

# *City of Brisbane as Successor Agency*

## *Agenda Report*

To: City Council via City Manager  
From: Deputy Finance Director  
Subject: Recognized Obligation Payment Schedule for July-December 2014 (14-15A)  
Date: February 3, 2014

### **Purpose:**

To ensure the Successor Agency receives enough funds to make its required payments including bond payments and administrative costs.

### **Recommendation:**

Adopt the July through December 2014 ROPS (Recognized Obligation Payment Schedule)

### **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 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.

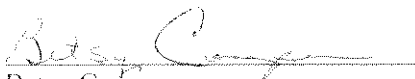
By law, we are allowed a minimum of \$250,000 for Administration of the Successor Agency. Staff continues to spend a higher than expected time on Successor Agency issues due to continuing audit issues, Long-range property management plan, and refinancing of debt. Until all issues with the State Department 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.

**Fiscal Impact:**

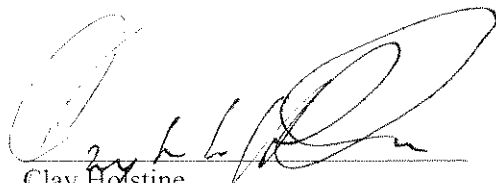
This is how we can access property tax (formerly tax increment) to pay for the bonds issued for redevelopment. Without the ROPS, we will not receive any funding.

**Attachments:**

Recognized Obligation Payment Schedule for July – December 2014.



Betsy Cooper,  
Deputy Finance Director



Clay Hostine  
City Manager

**Recognized Obligation Payment Schedule (ROPS) 14-15A - Report of Prior Period Adjustments**  
 (Report Amounts in Whole Dollars)

Reported for the ROPS 13-14A (July 1, 2013 through December 31, 2013) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)  
 (Report Amounts in Whole Dollars)

ROPS 13-14A Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 13-14A (July through December 2013) period. The amount of ROPS 13-14A Successor Agency (SA) Self-reported Prior Period Adjustments (PPA) approved for the ROPS 14-15A (July through December 2014) period will be offset by the SA's self-reported ROPS 13-14A prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
Item #	Project Name / Debt Obligation	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 13-14A distributed - all other 07/1/13)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 13-14A distributed - all other 07/1/13)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (K-RS) (K-RS)	SA Comments
<b>Non-RPTTF Expenditures</b>																			
<b>Bond Proceeds</b>																			
1	2001 Tax Allocation Bonds	\$ 17,176,219	\$ 16,557,729	\$ -	\$ -	\$ 2,204,627	\$ 2,084,457	\$ 847,796	\$ 744,920	\$ 847,796	\$ 744,920	\$ 130	\$ 157,000	\$ 157,000	\$ 157,000	\$ 157,000	\$ -	\$ 130	Bonds Refunded by 2013 TAB using Trustee Reserve as well as bond proceeds
2	Completion of 2001 Sierra Fracroy Bonds	-	-	-	-	-	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
3	2004 Tax Allocation Bonds	-	-	-	-	-	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
4	2001 Tax Allocation Bonds	-	-	-	-	-	-	1,800	1,800	1,800	1,800	\$ 130	-	-	-	-	-	\$ 130	
5	Due to Housing Fund	-	-	-	-	-	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
6	Due to Housing Fund	-	-	-	-	-	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
7	2005 Extra Revenue Bond	-	-	-	-	-	-	17,808	17,808	17,808	17,808	\$ -	-	-	-	-	-	\$ -	
8	2005 Extra Revenue Bond	-	-	-	-	-	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
9	2005 Extra Revenue Bond	-	-	-	-	-	-	83,190	83,190	83,190	83,190	\$ -	-	-	-	-	-	\$ -	Bonds Refunded by 2013 TAB using Trustee Reserve as well as bond proceeds
10	1998 Tax Allocation Bonds	1,520,549	-	-	-	120,576	-	80,190	-	80,190	-	\$ -	-	-	-	-	-	\$ -	
11	1998 Tax Allocation Bonds	-	-	-	-	-	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
12	ROA 2 Revenue Shortfall	-	-	-	-	-	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
13	Due to Housing Fund	-	-	-	-	-	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
14	Amplifazone Custs	-	-	-	-	-	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
15	AR1484 Review	-	-	-	-	-	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
16	2013 Refunding PAB	-	-	-	-	-	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
17	2013 Refunding PAB	-	-	-	-	-	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	
18	2013 Refunding PAB	-	-	-	-	-	-	-	-	-	-	\$ -	-	-	-	-	-	\$ -	

**Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail**

July 1, 2014 through December 31, 2014

(Report Amounts in Whole Dollars)

Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Expiration Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Refinr.	K	Funding Source				O	P
											L	M	N	Other Funds		
1	2001 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	3/1/2001	5/1/2028	Brisbane Financing Authority	Refinance of 1984 Bonds and Lease/Leaseback Agreement	#1	\$ 37,479,331	Y							
2	Completion of 2001 Marina Financing	City/County Loans On or Before 6/27/11	3/1/2001	12/31/2099	City of Brisbane	Refinance of 1984 Lease/Leaseback Agreement	#1	2,358,471	N							
3	2001 Tax Allocation Bonds	Fees	3/1/2001	5/1/2028	Bank of New York Mellon	Annual Trustee Fee for bond issue	#1		Y							
4	2001 Tax Allocation Bonds	Fees	3/1/2001	5/1/2028	NBS Government Finance	Continuing Disclosure Costs & 1915 Act Administration	#1		Y							
5	Due to Housing Fund	Miscellaneous	5/15/2000	12/31/2099	Housing Successor Agency	Deferred Housing Side-side	#1	4,210,820	N							
6	Due to Housing Fund	SERAFERAF	5/20/2010	12/31/2099	Housing Successor Agency	SERAF Payment from State Take-Away	#1	645,019	N				102,000			102,000
9	2005 Lease Revenue Bond	Bonds Issued On or Before 12/31/10	2/1/2005	4/1/2018	Brisbane Financing Authority	Refinance of 1985 Certificates of Participation	#2	1,236,860	N							
9	2005 Lease Revenue Bond	Fees	2/1/2005	4/1/2018	Bank of New York Mellon	Annual Trustee Fee for bond issue	#2	12,500	N							
10	1998 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	3/1/1998	9/1/2027	Bank of New York Mellon	Senior Housing bonds	#1&#2		Y				14,868			14,868
11	1986 Tax Allocation Bonds	Fees	2/1/1988	9/1/2027	Bank of New York Mellon	Annual Trustee Fee for bond issue	#1&#2		Y							
12	RCA 2 Revenue Shortfall	City/County Loans On or Before 6/27/11	6/1/1999	12/31/2099	City of Brisbane	1985 TABS shortfall advanced from the city	#2	1,328,294	N							
13	Due to Housing Fund	SERAFERAF	5/20/2010	12/31/2099	Housing Successor Agency	SERAF Payment from State Take-Away	#2	572,509	N							
15	Annual Administrative Costs	Admin Costs	1/31/2012	12/31/2099	City of Brisbane	Administration of Successor Agency		4,843,000	N						125,000	4,968,000
17	2013 Tax Allocation Bond Refunding 1998 TAB & 2001TAB	Bonds Issued After 12/31/10	12/26/2013	9/1/2027	Western Alliance Bancorporation	Refinancing of 1998 Housing TAB and 2001 Series A TAB	#1 &#2	22,246,109	N				890,784			23,136,893
18	2013 Tax Allocation Bond Refunding 1998 TAB & 2001TAB	Fees	12/16/2013	9/1/2027	Bank of New York Mellon	Annual Trustee Fee for bond issue	#1&#2		N				2,000			2,000

**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 (RP TTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	Fund Sources						H	I
		C	D	E	F	G	RPTTF		
		Bond Proceeds		Reserve Balance		Other			
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR balances retained	Prior ROPS RPTTF distributed as reserve for next bond payment	Rent, Grants, Interest, Etc.	Non-Admin and Admin	Comments	
<b>ROPS 13-14A Actuals (07/01/13 - 12/31/13)</b>									
1	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)						457,451		This is the CAFR cash balance less the June payment of RPTTF shown below
2	Revenue/Income (Actual 12/31/13) Note that the RPTTF amounts should tie to the ROPS 13-14A distribution 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) Note that for the RPTTF, 3 + 4 should tie to columns L and Q in the Report of PPAs		19,674,627			95,120	1,004,565		Other is Admin not transferred to City at 6/30/13 and a reimbursement to the city for the 2005A Debt Service that was mistakenly 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								
5	ROPS 13-14A RPTTF Prior Period Adjustment Note that the RPTTF amount should tie to column S in the Report of PPAs.				No entry required				
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ 0	\$ -	\$ -	\$ 457,452	130	
<b>ROPS 13-14B Estimate (01/01/14 - 06/30/14)</b>									
7	Beginning Available Cash Balance (Actual 01/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ -	\$ 0	\$ -	\$ -	\$ (95,120)	\$ 457,582		
8	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 approved in ROPS 13-14B								
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ -	\$ 0	\$ -	\$ -	\$ (95,120)	\$ 777,029		

Recognized Obligation Payment Schedule 14-15A - Notes

July 1, 2014 through December 31, 2014

Item #	Notes/Comments
1	These bonds were refinanced with the 2013 TAB and also used the reserve that was held by the trustee
10	These bonds were refinanced with the 2013 TAB and also used the reserve that was held by the trustee
17	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 the refinancing.
18	This is the annual trustee administration fee for the new bonds

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

Name of Successor Agency: Brisbane  
 Name of County: San Mateo

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
<b>Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF)</b>		
<b>A</b>	Funding Sources (B+C+D):	<b>\$</b>
B	Bond Proceeds Funding (ROPS Detail)	-
C	Reserve Balance Funding (ROPS Detail)	-
D	Other Funding (ROPS Detail)	-
<b>E</b>	<b>Enforceable Obligations Funded with RPTTF Funding (F+G):</b>	<b>\$ 1,134,700</b>
F	Non-Administrative Costs (ROPS Detail)	1,009,700
G	Administrative Costs (ROPS Detail)	125,000
<b>H</b>	<b>Current Period Enforceable Obligations (A+E):</b>	<b>\$ 1,134,700</b>
<b>Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding</b>		
I	Enforceable Obligations funded with RPTTF (E):	1,134,700
J	Less: Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(130)
<b>K</b>	<b>Adjusted Current Period RPTTF Requested Funding (I-J)</b>	<b>\$ 1,134,569</b>
<b>County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding</b>		
L	Enforceable Obligations funded with RPTTF (E):	1,134,700
M	Less: Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
<b>N</b>	<b>Adjusted Current Period RPTTF Requested Funding (L-M)</b>	<b>1,134,700</b>

Certification of Oversight Board Chairman:  
 Pursuant to Section 3417(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.

\_\_\_\_\_/s/ \_\_\_\_\_  
 Name Title  
 Signature Date