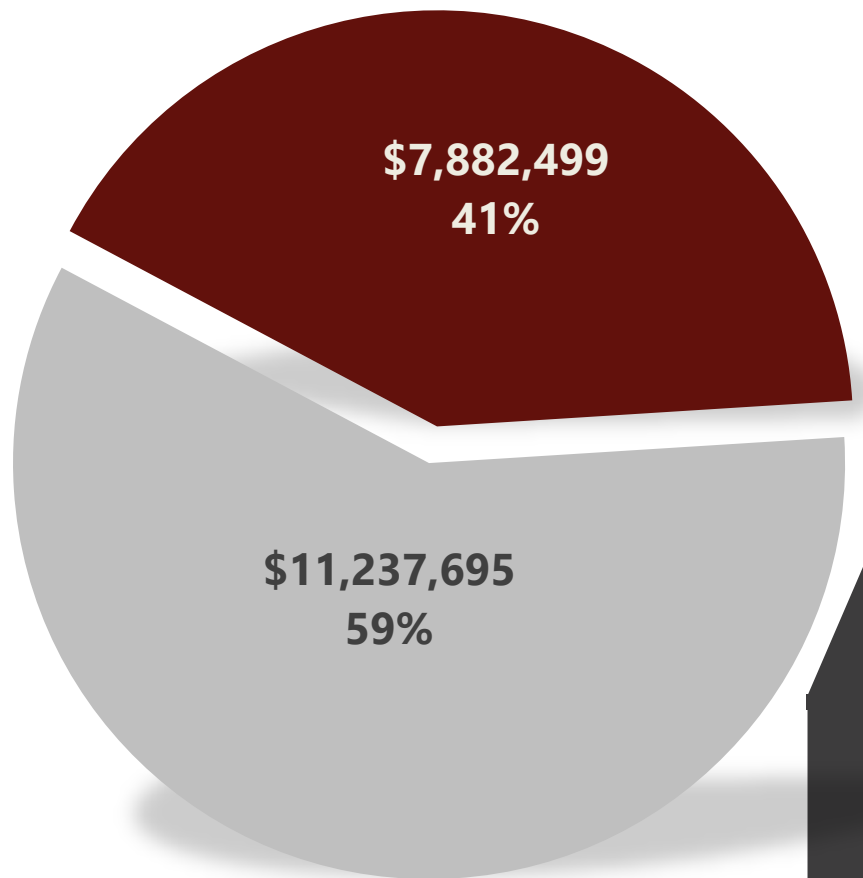
► FISCAL YEAR 2019/2020 SNAPSHOT REPORT

\$19,120,193

AGENCY TOTAL

■ Pass-Through Payments

■ Residual Revenue



USE OF FUNDS

■ Facilities ■ Non-Facilities

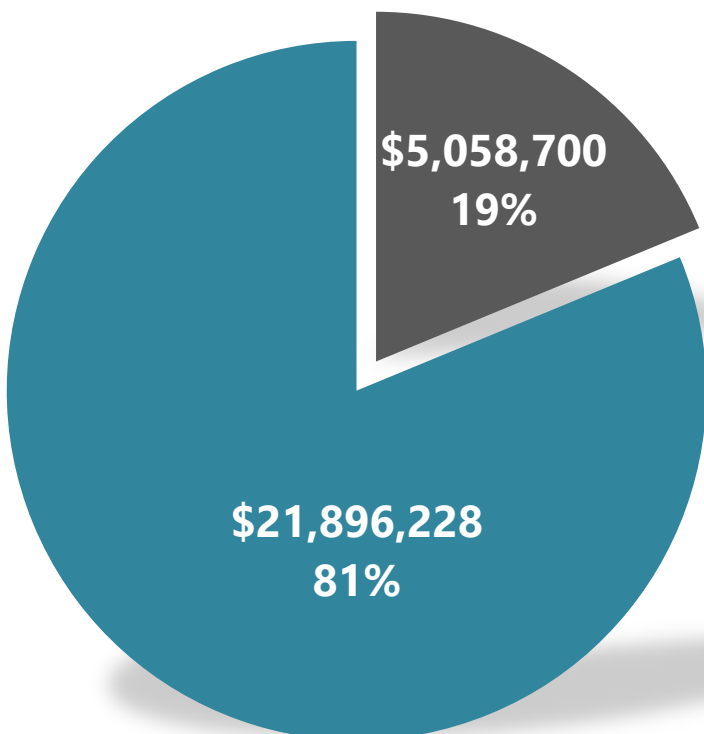
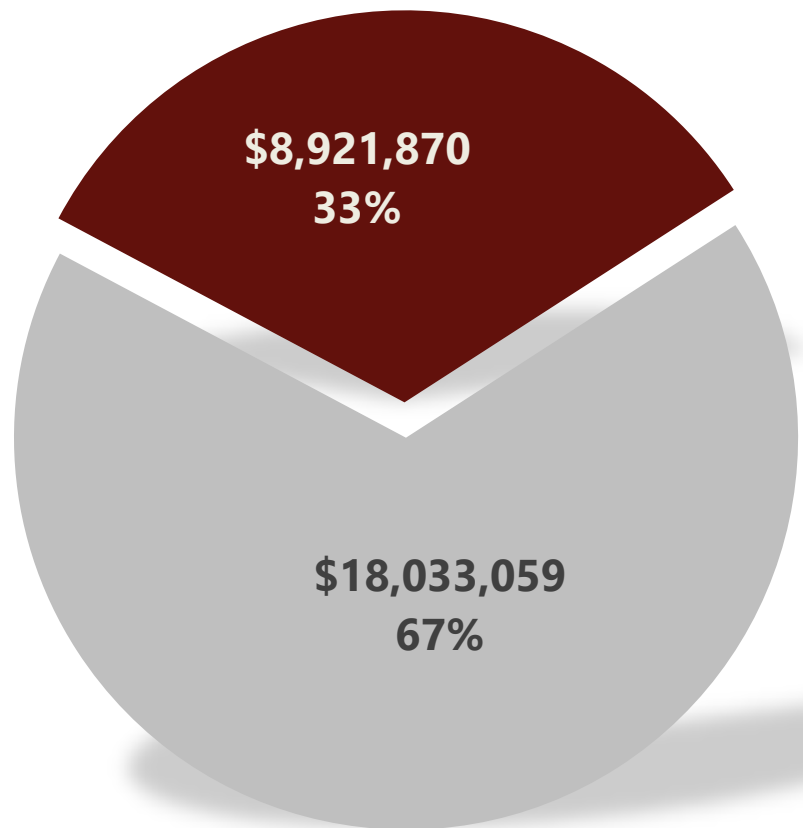


► FISCAL YEAR 2020/2021 SNAPSHOT REPORT

\$26,954,928

AGENCY TOTAL

- Pass-Through Payments
- Residual Revenue



USE OF FUNDS

- Facilities
- Non-Facilities

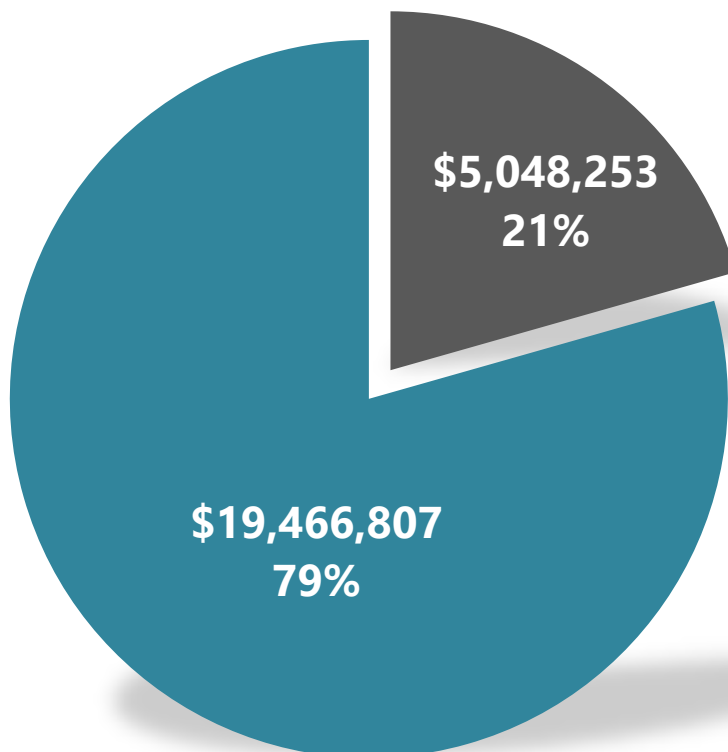
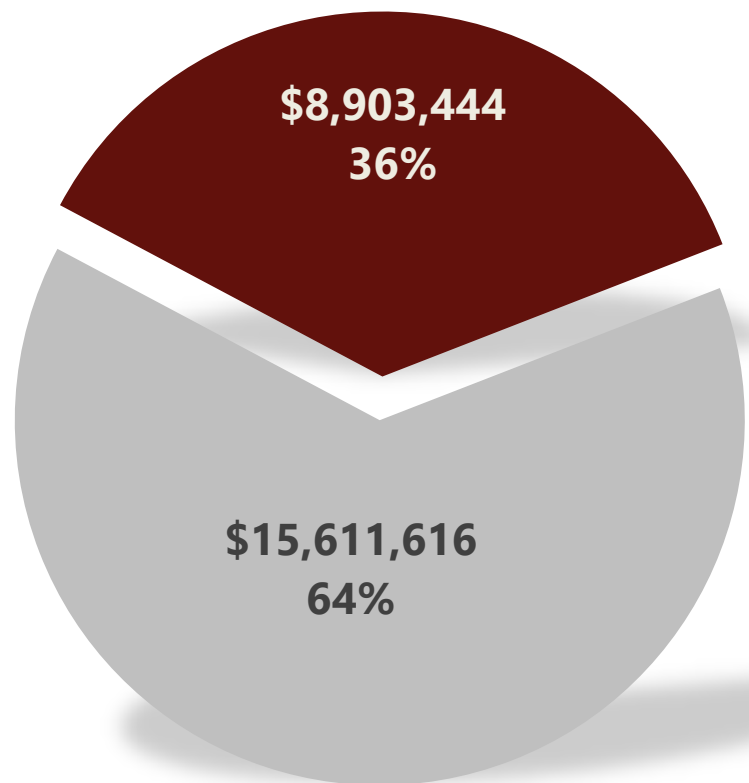


► FISCAL YEAR 2021/2022
SNAPSHOT REPORT

\$24,515,060

AGENCY TOTAL

- Pass-Through Payments
- Residual Revenue



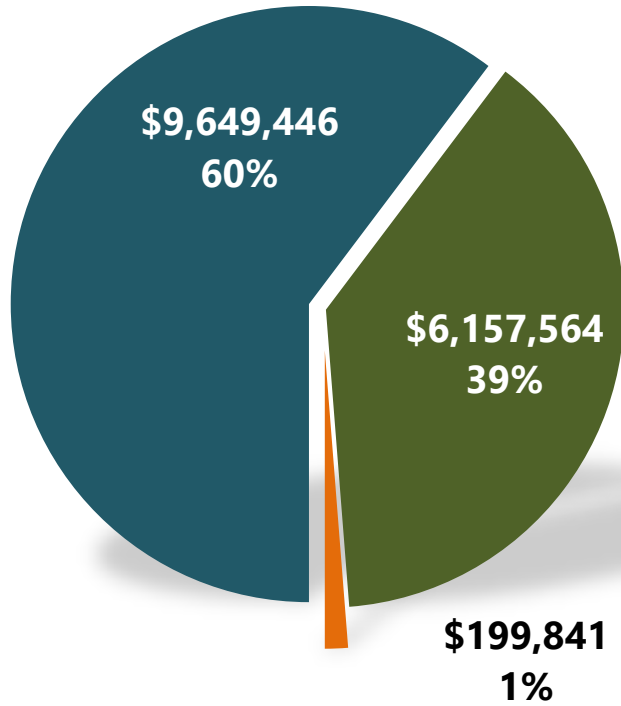
USE OF FUNDS

- Facilities
- Non-Facilities



► FISCAL YEAR 2017/2018 SNAPSHOT REPORT

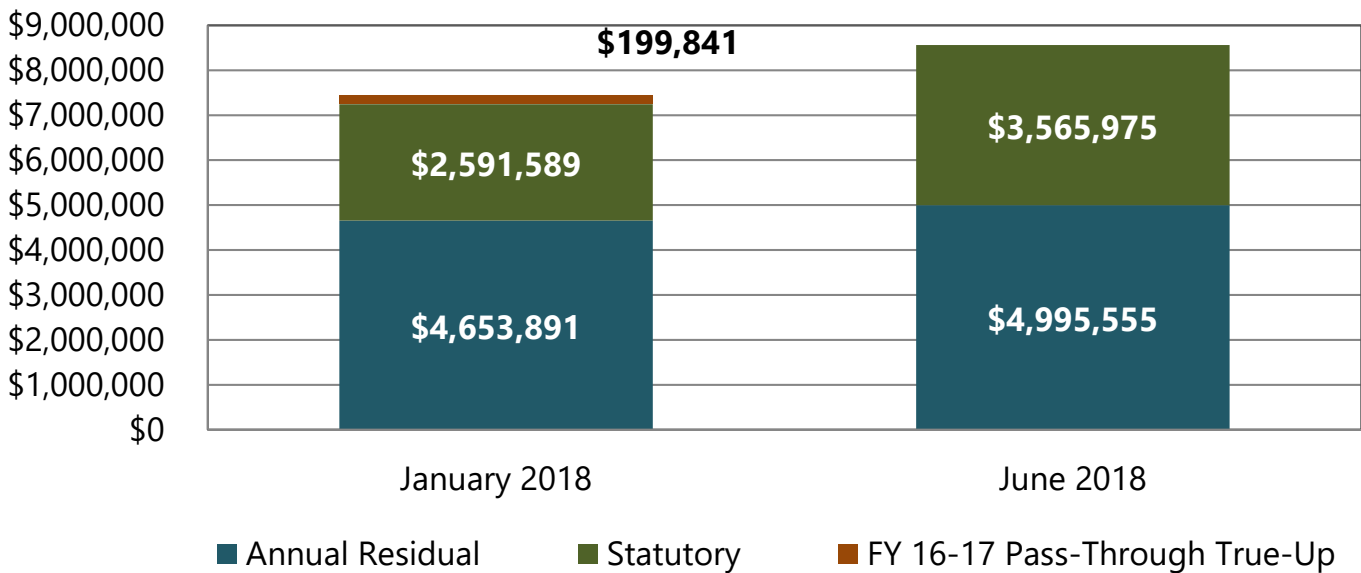
\$16,006,852



PAYMENT TYPE

- Annual Residual
- Statutory
- FY 16-17 Pass-Through True-Up

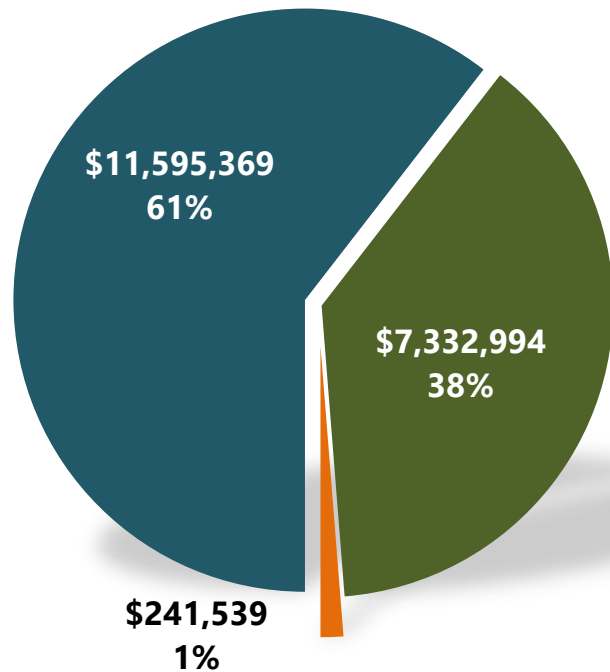
APPORTIONMENT





► FISCAL YEAR 2018/2019 SNAPSHOT REPORT

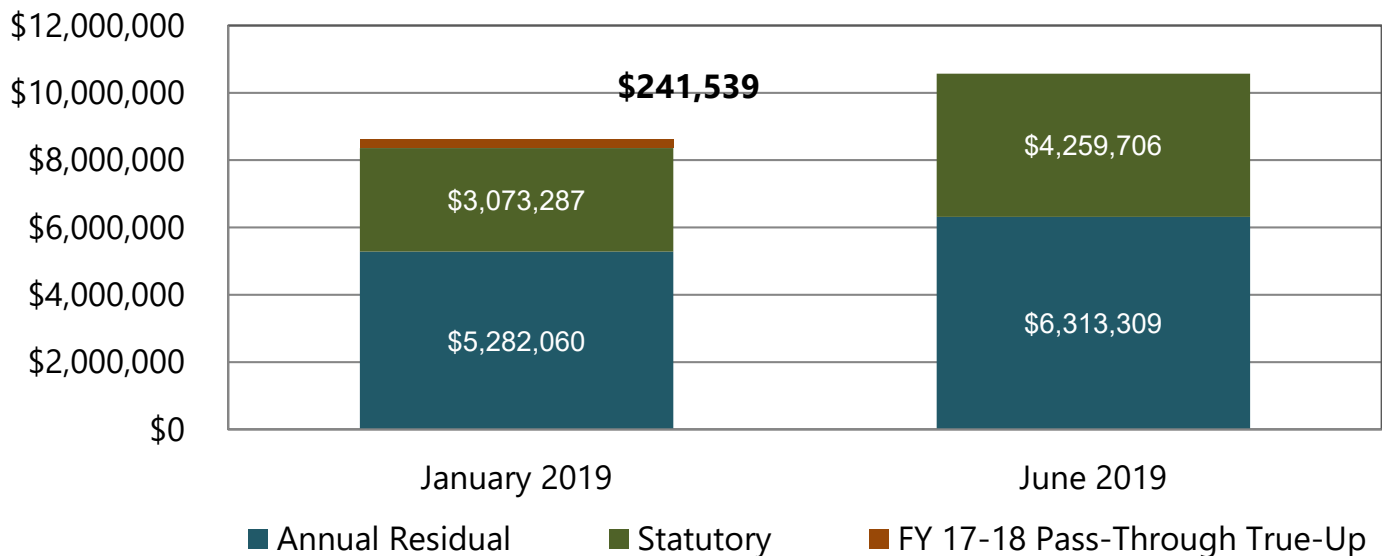
\$19,169,901



PAYMENT TYPE

- Annual Residual
- Statutory
- FY 17-18 Pass-Through True-Up

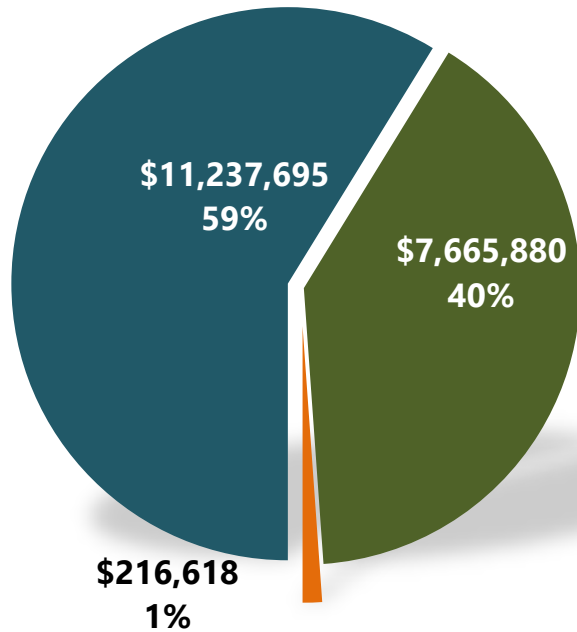
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► FISCAL YEAR 2019/2020 SNAPSHOT REPORT

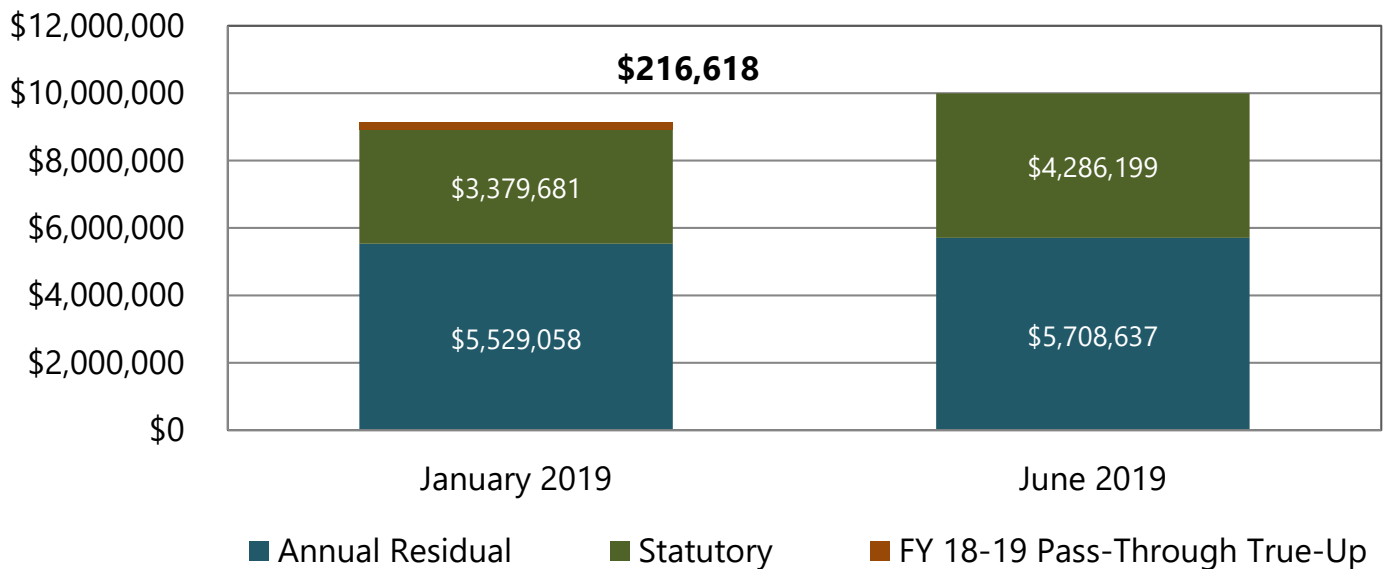
\$19,120,193



PAYMENT TYPE

- Annual Residual
- Statutory
- FY 18-19 Pass-Through True-Up

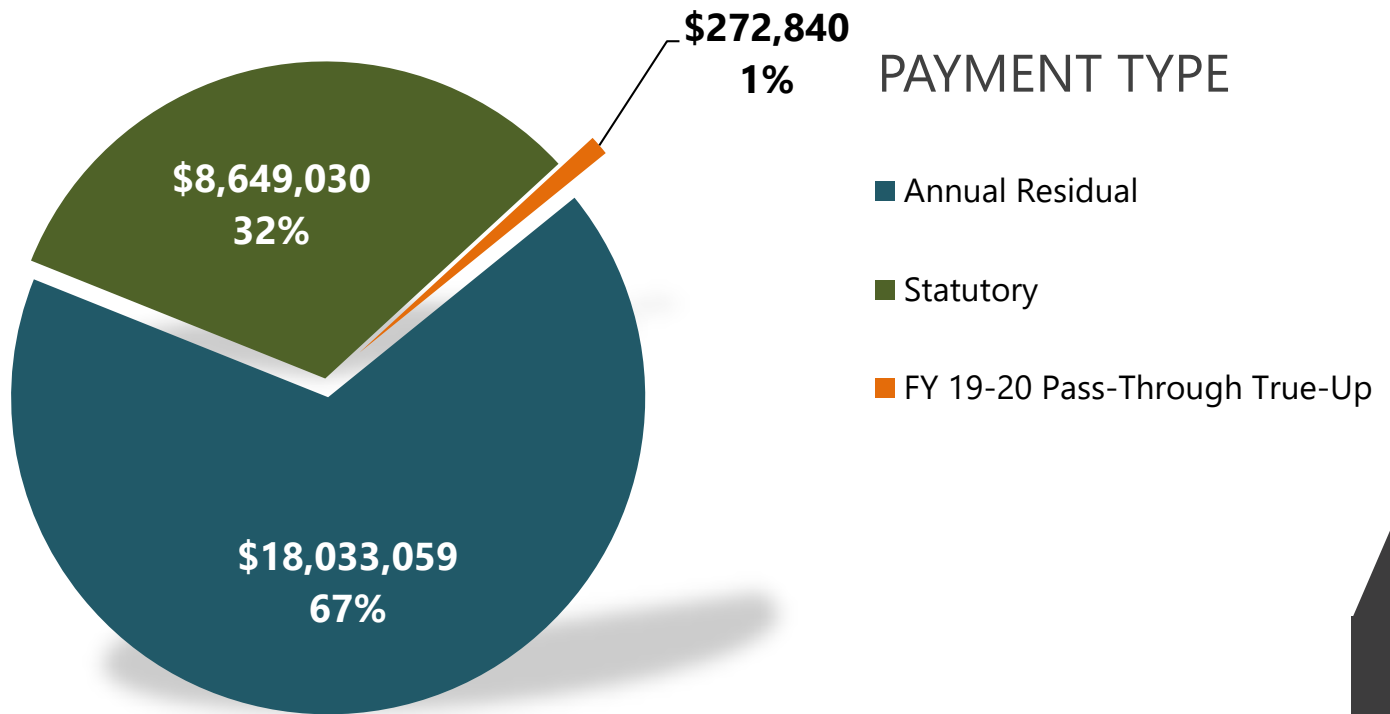
APPORTIONMENT



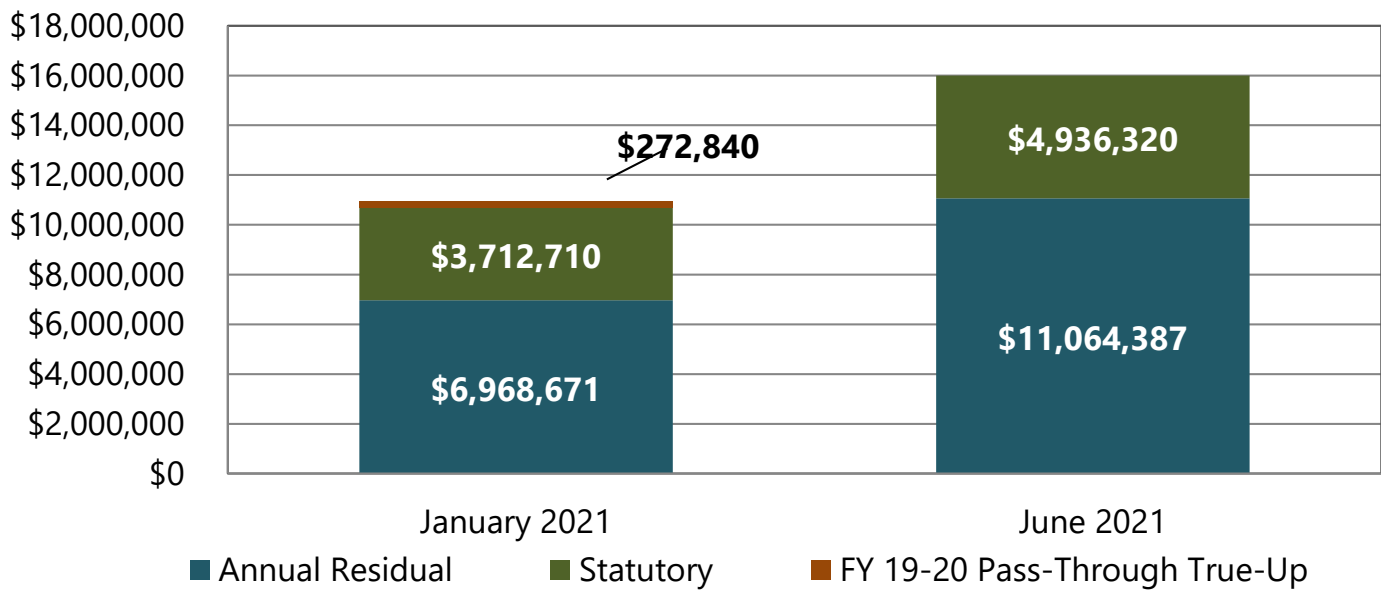


► FISCAL YEAR 2020/2021 SNAPSHOT REPORT

\$26,954,928



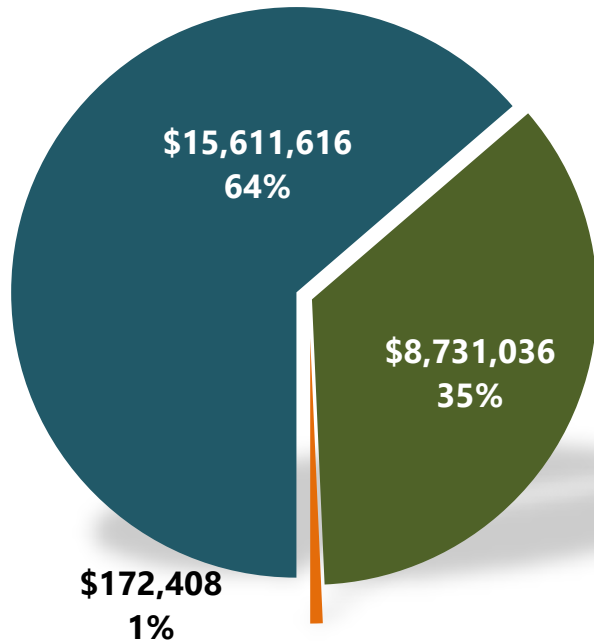
APPORTIONMENT





► FISCAL YEAR 2021/2022 SNAPSHOT REPORT

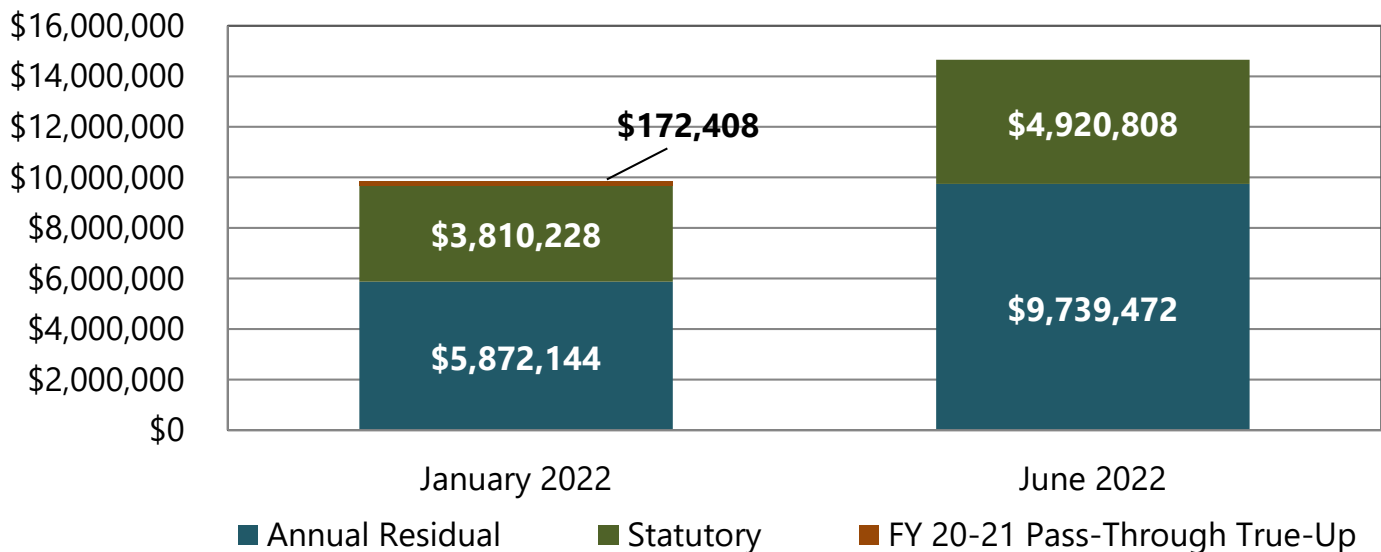
\$24,515,060



PAYMENT TYPE

- Annual Residual
- Statutory
- FY 20-21 Pass-Through True-Up

APPORTIONMENT





2017/2018 – 2021/2022

Santa Monica-Malibu Unified School District

Redevelopment Project Areas by Agency

Project Area Name	Payment Type	Commencement of Payment	Termination of Payment [1]	Use of Funds Requirement (Non-Facilities/Facilities)	State Reporting Requirements	Discrepancy
Santa Monica Redevelopment Agency						
City of Santa Monica Downtown RP	SB 211	2004/2005	January 13, 2028	43.3%/56.7%	43.3%	\$3,974
City of Santa Monica Earthquake Rec RP	AB 1290	1994/1995	June 21, 2042	43.3%/56.7%	43.3%	(\$28,960)
						(\$24,986)
Grand Total						(\$24,986)

[1] Pursuant to section 34187(b) of the Health and Safety Code: "When all of the debt of a redevelopment agency has been retired or paid off, the successor agency shall dispose of all remaining assets and terminate its existence within one year of the final debt payment. When the successor agency is terminated, all pass-through payment obligations will cease..." For purposes of this summary, it is assumed that the Pass-Through payments will continue through the Agency's time limit to repay indebtedness. However, payments may terminate earlier if the successor agency retires its debt before that date.



2017/2018 – 2021/2022

Santa Monica-Malibu Unified School District

Redevelopment Project Areas by Payment Type

Project Area Name	Agency	Commencement of Payment	Termination of Payment [1]	Use of Funds Requirement (Non-Facilities/Facilities)	State Reporting Requirements	Validation Results (Dollars)
AB 1290						
City of Santa Monica Earthquake Rec RP	Santa Monica Redevelopment Agency	1994/1995	June 21, 2042	43.3%/56.7%	43.3%	(\$28,960)
						(\$28,960)
SB 211						
City of Santa Monica Downtown RP	Santa Monica Redevelopment Agency	2004/2005	January 13, 2028	43.3%/56.7%	43.3%	\$3,974
						\$3,974
Grand Total						(\$24,986)

[1] Pursuant to section 34187(b) of the Health and Safety Code: "When all of the debt of a redevelopment agency has been retired or paid off, the successor agency shall dispose of all remaining assets and terminate its existence within one year of the final debt payment. When the successor agency is terminated, all pass-through payment obligations will cease..." For purposes of this summary, it is assumed that the Pass-Through payments will continue through the Agency's time limit to repay indebtedness. However, payments may terminate earlier if the successor agency

Santa Monica-Malibu Unified School District

Redevelopment Payment Records Analysis

Payment Information	Owed	Received	Discrepancy	%
Santa Monica Redevelopment Agency	\$39,715,888.60	\$39,690,902.59	(\$24,986.01)	-0.06%
<i>City of Santa Monica Downtown RP</i>				
2017/2018	\$70,384.00	\$70,978.15	\$594.15	0.84%
2018/2019	\$72,087.00	\$72,755.22	\$668.22	0.93%
2019/2020	\$73,675.00	\$74,440.20	\$765.20	1.04%
2020/2021	\$74,312.00	\$75,310.67	\$998.67	1.34%
2021/2022	\$72,974.00	\$73,921.45	\$947.45	1.30%
	\$363,432.00	\$367,405.69	\$3,973.69	1.09%
<i>City of Santa Monica Equake Rec RP</i>				
2017/2018	\$6,327,352.00	\$6,325,249.49	(\$2,102.51)	-0.03%
2018/2019	\$7,451,546.00	\$7,449,812.07	(\$1,733.93)	-0.02%
2019/2020	\$7,862,110.00	\$7,859,539.11	(\$2,570.89)	-0.03%
2020/2021	\$8,760,368.00	\$8,744,075.66	(\$16,292.34)	-0.19%
2021/2022	\$8,951,080.60	\$8,944,820.57	(\$6,260.03)	-0.07%
	\$39,352,456.60	\$39,323,496.90	(\$28,959.70)	-0.07%
Grand Total	\$39,715,888.60	\$39,690,902.59	(\$24,986.01)	-0.06%

FISCAL YEAR 2021/2022 TREND ANALYSIS



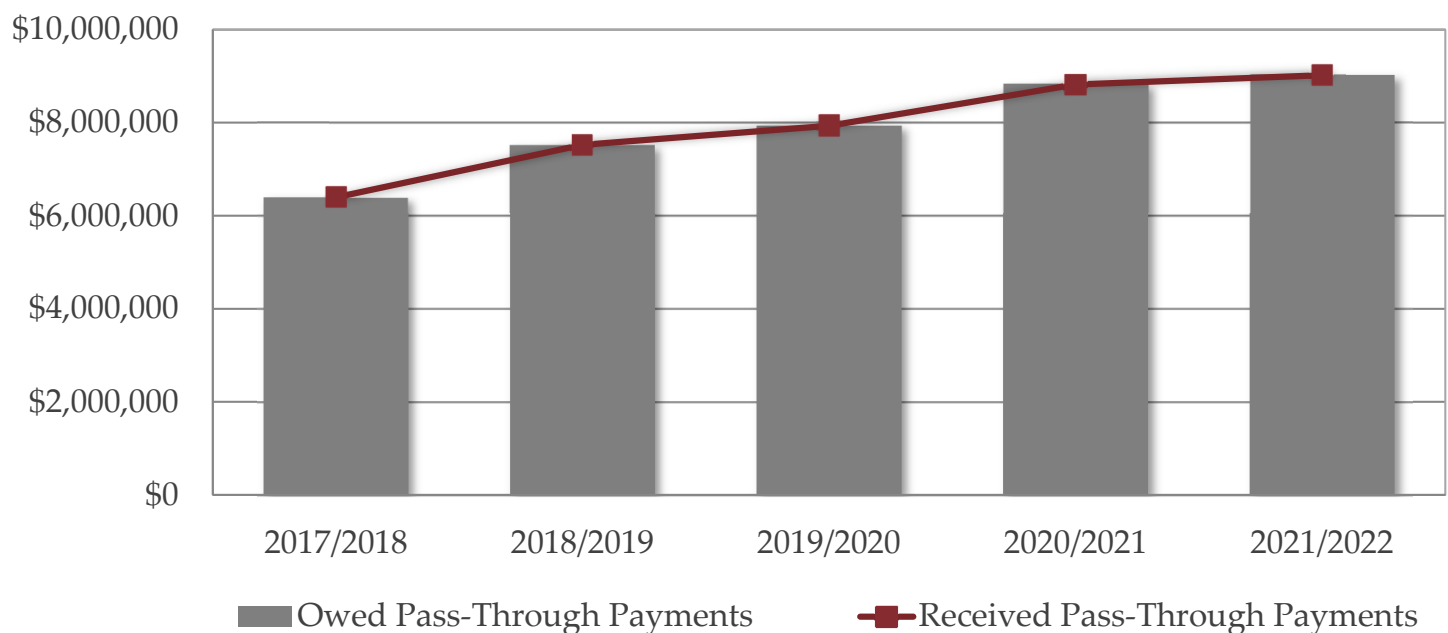
FISCAL YEAR TRENDS

Fiscal Year	Owed ^[1]	Received ^{[1][2]}	Discrepancy	%
2017/2018	\$6,397,736	\$6,396,228	(\$1,508)	(0.02%)
2018/2019	\$7,523,633	\$7,522,567	(\$1,066)	(0.01%)
2019/2020	\$7,935,785	\$7,933,979	(\$1,806)	(0.02%)
2020/2021	\$8,834,680	\$8,819,386	(\$15,294)	(0.17%)
2021/2022	\$9,024,055	\$9,018,742	(\$5,313)	(0.06%)
Total	\$39,715,889	\$39,690,803	(\$25,086)	(0.06%)

[1] "Owed" and "Received" amounts have their ERAF distributions removed.

[2] "Received" amounts reflect true-up payments received in subsequent years.

REVENUE TRENDS



An aerial photograph of a residential neighborhood, showing a grid of streets, numerous houses with red and brown roofs, and green trees. The image is darkened to serve as a background for the text.

INDIVIDUAL PROJECT AREA REPORTS

City of Santa Monica Downtown RP

I. General Information

Client Santa Monica-Malibu Unified School District	City Santa Monica
Agency Santa Monica Redevelopment Agency	County Los Angeles
Project Area Type Stand-Alone	County Code 252.02

II. Significant Dates & Events

Adoption Date January 13, 1976	Effectiveness of Redevelopment Plan January 13, 2019	<input type="checkbox"/> SB 211 (10 year) extension <input type="checkbox"/> SB 1045 (1 year) extension <input checked="" type="checkbox"/> SB 1096 (2 year) extension <input type="checkbox"/> Other extension
Agreement Date N/A	Incurring Indebtedness Eliminated	<input checked="" type="checkbox"/> SB 211 (elimination) extension <input type="checkbox"/> Other extension
Agency Tax Increment Threshold \$125,000 No Change	Repayment of Debt January 13, 2029	<input type="checkbox"/> SB 211 (10 year) extension <input type="checkbox"/> SB 1045 (1 year) extension <input checked="" type="checkbox"/> SB 1096 (2 year) extension <input type="checkbox"/> Other extension
Base Year(s) Official 1975/1976 Level 1 2003/2004 Level 2 2013/2014 Level 3 None		

III. Payment Summary

Discrepancy
\$3,974.00

Payment Type
SB 211

Commencement of Payment Eligibility
2004/2005

Actual Commencement of Payment
Unknown

Termination of Payment
January 13, 2028

Subordination Requirement
Payments are not subordinated to any obligations of the Agency.

Historical Comparison			
Fiscal Year	Owed Collections	Actual Collections	Discrepancy
2017/2018	\$70,384	\$70,978	\$594
2018/2019	\$72,087	\$72,755	\$668
2019/2020	\$73,675	\$74,440	\$765
2020/2021	\$74,312	\$75,311	\$999
2021/2022	\$72,974	\$73,921	\$947
	\$363,432	\$367,406	\$3,974

Total Projected Future Collections:	\$1,855,017
Total Projected Aggregate Collections:	\$2,123,435

IV. Use of Funds and State Reporting Requirement

Use of Funds Statutory Apportionment	State Reporting Requirement Statutory Reporting
Non-Facilities 43.3%	Reporting Required 43.3%
Facilities 56.7%	No Reporting Required 56.7%

See next page for notes about this report

City of Santa Monica Downtown RP**I. General Information****Client**

Santa Monica-Malibu Unified School District

City

Santa Monica

Agency

Santa Monica Redevelopment Agency

County

Los Angeles

Project Area Type

Stand-Alone

County Code

252.02

Termination of Payment: Pursuant to Section 34187 of the Health and Safety Code: "When all of the debt of a redevelopment agency has been retired or paid off, the successor agency must dispose of all remaining assets and terminate its existence within one year of the final debt payment. When the successor agency is terminated, all pass-through payment obligations will cease and no property tax shall be allocated to the Redevelopment Property Tax Fund for that agency." For purposes of this projection, it is assumed that the Pass-Through payments will continue through the Agency's time limit to repay indebtedness.

Pass-Through Payment Analysis

Santa Monica-Malibu Unified School District

Santa Monica Downtown RP

Former Santa Monica RDA

SB 211

Summary:

Total Payment Description	2017/2018	Total
Total Owed to SMMUSD without ERAF ⁽¹⁾	\$70,384	\$70,384
Facilities Portion (56.7%)	\$39,908	\$39,908
Non-Facilities Portion (43.3%)	\$30,476	\$30,476
Unrestricted Portion (0.0%)	\$0	\$0

(1) Santa Monica-Malibu USD no longer receives ERAF payments from the LA County Auditor-Controller.

Calculation:

Statutory Methodology

Tier 2 and Tier 3 percentage share redistributes the community's share to all other taxing entities pursuant to HSC 33607.5(4)(b).

Global

All negative calculations are assumed to result in \$0 payment.

Calculation assumes that Agency Tax Increment threshold has not been exceeded.

Tier 1 Description	2017/2018 Active	Tier 1 Total
Base Year Assessed Valuation (2003/2004)	\$173,421,101	
Current Year Assessed Valuation	\$375,358,377	
Incremental AV	\$201,937,276	
Prop 13 Tax Rate	1%	
Tax Increment	\$2,019,373	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	\$1,615,498	
Share Pursuant to Pass Through Agreement	25%	
Total Tax Increment Distributed to Affected Entities	\$403,875	
SMMUSD % Share without ERAF	17.4272%	
Amount Owed to SMMUSD without ERAF	\$70,384	\$70,384

Tier 2 Description	2017/2018 Active	Tier 2 Total
Base Year Assessed Valuation (2013/2014)	\$390,464,989	
Current Year Assessed Valuation	\$375,358,377	
Incremental AV	(\$15,106,612)	
Prop 13 Tax Rate	1%	
Tax Increment	(\$151,066)	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	(\$120,853)	
Share Pursuant to Pass Through Agreement	21%	
Total Tax Increment Distributed to Affected Entities	(\$25,379)	
SMMUSD % Share without ERAF	20.2484%	
Amount Owed to SMMUSD without ERAF	\$0	\$0

Pass-Through Payment Analysis

Santa Monica-Malibu Unified School District

Santa Monica Downtown RP

Former Santa Monica RDA

SB 211

Summary:

Total Payment Description	2018/2019	Total
Total Owed to SMMUSD without ERAF ⁽¹⁾	\$72,087	\$72,087
Facilities Portion (56.7%)	\$40,873	\$40,873
Non-Facilities Portion (43.3%)	\$31,214	\$31,214
Unrestricted Portion (0.0%)	\$0	\$0

(1) Santa Monica-Malibu USD no longer receives ERAF payments from the LA County Auditor-Controller.

Calculation:

Statutory Methodology

Tier 2 and Tier 3 percentage share redistributes the community's share to all other taxing entities pursuant to HSC 33607.5(4)(b).

Global

All negative calculations are assumed to result in \$0 payment.

Calculation assumes that Agency Tax Increment threshold has not been exceeded.

Tier 1 Description	2018/2019 Active	Tier 1 Total
Base Year Assessed Valuation (2003/2004)	\$173,421,101	
Current Year Assessed Valuation	\$380,243,828	
Incremental AV	\$206,822,727	
Prop 13 Tax Rate	1%	
Tax Increment	\$2,068,227	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	\$1,654,582	
Share Pursuant to Pass Through Agreement	25%	
Total Tax Increment Distributed to Affected Entities	\$413,645	
SMMUSD % Share without ERAF	17.4272%	
Amount Owed to SMMUSD without ERAF	\$72,087	\$72,087

Tier 2 Description	2018/2019 Active	Tier 2 Total
Base Year Assessed Valuation (2013/2014)	\$390,464,989	
Current Year Assessed Valuation	\$380,243,828	
Incremental AV	(\$10,221,161)	
Prop 13 Tax Rate	1%	
Tax Increment	(\$102,212)	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	(\$81,769)	
Share Pursuant to Pass Through Agreement	21%	
Total Tax Increment Distributed to Affected Entities	(\$17,172)	
SMMUSD % Share without ERAF	20.2484%	
Amount Owed to SMMUSD without ERAF	\$0	\$0

Pass-Through Payment Analysis

Santa Monica-Malibu Unified School District

Santa Monica Downtown RP

Former Santa Monica RDA

SB 211

Summary:

Total Payment Description	2019/2020	Total
Total Owed to SMMUSD without ERAF ⁽¹⁾	\$73,675	\$73,675
Facilities Portion (56.7%)	\$41,774	\$41,774
Non-Facilities Portion (43.3%)	\$31,901	\$31,901
Unrestricted Portion (0.0%)	\$0	\$0

(1) Santa Monica-Malibu USD no longer receives ERAF payments from the LA County Auditor-Controller.

Calculation:

Statutory Methodology

Tier 2 and Tier 3 percentage share redistributes the community's share to all other taxing entities pursuant to HSC 33607.5(4)(b).

Global

All negative calculations are assumed to result in \$0 payment.

Calculation assumes that Agency Tax Increment threshold has not been exceeded.

Tier 1 Description	2019/2020 Active	Tier 1 Total
Base Year Assessed Valuation (2003/2004)	\$173,421,101	
Current Year Assessed Valuation	\$384,800,953	
Incremental AV	\$211,379,852	
Prop 13 Tax Rate	1%	
Tax Increment	\$2,113,799	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	\$1,691,039	
Share Pursuant to Pass Through Agreement	25%	
Total Tax Increment Distributed to Affected Entities	\$422,760	
SMMUSD % Share without ERAF	17.4272%	
Amount Owed to SMMUSD without ERAF	\$73,675	\$73,675

Tier 2 Description	2019/2020 Active	Tier 2 Total
Base Year Assessed Valuation (2013/2014)	\$390,464,989	
Current Year Assessed Valuation	\$384,800,953	
Incremental AV	(\$5,664,036)	
Prop 13 Tax Rate	1%	
Tax Increment	(\$56,640)	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	(\$45,312)	
Share Pursuant to Pass Through Agreement	21%	
Total Tax Increment Distributed to Affected Entities	(\$9,516)	
SMMUSD % Share without ERAF	20.2484%	
Amount Owed to SMMUSD without ERAF	\$0	\$0

Pass-Through Payment Analysis

Santa Monica-Malibu Unified School District

Santa Monica Downtown RP

Former Santa Monica RDA

SB 211

Summary:

Total Payment Description	2020/2021	Total
Total Owed to SMMUSD without ERAF ⁽¹⁾	\$74,312	\$74,312
Facilities Portion (56.7%)	\$42,135	\$42,135
Non-Facilities Portion (43.3%)	\$32,177	\$32,177
Unrestricted Portion (0.0%)	\$0	\$0

(1) Santa Monica-Malibu USD no longer receives ERAF payments from the LA County Auditor-Controller.

Calculation:

Statutory Methodology

Tier 2 and Tier 3 percentage share redistributes the community's share to all other taxing entities pursuant to HSC 33607.5(4)(b).

Global

All negative calculations are assumed to result in \$0 payment.

Calculation assumes that Agency Tax Increment threshold has not been exceeded.

Tier 1 Description	2020/2021 Active	Tier 1 Total
Base Year Assessed Valuation (2003/2004)	\$173,421,101	
Current Year Assessed Valuation	\$386,626,349	
Incremental AV	\$213,205,248	
Prop 13 Tax Rate	1%	
Tax Increment	\$2,132,052	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	\$1,705,642	
Share Pursuant to Pass Through Agreement	25%	
Total Tax Increment Distributed to Affected Entities	\$426,410	
SMMUSD % Share without ERAF	17.4272%	
Amount Owed to SMMUSD without ERAF	\$74,312	\$74,312

Tier 2 Description	2020/2021 Active	Tier 2 Total
Base Year Assessed Valuation (2013/2014)	\$390,464,989	
Current Year Assessed Valuation	\$386,626,349	
Incremental AV	(\$3,838,640)	
Prop 13 Tax Rate	1%	
Tax Increment	(\$38,386)	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	(\$30,709)	
Share Pursuant to Pass Through Agreement	21%	
Total Tax Increment Distributed to Affected Entities	(\$6,449)	
SMMUSD % Share without ERAF	20.2484%	
Amount Owed to SMMUSD without ERAF	\$0	\$0

Pass-Through Payment Analysis

Santa Monica-Malibu Unified School District

Santa Monica Downtown RP

Former Santa Monica RDA

SB 211

Summary:

Total Payment Description	2021/2022	Total
Total Owed to SMMUSD without ERAF ⁽¹⁾	\$72,974	\$72,974
Facilities Portion (56.7%)	\$41,376	\$41,376
Non-Facilities Portion (43.3%)	\$31,598	\$31,598
Unrestricted Portion (0.0%)	\$0	\$0

(1) Santa Monica-Malibu USD no longer receives ERAF payments from the LA County Auditor-Controller.

Calculation:

Statutory Methodology

Tier 2 and Tier 3 percentage share redistributes the community's share to all other taxing entities pursuant to HSC 33607.5(4)(b).

Global

All negative calculations are assumed to result in \$0 payment.

Calculation assumes that Agency Tax Increment threshold has not been exceeded.

Tier 1 Description	2021/2022 Active	Tier 1 Total
Base Year Assessed Valuation (2003/2004)	\$173,421,101	
Current Year Assessed Valuation	\$382,789,219	
Incremental AV	\$209,368,118	
Prop 13 Tax Rate	1%	
Tax Increment	\$2,093,681	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	\$1,674,945	
Share Pursuant to Pass Through Agreement	25%	
Total Tax Increment Distributed to Affected Entities	\$418,736	
SMMUSD % Share without ERAF	17.4272%	
Amount Owed to SMMUSD without ERAF	\$72,974	\$72,974

Tier 2 Description	2021/2022 Active	Tier 2 Total
Base Year Assessed Valuation (2013/2014)	\$390,464,989	
Current Year Assessed Valuation	\$382,789,219	
Incremental AV	(\$7,675,770)	
Prop 13 Tax Rate	1%	
Tax Increment	(\$76,758)	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	(\$61,406)	
Share Pursuant to Pass Through Agreement	21%	
Total Tax Increment Distributed to Affected Entities	(\$12,895)	
SMMUSD % Share without ERAF	20.2484%	
Amount Owed to SMMUSD without ERAF	\$0	\$0

Pass-Through Payment Analysis
Santa Monica-Malibu Unified School District
Revenue Stream

Santa Monica Downtown RP
Former Santa Monica RDA
SB 211

Future Projection without ERAF:

Payment Year	Fiscal Year	AV	Tier 1 Payment	Tier 2 Payment	Tier 3 Payment	Total
18	2021/2022	\$382,789,219	NA	NA	NA	NA
19	2022/2023	\$390,445,003	\$75,642	\$0	\$0	\$75,642
20	2023/2024	\$398,253,903	\$78,364	\$2,650	\$0	\$81,014
21	2024/2025	\$406,218,982	\$81,140	\$5,359	\$0	\$86,499
22	2025/2026	\$414,343,361	\$83,972	\$8,123	\$0	\$92,095
23	2026/2027	\$422,630,228	\$86,860	\$10,942	\$0	\$97,802
Total		NA	\$405,980	\$27,073	\$0	\$433,053

Calculation Notes:

SMMUSD may receive a partial payment in FY 2027/2028.

Projection assumes that Tax Increment is a consistent percentage of Incremental Assessed Value in each FY.

Payments have been projected by escalating the prior year Assessed Value by 2%.

City of Santa Monica Earthquake Rec RP

I. General Information

Client Santa Monica-Malibu Unified School District	City Santa Monica
Agency Santa Monica Redevelopment Agency	County Los Angeles
Project Area Type Stand-Alone	County Code 252.03

II. Significant Dates & Events

Adoption Date June 21, 1994	Effectiveness of Redevelopment Plan June 21, 2027	<input type="checkbox"/> SB 211 (10 year) extension <input type="checkbox"/> SB 1045 (1 year) extension <input checked="" type="checkbox"/> SB 1096 (2 year) extension <input type="checkbox"/> Other extension
Agreement Date N/A	Incurring Indebtedness June 21, 2014	<input type="checkbox"/> SB 211 (elimination) extension <input type="checkbox"/> Other extension
Agency Tax Increment Threshold NA No Change	Repayment of Debt June 21, 2042	<input type="checkbox"/> SB 211 (10 year) extension <input type="checkbox"/> SB 1045 (1 year) extension <input checked="" type="checkbox"/> SB 1096 (2 year) extension <input type="checkbox"/> Other extension
Base Year(s) Official 1993/1994 Level 1 1993/1994 Level 2 2005/2006 Level 3 2025/2026		

III. Payment Summary

Discrepancy
(\$51,781.00)

Payment Type
AB 1290

Commencement of Payment Eligibility
1994/1995

Actual Commencement of Payment
Unknown

Termination of Payment
June 21, 2042

Subordination Requirement
Payments are not subordinated to any obligations of the Agency.

Historical Comparison

Fiscal Year	Owed Collections	Actual Collections	Discrepancy
2016/2017	\$11,658,384	\$11,793,252	\$134,868
2020/2021	\$8,760,368	\$8,573,719	(\$186,649)
	\$20,418,752	\$20,366,971	(\$51,781)

Total Projected Future Collections:	\$447,539,181
Total Projected Aggregate Collections:	\$469,901,054

IV. Use of Funds and State Reporting Requirement

Use of Funds
Statutory Apportionment

State Reporting Requirement
Statutory Reporting

Non-Facilities 43.3%

Reporting Required 43.3%

Facilities 56.7%

No Reporting Required 56.7%

See next page for notes about this report

City of Santa Monica Earthquake Rec RP**I. General Information****Client**

Santa Monica-Malibu Unified School District

City

Santa Monica

Agency

Santa Monica Redevelopment Agency

County

Los Angeles

Project Area Type

Stand-Alone

County Code

252.03

Adjusted Base Year: Pursuant to Section 33607.5 of the Health & Safety Code, "The first adjusted base year assessed value is the assessed value of the project area in the 10th fiscal year in which the agency receives tax increment revenues," and, "The second adjusted base year assessed value is the assessed value of the project area in the 30th fiscal year in which the agency receives tax increments." Because Tax Increment was first collected by the Agency in FY 1995/1996, the Second and Third Adjusted Base years are FY 2005/2006 and FY 2025/2026 respectively.

Pass-Through Payment Analysis

Santa Monica-Malibu Unified School District

Santa Monica Earthquake Recovery RP

Former Santa Monica RDA

AB 1290

Future Projection without ERAF:

Total Payment Description	2017/2018	Total
Total Owed to SMMUSD without ERAF ⁽¹⁾	\$6,327,352	\$6,327,352
Facilities Portion (56.7%)	\$3,587,608	\$3,587,608
Non-Facilities Portion (43.3%)	\$2,739,743	\$2,739,743
Unrestricted Portion (0.0%)	\$0	\$0

(1) Santa Monica-Malibu USD no longer receives ERAF payments from the LA County Auditor-Controller.

Calculation:

Statutory Methodology

Tier 2 and Tier 3 percentage share redistributes the community's share to all other taxing entities pursuant to HSC 33607.5(4)(b).

Global

All negative calculations are assumed to result in \$0 payment.

Calculation assumes that Agency Tax Increment threshold has not been exceeded.

Tier 1 Description	2017/2018 Active	Tier 1 Total
Base Year Assessed Valuation (1993/1994)		
Current Year Assessed Valuation		
Incremental AV		
Prop 13 Tax Rate		
Tax Increment	\$115,891,524	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	\$92,713,219	
Share Pursuant to Pass Through Agreement	25%	
Total Tax Increment Distributed to Affected Entities	\$23,178,305	
SMMUSD % Share without ERAF	17.4267%	
Amount Owed to SMMUSD without ERAF	\$4,039,218	\$4,039,218

Tier 2 Description	2017/2018 Active	Tier 2 Total
Base Year Assessed Valuation (2005/2006)	\$7,983,811,753	
Current Year Assessed Valuation	\$14,710,452,132	
Incremental AV	\$6,726,640,379	
Prop 13 Tax Rate	1%	
Tax Increment	\$67,266,404	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	\$53,813,123	
Share Pursuant to Pass Through Agreement	21%	
Total Tax Increment Distributed to Affected Entities	\$11,300,756	
SMMUSD % Share without ERAF	20.2476%	
Amount Owed to SMMUSD without ERAF	\$2,288,134	\$2,288,134

Pass-Through Payment Analysis

Santa Monica-Malibu Unified School District

Santa Monica Earthquake Recovery RP

Former Santa Monica RDA

AB 1290

Future Projection without ERAF:

Total Payment Description	2018/2019	Total
Total Owed to SMMUSD without ERAF ⁽¹⁾	\$7,451,546	\$7,451,546
Facilities Portion (56.7%)	\$4,225,026	\$4,225,026
Non-Facilities Portion (43.3%)	\$3,226,519	\$3,226,519
Unrestricted Portion (0.0%)	\$0	\$0

(1) Santa Monica-Malibu USD no longer receives ERAF payments from the LA County Auditor-Controller.

Calculation:

Statutory Methodology

Tier 2 and Tier 3 percentage share redistributes the community's share to all other taxing entities pursuant to HSC 33607.5(4)(b).

Global

All negative calculations are assumed to result in \$0 payment.

Calculation assumes that Agency Tax Increment threshold has not been exceeded.

Tier 1 Description	2018/2019 Active	Tier 1 Total
Base Year Assessed Valuation (1993/1994)		
Current Year Assessed Valuation		
Incremental AV		
Prop 13 Tax Rate		
Tax Increment	\$132,894,229	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	\$106,315,383	
Share Pursuant to Pass Through Agreement	25%	
Total Tax Increment Distributed to Affected Entities	\$26,578,846	
SMMUSD % Share without ERAF	17.4267%	
Amount Owed to SMMUSD without ERAF	\$4,631,820	\$4,631,820

Tier 2 Description	2018/2019 Active	Tier 2 Total
Base Year Assessed Valuation (2005/2006)	\$7,983,811,753	
Current Year Assessed Valuation	\$16,273,220,507	
Incremental AV	\$8,289,408,754	
Prop 13 Tax Rate	1%	
Tax Increment	\$82,894,088	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	\$66,315,270	
Share Pursuant to Pass Through Agreement	21%	
Total Tax Increment Distributed to Affected Entities	\$13,926,207	
SMMUSD % Share without ERAF	20.2476%	
Amount Owed to SMMUSD without ERAF	\$2,819,725	\$2,819,725

Pass-Through Payment Analysis

Santa Monica-Malibu Unified School District

Santa Monica Earthquake Recovery RP

Former Santa Monica RDA

AB 1290

Future Projection without ERAF:

Total Payment Description	2019/2020	Total
Total Owed to SMMUSD without ERAF ⁽¹⁾	\$7,862,110	\$7,862,110
Facilities Portion (56.7%)	\$4,457,817	\$4,457,817
Non-Facilities Portion (43.3%)	\$3,404,294	\$3,404,294
Unrestricted Portion (0.0%)	\$0	\$0

(1) Santa Monica-Malibu USD no longer receives ERAF payments from the LA County Auditor-Controller.

Calculation:

Statutory Methodology

Tier 2 and Tier 3 percentage share redistributes the community's share to all other taxing entities pursuant to HSC 33607.5(4)(b).

Global

All negative calculations are assumed to result in \$0 payment.

Calculation assumes that Agency Tax Increment threshold has not been exceeded.

Tier 1 Description	2019/2020 Active	Tier 1 Total
Base Year Assessed Valuation (1993/1994)		
Current Year Assessed Valuation		
Incremental AV		
Prop 13 Tax Rate		
Tax Increment	\$134,862,214	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	\$107,889,771	
Share Pursuant to Pass Through Agreement	25%	
Total Tax Increment Distributed to Affected Entities	\$26,972,443	
SMMUSD % Share without ERAF	17.4267%	
Amount Owed to SMMUSD without ERAF	\$4,700,411	\$4,700,411

Tier 2 Description	2019/2020 Active	Tier 2 Total
Base Year Assessed Valuation (2005/2006)	\$7,983,811,753	
Current Year Assessed Valuation	\$17,278,552,721	
Incremental AV	\$9,294,740,968	
Prop 13 Tax Rate	1%	
Tax Increment	\$92,947,410	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	\$74,357,928	
Share Pursuant to Pass Through Agreement	21%	
Total Tax Increment Distributed to Affected Entities	\$15,615,165	
SMMUSD % Share without ERAF	20.2476%	
Amount Owed to SMMUSD without ERAF	\$3,161,699	\$3,161,699

Pass-Through Payment Analysis

Santa Monica-Malibu Unified School District

Santa Monica Earthquake Recovery RP

Former Santa Monica RDA

AB 1290

Future Projection without ERAF:

Total Payment Description	2020/2021	Total
Total Owed to SMMUSD without ERAF ⁽¹⁾	\$8,760,368	\$8,760,368
Facilities Portion (56.7%)	\$4,967,129	\$4,967,129
Non-Facilities Portion (43.3%)	\$3,793,239	\$3,793,239
Unrestricted Portion (0.0%)	\$0	\$0

(1) Santa Monica-Malibu USD no longer receives ERAF payments from the LA County Auditor-Controller.

Calculation:

Statutory Methodology

Tier 2 and Tier 3 percentage share redistributes the community's share to all other taxing entities pursuant to HSC 33607.5(4)(b).

Global

All negative calculations are assumed to result in \$0 payment.

Calculation assumes that Agency Tax Increment threshold has not been exceeded.

Tier 1 Description	2020/2021 Active	Tier 1 Total
Base Year Assessed Valuation (1993/1994)		
Current Year Assessed Valuation		
Incremental AV		
Prop 13 Tax Rate		
Tax Increment	\$150,728,553	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	\$120,582,842	
Share Pursuant to Pass Through Agreement	25%	
Total Tax Increment Distributed to Affected Entities	\$30,145,711	
SMMUSD % Share without ERAF	17.4267%	
Amount Owed to SMMUSD without ERAF	\$5,253,408	\$5,253,408

Tier 2 Description	2020/2021 Active	Tier 2 Total
Base Year Assessed Valuation (2005/2006)	\$7,983,811,753	
Current Year Assessed Valuation	\$18,293,549,337	
Incremental AV	\$10,309,737,584	
Prop 13 Tax Rate	1%	
Tax Increment	\$103,097,376	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	\$82,477,901	
Share Pursuant to Pass Through Agreement	21%	
Total Tax Increment Distributed to Affected Entities	\$17,320,359	
SMMUSD % Share without ERAF	20.2476%	
Amount Owed to SMMUSD without ERAF	\$3,506,960	\$3,506,960

Pass-Through Payment Analysis

Santa Monica-Malibu Unified School District

Santa Monica Earthquake Recovery RP

Former Santa Monica RDA

AB 1290

Future Projection without ERAF:

Total Payment Description	2021/2022	Total
Total Owed to SMMUSD without ERAF ⁽¹⁾	\$8,951,081	\$8,951,081
Facilities Portion (56.7%)	\$5,075,263	\$5,075,263
Non-Facilities Portion (43.3%)	\$3,875,818	\$3,875,818
Unrestricted Portion (0.0%)	\$0	\$0

(1) Santa Monica-Malibu USD no longer receives ERAF payments from the LA County Auditor-Controller.

Calculation:

Tier 2 and Tier 3 percentage share redistributes the community's share to all other taxing entities pursuant to HSC 33607.5(4)(b).

Global

All negative calculations are assumed to result in \$0 payment.

Calculation assumes that Agency Tax Increment threshold has not been exceeded.

Tier 1 Description	2021/2022 Active	Tier 1 Total
Base Year Assessed Valuation (1993/1994)		
Current Year Assessed Valuation		
Incremental AV		
Prop 13 Tax Rate		
Tax Increment	\$150,989,935	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	\$120,791,948	
Share Pursuant to Pass Through Agreement	25%	
Total Tax Increment Distributed to Affected Entities	\$30,197,987	
SMMUSD % Share without ERAF	17.4267%	
Amount Owed to SMMUSD without ERAF	\$5,262,518	\$5,262,518

Tier 2 Description	2021/2022 Active	Tier 2 Total
Base Year Assessed Valuation (2005/2006)	\$7,983,811,753	
Current Year Assessed Valuation	\$18,827,423,241	
Incremental AV	\$10,843,611,488	
Prop 13 Tax Rate	1%	
Tax Increment	\$108,436,115	
Deduct Housing Set-Aside	20%	
Tax Increment Net of Housing Set-Aside	\$86,748,892	
Share Pursuant to Pass Through Agreement	21%	
Total Tax Increment Distributed to Affected Entities	\$18,217,267	
SMMUSD % Share without ERAF	20.2476%	
Amount Owed to SMMUSD without ERAF	\$3,688,563	\$3,688,563

Pass-Through Payment Analysis
Santa Monica-Malibu Unified School District
Revenue Stream

Santa Monica Earthquake Recovery RP
Former Santa Monica RDA
AB 1290

Future Projection without ERAF:

Payment Year	Fiscal Year	AV	Tier 1 Payment	Tier 2 Payment	Tier 3 Payment	Total
28	2021/2022	\$18,827,423,241	NA	NA	NA	NA
29	2022/2023	\$19,203,971,706	\$5,369,472	\$3,816,649	\$0	\$9,186,121
30	2023/2024	\$19,588,051,140	\$5,503,337	\$3,947,298	\$0	\$9,450,635
31	2024/2025	\$19,979,812,163	\$5,639,879	\$4,080,559	\$0	\$9,720,438
Tier 3 Base Year	2025/2026	\$20,379,408,406	\$5,779,152	\$4,216,486	\$0	\$9,995,638
33	2026/2027	\$20,786,996,574	\$5,921,210	\$4,355,131	\$92,430	\$10,368,772
34	2027/2028	\$21,202,736,506	\$6,066,110	\$4,496,549	\$186,709	\$10,749,368
35	2028/2029	\$21,626,791,236	\$6,213,908	\$4,640,796	\$282,873	\$11,137,576
36	2029/2030	\$22,059,327,060	\$6,364,661	\$4,787,927	\$380,961	\$11,533,549
37	2030/2031	\$22,500,513,602	\$6,518,430	\$4,938,001	\$481,010	\$11,937,441
38	2031/2032	\$22,950,523,874	\$6,675,274	\$5,091,077	\$583,060	\$12,349,411
39	2032/2033	\$23,409,534,351	\$6,835,255	\$5,247,214	\$687,152	\$12,769,620
40	2033/2034	\$23,877,725,038	\$6,998,435	\$5,406,473	\$793,325	\$13,198,234
41	2034/2035	\$24,355,279,539	\$7,164,880	\$5,568,918	\$901,622	\$13,635,419
42	2035/2036	\$24,842,385,130	\$7,334,653	\$5,734,612	\$1,012,084	\$14,081,349
43	2036/2037	\$25,339,232,832	\$7,507,821	\$5,903,620	\$1,124,756	\$14,536,197
44	2037/2038	\$25,846,017,489	\$7,684,453	\$6,076,008	\$1,239,681	\$15,000,142
45	2038/2039	\$26,362,937,839	\$7,864,617	\$6,251,843	\$1,356,905	\$15,473,365
46	2039/2040	\$26,890,196,595	\$8,048,385	\$6,431,196	\$1,476,473	\$15,956,054
47	2040/2041	\$27,428,000,527	\$8,235,828	\$6,614,135	\$1,598,433	\$16,448,396
Total		NA	\$127,725,759	\$97,604,491	\$12,197,473	\$237,527,723

Calculation Notes:

SMMUSD may receive a partial payment in FY 2041/2042.

Projection assumes that Tax Increment is a consistent percentage of Incremental Assessed Value in each FY.

Payments have been projected by escalating the prior year Assessed Value by 2%.

An aerial photograph of a residential neighborhood, showing a grid of streets, numerous houses with brown and grey roofs, and green trees. The image is darkened to serve as a background for the title text.

DISTRICT GENERAL LEDGER

Santa Ana Unified School District
FY 2017/2018
General Ledger Reconciliation

Legend	Object Code	Description	January 2018	June 2018	Total
	8625	Pass-Through - Facilities	\$1,582,741.08	\$2,021,907.55	\$3,604,648.63
	8084	Pass-Through - Non-Facilities	\$1,208,689.41	\$1,544,066.95	\$2,752,756.36
	8047	Residual - Annual Residual	\$4,653,891.09	\$4,995,555.39	\$9,649,446.48
Total			\$7,445,321.58	\$8,561,529.89	\$16,006,851.47

Object Code 8625					
Date	Fund No.	Object Code	Description	Income	Notes
1/2/2018	931.03 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$1,451,940.78	
1/2/2018	931.07 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$5,061.29	
1/2/2018	931.20 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$8,624.71	
1/2/2018	931.06 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$3,804.30	
1/2/2018	931.03 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$111,961.23	
1/2/2018	931.07 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$390.30	
1/2/2018	931.20 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$665.10	
1/2/2018	931.06 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$293.37	
6/1/2018	931.03 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$1,997,841.25	
6/1/2018	931.07 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$6,964.21	
6/1/2018	931.20 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$11,867.45	
6/1/2018	931.06 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$5,234.64	

Object Code 8047					
Date	Fund No.	Object Code	Description	Income	Notes
1/2/2018	931.03	8047	Residual	\$4,598,496.80	
1/2/2018	931.07	8047	Residual	\$16,030.24	
1/2/2018	931.20	8047	Residual	\$27,315.09	
1/2/2018	931.06	8047	Residual	\$12,048.96	
1/2/2018	931.03 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$1,108,801.33	
1/2/2018	931.07 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$3,865.16	
1/2/2018	931.20 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$6,586.41	
1/2/2018	931.06 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$2,905.23	
1/4/2021	931.03 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$85,501.27	
1/4/2021	931.07 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$298.06	
1/4/2021	931.20 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$507.90	
1/4/2021	931.06 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$224.05	
6/1/2018	931.03	8047	Residual	\$4,936,094.28	
6/1/2018	931.07	8047	Residual	\$17,206.96	
6/1/2018	931.20	8047	Residual	\$29,320.68	
6/1/2018	931.06	8047	Residual	\$12,933.47	
6/1/2018	931.03 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$1,525,688.29	
6/1/2018	931.07 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$5,318.36	
6/1/2018	931.20 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$9,062.78	
6/1/2018	931.06 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$3,997.52	

Santa Ana Unified School District
FY 2018/2019
General Ledger Reconciliation

Legend	Object Code	Description	January 2019	June 2019	Total
	8625	Pass-Through - Facilities	\$1,879,506.45	\$2,401,381.17	\$4,280,887.62
	8084	Pass-Through - Non-Facilities	\$1,435,319.74	\$1,833,858.95	\$3,269,178.69
	8047	Residual - Annual Residual	\$5,282,059.84	\$6,313,308.76	\$11,595,368.60
	Total		\$8,596,886.03	\$10,548,548.88	\$19,145,434.91

Object Code 8625					
Date	Fund No.	Object Code	Description	Income	Notes
1/2/2019	931.03 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$1,721,812.67	
1/2/2019	931.07 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$6,002.03	
1/2/2019	931.20 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$10,227.78	
1/2/2019	931.06 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$4,511.41	
1/2/2019	931.03 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$135,322.45	
1/2/2019	931.07 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$471.72	
1/2/2019	931.20 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$803.83	
1/2/2019	931.06 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$354.56	
6/3/2019	931.03 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$2,372,798.07	
6/3/2019	931.07 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$8,271.28	
6/3/2019	931.20 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$14,094.75	
6/3/2019	931.06 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$6,217.07	

Object Code 8047					
Date	Fund No.	Object Code	Description	Income	Notes
1/2/2019	931.03	8047	Residual	\$5,219,188.47	
1/2/2019	931.07	8047	Residual	\$18,193.92	
1/2/2019	931.20	8047	Residual	\$31,002.20	
1/2/2019	931.06	8047	Residual	\$13,675.25	
1/2/2019	931.03 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$1,314,893.96	
1/2/2019	931.07 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$4,583.58	
1/2/2019	931.20 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$7,810.65	
1/2/2019	931.06 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$3,445.21	
1/4/2018	931.03 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$103,341.48	
1/4/2018	931.07 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$360.23	
1/4/2018	931.20 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$613.87	
1/4/2018	931.06 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$270.76	
6/3/2019	931.03	8047	Residual	\$6,238,162.60	
6/3/2019	931.07	8047	Residual	\$21,746.01	
6/3/2019	931.20	8047	Residual	\$37,055.01	
6/3/2019	931.06	8047	Residual	\$16,345.14	
6/3/2019	931.03 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$1,812,030.96	
6/3/2019	931.07 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$6,316.51	
6/3/2019	931.20 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$10,763.71	
6/3/2019	931.06 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$4,747.77	

Santa Ana Unified School District
FY 2019/2020
General Ledger Reconciliation

Legend	Object Code	Description	January 2020	June 2020	Total
	8625	Pass-Through - Facilities	\$2,039,101.59	\$2,429,428.46	\$4,468,530.05
	8084	Pass-Through - Non-Facilities	\$1,557,197.50	\$1,855,277.82	\$3,412,475.32
	8047	Residual - Annual Residual	\$5,529,057.72	\$5,708,637.18	\$11,237,694.90
Total			\$9,125,356.81	\$9,993,343.46	\$19,118,700.27

Object Code 8625					
Date	Fund No.	Object Code	Description	Income	Notes
1/2/2020	931.03 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$1,893,469.99	
1/2/2020	931.07 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$6,600.42	
1/2/2020	931.20 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$11,247.47	
1/2/2020	931.06 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$4,961.17	
1/4/2019	931.03 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$121,360.62	
1/4/2019	931.07 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$423.03	
1/4/2019	931.20 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$720.89	
1/4/2019	931.06 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$318.00	
6/1/2020	931.03 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$2,400,511.54	
6/1/2020	931.07 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$8,367.86	
6/1/2020	931.20 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$14,259.37	
6/1/2020	931.06 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$6,289.69	

Object Code 8047					
Date	Fund No.	Object Code	Description	Income	Notes
1/2/2020	931.03	8047	Residual	\$5,463,246.40	
1/2/2020	931.07	8047	Residual	\$19,044.70	
1/2/2020	931.20	8047	Residual	\$32,451.93	
1/2/2020	931.06	8047	Residual	\$14,314.69	
1/2/2020	931.03 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$1,445,983.26	
1/2/2020	931.07 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$5,040.52	
1/2/2020	931.20 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$8,589.33	
1/2/2020	931.06 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$3,788.70	
1/4/2019	931.03 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$92,679.26	
1/4/2019	931.07 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$323.05	
1/4/2019	931.20 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$550.53	
1/4/2019	931.06 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$242.85	
6/1/2020	931.03	8047	Residual	\$5,640,688.35	
6/1/2020	931.07	8047	Residual	\$19,663.04	
6/1/2020	931.20	8047	Residual	\$33,506.20	
6/1/2020	931.06	8047	Residual	\$14,779.59	
6/1/2020	931.03 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$1,833,194.88	
6/1/2020	931.07 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$6,390.28	
6/1/2020	931.20 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$10,889.42	
6/1/2020	931.06 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$4,803.24	

Santa Monica-Malibu Unified School District
FY 2020/2021
General Ledger Reconciliation

Legend	Object Code	Description	January 2021	June 2021	Total
	8625	Pass-Through - Facilities	\$2,259,806.74	\$2,798,893.37	\$5,058,700.11
	8084	Pass-Through - Non-Facilities	\$1,725,743.08	\$2,137,426.50	\$3,863,169.58
	8047	Residual - Annual Residual	\$6,968,671.37	\$11,080,338.99	\$18,049,010.36
Total			\$10,954,221.19	\$16,016,658.86	\$26,970,880.05

Object Code 8625					
Date	Fund No.	Object Code	Description	Income	Notes
1/4/2021	931.03 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$2,080,050.01	
1/4/2021	931.07 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$7,250.80	
1/4/2021	931.20 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$12,355.77	
1/4/2021	931.06 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$5,450.05	
1/4/2021	931.03 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$152,858.76	
1/4/2021	931.07 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$532.85	
1/4/2021	931.20 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$908.00	
1/4/2021	931.06 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$400.50	
6/1/2021	931.03 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$2,765,578.77	
6/1/2021	931.07 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$9,640.45	
6/1/2021	931.20 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$16,427.93	
6/1/2021	931.06 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$7,246.22	

Object Code 8047					
Date	Fund No.	Object Code	Description	Income	Notes
1/4/2021	931.03	8047	Residual	\$6,885,724.61	
1/4/2021	931.07	8047	Residual	\$24,003.28	
1/4/2021	931.20	8047	Residual	\$40,901.60	
1/4/2021	931.06	8047	Residual	\$18,041.88	
1/4/2021	931.03 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$1,588,468.52	
1/4/2021	931.07 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$5,537.21	
1/4/2021	931.20 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$9,435.72	
1/4/2021	931.06 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$4,162.04	
1/4/2021	931.03 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$116,733.41	
1/4/2021	931.07 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$406.92	
1/4/2021	931.20 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$693.42	
1/4/2021	931.06 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$305.84	
6/1/2021	931.03	8047	Residual	\$10,932,690.05	
6/1/2021	931.07	8047	Residual	\$38,110.78	
6/1/2021	931.20	8047	Residual	\$64,940.91	
6/1/2021	931.06	8047	Residual	\$28,645.65	
6/1/2021	931.03	8047	Prior Period Adjustment	\$15,761.74	
6/1/2021	931.07	8047	Prior Period Adjustment	\$54.94	
6/1/2021	931.20	8047	Prior Period Adjustment	\$93.62	
6/1/2021	931.06	8047	Prior Period Adjustment	\$41.30	
6/1/2021	931.03 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$2,111,985.21	
6/1/2021	931.07 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$7,362.10	
6/1/2021	931.20 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$12,545.49	
6/1/2021	931.06 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$5,533.70	

Santa Ana Unified School District
FY 2021/2022
General Ledger Reconciliation

Legend	Object Code	Description	January 2022	June 2022	Total
	8625	Pass-Through - Facilities	\$2,258,155.14	\$2,790,097.87	\$5,048,253.01
	8084	Pass-Through - Non-Facilities	\$1,724,481.74	\$2,130,709.70	\$3,855,191.44
	8047	Residual - Annual Residual	\$5,872,143.64	\$9,739,472.17	\$15,611,615.81
	Total		\$9,854,780.52	\$14,660,279.74	\$24,515,060.26

Object Code 8625					
Date	Fund No.	Object Code	Description	Income	Notes
1/3/2022	931.03 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$2,134,684.74	
1/3/2022	931.07 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$7,441.26	
1/3/2022	931.20 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$12,680.33	
1/3/2022	931.06 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$5,593.20	
1/3/2022	931.03 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$96,592.04	
1/3/2022	931.07 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$336.71	
1/3/2022	931.20 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$573.77	
1/3/2022	931.06 Fac - True Up	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$253.09	
6/1/2022	931.03 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$2,756,888.01	
6/1/2022	931.07 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$9,610.13	
6/1/2022	931.20 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$16,376.30	
6/1/2022	931.06 Fac	8625	Facilities Portion of Santa Monica Downtown and EQ Recovery	\$7,223.43	

Object Code 8047					
Date	Fund No.	Object Code	Description	Income	Notes
1/3/2022	931.03	8047	Residual	\$5,802,248.59	
1/3/2022	931.07	8047	Residual	\$20,226.39	
1/3/2022	931.20	8047	Residual	\$34,465.66	
1/3/2022	931.06	8047	Residual	\$15,203.00	
1/3/2022	931.03 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$1,630,191.37	
1/3/2022	931.07 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$5,682.64	
1/3/2022	931.20 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$9,683.55	
1/3/2022	931.06 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$4,271.34	
1/3/2022	931.03 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$73,764.30	
1/3/2022	931.07 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$257.12	
1/3/2022	931.20 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$438.16	
1/3/2022	931.06 Non-Fac - Trueup	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$193.26	
6/1/2022	931.03	8047	Residual	\$9,623,544.94	
6/1/2022	931.07	8047	Residual	\$33,547.26	
6/1/2022	931.20	8047	Residual	\$57,164.44	
6/1/2022	931.06	8047	Residual	\$25,215.53	
6/1/2022	931.03 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$2,105,348.35	
6/1/2022	931.07 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$7,338.97	
6/1/2022	931.20 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$12,506.06	
6/1/2022	931.06 Non-Fac	8047	Non-Facilities Portion of Santa Monica Downtown and EQ Recovery	\$5,516.32	

An aerial photograph of a suburban neighborhood, showing a grid of streets, numerous houses with red and brown roofs, and green trees. The image is darkened to serve as a background for the text.

Exhibit A Decoder



REDEVELOPMENT DECODER

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PAYMENT JUSTIFICATION	DESCRIPTION	USE OF FUNDS	STATE REPORTING REQUIREMENT
PASS-THROUGH AGREEMENT (PTA) (HSC 33401 or HSC 33445)	A payment type based on a negotiated agreement executed prior to 1994 between the LEA and a Redevelopment Agency	Depends on PTA	Depends on execution date
ASSEMBLY BILL 1290 (HSC 33607.5)	A statutory payment type governing all post-1994 project areas	Statutory Split	Amount spent on Non-Facilities
SENATE BILL 211 (HSC 33607.7)	A statutory payment type triggered by an Agency SB 211 amendment; only affects pre-1994 project areas with no PTA	Statutory Split	Amount spent on Non-Facilities
OTHER STATUTORY (HSC 33607.7)	A statutory payment type similar to SB 211 but triggered by a different type of Agency amendment	Statutory Split	Amount spent on Non-Facilities
TWO-PERCENT	A payment type based on inflationary revenues; only applies to pre-1994 project areas with no PTA	Unrestricted	Depends on adoption date

I. REDEVELOPMENT HISTORY

Redevelopment was created in 1945 as a tool to revitalize areas in California that suffered from urban decay. The decay of cities and counties throughout California had been a large concern among public officials at the State and local levels. The deterioration of property had destroyed a large part of the tax base that local entities relied so heavily on. Local entities needed a tool to stimulate stagnant and declining property values in these areas. The California Redevelopment Act provided cities and counties with the power to directly counter urban decay. The end goal was that redevelopment would revitalize deteriorating properties, thereby rejuvenating urban growth and increasing property values.

As expected, urban growth created additional monetary strain on public entities serving those areas. To remedy the strain, public entities demanded compensation from cities and counties. As a resolution, the increased tax base generated through redevelopment was to be shared between the public entities and the city/county.

Over the history of redevelopment, there have been constant changes in the philosophy of how much to share and how the shares should be determined. Redevelopment law has accordingly followed these changes in its statutes and provisions.

The most significant change in redevelopment was Assembly Bill X1 26 (“AB X1 26”), known as the “Dissolution Bill,” signed by Governor Brown on June 29, 2011 and

upheld by the Supreme Court on December 29, 2011. The Dissolution Bill eliminated Redevelopment Agencies as of February 1, 2012 and replaced them with Successor Agencies. Though Redevelopment Agencies have been eliminated, the responsibility of calculating pass-through payments will remain, however it will shift to the Auditor-Controller instead of the former Redevelopment Agency.

Assembly Bill 1484 ("AB 1484"), known as the redevelopment "Clean-Up Bill", was signed by Governor Brown on June 27, 2012. AB 1484 addressed many unresolved issues that arose as a result of AB X1 26, including Oversight Board responsibilities, pass-through payment priority, pass-through payment timing, and pass-through payment termination.

II. GENERAL TERMS

A. AB X1 26

Assembly Bill No. 26 of the First Extraordinary Session was introduced on May 19, 2011, by Assembly Member Blumenfield, then Chair of the Assembly Budget Committee. The bill was written to address the fiscal emergency declared and reaffirmed by the Governor by proclamation on January 20, 2011, and was one of 2 bills designed to affect redevelopment. While AB X1 26 eliminated redevelopment, its partner bill, AB X1 27, allowed redevelopment agencies to continue operation upon making a payment to the State designed to fill, in total, \$1.7 Billion of the State's budget gap. The California Redevelopment Association and others, believing that the "ransom" payment was an unconstitutional violation of Proposition 22, filed a suit with the California Supreme Court. On December 29, 2011, the Court ruled that AB X1 26 was constitutional and AB X1 27 was not, thereby eliminating redevelopment in California. Other portions of the bill had already taken effect, but the elimination portion took effect on February 1, 2012.

B. AB 1484

On June 27, 2012, Governor Brown signed budget trailer bill AB 1484 into law, resulting in further changes to the Health and Safety Code which affect the procedures to be followed by Successor Agencies, Oversight Boards, County Auditor-Controllers and the Department of Finance. The bill was written to address a number of disputes that had arisen as a result of AB X1 26. The greatest LEA victory was the clarification the Legislature provided regarding the priority of pass-through payments, reiterating that pass-through payments shall not be reduced. The largest challenge presented to LEAs as a result of AB 1484,

is the possibility that pass-through payments may be terminated early if the Successor Agency pays off its debt before the time limit to repay indebtedness.

C. Housing Set-Aside ("HSA")

In an effort not to displace the residents of low and moderate income housing units within the Project Area, the former RDA was required by law to set aside a certain percentage of their Tax Increment for the purposes of modifying and/or re-building low and moderate income housing. The percentages varied depending on the former RDA, but the majority of the time the former RDA set aside the minimum requirement of twenty-percent (20%). Subsequent to AB X1 26, there is no housing set-aside requirement.

D. Pass-Through Payments

As expected, urban growth creates additional financial strain upon local public entities serving those areas. To remedy the strain, public entities demanded compensation from the RDAs. As a resolution, the State obligated Agencies to "pass through" a portion of their Tax Increment to affected local taxing agencies. Subsequent to AB X1 26, pass-through payments will continue, but the responsibility will shift to the Auditor Controller.

E. Project Area

A defined area deemed by a former RDA to be blighted and from which the former RDA, now the Successor Agency, receives revenue to pay obligations. Often former RDAs adopted several Project Areas over a span of time, which are not necessarily contiguous areas of land. Subsequent to AB X1 26, no new project areas can be formed.

F. Redevelopment Agency ("RDA")

The California Redevelopment Act ("Act") authorized the establishment of RDAs, which acted as separate public entities tasked to oversee all redevelopment activities within its jurisdiction. Subsequent to AB X1 26, RDA's have been eliminated and replaced by Successor Agencies.

G. Successor Agency

The entities created by AB X1 26 to replace RDAs. Each RDA was replaced by a Successor Agency, therefore 400 Successor Agencies exist. Each Successor Agency is overseen by an Oversight Board and must seek approval for certain actions.

H. Redevelopment Plan

In order to receive Tax Increment, the former RDA must have adopted a redevelopment plan. A redevelopment plan is a general roadmap that outlines the goals and direction of redevelopment within the Project Area. The adoption year of the Redevelopment Plan is crucial to determine the following: (i) effectiveness of the redevelopment project, (ii) duration of Tax Increment receipt, (iii) eligibility to establish and extend any loans, advances, or indebtedness by the RDA, (iv) the duration of time such loans, advances, or indebtedness may be repaid, and (v) type of Tax Increment sharing.

I. Subordination

To ensure that any loans or indebtedness of the former RDA are paid on time and in full, the former RDA preferred that local taxing entities that are receiving Pass-Through Payments subordinate their payments behind that of the loan or indebtedness. The former RDA could have requested subordination of pass-through payments. Subsequent to AB 1 X 26, subordination will be applicable only for pass-through agreements that allow for it, and, even then, only if the former RDA's obligations exceed the buffers created by eliminating HSA and capping administrative costs.

J. Residual Revenue

Subsequent to AB X1 26, all remaining funds after the following payments have been made by the Auditor-Controller are distributed to taxing entities as property tax: (i) Pass-Through Payments, (ii) payments listed on the Recognized Obligations Payment Schedule of the former RDA, (iii) Successor Agency administrative costs and, (iv) actual costs incurred by the State Controller's Office.

K. Tax Increment

The RDA received funding in the form of Tax Increment payments. Tax Increment is the portion of the growth in the local tax base collected within a Project Area that is due to redevelopment activities. Tax Increment was used by the RDA to secure loans, advances, and/or indebtedness for the renovation and improvement of a Project Area.

III. FINANCING LIMITATIONS

There are four (4) major financing limitations involved in redevelopment that a former RDA had to follow. Today, some of these limitations still apply to the Successor Agencies, while others are irrelevant. The goal of originally requiring the former RDAs to follow strict financing limitations was to ensure that the former RDA worked expeditiously in eliminating blight and stimulating property values. There were several financing limitation extensions available which include, but are not limited to Senate Bill 211, Senate Bill 1045, and Senate Bill 1096. As a result, each Project Area has its own unique financing limitations.

A. Incurrence of Indebtedness

The former RDA's ability to incur indebtedness backed by Tax Increment was constrained by the Incurrence of Indebtedness time limitation; the former RDA was not able establish any form of debt beyond the expiration of this time limitation. Subsequent to AB X1 26, no new debt can be incurred, so the time limit no longer applies.

B. Effectiveness of the Redevelopment Plan

Former RDAs could not engage in redevelopment activity within the given Project Area past the termination of the Effectiveness of the Redevelopment Plan. Contrary to popular belief, the termination of the Effectiveness of the Redevelopment Plan is not equivalent to the termination of Tax Increment receipt and associated Pass-Through Payments. Subsequent to AB X1 26, no new redevelopment activity can occur unless the funds were encumbered for redevelopment activity prior to February 1, 2012, or, in some cases, February 1, 2011.

C. Repayment of Indebtedness

The Repayment of Indebtedness time limitation restricted the former RDA from using Tax Increment to pay debt service past a certain date. Since the former RDA's debt must still be paid under AB X1 26, this time limitation effectively applies to Successor Agencies as well. Generally, this time limitation is also the last date that the former RDA (and now the Successor Agency) could collect Tax Increment. Tax Increment collections could terminate early if pursuant to AB 1484, the Successor Agency pays off its debt early.

D. Tax Increment Cap

For projects initiated prior to the existence of AB 1290 legislation, agencies were required to set a tax increment cap, a limitation on how much tax increment could be collected. The limitation could be set as an aggregate number, or as an annual limit. Generally, an agency would have increase its tax increment cap if additional funding was required within a given project area. Subsequent to AB X1 26, no such adjustments may be made.

IV. PAYMENT JUSTIFICATION

Over the history of redevelopment, there have been constant changes in the philosophy of how much to share and how the shares should be determined. The amount of Pass-Through Payments received by a local taxing agency is based on either (i) a contractual agreement ("Pass-Through Agreement") or (ii) an outlined methodology established in California Redevelopment Law ("CRL").

A. Pass-Through Agreement Calculation

Before 1994, the only system of establishing a methodology for calculating Tax Increment shares between a local taxing entity and a former RDA was through a contractual agreement known as a Pass-Through Agreement. The exact allocation of Tax Increment varied from one Pass-Through Agreement to another. If a local taxing entity chose not to elect receipt of tax increment and failed to establish a Pass-Through Agreement, the former RDA had no responsibility to make Pass-Through Payments. The dense and complex language involved in a Pass-through Agreement makes it very difficult to interpret, often leading to disputes between the local taxing entity and the RDA/appropriate responsible party.

B. Assembly Bill 1290 ("AB 1290") Calculation

AB 1290 revamped and standardized the methodology of Pass-Through Payment calculations. If a Redevelopment Plan was adopted after January 1, 1994, a local taxing entity will automatically receive Pass-Through Payments. Such Pass-Through Payments are calculated according to a fixed methodology outlined in CRL § 33607.5.

C. Senate Bill 211 ("SB 211") Calculation

Prior to AB X1 26, a Redevelopment Plan might have been amended for a variety of reasons including extending existing Time Limitations. By adopting an SB 211 ordinance, the RDA triggered Pass-Through Payments to local taxing agencies commencing in the year in which the earliest time limit is extended. If no Pass-

Through Agreement exists, the Pass-Through Payment is determined using a fixed methodology outlined in CRL § 33607.7. If a Pass-Through Agreement does exist, the Pass-Through Payment is determined using the allocation outlined within the Pass-Through Agreement.

D. Other Statutory Payment Calculation

Other Statutory Payment obligations can be triggered when a Redevelopment Plan is amended to extend time limits or financial limits by means other than adopting an SB 211 ordinance. The former RDA (now the Successor Agency and Auditor-Controller) will owe Pass-Through Payments, pursuant to the AB 1290 methodology, to local taxing agencies commencing in the year in which the earliest time limit is extended.

E. Two-Percent Payment Calculation (also known as the Santa Ana Decision)

Local taxing entities may be eligible to receive two-percent inflationary revenue from the RDA calculated in accordance with Revenue and Taxation Code § 110.1(f), depending on when the Redevelopment Plan of a given Project Area was adopted by the RDA. On June 29, 2001, the court decided under *Santa Ana Joint Union High School District v. Orange County Development Agency* ("Santa Ana Decision") that Two-Percent Payments were mandatory, even in the absence of a formal resolution, for any Project Area adopted between 1985 and 1993, provided that a Pass-Through Agreement was not executed for the given Project Area.

F. Residual Payment Calculation:

Subsequent to AB X1 26, all remaining funds after the following payments have been made by the Auditor-Controller are distributed to taxing entities as property tax: (i) Pass-Through Payments, (ii) payments listed on the Recognized Obligations Payment Schedule of the former RDA, (iii) Successor Agency administrative costs, and (iv) actual costs incurred by the State Controller's Office. The Residual balance will be distributed to the County, Affected Cities, Affected Special Districts, and Affected Schools/COE/CCD based on the local agency's share of property tax revenue in that jurisdiction.

V. USE OF FUNDS REQUIREMENT

The collective remittances received by an educational entity from the Auditor Controller (previously the RDA) may need to be split between (i) facilities and (ii) non-facilities. The exact use of funds depends on how Pass-Through Payments are entitled to the LEA.

A. Pass-Through Agreement Use of Funds

If Pass-Through Payments of a given Project Area are determined using a fixed methodology outlined within a Pass-Through Agreement, the AB 1290 use of funds requirement shall not apply. The use of funds shall be determined as stated within the provisions of the most current existing Pass-Through Agreement.

B. AB 1290 Use of Funds

According to CRL § 33607.5(a)(4), if Pass-Through Payments of a given Project Area are determined using the AB 1290 Calculation, the statutory use of funds requirement must be applied as outlined in the table below:

Local Education Agency	Non-Facilities	Facilities
School District*	43.3%	56.7%
Community College District	47.5%	52.5%
County Office of Education	19.0%	81.0%

* Funds to finance special education facilities may be tabulated using the higher COE percentage.

C. SB 211 Use of Funds

Since SB 211 Payments are determined using the AB 1290 Calculation, the same statutory use of funds requirement must be applied as outlined in the table shown above in the AB 1290 use of funds.

D. Other Statutory Payment Use of Funds

Since Other Statutory Payments are determined using the AB 1290 Calculation, the same statutory use of funds requirement must be applied as outlined in the table shown above in the AB 1290 use of funds.

E. Two-Percent Payment Use of Funds

Use of funds for Two-Percent Payments shall be for facilities and/or non-facilities as determined by the local taxing entity and specific dates.

F. Residual Revenue Payment Use of Funds

Use of funds for Residual Revenue Payments shall be non-facilities.

VI. STATE REPORTING REQUIREMENTS

On September 14, 1992, the State adopted Senate Bill 617 ("SB 617") authorizing the State to offset their revenue limit contribution by counting Pass-Through Payments apportioned for non-facilities as local property taxes. However, a local taxing entity's State reporting requirement depends on when Pass-Through Payments of a given Project Area were established by the RDA.

Pass-Through Payments

A. Before September 14, 1992

If Pass-Through Payments of a given Project Area are determined using a fixed methodology outlined within a Pass-Through Agreement established before September 14, 1992, the local taxing entity is not required to report any revenue to the State.

If the local taxing entity is receiving Two-Percent Payments for a given Project Area, the local taxing entity is not required to report any revenue to the State.

B. On and After September 14, 1992

If Pass-Through Payments of a given Project Area are determined using a fixed methodology outlined within a Pass-Through Agreement established after September 14, 1992 or using the AB 1290 Calculation, the local taxing entity is required to report to the State any Pass-Through Payments apportioned towards non-facilities.

If the local taxing entity is receiving Two-Percent Payments for a given Project Area, only the portion of the Two-Percent Payment not used for educational facilities shall be counted as property taxes and reported to the State.

Residual Balance

Pursuant to AB X1 26, since the Residual Balance will be distributed to the affected local agencies as property tax, this money for LEAs will be 100% revenue limit/apportionment limit offset.

VII. ASSEMBLY BILL AB X1 26 & ASSEMBLY BILL 1484 SUMMARY

On December 29, 2011, the California Supreme Court upheld AB X1 26 (the redevelopment "Elimination Bill"), effectively eliminating all Redevelopment Agencies ("RDAs") as of February 1, 2012. The debt-related responsibilities will be distributed among the "Auditor Controller", "Successor Agency," and the "Oversight Board." Although the RDA itself will be dissolved and replaced by a Successor Agency, the obligations of the RDA will be unaffected, including the RDA's obligation to make annual pass-through payments to LEAs. AB 1484 (the redevelopment "Clean-Up Bill"), signed on June 27, 2012, provided further clarification on AB X1 26, which is summarized below:

Auditor Controller

- According to AB X1 26, pass-through payments will be calculated by County Auditor-Controllers, instead of RDAs.
- All Auditor-Controllers will conduct an audit of RDAs to establish (i) the RDA's assets and liabilities, and (ii) determine each RDA's pass-through payment obligations to other taxing agencies by October 1, 2012.
- Each year, Auditor-Controllers will calculate the amount of tax increment revenue that would have been paid to the former RDA and will deposit that money into a local trust fund. From that trust fund, the Auditor-Controller will pay all pass-through payments, RDA obligations, and administrative costs. Any excess tax increment will be deemed property tax revenue and distributed to local taxing agencies as property tax in proportion to what each agency would have received without redevelopment.
- Pass-through payments and residual revenue (if any) will be allocated to LEAs on January 2 and June 1 of each year.

Successor Agency

- Successor Agencies will be formed to administer the fiscal responsibilities of the dissolved RDA.
- The Successor Agency is the city/county that created the RDA, except for:
 1. City of Bishop
 2. City of Los Angeles
 3. City of Los Banos

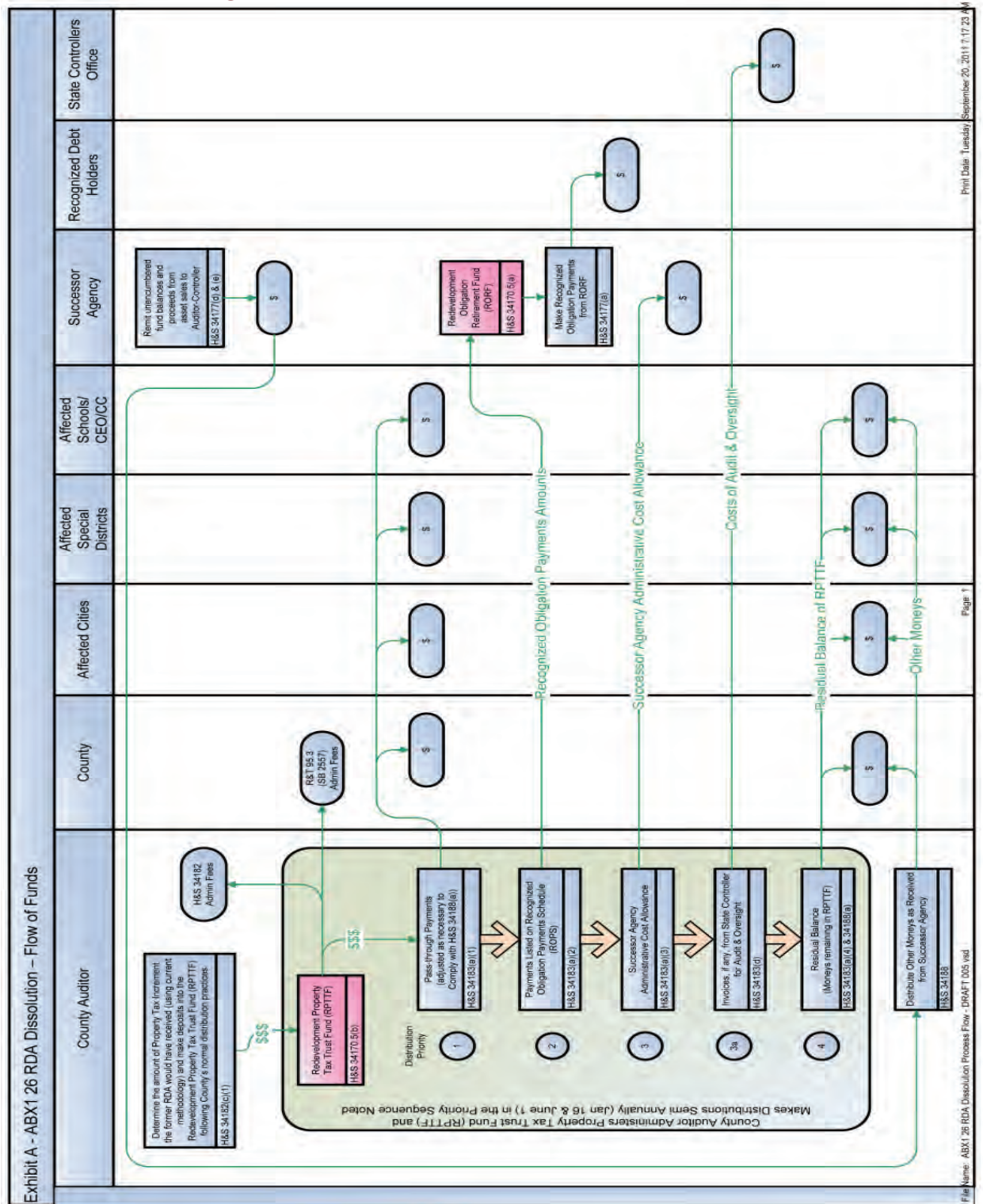
4. City of Merced
 5. City of Pismo Beach
 6. City of Riverbank
 7. City of Santa Paula
- Successor Agencies will continue to make payments due for enforceable obligations not involving pass-through payments.
 - Successor Agencies will dispose of RDA assets and properties as directed by the Oversight Board.
 - Successor Agencies will expeditiously wind down the affairs of the RDA.

Oversight Board

- A seven (7) member Oversight Board will be appointed to oversee the Successor Agency. Members will be appointed by the following:
 1. County Board of Supervisors
 2. Mayor for the city that formed the RDA
 3. Largest special district
 4. County Superintendent of Schools
 5. Chancellor of the California Community Colleges
 6. Member of the public appointed by County Board of Supervisors
 7. Representative of former employees of the RDA
- No one person can sit on more than 5 boards.
- If there are no cities within the territory of the RDA, the county superintendent of schools may appoint an additional member to represent the public.
- Oversight Board members serve without compensation; however, the Successor Agency shall pay for the costs of meetings of the Board.
- Oversight Board members shall have personal immunity from suit.
- Oversight boards are subject to Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act of 1974.
- Each board member serves at the pleasure of the entity that appointed such member.

- All actions of the Oversight Board must be adopted by resolution.
- Oversight Boards can obtain their own legal and financial advice.
- Oversight Board decisions supersede those made by the Successor Agency.
- The Department of Finance may review oversight board actions; all oversight board actions are not effective for 5 business day pending a request for review by the Department of Finance.
- Oversight Boards will be merged to 1 oversight board for the entire county on or after July 1, 2016; appointments generally remain the same.
- Oversight Boards shall approve the following Successor Agency actions:
 1. Establishment of new repayment terms for outstanding loans if terms are not yet specified
 2. Refunding outstanding bonds or other debt in order to provide for savings
 3. Setting aside reserves as required by debt services
 4. Merging of project areas
 5. Continuing of certain federal or state grants
 6. Establishment of a Recognized Obligation Payment Schedule
- Oversight boards shall direct Successor Agencies to do the following:
 1. Dispose of all RDA assets and properties that were funded by tax increment revenue
 2. Terminate all agreements that do not qualify as enforceable obligations
 3. Transfer housing responsibilities to the appropriate entity
 4. Determine whether any contracts or agreements can be terminated or renegotiated

Flow of Funds: Diagram



SOURCE: CALIFORNIA STATE ASSOCIATION OF COUNTY AUDITORS

Flow of Funds: Annual Distribution of Former "Tax Increment"

1. The County Auditor will determine the amount of former RDA tax increment money. This is money the RDA would have collected if it was still in existence.
2. The County Auditor will deposit the former RDA tax increment into a Trust Fund called the Redevelopment Property Tax Trust Fund ("RPTTF").
3. Then the County Auditor will make payments in following order:
 - Pass-Through Payments to the County, Affected Cities, Affected Special District and Affected Schools/COE/CCD. Each LEA will continue to receive its normal pass-through payments. However, pass-through payments to LEAs may terminate earlier than anticipated. According to AB 1484, pass-through payments will terminate 1 year after the debt of the Successor Agency is repaid. This means if the Successor Agency pays off its debt before its time limit to repay indebtedness, LEAs pass-through payments will terminate early.
 - Payments Listed on the Recognized Obligations Payment Schedule
 - The Recognized Obligation Payments Amounts will be deposited into a fund called the Redevelopment Obligation Retirement Fund ("RORF"). The Successor Agency will use this money to make recognized obligations from RORF and pay recognized debt holders.
 - Successor Agency Administrative Cost Allowance to the Successor Agency. Any approved costs incurred by the Successor Agency will be paid out of the RPTTF.
 - Invoices, if any, from State Controller for Audit & Oversight to the State Controller's Office. Any approved costs incurred by the State Controller will be paid out of the RPTTF.
 - Residual Balance, which are the remaining funds after the payments listed above are made, will be distributed to the County, Affected

Cities, Affected Special Districts, and Affected Schools/COE/CCD based on the local agency's share of property tax revenue in that jurisdiction. As a result, this money for LEAs will be revenue limit offset. This benefits the State because each LEA should receive an increase in property tax revenue and it reduces the amount of State aid the LEA receives.

Flow of Funds: As Needed Distribution of RDA Assets

1. The Successor Agency will remit unencumbered fund balances and proceeds from asset sales to Auditor-Controller. The Successor Agency shall dispose of assets and properties of the former RDA in a manner aimed at maximizing value subject to approval of the Oversight Board.
2. Then the Auditor-Controller will distribute the monies as received from the Successor Agency (this is the cash received from disposing the assets) to the County, Affected Cities, Affected Special Districts, and Affected Schools/COE/CCD based on the local agency's share of property tax revenue in that jurisdiction. As a result, this money for LEAs will be revenue limit offset. This benefits the State because each LEA should receive an increase in property tax revenue and it reduces the amount backfilled by the State.

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