

RESOLUTION NO. 2-14 (OB)

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE CITY OF WATSONVILLE APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD COMMENCING JULY 1, 2014, THROUGH DECEMBER 31, 2014, 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(I), the Successor Agency is required to prepare "**Recognized Obligation Payment Schedules**" (each such Schedule, a "**ROPS**") for each six-month period of a fiscal year (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 in pursuant to terms contained in the Cooperation Agreement until such time as the Oversight Board requests a reduction in such amount; and

WHEREAS, the Successor Agency prepared a ROPS for the Fiscal Period commencing July 1, 2014, through December 31, 2014, (the “**FY 14/15A 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 14/15A 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 14/15A ROPS, including compensation of One Hundred Twenty-Five Thousand Dollars (\$125,000) to the City for providing the Successor Agency’s administrative services pursuant to the Cooperation Agreement during the FY 14/15A ROPS period; and

WHEREAS, the FY 14/15A ROPS serves as the budget document for the Successor Agency during the July 1, 2014, through December 31, 2014, period and appropriates funds as identified.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD FOR 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 14/15A ROPS (inclusive of the administrative budget and the administrative cost allocation of \$125,000 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 14/15A 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 14/15A ROPS to the City's website.

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

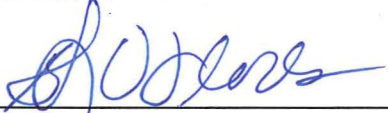
The foregoing resolution was introduced at a regular meeting of the Oversight Board of Successor Agency to the City of Watsonville Redevelopment Agency, held on the 19th day of February, 2014, by Member McFadden, who moved its adoption, which motion being duly seconded by Member Carrillo, was upon roll call carried and the resolution adopted by the following vote:

AYES:	BOARD MEMBERS:	Caput, Carrillo, Friend, McFadden, Medina, Tavantzis, Montesino
NOES:	BOARD MEMBERS:	None
ABSENT:	BOARD MEMBERS:	None



Eduardo Montesino, Chair

ATTEST:



Beatriz Vázquez Flores, Board Secretary

I, Beatriz Vázquez Flores, City Clerk of the City of Watsonville, do hereby certify that the foregoing Resolution No. 2-14 (OB) was duly and regularly passed and adopted by the Oversight Board at a meeting thereof held on the 19th day of February, 2014, and that the foregoing is a full, true and correct copy of said Resolution.



Beatriz Vázquez Flores, City Clerk

Recognized Obligation Payment Schedule (ROPS 14-15A) - Summary

Filed for the July 1, 2014 through December 31, 2014 Period

Name of Successor Agency: Watsonville
Name of County: Santa Cruz

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding Sources (B+C+D):		\$ -
B	Bond Proceeds Funding (ROPS Detail)	-
C	Reserve Balance Funding (ROPS Detail)	-
D	Other Funding (ROPS Detail)	-
E Enforceable Obligations Funded with RPTTF Funding (F+G):		\$ 2,170,978
F	Non-Administrative Costs (ROPS Detail)	2,045,978
G	Administrative Costs (ROPS Detail)	125,000
H Current Period Enforceable Obligations (A+E):		\$ 2,170,978

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I	Enforceable Obligations funded with RPTTF (E):	2,170,978
J	Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(20,122)
K Adjusted Current Period RPTTF Requested Funding (I-J)		\$ 2,150,856

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L	Enforceable Obligations funded with RPTTF (E):	2,170,978
M	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N Adjusted Current Period RPTTF Requested Funding (L-M)		2,170,978

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.

Eduardo Montesino, Chair

Name _____ Title _____

/s/  _____
Signature _____ Date _____

Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail
July 1, 2014 through December 31, 2014
(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
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	Funding Source					Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
								\$ 38,016,046							
1	2004 Tax Allocation, Series A (P&I)	Bonds Issued On or Before 12/31/10	6/1/2004	9/1/2034	US Bank	Civic Plaza	All	21,002,814	N	\$ -	\$ -	\$ -	\$ 2,045,979	\$ 125,000	\$ 2,170,979
2	2004 Tax Allocation, Series B1 & B2 (P&I)	Bonds Issued On or Before 12/31/10	6/1/2004	9/1/2024	US Bank	Housing Projects	All	6,291,389	N				1,014,549		\$ 1,014,549
3	U S Bank trustee fees	Fees	6/1/2004	9/1/2034	US Bank	Bond covenants - annual trustee fees	All	80,500	N				451,311		\$ 451,311
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	All	281,949	N				5,250		\$ 5,250
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	All	265,377	N				6,800		\$ 6,800
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	All	842,211	N				49,985		\$ 49,985
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	All	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	All	715,980	N						
13	Downtown Business Parking subsidy	Business Incentive Agreements	8/24/2010	8/24/2015	City of Watsonville	Subsidize downtown parking (5yr trial)	All	32,640	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	All	176,192	N				32,579		\$ 32,579
19	Estimated project management costs	Project Management Costs	2/1/2012	2/1/2067	City of Watsonville	Affordable housing projects-55 years	All	1,420,334	N				13,277		\$ 13,277
20	Estimated project management costs	Project Management Costs	2/1/2012	2/1/2017	City of Watsonville	Loan and project portfolio- 5yrs	All	225,109	N				2,104		\$ 2,104
24	Youth Homes Property Project Insurance Reserve	Miscellaneous	7/8/2009	7/8/2019	Home Owners	Construction defects Liability for 10 years.	All	250,000	N						\$ -
25	20% Housing Fund Loan to RDA 80% Fund	SERAF/ERAF	4/27/2011	6/30/2016	City of Watsonville Successor Housing Fund	ERAF Loan for 2010-11	All	636,297	N				470,124		470,124
28	City of Watsonville Administration	Admin Costs	1/1/2014	6/30/2014	City of Watsonville	City of Watsonville Administration	All	4,875,000	N					125,000	\$ 125,000
29	City of Watsonville, 3rd City-Successor Agency loan	City/County Loans After 6/27/11	9/10/2013	6/30/2015	City of Watsonville	Loan from City of Watsonville to Successor Agency for ongoing litigation	All	200,000	N						\$ -
															\$ -
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Recognized Obligation Payment Schedule (ROPS) 14-15A - 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.

A	B	C	D	E	F	G	H	I
	Cash Balance Information by ROPS Period	Fund Sources						Comments
ROPS 13-14A Actuals (07/01/13 - 12/31/13)								
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)			(101,240)				
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						2,237,555	
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						2,217,433	
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					20,122	
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ (101,240)	\$ -	\$ -	\$ -	
ROPS 13-14B Estimate (01/01/14 - 06/30/14)								
7	Beginning Available Cash Balance (Actual 01/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ -	\$ -	\$ (101,240)	\$ -	\$ -	\$ 20,122	
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						779,650	
9	Expenditures for 13-14B Enforceable Obligations (Estimate 06/30/14)						779,650	
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)	\$ -	\$ -	\$ (101,240)	\$ -	\$ -	\$ 20,122	

Recognized Obligation Payment Schedule (ROPS) 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)
 (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 Redevelopment Property Tax Trust Fund (RPTTF) 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
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures										
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin					and Admin PPA (Amount Used to
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	RPTTF (ROPS 13-14A distributed + all other available as of 07/1/13)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	RPTTF (ROPS 13-14A distributed + all other available as of 07/1/13)	Net Lesser of Authorized / Available	Actual	(If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,112,555	\$ 2,112,555	\$ 2,112,555	\$ 2,092,433	\$ 20,122	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ -	\$ 20,122
1	2004 Tax	-	-	-	-	-	-	997,449	997,449	\$ 997,449	977,358	\$ 20,091						\$ 20,091
2	2004 Tax	-	-	-	-	-	-	443,661	443,661	\$ 443,661	443,630	\$ 31						\$ 31
3	U S Bank trustee fees	-	-	-	-	-	-	5,250	5,250	\$ 5,250	5,250	\$ -						\$ -
4	Project management projected time & costs for Bond Disclosure	-	-	-	-	-	-	5,298	5,298	\$ 5,298	5,298	\$ -						\$ -
5	Tax Increment overpayment by County '04	-	-	-	-	-	-	23,841	23,841	\$ 23,841	23,841	\$ -						\$ -
6	Tax Increment overpayment by County for FY's 2006-07, 2007-08, 2008-09	-	-	-	-	-	-	47,115	47,115	\$ 47,115	47,115	\$ -						\$ -
7	Tax Increment overpayment by County - Tax Rate Area 02-078 allocation Error	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -
8	Advance due Water Enterprise Fund (P&I) For County Error for FY's 2001-02 & 2002-03	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -
12	Civic Center Project Impact Fees	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -
13	Downtown Business Parking subsidy	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -
17	Projected Manabe-Ow OPA Management costs	-	-	-	-	-	-	32,579	32,579	\$ 32,579	32,579	\$ -						\$ -
19	Estimated project management costs	-	-	-	-	-	-	13,228	13,228	\$ 13,228	13,228	\$ -						\$ -
20	Estimated project management costs	-	-	-	-	-	-	2,104	2,104	\$ 2,104	2,104	\$ -						\$ -
21	Legal Support	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -
22	Affordable Housing Project	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -
24	Youth Homes Property Project Insurance Reserve	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -
25	20% Housing Fund Loan to RDA 80% Fund	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -
26	Loan from City of Watsonville to Successor Agency	-	-	-	-	-	-	542,030	542,030	\$ 542,030	542,030	\$ -						\$ -
27	Loan from City of Watsonville to Successor Agency for Due Diligence Review	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -
28	City of Watsonville Administration	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -

Recognized Obligation Payment Schedule 14-15A - Notes

July 1, 2014 through December 31, 2014

[illegible]