

RESOLUTION NO. 1-16 (OB)

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE CITY OF WATSONVILLE APPROVING (1) THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD COMMENCING JULY 1, 2016 THROUGH JUNE 30, 2017, AS REQUIRED BY HEALTH & SAFETY CODE SECTION 34177(I)

WHEREAS, in accord with the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000, et seq. ("CRL"), the City Council of the City of Watsonville ("City") previously established the Redevelopment Agency of the City of Watsonville, a public body, corporate and politic ("Agency") to carry out the purposes of and exercise the powers granted to community redevelopment agencies under the CRL; and

WHEREAS, on February 1, 2012, the Agency was dissolved pursuant to Assembly Bill 1X26 (Stats. 2011, 1st Ex. Sess., Ch. 5) ("AB 26"), and its rights, powers, duties and obligations were transferred to a "successor agency" (as defined by CRL Section 34171(j) and Section 34173); and

WHEREAS, the City Council elected to act as the Agency's successor agency ("Successor Agency") under CRL Section 34173; and

WHEREAS, pursuant to Section 34177(l), the Successor Agency is required to prepare "Recognized Obligation Payment Schedules" (each such Schedule, a "ROPS") for each fiscal year period (each such period, a "Fiscal Period") and to submit each ROPS for approval to the oversight board ("Oversight Board") established for the Successor Agency under CRL Section 34179; and

WHEREAS, each ROPS must identify, on a prospective basis, the funds required by the Successor Agency to satisfy the Successor Agency's enforceable obligations and to pay administrative expenses during the applicable Fiscal Period; and

WHEREAS, on April 24, 2012, the Oversight Board adopted Resolution No. 5-12 (OB), approving a **“Cooperation Agreement for Administrative Services”** between the City and the Successor Agency, whereby the City agreed to provide administrative services for the Successor Agency for FY 2012-13 for a total amount of \$250,000; and

WHEREAS, on February 26, 2013, the Oversight Board adopted Resolution No. 4-13 (OB), approving an **“Amended and Restated Cooperation Agreement for Administrative Services”** (**“Cooperation Agreement”**), whereby the City agreed to provide administrative services for the Successor Agency for a total amount of \$250,000 each fiscal year, commencing in FY 2013/14, to be paid pursuant to terms contained in the Cooperation Agreement until such time as the Oversight Board requests a reduction in such amount; and

WHEREAS, the Oversight Board acknowledges that the Cooperation Agreement may be further amended and, therefore, as used in this Resolution, the term **“Cooperation Agreement”** means the Cooperation Agreement as it currently exists and as it may be lawfully amended in the future; and

WHEREAS, the Successor Agency prepared a ROPS for the Fiscal Period commencing July 1, 2016 through June, 2017 (the **“FY 16/17 ROPS”**) (a copy of which is attached as Exhibit “A”) in accord with the requirements of CRL Section 34177(l) and other applicable law and has transmitted the FY 16/17 ROPS electronically to the County Administrative Officer, the County Auditor-Controller and the State Department of Finance; and

WHEREAS, the Successor Agency has recommended that the Oversight Board approve the FY 16/17 ROPS, including compensation of Two Hundred Fifty Thousand Dollars (\$250,000) to the City for providing the Successor Agency’s Administrative

Services (as defined in the Cooperation Agreement), during the FY 16/17 ROPS period; and

WHEREAS, the FY 16/17 ROPS serves as the budget document for the Successor Agency during the July 1, 2016 through June 30, 2017 period and appropriates funds as identified.

**NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD TO THE
SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE
CITY OF WATSONVILLE AS FOLLOWS:**

Section 1. In accord with CRL Section 34180(g), the Oversight Board approves the FY 16/17 ROPS (inclusive of the administrative budget and the administrative cost allocation of \$250,000 payable to the City pursuant to the Cooperation Agreement), in the form attached as Exhibit "A".

Section 2. The Oversight Board directs the City Manager to (a) transmit the Oversight Board approved FY 16/17 ROPS to the County Auditor-Controller and the State Department of Finance, and to provide notice of the Oversight Board's approval to those entities, together with the City's website address, and (b) post the FY 16/17 ROPS to the City's website.

Section 3. This Resolution will become effective in accord with CRL Section 34177(m) and Section 34179(h).

The foregoing resolution was introduced at a regular meeting of the Oversight Board of Successor Agency to the City of Watsonville Redevelopment Agency, held on the 20th day of January, 2016, by Vice-Chair Friend, who moved its adoption, which motion being duly seconded by Member Manning, was upon roll call carried and the resolution adopted by the following vote:

AYES: **BOARD MEMBERS: Canady, Friend, Manning, Medina, Carrillo**



Margarita Carrillo, Chair

ATTEST:

Dr. J. T. Orr

Beatriz Vázquez Flores, Board Secretary

I, Beatriz Vázquez Flores, City Clerk of the City of Watsonville, do hereby certify that the foregoing Resolution No. 1-16 (OB) was duly and regularly passed and adopted by the Oversight Board at a meeting thereof held on the 20th day of January, 2016, and that the foregoing is a full, true and correct copy of said Resolution.

Beatriz Vázquez Flores

Recognized Obligation Payment Schedule (ROPS 16-17) - Summary

Filed for the July 1, 2016 through June 30, 2017 Period

Successor Agency:

Watsonville

County:

Santa Cruz

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		16-17A Total	16-17B Total	ROPS 16-17 Total
A	Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding	\$	\$	\$
A	Sources (B+C+D):	-	-	-
B	Bond Proceeds Funding	-	-	-
C	Reserve Balance Funding	-	-	-
D	Other Funding	-	-	-
E	Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 2,343,943	\$ 527,490	\$ 2,871,433
F	Non-Administrative Costs	2,218,943	402,490	2,621,433
G	Administrative Costs	125,000	125,000	250,000
H	Current Period Enforceable Obligations (A+E):	\$ 2,343,943	\$ 527,490	\$ 2,871,433

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) 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 successor agency.


 Margarita Carrillo Chair
 Name 
 /s/  Title
 Signature  Date
 1/20/16

Watsonville Recognized Obligation Payment Schedule (ROPS 16-17) - ROPS Detail

July 1, 2016 through June 30, 2017

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W						
Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 16-17 Total	16-17A					16-17A Total	16-17B					16-17B Total						
											Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF			Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF								
											Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin		Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin							
1	2004 Tax Allocation, Series A (P&I)	Bonds Issued On or Before	6/1/2004	9/1/2034	US Bank	Civic Plaza		35,420,183		\$ 2,871,433	\$ -	\$ -	\$ -	\$ -	\$ 2,218,943	\$ 125,000	\$ 2,343,943	\$ -	\$ -	\$ -	\$ 402,490	\$ 125,000	\$ 527,490					
2	2004 Tax Allocation, Series B1 & B2	Bonds Issued On or Before	6/1/2004	9/1/2024	US Bank	Housing Projects			18,324,819	N	\$ 1,336,820					1,041,349		\$ 1,041,349				295,471		\$ 295,471				
3	U.S. Bank trustee fees	Fees	6/1/2004	9/1/2034	US Bank	Bond covenants - annual trustee fees			5,138,643	N	\$ 574,008					469,349		\$ 469,349					104,659		\$ 104,659			
4	Project management projected time & costs for Bond Disclosure	Project Management Costs	5/19/2004	9/1/2034	City of Watsonville	Bond covenants - annual continuing disclosures			109,725	N	\$ 6,300					6,300		\$ 6,300						\$ -		\$ -		
6	Tax Increment overpayment by County for FY's 2006-07, 2007-08, 2008-09	Miscellaneous	8/1/2010	8/1/2019	County of Santa Cruz	Repayment per 0% agreement			263,204	N	\$ 6,000					6,000		\$ 6,000							\$ -		\$ -	
7	Tax Increment overpayment by County - Tax Rate Area 02-078 allocation Error	Miscellaneous	12/14/2009	6/30/2025	County of Santa Cruz	Repayment			842,211	N	\$ -					51,484		\$ 51,484								\$ -		\$ -
8	Advance due Water Enterprise Fund (P&I) for County Error for FY's 2001-02 & 2002-03	Miscellaneous	6/1/2004	6/1/2024	Watsonville Water Enterprise Fund	Water Fund loan to RDA for repayment of prior fiscal years tax increment overpayments by County of Santa Cruz			720,254	N																		
12	Civic Center Project Impact Fees	City/County Loans On or Before 6/27/11	6/27/2006	6/30/2013	City of Watsonville Impact Fee Fund	Deferred Impact fees from RDA Project				N																		
13	Downtown Business Parking subsidy Agreements	Business Incentive Agreements	8/24/2010	8/24/2015	City of Watsonville	Subsidize downtown parking (5yr trial)				N																		
17	Projected Manabe-Ow OPA Management costs	OPA/DDA/Construction	3/3/2011	3/3/2031	City of Watsonville	Funding for project management of business park			108,668	N	\$ 4,720					2,360		\$ 2,360						2,360		\$ 2,360		
19	Estimated project management costs	Project Management Costs	2/1/2012	2/1/2067	City of Watsonville	Affordable housing projects-55 years				N																		
20	Estimated project management costs	Project Management Costs	2/1/2012	2/1/2017	City of Watsonville	Loan and project portfolio- 5yrs			4,208	N																		
24	Youth Homes Property Project Insurance Reserve	Miscellaneous	7/8/2009	7/8/2019	Home Owners	Construction defects Liability for 10 years.			250,000	N	\$ -							\$ -								\$ -		\$ -
28	City of Watsonville Administration	Admin Costs	1/1/2014	6/30/2014	City of Watsonville	City of Watsonville Administration			4,375,000	N	\$ 250,000						125,000	\$ 125,000							125,000	\$ 125,000	\$ 125,000	
29	City of Watsonville, 3rd City-Successor Agency loan	City/County Loans After 6/27/11	9/10/2013	12/31/2016	City of Watsonville	Increase to 3rd Loan from City of Watsonville to Successor Agency for ongoing litigation				Y																		
31	Tax Increment Reimbursement Loan	Miscellaneous	5/27/2004	6/1/2024	City of Watsonville Water Fund	Loan from City of Watsonville Water fund to advance repayment of over-allocation of tax increment funds to County of Santa Cruz			357,793	N	\$ 357,793					357,793		\$ 357,793								\$ -		\$ -
32	City of Watsonville, 4rd City-Successor Agency loan	City/County Loans After 6/27/11	9/17/2014	6/30/2016	City of Watsonville	Increase to 4th Loan from City of Watsonville to Successor Agency for ongoing litigation.			53,413	N	\$ 4,000					4,000		\$ 4,000								\$ -		\$ -
33	Public Improvement Financing Agreement for the Library	Miscellaneous	6/28/2006	12/30/2025	City of Watsonville	3dr party loan from City of Watsonville for construction of the City of Watsonville's Library.			1,213,075	N	\$ 280,308					280,308		\$ 280,308								\$ -		\$ -
34	Public Improvement Financing Agreement for the Civic Center	Miscellaneous	6/28/2006	12/30/2025	City of Watsonville	3rd party loan from the City of Watsonville for construction of the Civic Center			3,292,278	N	\$ -							\$ -								\$ -		\$ -
35	5th Loan from City of Watsonville to Successor Agency for ongoing litigation.	City/County Loans After 6/27/11	4/15/2015	4/15/2018	City of Watsonville	5th Loan from City of Watsonville to Successor Agency for ongoing litigation.			151,500	N	\$ -							\$ -								\$ -		\$ -
36										N	\$ -							\$ -								\$ -		\$ -
37										N	\$ -							\$ -								\$ -		\$ -
38										N	\$ -							\$ -								\$ -		\$ -
39										N	\$ -							\$ -								\$ -		\$ -
40										N	\$ -							\$ -								\$ -		\$ -
41										N	\$ -							\$ -								\$ -		\$ -
42										N	\$ -							\$ -								\$ -		\$ -
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44										N	\$ -							\$ -								\$ -		\$ -
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48										N	\$ -							\$ -								\$ -		\$ -
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50										N	\$ -							\$ -								\$ -		\$ -
51																												

Watsonville Recognized Obligation Payment Schedule (ROPS 16-17) - ROPS Detail

July 1, 2016 through June 30, 2017

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W		
Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 16-17 Total	16-17A					16-17A Total	16-17B					16-17B Total		
											Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF			Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF				
											Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin		Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin			
74								N	\$	-						\$	-					\$		
75								N	\$	-						\$	-					\$		
76								N	\$	-						\$	-					\$		
77								N	\$	-						\$	-					\$		
78								N	\$	-						\$	-					\$		
79								N	\$	-						\$	-					\$		
80								N	\$	-						\$	-					\$		
81								N	\$	-						\$	-					\$		
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92								N	\$	-						\$	-					\$		
93								N	\$	-						\$	-					\$		
94								N	\$	-						\$	-					\$		
95								N	\$	-						\$	-					\$		
96								N	\$	-						\$	-					\$		

Watsonville Recognized Obligation Payment Schedule (ROPS 16-17) - Report of Cash Balances
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) 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. For tips on how to complete the Report of Cash Balances Form, see [CASH BALANCE TIPS SHEET](#).

A	B	C	D	E	F	G	H	I
Cash Balance Information by ROPS Period		Fund Sources						Comments
		Bond Proceeds		Reserve Balance		Other	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
ROPS 15-16A Actuals (07/01/15 - 12/31/15)								
1	Beginning Available Cash Balance (Actual 07/01/15)						77,167	Bond Reserve of 1,857,454
2	Revenue/Income (Actual 12/31/15) RPTTF amounts should tie to the ROPS 15-16A distribution from the County Auditor-Controller during June 2015					13,311	2,638,327	
3	Expenditures for ROPS 15-16A Enforceable Obligations (Actual 12/31/15)							2,577,030
4	Retention of Available Cash Balance (Actual 12/31/15) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)							
5	ROPS 15-16A RPTTF Balances Remaining	No entry required						
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 13,311	\$ 138,464	
ROPS 15-16B Estimate (01/01/16 - 06/30/16)								
7	Beginning Available Cash Balance (Actual 01/01/16) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ -	\$ -	\$ -	\$ -	\$ 13,311	\$ 138,464	
8	Revenue/Income (Estimate 06/30/16) RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016						705,611	
9	Expenditures for ROPS 15-16B Enforceable Obligations (Estimate 06/30/16)							758,009
10	Retention of Available Cash Balance (Estimate 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)							Bond Reserve of 1,857,454
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ -	\$ -	\$ -	\$ -	\$ 13,311	\$ 86,066	

Watsonville Recognized Obligation Payment Schedule (ROPS 16-17) - Notes July 1, 2016 through June 30, 2017

Watsonville Recognized Obligation Payment Schedule (ROPS 16-17) - Notes July 1, 2016 through June 30, 2017

Item #	Notes/Comments