

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF TRACY  
COMMUNITY DEVELOPMENT AGENCY

SPECIAL MEETING MINUTES

September 19, 2017, 3:30 p.m.

City Council Chambers, 333 Civic Center Plaza

Web Site: [www.ci.tracy.ca.us](http://www.ci.tracy.ca.us)

1. CALL TO ORDER – Chair Sensibaugh called the meeting to order at 3:36 p.m.
2. ROLL CALL - Roll call found Board Members Anderson, Harb, Khan, Menge, Rickman and Chair Sensibaugh present. Board Member Meeker absent. Also present were Robert Harmon, Senior Accountant, and Adrienne Richardson, Recording Secretary.
3. ITEMS FROM THE AUDIENCE – None
4. APPROVAL OF MINUTES – The regular meeting minutes of February 7, 2017, and special meeting minutes of July 11, 2017 special meeting were adopted. Motion was made by Board Member Menge and seconded by Board Member Harb. Voice vote found all in favor; passed and so ordered. Board Member Meeker absent.
5. FOR THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF TRACY TO APPROVE AN AMENDMENT TO THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) 17-18B AND FIND THAT THE REVISION IS NECESSARY IN ORDER TO PAY ENFORCEABLE OBLIGATIONS - Robert Harmon, Senior Accountant, provided the staff report. Effective February 1, 2012, the State of California dissolved redevelopment agencies through the passage of Assembly Bill X1 26 and replaced them with successor agencies responsible for the wind-down of the former redevelopment agencies. The City of Tracy City Council elected to serve as the successor agency for the former City of Tracy Community Development Agency (CDA). ABX1 26 also redirected the tax increment funding previously received by the CDA to a Redevelopment Property Tax Trust Fund (RPTTF) held by the County.

The Successor Agency (Agency) previously approved an Enforceable Obligation Payment Schedule (EOPS) which listed various financial obligations of the City's former CDA including such items as required payments on existing bonds, bond trustee costs and other obligations. Among these obligations is the Supplemental Education Revenue Augmentation Fund (SERAF) loan between the Successor Agency and the City of Tracy.

A law signed by the Governor in July 2009, shifted redevelopment money to SERAF for payment to K-12 schools. Severe penalties were in place for non-payment. Since the CDA did not have the cash to make these payments, in FY09-10, they borrowed from the Low and Moderate Income Housing Fund (LMIHF) with plans to repay the loan in the following years.

In February 2012, the City elected to serve as the Housing Successor; therefore all LMIHF assets, including the outstanding SERAF loan receivable from the CDA, were transferred to the City. This loan became eligible for repayment in FY17-18 with the

approval of a repayment schedule by the California Department of Finance (DOF); however, in order to receive funding, this obligation must be listed on the ROPS and approved by both the Oversight Board and the DOF. Any funding approved is contingent upon funds being available in the RPTTF. The approved payment schedule is as follows:

FY17-18	\$ 1,054,915
FY18-19	\$ 1,054,915
FY19-20	\$ 693,690

Initial SERAF funding was included on the original ROPS 17-18 request; however it was denied by the DOF since the repayment agreement had not been approved by the DOF. HSC §34177.7 (o)(1)(E) allows the Successor Agency to submit one amendment to the ROPS where the Oversight Board makes a finding that a revision is necessary to pay Enforceable Obligations.

Board Member comments and questions followed.

Motion was made by Board Member Khan and seconded by Board Member Harb to adopt Resolution OB2017-004, a Resolution of the Oversight Board of the Successor Agency to the Tracy Community Development Agency approving an amendment to the Recognized Obligation Payment Schedule 17-18B and finding that the revision is necessary in order to pay enforceable obligations. Voice vote found Board Members Anderson, Harb, Khan, Menge, Rickman, and Chair Sensibaugh in favor; passed and so ordered. Board Member Meeker absent.

6. BOARD MEMBER ITEMS - Robert Harmon, Senior Accountant stated the Oversight Board will meet one more time in January 2018 for approval of 18/19 ROPs and that should conclude the board members service to the Oversight Board. The body will be dissolved on June 30, 2018, and will be replaced with the countywide Oversight Board. The County Auditor/Controller has scheduled a meeting to go through the process of how to do staff reports and meetings.
7. ADJOURNMENT - Motion was made by Board Member Harb and seconded by Board Member Rickman to adjourn at 3:47 p.m. Voice vote found Board Members Anderson, Harb, Khan, Menge, Rickman and Chair Sensibaugh in favor; passed and so ordered. Board Member Meeker absent.

  
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Successor Agency Secretary

  
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Chair