

SUCCESSOR AGENCY CITY OF BRISBANE

OVERSIGHT BOARD MEETING DATE: February 13, 2013

ITEM TITLE: July-December 2013 ROPS

RECOMMENDATION:

Review and approve the Recognized Obligation Payment Schedule (ROPS) for July 2013 through December 2013.

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 law dissolving the Redevelopment agencies requires recognized obligations be approved by the Successor Agency and by the Oversight Board semi-annually. The ROPS for July – December 2013 is due by March 1, 2013.

Our first ROPS was adopted 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 changes. The State Legislature passed AB1484, Redevelopment Dissolution/Unwind Trailer Bill, on June 27, 2012. It changes some of the reporting requirements, added back in some affordable housing provisions and instituted a timeline with penalties if the requirements are not met. Additionally, AB1484 will allow 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.

The Oversight board has already approved the Due Diligence Review (DDR) for both the housing and non-housing assets. The Successor Agency has returned all available cash from the Housing Fund to the County for distribution to the underlying taxing entities. The non-housing DDR showed there were no funds to be distributed. The non-housing DDR has been submitted to the State but as of this writing the Successor Agency has not received notification from the Department of Finance on its status. Once the DDR is approved we should receive our Certificate of Completion from the Department of Finance.

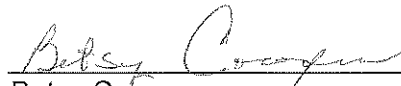
Discussion:

The items on our ROPS are primarily the debt service payments due on the 1998 Housing Bonds, the 2001 Tax Allocation bonds, and a portion of the 2005 Lease Revenue bonds that refinanced the 1995 COPs. By law, the Successor Agency is entitled to a minimum

administration fee of \$250,000 per year. The tax increment for the July-December 2012 was insufficient to cover the entire requested and approved administration fee. The difference of \$32,000 has been added to this request in addition to the ongoing fees.

Attachments:

Recognized Obligation Payment Schedule for July-December 2013.
Resolution SA 2013-02.



Betsy Cooper
Deputy Finance Director

BRISBANE SUCCESSOR AGENCY OVERSIGHT BOARD

RESOLUTION NO. OB 2013-02

A RESOLUTION OF THE OVERSIGHT BOARD OF THE BRISBANE SUCCESSOR AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE JULY 1 – DECEMBER 30, 2013 SIX-MONTH FISCAL PERIOD (“FOURTH ROPS”), 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, 2013 and continuing through December 30, 2013 (the "Fourth ROPS"); and

WHEREAS, under the Dissolution Act, the Fourth ROPS 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, 2013 to consider specific obligations listed on the Fourth ROPS and to consider approval of the Fourth ROPS, among other approvals; and

WHEREAS, after reviewing the Fourth ROPS 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 Fourth ROPS 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:

SECTION 1. 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 Fourth ROPS in the form presented to the Oversight Board and attached hereto as Exhibit A, including the agreements and obligations described in the Fourth ROPS, 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 Fourth ROPS 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 Fourth ROPS 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 Fourth ROPS on the Successor Agency website, transmit the Fourth ROPS 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 Fourth ROPS 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 Fourth ROPS as may be necessary to submit the Fourth ROPS in any modified form required by the DOF, and the Fourth ROPS as so modified shall thereupon constitute the Fourth ROPS as approved by the Oversight Board pursuant to this Resolution.

SECTION 7. 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, 2013, by the Members of the Oversight Board of the
Successor Agency with the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Sheri Marie Spediacci, Board Secretary