

RESOLUTION NO. 7-13 (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 JANUARY 1, 2014 THROUGH JUNE 30, 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 January 1, 2014 through June 30, 2014 (the “**FY 13/14B 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 13/14B 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 13/14B 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 13/14B ROPS period; and

WHEREAS, the FY 13/14B ROPS serves as the budget document for the Successor Agency during the January 1, 2014 through June 30, 2014 period and appropriates funds as identified.

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

Section 1. In accord with CRL Section 34180(g), the Oversight Board approves the FY 13/14B 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 13/14B 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 13/14B 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 9th day of September, 2013, by Member McFadden, who moved its adoption, which motion being duly seconded by Vice Chair Cortez, was upon roll call carried and the resolution adopted by the following vote:

AYES: BOARD MEMBERS: **Cortez, Friend, McFadden, Tavantzis, Montesino**

NOES: BOARD MEMBERS: **Caput**

ABSENT: BOARD MEMBERS: **Medina**



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. 7-13 (OB) was duly and regularly passed and adopted by the Oversight Board at a meeting thereof held on the 9th day of September, 2013, and that the foregoing is a full, true and correct copy of said Resolution.


Beatriz Vázquez Flores, City Clerk

Recognized Obligation Payment Schedule (ROPS 13-14B) - Summary

Filed for the January 1, 2014 through June 30, 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		
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):		\$ 860,727
F Non-Administrative Costs (ROPS Detail)		735,727
G Administrative Costs (ROPS Detail)		125,000
H Current Period Enforceable Obligations (A+E):		\$ 860,727

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I Enforceable Obligations funded with RPTTF (E):	860,727
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column U)	(64,170)
K Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 796,557

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L Enforceable Obligations funded with RPTTF (E):	860,727
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AB)	-
N Adjusted Current Period RPTTF Requested Funding (L-M)	860,727

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
/s/ [Signature] Title
Signature Date 9/9/13

Recognized Obligation Payment Schedule (ROPS) 13-14B - Report of Fund 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	J	K
	Fund Balance Information by ROPS Period	Fund Sources								Comments
		Bond Proceeds		Reserve Balance		Other	RPTTF		Total	
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Review balances retained for approved enforceable obligations	RPTTF balances retained for bond reserves	Rent, Grants, Interest, Etc.	Non-Admin	Admin		
ROPS III Actuals (01/01/13 - 6/30/13)										
1	Beginning Available Fund Balance (Actual 01/01/13) Note that for the RPTTF, 1 + 2 should tie to columns L and Q in the Report of Prior Period Adjustments (PPAs)								\$ -	
2	Revenue/Income (Actual 06/30/13) Note that the RPTTF amounts should tie to the ROPS III distributions from the County Auditor-Controller								\$ -	
3	Expenditures for ROPS III Enforceable Obligations (Actual 06/30/13) Note that for the RPTTF, 3 + 4 should tie to columns N and S in the Report of PPAs								\$ -	
4	Retention of Available Fund Balance (Actual 06/30/13) Note that the Non-Admin RPTTF amount should only include the retention of reserves for debt service approved in ROPS III								\$ -	
5	ROPS III RPTTF Prior Period Adjustment Note that the net Non-Admin and Admin RPTTF amounts should tie to columns O and T in the Report of PPAs.	No entry required						64,170	- \$ 64,170	
6	Ending Actual Available Fund Balance (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (64,170)	
ROPS 13-14A Estimate (07/01/13 - 12/31/13)										
7	Beginning Available Fund Balance (Actual 07/01/13) (C, D, E, G, and I = 4 + 6, F = H4 + F6, and H = 5 + 6)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,170	\$ -	\$ -	
8	Revenue/Income (Estimate 12/31/13) Note that the RPTTF amounts should tie to the ROPS 13-14A distributions from the County Auditor-Controller								\$ -	
9	Expenditures for 13-14A Enforceable Obligations (Estimate 12/31/13)								\$ -	
10	Retention of Available Fund Balance (Estimate 12/31/13) Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14A								\$ -	
11	Ending Estimated Available Fund Balance (7 + 8 - 9 -10)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,170	\$ -	\$ -	

<p align="center"> Recognized Obligation Payment Schedule (ROPS) 13-14B - ROPS Detail January 1, 2014 through June 30, 2014 (Report Amounts in Whole Dollars) </p>									
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Recognized Obligation Payment Schedule (ROPS) 13-14B - Report of Prior Period Adjustments
 Reported for the ROPS III (January 1, 2013 through June 30, 2013) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)
 (Report Amounts in Whole Dollars)

ROPS III 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 III (July through December 2013) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 13-14B (January through June 2014) period will be offset by the SA's self-reported ROPS III 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.

ROPS III CAC PPA: To be completed by the CAC upon submittal of the ROPS 13-14B by the SA to Finance and the CAC

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures										RPTTF Expenditures															
		LMHF (Includes LMHF Due Diligence Review (DDR) related balances)		Bond Proceeds		Reserve Balance (Includes Other Funds and Assets DDR related balances)		Other Funds		Non-Admin		Admin		Net SA Non-Admin and Admin PPA		Non-Admin CAC		Admin CAC		Net CAC Non-Admin and Admin PPA							
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	RPTTF (ROPS II distributed + all other available as of 1/1/13)	Net Lessor of Authorized / Available	Actual	Difference (If M is less than N, the difference is zero)	Authorized	RPTTF (ROPS II distributed + all other available as of 1/1/13)	Net Lessor of Authorized / Available	Actual	Difference (If R is less than S, the difference is zero)	Net Difference (Amount Used to Offset ROPS 13-14B Requested RPTTF (D + T))	Net Lessor of Authorized / Available	Actual	Difference (If V is less than W, the difference is zero)	Net Lessor of Authorized / Available	Actual	Difference (If Y is less than Z, the difference is zero)	Net Difference (Amount Used to Offset ROPS 13-14B Requested RPTTF (X - AA))
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
1	2004 Tax Allocation, Series A (PAI)									1,475,020	1,475,020	1,475,020	1,412,069	\$ 64,170	125,000	125,000	125,000	\$ 64,170									
2	2004 Tax Allocation, Series B1 & B2 (PAI)									354,849	354,849	354,849	354,826	\$ 0,023					\$ 0,023								
3	U S Bank trustee fees									138,661	138,661	138,661	138,635	\$ 26					\$ 26								
4	Project management projected time & costs for Bond Disclosure																										
5	Tax increment overpayment by County '04																										
6	Tax increment overpayment by County for FY's 2006-07, 2007-08, 2008-09																										
7	Tax increment overpayment by County - Tax Rate Area 02-078 allocation Error																										
8	Advance due Water Enterprise Fund (PAI) For County Error for FY's 2001-02 & 202-03																										
12	Civic Center Project Impact Fees																										
13	Downtown Business Parking subsidy									12,360	12,360	12,360	12,360	\$ 12,360					\$ 12,360								
17	Projected Menabae-Cw OPA Management costs									32,679	32,679	32,679	32,679														
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									26,881	26,881	26,881	26,881	\$ 26,881						26,881							
22	Affordable Housing Project									299,093	299,093	299,093	299,093														
24	Youth Homes Property Project Insurance Reserve																										
25	30% Housing Fund Loan to RDA 80% Fund																										
26	Loan from City of Watsonville to Successor Agency									566,194	566,194	566,194	567,104														
27	Loan from City of Watsonville to Successor Agency for Due Diligence Review									20,000	20,000	20,000	5,000	15,000						15,000							
28	City of Watsonville Administration														125,000	125,000	125,000	125,000									

Recognized Obligation Payment Schedule 13-14B - Notes

January 1, 2014 through June 30, 2014

Item #	Notes/Comments
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29	New (3rd loan) City / Successor Agency loan for litigation, case #34-2013-80001523
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8	The amount due is shown as \$720,253; the amount denied in ROPS III (assumed 2011-12 payment was made; however, the correct amount outstanding should be \$808,611 as of 01/01/2014
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