#### NOTICE OF REGULAR MEETING

Pursuant to Section 54954.2 of the Government Code of the State of California, a Regular meeting of the **Oversight Board of the Successor Agency to the City of Tracy Community Development Agency** is hereby called for:

Date/Time: Tuesday, November 5, 2013, 3:30 p.m.

(or as soon thereafter as possible)

Location: City Council Chambers, City Hall

333 Civic Center Plaza, Tracy, CA 95376

Government Code Section 54954.3 states that every public meeting shall provide an opportunity for the public to address the Oversight Board on any item, before or during consideration of the item. However no action shall be taken on any item not on the agenda.

- 1. CALL TO ORDER
- 2. ROLL CALL
- 3. ITEMS FROM THE AUDIENCE
- 4. OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF TRACY APPROVING THE REVISED RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS)
- 5. LITIGATION UPDATE
- 6. ITEMS FROM THE AUDIENCE
- 7. BOARD MEMBER ITEMS
- 8. ADJOURNMENT

#### October 31, 2013

Posted Date

The City of Tracy complies with the Americans with Disabilities Act and makes all reasonable accommodations for the disabled to participate in public meetings. Persons requiring assistance or auxiliary aids in order to participate should call City Hall (209-831-6000), at least 24 hours prior to the meeting.

Any materials distributed to the majority of the Oversight Board of the Successor Agency to the City of Tracy Community Development Agency regarding any item on this agenda will be made available for public inspection in the Development Services Department located at 333 Civic Center Plaza, Tracy, California, during normal business hours.

#### AGENDA ITEM 4

#### REQUEST

### OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF TRACY APPROVING THE REVISED RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS)

#### **DISCUSSION**

Effective February 1, 2012, the State of California dissolved redevelopment agencies through the passage of ABX1 26 and replaced them with successor agencies. The City of Tracy City Council elected to serve as the successor agency for the former City of Tracy Community Development Agency (CDA). The City Council previously approved an Enforceable Obligation Payment Schedule (EOPS) which listed various financial obligations of the City's former CDA. The law now requires that successor agencies adopt a Recognized Obligation Payment Schedule (ROPS) listing all enforceable obligations proposed for payment and the Oversight Board approve the ROPS. Attached is the ROPS for the period January 1, 2014 to June 30, 2014. The attached ROPS schedule lists the Enforceable Obligations in a new format prescribed by the state Department of Finance (DOF).

The state DOF revised the forms used for submission of the ROPS in August 2013 and they were received by the Successor Agency just days before the meeting of September 3, 2013. On September 3, 2013, the Oversight Board approved the ROPS 13-14B on the revised forms; however, a reconciliation schedule was inadvertently missing. The DOF subsequently denied the ROPS due to the missing schedule. This action will approve the revised ROPS13-14B; which lists the various obligations of the former CDA which require payment between January 1, 2014 and June 30, 2014 and the reconciliation of prior ROPS approvals, funding and payments.

#### FISCAL IMPACT

There is no fiscal impact as a result of this staff report. Recognized obligations are paid from property tax revenue previously allocated to the City of Tracy CDA.

#### RECOMMENDATION

It is recommended the Oversight Board approve the revised Recognized Obligation Payment Schedule 13-14B.

Prepared by: Robert Harmon, Senior Accountant

Reviewed by: Jenny Haruyama, Administrative Services Director

Approved by: R. Leon Churchill, Jr., City Manager

#### <u>ATTACHMENTS</u>

Attachment 1 – Resolution Approving Revised ROPS

Attachment 2 – ROPS 13-14B Schedule

### Recognized Obligation Payment Schedule (ROPS 13-14B) - Summary Filed for the January 1, 2014 through June 30, 2014 Period

Name	of Successor Agency:	Tracy								
Name	of County:	San Joaquin								
Currer	nt Period Requested Fu	nding for Outstanding Debt or Obligation	tion	Six-Month Tota	ı					
		ons Funded with Non-Redevelopment	Property Tax Trust Fund (RPTTF) Funding	\$						
Α -	Sources (B+C+D):									
В	Bond Proceeds Funding (ROPS Detail)									
С	C Reserve Balance Funding (ROPS Detail)									
D	D Other Funding (ROPS Detail)									
Ε	E Enforceable Obligations Funded with RPTTF Funding (F+G):									
F	Non-Administrative Costs (ROPS Detail)									
G	Administrative Costs (ROPS Detail)									
Н	H Current Period Enforceable Obligations (A+E):									
Succe	ssor Agency Self-Repo	rted Prior Period Adjustment to Curre	nt Period RPTTF Requested Funding							
1	Enforceable Obligation	ns funded with RPTTF (E):		2,	643,144					
J	Less Prior Period Adjustment (Report of Prior Period Adjustments Column U)									
K	C Adjusted Current Period RPTTF Requested Funding (I-J)									
Count	y Auditor Controller Re	ported Prior Period Adjustment to Cu	rrent Period RPTTF Requested Funding							
L	Enforceable Obligation	ns funded with RPTTF (E):		2,	643,144					
М	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AB)									
N	N Adjusted Current Period RPTTF Requested Funding (L-M)									
Contiti-	nation of Oversight Decad	Chairman								
	cation of Oversight Board ant to Section 34177(m) o	Chairman: of the Health and Safety code, I								
hereby	hereby certify that the above is a true and accurate Recognized  Name									
Obliga	tion Payment Schedule for	or the above named agency.	/s/							
			Signature		Date					

### Recognized Obligation Payment Schedule (ROPS) 13-14B - Report of Fund Balances (Report Amounts in Whole Dollars)

			(Report	Amounts in Whole [	Oollars)				
Pursuant to Health and Safety Code section 34177(I), Redevelopment F by an enforceable obligation.	roperty Tax Trust	Fund (RPTTF) m	ay be listed as a sour	ce of payment on the	ne ROPS, but only to	the extent no other	funding source is a	vailable or when p	payment from property tax revenues is required
АВ	С	D	E	F	G	Н	I	J	К
				Fund	Sources				
	Bond P	roceeds	Reserve	Balance	Other	RP	TTF		
Fund Balance Information by ROPS Period	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	Total	Comments
ROPS III Actuals (01/01/13 - 6/30/13)									
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)  Revenue/Income (Actual 06/30/13) Note that the RPTTF						-	-	\$ -	
amounts should tie to the ROPS III distributions from the County  2 Auditor-Controller						2,490,806	125,000	\$ 2,615,806	
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						2,486,726	120,820	\$ 2,607,546	
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	-					-	-	\$ -	
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			4,080	4,180	\$ 8,260	
6 Ending Actual Available Fund Balance (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	-	\$ -	\$ -	\$ 4,080	\$ 4,180	\$ -	
ROPS 13-14A Estimate (07/01/13 - 12/31/13)			T			1			
Beginning Available Fund Balance (Actual 07/01/13) (C, D, E, G, and I = 4 + 6, F = H4 + F6, and H = 5 + 6)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,080	\$ 4,180	\$ 8,260	
Revenue/Income (Estimate 12/31/13)  Note that the RPTTF amounts should tie to the ROPS 13-14A  distributions from the County Auditor-Controller						1,606,144	125,000	\$ 1,731,144	
Expenditures for 13-14A Enforceable Obligations 9 (Estimate 12/31/13)						1,606,144	125,000	\$ 1,731,144	
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)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,080	\$ 4,180	\$ 8,260	

## Recognized Obligation Payment Schedule (ROPS ) 13-14B - ROPS Detail January 1, 2014 through June 30, 2014 (Report Amounts in Whole Dollars)

						(Report Amounts in Wi	lole Dollars)									
А	В	С	D	E	F	G	н	I	J	к	L	М	N	0		Р
												Funding Source				
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF) RPTTF						
			Contract/Agreement	Contract/Agreement				Total Outstanding							İ	
Item #	Project Name / Debt Obligation	Obligation Type	Execution Date	Termination Date	Payee	Description/Project Scope	Project Area	Debt or Obligation \$ 86,774,084	Retired	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin \$ 2,518,144	Admin \$ 125,000		Month Total 2,643,144
1		Bonds Issued On or Before 12/31/10	12/1/2003	12/1/2034	BNY Mellon	Debt Principle Thru 2034	1	28,580,000	N	, <del>'</del>	7	·	850,000		\$	850,000
2	2003 Tax Allocation Bonds A	Bonds Issued On or Before 12/31/10	12/1/2003	12/1/2034	BNY Mellon	Debt Interest Thru 2034	1	16,831,809	N				672,522		\$	672,522
3	2003 Tax Allocation Bonds B	Bonds Issued On or Before 12/31/10	12/1/2003	12/1/2034	BNY Mellon	Debt Principle Thru 2034	1	17,695,000	N				450,000		\$	450,000
4	2003 Tax Allocation Bonds B	Bonds Issued On or Before 12/31/10	12/1/2003	12/1/2034	BNY Mellon	Debt Interest Thru 2034	1	13,005,275	N				533,622		\$	533,622
5	2008 Lease Revenue Bonds	Bonds Issued On or Before 12/31/10	12/16/2008	12/1/2038	City of Tracy	Agency Share of City debt thru 2038	1	10,400,000	N				-		\$	-
	Tax Administration	Fees	6/15/2005	6/30/2014	Couty of San Joaquin	Property Tax Adim fee R&T code 97.5	1	-	Υ				-		\$	-
7	Sucessor Agency Admin Costs	Admin Costs	1/1/2013	6/30/2014	City of Tracy	Sucessor Agency Administration	1	250,000	N				,,,,,,,	125,000		125,000
8	2003 Tax Alloc. Bonds A & B	Fees	12/1/2003	6/30/2014	BNY Mellon	Payee and trustee expenses	1	12,000	N				12,000		\$	12,000
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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	К	L	М	N	0	P	Q	R	s		т	U	V	w	х	Y	z	AA	АВ
	RPTTF Expenditures																		
																			Net CAC Non-
												Net SA Non-Admin				Admin and Admin			
			Non-Admin					Admin			and Admin PPA Non-Admin CAC					Admin CAC			
Item # Project Name / Debt Obligation		Available RPTTF (ROPS III distributed + all other available as of 1/1/13)	Net Lesser of Authorized/ Available	,	Difference M is less than N, ne difference is zero)		Available RPTTF (ROPS III distributed + all other available as of 1/1/13)	Net Lesser o Authorized / Available		,		Net Difference (Amount Used to Offset ROPS 13-14B Requested RPTTF (O + T))	Net Lesser of Authorized / Available	Actual	Difference (If V is less than W, the difference is zero)	Net Lesser 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)
	\$ 2,490,806	\$ 2,490,806	\$ 2,490,806	\$ 2,486,726 \$	4,080	\$ 125,000	\$ 125,000	\$ 125,0	000 \$ 1	20,820 \$	4,180	8,260	\$	- \$	- \$ -	\$ -	\$ -	\$ -	\$ -
1 2003 Tax Allocation Bonds A	820,000	820,000	\$ 820,000	820,000 \$	-			\$	-	\$	-	-			\$ -			\$ -	\$ -
2 2003 Tax Allocation Bonds A	688,922	688,922	\$ 688,922	688,922 \$	•			\$	-	\$	-	-			\$ -			\$ -	\$ -
3 2003 Tax Allocation Bonds B	425,000	425,000	\$ 425,000	425,000 \$	-			\$	-	\$	-	-			\$ -			\$ -	\$ -
4 2003 Tax Allocation Bonds B	544,884	544,884	\$ 544,884	544,884 \$	•			\$	-	\$	-	-			\$ -			\$ -	\$ -
5 2008 Lease Revenue Bonds			\$ -	\$	-			\$	-	\$	-	-			\$ -			\$ -	\$ -
6 Tax Administration			\$ -	\$	-			\$	-	\$	-	-			\$ -			\$ -	\$ -
7 Sucessor Agency Admin Costs			\$ -	\$	-	125,000	125,000	\$ 125,0	000 1	20,820 \$	4,180	4,180			\$ -			\$ -	\$ -
8 2003 Tax Alloc. Bonds A & B	12,000	12,000	\$ 12,000	7,920 \$	4,080			\$	-	\$	-	4,080			\$ -			\$ -	\$ -
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## Recognized Obligation Payment Schedule 13-14B - Notes January 1, 2014 through June 30, 2014

#### Item # Notes/Comments

7 Admin expenses expected to remain high in FY13-14 due to ongoing litigation.

# RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE TRACY COMMUNITY DEVELOPMENT AGENCY APPROVING THE REVISED RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) OF THE TRACY COMMUNITY DEVELOPMENT AGENCY

WHEREAS, the California state legislature enacted Assembly Bill x1 26 (the "Dissolution Act") to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.); and

WHEREAS, In January 2012 and pursuant to Health and Safety Code Section 34173, the City Council of the City of Tracy (the "City Council") declared that the City of Tracy, a municipal corporation (the "City"), would act as successor agency (the "Successor Agency") for the dissolved Community Development Agency of the City of Tracy (the "Former CDA") effective February 1, 2012; and

WHEREAS, on February 1, 2012, the Former CDA was dissolved pursuant to Health and Safety Code Section 34172; and

WHEREAS, the Dissolution Act provides for the appointment of an oversight board (the "Oversight Board") with specific duties to approve certain Successor Agency actions pursuant to Health and Safety Code Section 34180 and to direct the Successor Agency in certain other actions pursuant to Health and Safety Code Section 34181; and

WHEREAS, on August 1, 2011, the Former CDA adopted its latest enforceable obligation payment schedule (the "RDA EOPS") as required pursuant to Health and Safety Code Section 34169(g); and

WHEREAS, Health and Safety Code Section 34177(I)(2)(A) requires the Successor Agency to prepare a draft recognized obligation payment schedule (the "ROPS") and make associated notifications and distributions; and

WHEREAS, the ROPS must be approved by the Oversight Board pursuant to Health and Safety Code Sections 34177(I)(2)(B) and 34177(j); and

WHEREAS, all actions taken by the Oversight Board shall be adopted by Resolution pursuant to Health and Safety Code Section 34179(e); and

WHEREAS, the Oversight Board previously approved the ROPS 13-14B on September 3, 2013 which was subsequently denied by the Department of Finance.

Resolution Page 2
NOW, THEREFORE, BE IT RESOLVED that the Oversight Board of the Successor Agency of the Tracy Community Development Agency does hereby approve the Revised Required Obligations Payment Schedule (ROPS 13-14B) for the period of January 1, 2014 to June 30, 2014.
ADOPTED November 5, 2013
AYES:
NOES:
ABSTAIN:
ABSENT:
Chair
ATTEST:
Successor Agency Secretary