OVERSIGHT BOARD CITY OF BRISBANE

OVERSIGHT BOARD MEETING DATE: February 13, 2014

ITEM TITLE: July-December 2014 ROPS (14-15A)

Recommendation:

Review and approve the Recognized Obligation Payment Schedule (ROPS) for July 2014 through December 2014 and approve Resolution OB 2014-04.

Fiscal Implications:

This is how we can access property tax (formerly tax increment) to pay for the bonds issued for redevelopment. Without an approved ROPS, the Successor Agency will not receive any funding.

Background:

The State of California adopted AB X1 26 on June 28, 2011 and the California Supreme Court upheld that law on December 28, 2011, effectively dissolving all Redevelopment Agencies in the state as of January 31, 2012. This law requires that recognized obligations be approved by the Successor Agency and by the Oversight Board biannually. The ROPS for July through December 2014 is due by March 3, 2014.

The Successor Agency adopted its first ROPS for the period January through June 2012, on February 21, 2012 and had lines for the loans between the RDA and the City and the loans between the Low Mod Housing and the Project Areas. At that time the law was unclear that these loans should be repaid. The Oversight Board concluded the obligations in fact did exist between these entities and the RDA but current law did not provide for their repayment. The Oversight Board decided to leave the obligations on the ROPS but to not provide for repayment until such time as the law changed. The State Legislature passed AB1484, Redevelopment Dissolution/Unwind Trailer Bill, on June 27, 2012. It changed some of the reporting requirements, added back in some affordable housing provisions and instituted a timeline with penalties if the requirements were not met. Additionally, AB1484 allowed consideration of the loans between the City and the Agency once the new requirements have been met and the Certificate of Completion is issued by the Department of Finance.

We have received our Certificate of Completion from the Department of Finance. We submitted the Long Range Property Management Plan and it is being reviewed by the Department of Finance. We assume that it will be finalized. So we have added a payment to the Low Moderate Income Housing Fund for a portion of the SERAF loan from the former Project Area #1.

Discussion:

We closed on the 2013 Successor Agency Refinancing of the 1998 Housing Bonds and the 2001 Tax Allocation bonds on December 26, 2013. The first payment on the new bonds was due February 1, 2014 and was paid using what would have been the payment for the other bonds approved on the 13-14B ROPS. The new bonds have principal and interest due every six months, so it has another payment due on the 14-15A ROPS.

This ROPS also has the debt service payment for a portion of the 2005 Lease Revenue bonds that refinanced the 1995 COPs.

The SERAF loan is being repaid without interest. In order to calculate the amount that can be repaid at this time, we took the 2013-14 residual amount, \$661,284 and subtracted the 2012-13 base year residual amount, \$456,688. We are allowed to use 50% of that amount (204,596/2 =102,298) for repayment. We rounded to whole numbers for the ROPS.

By law, we are allowed a minimum of \$250,000 for Administration of the Successor Agency. Staff continues to spend a higher than expected time on Successor Agency issues due to continuing audit issues, Long-range property management plan, and refinancing of debt. Until all issues with the State Department of Finance and Controller's Office are resolved we anticipate to using the full allotment of Administration costs. However, we will continue to monitor this and if we find the first half of 2014/15 resolves these issues we may reduce the amount of reimbursement requested in the ROPS due in December.

Attachments:

Recognized Obligation Payment Schedule for July-December 2014 (14-15A) Resolution OB 2014-04.

Betsy Cooper

Deputy Finance Director

BRISBANE SUCCESSOR AGENCY OVERSIGHT BOARD

RESOLUTION NO. OB 2014-04

A RESOLUTION OF THE OVERSIGHT BOARD OF THE BRISBANE SUCCESSOR AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE JULY 1 – DECEMBER 31, 2014 SIX-MONTH FISCAL PERIOD(ROPS 14-15A), AND MAKING RELATED FINDINGS AND DECLARATIONS AND TAKING RELATED ACTIONS IN CONNECTION THEREWITH.

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

WHEREAS, the Successor Agency staff has prepared a ROPS for the six-month fiscal period commencing on July 1, 2014 and continuing through December 31, 2014 (the ROPS 14-15A); and

WHEREAS, under the Dissolution Act, the ROPS 14-15A must be approved by the Successor Agency's oversight board (the "Oversight Board") to enable the Successor Agency to continue to make payments on enforceable obligations; and

WHEREAS, pursuant to the Dissolution Act, the duly constituted Oversight Board for the Successor Agency met at a duly noticed public meeting on February 13, 2014 to consider specific obligations listed on the ROPS 14-15A and to consider approval of the ROPS 14-15A, among other approvals; and

WHEREAS, after reviewing the ROPS 14-15A presented to and recommended for approval to the Oversight Board by Successor Agency staff, and after reviewing written and oral comments from the public relating thereto, the Oversight Board desires to approve the ROPS 14-15A and to make the following accompanying findings, resolutions and determinations.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board of the Successor Agency hereby finds, resolves, and determines as follows:

- <u>SECTION 1</u>. The foregoing recitals are true and correct, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.
- SECTION 2. Under Health and Safety Code Section 34180(g), the Oversight Board must approve establishment of a ROPS for the Successor Agency.
- SECTION 3. The Oversight Board hereby approves the ROPS 14-15A in the form presented to the Oversight Board and attached hereto as Exhibit A, including the agreements and obligations described in the ROPS 14-15A, and hereby determines that such agreements and obligations constitute "enforceable obligations" and "recognized obligations" for all purposes of the Dissolution Act. In connection with such approval, the Oversight Board makes the specific findings set forth below.
- SECTION 4. The Oversight Board has examined the items contained on the ROPS 14-15A and finds that each of them is necessary for the continued maintenance and preservation of property owned by the Successor Agency until disposition and liquidation, the continued administration of the ongoing agreements herein approved by the Oversight Board, or the expeditious wind-down of the affairs of the Dissolved RDA by the Successor Agency.
- SECTION 5. The Successor Agency is authorized and directed to enter into any agreements and amendments to agreements consistent with the Dissolution Act and necessary to memorialize and implement the agreements and obligations in the ROPS 14-15A as herein approved by the Oversight Board.
- SECTION 6. The Oversight Board authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to post the ROPS 14-15A on the Successor Agency website, transmit the ROPS 14-15A to the Auditor-Controller of the County of San Mateo and to the State Controller and the State Department of Finance (the "DOF"), and to take any other actions necessary to ensure the validity of the ROPS 14-15A and the validity of any enforceable obligation approved by the Oversight Board in this Resolution. In addition, the Oversight Board authorizes and directs the Successor Agency staff to make such non-substantive revisions to the ROPS 14-15A as may be necessary to submit the ROPS 14-15A in any modified form required by the DOF, and the ROPS 14-15A as so modified shall thereupon constitute the ROPS 14-15A as approved by the Oversight Board pursuant to this Resolution.
- <u>SECTION 7</u>. This Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

Paul Scannell,	Chair	

ADOPTED on February 13, 2014 by the Members of the Oversight Board of the Successor Agency with the following vote:

AYES: Blackwood, Fuentes, Holstine, Miller, Porter, & Chairman Scannell

NOES: None

ABSENT: None

ABSTAIN: None

Sheri Marie Spediacci, Board Secretary

$\underline{Exhibit\ A}$

[Insert ROPS, including cover page]

Recognized Obligation Payment Schedule (ROPS 14-15A) - Summary Filed for the July 1, 2014 through December 31, 2014 Period

Date	Signature		
	Certification of Oversight Board Chairman: Pursuant to Section 34177(m) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named agency. Isl	Certification of Oversight Board Chairman. Pursuant to Section 34 (177(m) of the Healt hereby certify that the above is a true and Obligation Payment Schedule for the abov	Certifi Pursu hereby Obliga
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	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	Less Prior Perio	≤
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\$ 1,134,700	Current Period Enforceable Obligations (A+E):	Current Period	r
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	Other Funding (ROPS Detail)	Other Fundir	O
	Reserve Balance Funding (ROPS Detail)	Reserve Bal	O
	Bond Proceeds Funding (ROPS Detail)	Bond Procee	æ
49	Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding Sources (B+C+D):	Enforceable Obligations Funding Sources (B+C+D):	>
Six-Month Total	Current Period Requested Funding for Outstanding Debt or Obligation	nt Period Reques	Curre
	San Mateo	Name of County:	Name
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Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail July 1, 2014 through December 31, 2014 (Report Amounts in White Dollars)

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Refunding 1998 TAB & 2001TAB 8/2013 Tax Allocation Bond Refunding 1998 TAB & 2001TAB	13 Due to Housing Fund 15 Annual Administrative Costs 17 2013 Tax Allocation Bond	10 1998 Tax Allocation Bonds 11 1998 Tax Allocation Bonds 12 RDA 2 Revenue Shortfall	4 2001 Tax Allocation Bonds 5 Due to Housing Fund 6 Due to Housing Fund 6 2005 Lease Revenue Bond 9 2005 Lease Revenue Bond	1 2001 Yax Allocation Bonds 2 Completion of 2001 Marina Friancing 3 2001 Tax Allocation Bonds		σ
12/31/10 Fees	SERAF/ERAF Admin Costs Bonds Issued After	s Issued On or e 12/31/10 ounty Loans Before 6/27/11	Miscellaneous SERAF/ERAF Bends Issued On or Before 12/31/10	Bonds Issued On or Before 12/3/1/0 City/County Loans On or Before 6/27/11	Obligation Type	C
12/16/2013	\$/20/2010 1/31/2012 1/2/26/2013		3/1/2001 5/15/2000 5/20/2010 2/1/2005	3/1/2001	Contract/Agreement Execution Date	D
8/1/2027	12/31/2099 12/31/2099 8/1/2027	9/1/2027 9/1/2027 12/3/1/2099	5/1/2026 1/2/3//2069 1/2/3//2069 1/7/2018	5/1/2026 12/3/1/2099 5/1/2026		ŧπ
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2001 Series A TAB Annual Trustee Fee for bond issue		Senior Housing bonds Annual Trustee Fee for bond issue 1966 TABS shortfall advanced from the city	NBS Government Finance Continuing Disclosure Costs & 1915 Act Administration Housing Successor Agency Deferred Housing Set-a-side Housing Successor Agency SERAF Payment from State Take- Housing Successor Agency Refinance of 1995 Certificates of Authority Refinance of 1995 Certificates of Bank of New York Melion April Trustee Fee for bond issue	Refinance of 1984 Bonds and LeasekLeaseback Agreement Agreement Annual Trustee Fee for bond issue	Description/Project Scope	(Report Amounts in Where Dollars)
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	\$ 725,000 \$ 890,794	\$ 14,906	\$ 102,000 \$		Six-Month Total	ס

Recognized Obligation Payment Schedule (ROPS) 14-15A - Report of Cash Balances (Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177(I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, tax revenues is required by an enforceable obligation	ax Trust Fund (RF	oTTF) may be liste	y be listed as a source of payment		but only to the extent r	no other funding sour	but only to the extent no other funding source is available or when payment from property
В	c	D	m	- FI	6	#	
			Fund	Fund Sources			
	Bond F	Bond Proceeds	Reserve Balance	3alance	Other	RPTTF	
	Bonds Issued	Bonds Issued	Prior ROPS period	Prior ROPS RPTTF distributed as	Rent,		
Cash Balance Information by ROPS Period	on or before 12/31/10	on or after 01/01/11	balances and DDR balances retained	reserve for next bond payment	Grants, Interest, Etc.	Non-Admin and Admin	Comments
ROPS 13-14A Actuals (07/01/13 - 12/31/13)							
Beginning Available Cash Balance (Actual 07/01/13) Note that for the RPTTF, 1 + 2 should tie to columns J and O in the Report of Prior Period Adjustments (PPAs)	THE PRODUCTION OF THE PERSON O	The state of the s	100000000000000000000000000000000000000			A57 A51	This is the CAFR cash balance less the June
2 Revenue/Income (Actual 12/3/1/13) Note that the RPTTE amounts should be to the ROPS 13-14A distribution					***************************************		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
from the County Auditor-Controller during June 2013		19,674,627				1,004,796	
3 Expenditures for ROPS 13-14A Enforceable Obligations (Actual 12/31/13)							Other is Admin not transferred to City at 6/30/13
Note that for the RPTTF, 3 + 4 should tie to columns L and Q in the Report of PPAs		19,674,627			95.120	1,004,665	Debt Service that was originally paid from the City's General Fund.
4 Retention of Available Cash Balance (Actual 12/31/13) Note that the RPTTF amount should only include the retention of reserves for debt service approved in ROPS 13-14A						1	
5 ROPS 13-14A RPTTF Prior Period Adjustment Note that the ROTTE amount should lie to obtain S in the Report of PRAS							To the state of th
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6 Ending Actual Available Cash Balance C to G = (1 + 2 · 3 · 4), H = (1 + 2 · 3 · 4 · 5)	*	\$	φ	.	\$ (95,120)	\$ 457	The second secon
ROPS 13-14B Estimate (01/01/14 - 06/30/14)				***************************************	The state of the s		The second secon
7 Beginning Available Cash Balance (Actual 01/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	,	\$ 0	<i>د</i>	,	\$ (95.120)	\$ 457 582	
Revenue/income (Estimate 06/30/14) Note that the RPTTF amounts should tie to the ROPS 13-14B distribution							
from the County Auditor-Controller during January 2014						1,481,129	this was short due to county audit refund
9 Expenditures for 13-14B Enforceable Obligations (Estimate 06/30/14)						1,161,683	Refunding of bonds took into account the short RPTTF for 13-14B
10 Retention of Available Cash Balance (Estimate 06/30/14) Note that the RPTTF amounts may include the retention of reserves for debt service amound in ROPS 13-14R							
11 Ending Estimated Available Cash Balance (7 + 8 - 9 -10)	49	\$ 0	\$	5	\$ (95,120)	\$ 777,029	

Recognized Obligation Payment Schedule 14-15A - Notes July 1, 2014 through December 31, 2014

Item # Notes/Comments

- These bonds were refinanced with the 2013 TAB and also used the reserve that was held by the trustee
 These bonds were refinanced with the 2013 TAB and also used the reserve that was held by the trustee
 This is a new bond that refinanced the 1998 Tax Allocation Bonds AND the 2001 Series A Tax Allocation Bonds.

 Oversight Board Resolution #OB 2013-04 adopted June 19, 2013 was sent to DOF when we requested approval for
- 17 the refinancing.
- 18 This is the annual trustee administration fee for the new bonds

Recognized Obligation Payment Schedule (RCPS) 14-15A - Report of Prior Period Adjustments
Reported for the ROPS 13-14A (July 1, 2013 through December 31, 2013) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)
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