

RESOLUTION NO. 11-14 (OB)

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF WATSONVILLE APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD COMMENCING JANUARY 1, 2015, THROUGH JUNE 30, 2015, AS REQUIRED BY HEALTH & SAFETY CODE SECTION 34177(I) AND ADOPTING AN ADMINISTRATIVE BUDGET

WHEREAS, in accordance 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 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 in accordance with the CRL; and

WHEREAS, on February 1, 2012, the Agency was dissolved in accord with 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, in pursuant to Section 34177(l) 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 six-month basis, the funds required by the Successor Agency to satisfy the 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 Successor Agency prepared a ROPS for the Fiscal Period commencing January 1, 2015, through June 30, 2015 ("**FY 14/15B ROPS**") (a copy of which is attached as **Exhibit "A"**) in accordance with the requirements of CRL Section 34177(l) and other applicable law and has transmitted the FY 14/15B 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 14/15B 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 14/15B ROPS period; and

WHEREAS, the FY 14/15B ROPS serves as the budget document for the Successor Agency during the January 1, 2015, through June 30, 2015, 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 14/15B 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 14/15B 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 14/15B 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 17th day of September, 2014, by Member Friend, who moved its adoption, which motion being duly seconded by Member McFadden, was upon roll call carried and the resolution adopted by the following vote:

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



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. 11-14 (OB) was duly and regularly passed and adopted by the Oversight Board at a meeting thereof held on the 17th day of September, 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 14-15B) - Summary

Filed for the January 1, 2015 through June 30, 2015 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		
A	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):	\$ 746,703
F	Non-Administrative Costs (ROPS Detail)	621,703
G	Administrative Costs (ROPS Detail)	125,000
H	Current Period Enforceable Obligations (A+E):	\$ 746,703

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding

I	Enforceable Obligations funded with RPTTF (E):	746,703
J	Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(28,193)
K	Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 718,510

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding

L	Enforceable Obligations funded with RPTTF (E):	746,703
M	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N	Adjusted Current Period RPTTF Requested Funding (L-M)	746,703

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
Name _____
/s/ *Eduardo Montesino* Title _____
Signature _____ Date _____

Recognized Obligation Payment Schedule (ROPS 14-15B) - ROPS Detail
January 1, 2015 through June 30, 2015
(Report Amounts in Whole Dollars)

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					P		
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF				
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin			
										\$	\$	\$	\$	\$			
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	\$ 36,041,225	N					326,049		326,049	
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	5,982,514	N					123,543		123,543	
3	US Bank trustee fees	Fees	6/1/2004	9/1/2034	US Bank	Bond covenants - annual trustee fees	All	80,850	N								-
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								-
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	270,011	N								-
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								-
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	6/27/2006	6/30/2013	City of Watsonville Impact Fee Fund	Deferred Impact fees from RDA Project	All		N								-
13	Downtown Business Parking subsidy	Business Incentive Agreements	8/24/2010	8/24/2015	City of Watsonville	Subsidize downtown parking (5yr trial)	All		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	143,553	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	1,407,057	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	10,523	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	166,780	N								-
28	City of Watsonville Administration	Admin Costs	1/1/2014	6/30/2014	City of Watsonville	City of Watsonville Administration	All	4,750,000	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	28,151	N					28,151		28,151	
30	Administrative Expense Loan	Miscellaneous	4/15/2008	4/15/2018	City of Watsonville	Loan from City of Watsonville to advance funds to RDA for planning, administration & project related expenses.	All	468,289	N								-
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	All	554,818	N								-
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	Loan from City of Watsonville to Successor Agency for ongoing litigation	All	96,000	N					96,000		96,000	
33									N								-
34									N								-
35									N								-
36									N								-
37									N								-
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53									N								-
54									N								-
55									N								-
56									N								-

Recognized Obligation Payment Schedule (ROPS 14-15B) - 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 https://rad.dof.ca.gov/rad-sa/pdf/Cash_Balance_Agency_Tips_Sheet.pdf.

A	B	C	D	E	F	G	H	I	
		Fund Sources						Comments	
		Bond Proceeds		Reserve Balance		Other	RPTTF		
Cash Balance Information by ROPS Period		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 13-14B Actuals (01/01/14 - 06/30/14)									
1	Beginning Available Cash Balance (Actual 01/01/14)			(17,391)				negative cash balance as result of DDR	
2	Revenue/Income (Actual 06/30/14) RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014						779,650		
3	Expenditures for ROPS 13-14B Enforceable Obligations (Actual 06/30/14) RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q						815,627		
4	Retention of Available Cash Balance (Actual 06/30/14) RPTTF amount retained should only include the amounts distributed for debt service reserve(s) approved in ROPS 13-14B								
5	ROPS 13-14B RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 13-14B PPA in the Report of PPA, Column S	No entry required					28,193		
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	-	-	(17,391)	-	-	(64,170)		
ROPS 14-15A Estimate (07/01/14 - 12/31/14)									
7	Beginning Available Cash Balance (Actual 07/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	-	-	(17,391)	-	-	(35,977)		
8	Revenue/Income (Estimate 12/31/14) RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor-Controller during June 2014						2,150,857		
9	Expenditures for ROPS 14-15A Enforceable Obligations (Estimate 12/31/14)						2,150,857		
10	Retention of Available Cash Balance (Estimate 12/31/14) RPTTF amount retained should only include the amount distributed for debt service reserve(s) approved in ROPS 14-15A								
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	-	-	(17,391)	-	-	(35,977)		

Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Prior Period Adjustments

Reported for the ROPS 13-14B (January 1, 2014 through June 30, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a) (Report Amounts in Whole Dollars)

ROPS 13-14B 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 13-14B (January through June 2014) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 14-15B (January through June 2015) period will be offset by the SA's self-reported ROPS 13-14B 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.

Recognized Obligation Payment Schedule (ROPS 14-15B) - Notes

January 1, 2015 through June 30, 2015