

OVERSIGHT BOARD CITY OF BRISBANE

OVERSIGHT BOARD MEETING DATE: September 10, 2014

ITEM TITLE: January – June 2015 ROPS (14-15B)

Recommendation:

Review and approve the Recognized Obligation Payment Schedule (ROPS) for January 2015 through June 2015 and approve Resolution OB 2014-06.

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 bi-annually. The ROPS for January through June 2015 is due by October 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 received approval of our Long Range Property Management Plan. We added a payment to the Low Moderate Income Housing Fund for a portion of the SERAF loan from the former Project Area #1 on the 14-15A ROPS. There was enough to fund the annual amount. Since this is an annual amount, nothing was included in the 14-15B ROPS.

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.

By law, we are allowed a minimum of \$250,000 for Administration of the Successor Agency. We have requested half of that on this ROPS

Attachments:

Recognized Obligation Payment Schedule for January-June 2015 (14-15B)
Resolution OB 2014-06.

A handwritten signature in cursive script, reading "Betsy Cooper", is written over a horizontal line.

Betsy Cooper
Deputy Finance Director

BRISBANE SUCCESSOR AGENCY OVERSIGHT BOARD

RESOLUTION NO. OB 2014-06

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE BRISBANE
SUCCESSOR AGENCY APPROVING THE RECOGNIZED OBLIGATION
PAYMENT SCHEDULE FOR THE JAN 1 – JUN 30, 2015 SIX-MONTH
FISCAL PERIOD(ROPS 14-15B), 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 Jan 1, 2015 and continuing through June 30, 2015 (the ROPS 14-15B); and

WHEREAS, under the Dissolution Act, the ROPS 14-15B 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 September 10, 2014 to consider specific obligations listed on the ROPS 14-15B and to consider approval of the ROPS 14-15B, among other approvals; and

WHEREAS, after reviewing the ROPS 14-15B 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 14-15B 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 ROPS 14-15B in the form presented to the Oversight Board and attached hereto as Exhibit A, including the agreements and obligations described in the ROPS 14-15B, 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 14-15B 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 14-15B 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 14-15B on the Successor Agency website, transmit the ROPS 14-15B 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 14-15B 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 14-15B as may be necessary to submit the ROPS 14-15B in any modified form required by the DOF, and the ROPS 14-15B as so modified shall thereupon constitute the ROPS 14-15B 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 September 10, 2014 by the Members of the Oversight Board of the
Successor Agency with the following vote:

AYES:

NOES: None

ABSENT: None

ABSTAIN: None

Sheri Marie Spediacci, Board Secretary

Exhibit A

[Insert ROPS, including cover page]