

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, April 2, 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. APPROVE RESOLUTION FOR THE APPROVAL OF MINUTES
5. OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF TRACY APPROVING PREVIOUSLY APPROVED MEETING MINUTES OF THE OVERSIGHT BOARD
6. OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF TRACY APPROVING PRIOR RECOGNIZED OBLIGATION PAYMENT SCHEDULES (ROPS)
7. ITEMS FROM THE AUDIENCE
8. BOARD MEMBER ITEMS
9. ADJOURNMENT

March 29, 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.

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

REGULAR MEETING MINUTES

Tuesday, February 5, 2013, 3:30 p.m.

City Council Chambers, 333 Civic Center Plaza

Web Site: www.ci.tracy.ca.us

1. Chair Sensibaugh called the meeting to order at 3:30 p.m.
2. Roll call found Board Members Borwick, Khan, Maciel, Thomas, and Chair Sensibaugh present; Board Members Miller and Puentes-Griffith absent.
3. Chair Sensibaugh requested clarification of paragraph three of the minutes. Robert Harmon, Senior Accountant for the City of Tracy provided clarification. The minutes of October 4, 2012, were approved with all in favor, none opposed.
4. CONDUCT A PUBLIC COMMENT SESSION TO REVIEW THE DUE DILIGENCE REVIEW REPORT ON NON-HOUSING FUND ASSETS HELD BY THE SUCCESSOR AGENCY FOR THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF TRACY AND DISCUSS POTENTIAL DATES FOR THE APPROVAL OF THE DUE DILIGENCE REVIEW REPORT

Mr. Harmon provided the staff report and opened a public comment session.

Board Member Puentes-Griffith joined the board at 3:40 p.m.

Chair Sensibaugh asked if there had been any communication with the Department of Finance and if the date of the transfer of property was an issue.

Mr. Harmon responded that the issue has not been settled yet. AB1484 has provisions where assets for government use can be transferred back to the City. This review is intended to flush out the improper transfers as well as determining the cash available to transfer to the other taxing agencies.

Andrew Malik, Development Services Director for the City of Tracy, mentioned that other jurisdictions are taking up the parking lot issue.

Chair Sensibaugh asked if there were any questions from the board, to which there were none.

Chair Sensibaugh asked for feedback on a date to meet and approve the report. February 13, 2013 at 3:30 p.m. in City Hall Council Chambers was suggested. The board members agreed, and asked for the board secretary to confirm by email.

5. Items from the Audience

Mr. Malik introduced Barbara Harb as the new Successor Agency Secretary.

8. Board Member Items - None

9. Adjournment

It was moved by Vice Chair Maciel and seconded by Board Member Khan to adjourn.

Time 3:49 p.m.

Chair

Successor Agency Secretary

DRAFT

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

SPECIAL MEETING MINUTES

Wednesday, February 13, 2013, 3:30 p.m.

City Council Chambers, 333 Civic Center Plaza

Web Site: www.ci.tracy.ca.us

1. Chair Sensibaugh called the meeting to order at 3:37 p.m., and led the Pledge of Allegiance.
2. ROLL CALL – Roll call found Board Members Borwick, Khan, Maciel, Board Members Miller, Thomas, and Chair Sensibaugh present. Board Member Puentes-Griffith absent.
3. Robert Harmon, Senior Accountant, provided clarification on revised minutes of October 4, 2012.

Chair Sensibaugh asked if there were any questions regarding the revision of the minutes. There were no questions. The revised minutes were approved.

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

Robert Harmon, Senior Accountant presented the staff report. Mr. Harmon explained that the ROPS line item descriptions are now fixed by the state and cannot be changed.

Chair Sensibaugh asked if Item K on the report was a default calculation. Mr. Harmon responded that yes it is a default calculation. Mr. Harmon mentioned that the ROPS reimbursements from the state have matched the agencies cash requirements and does not see and cash flow issues in the foreseeable future.

Mr. Harmon explained that the situation would have been the same even if Redevelopment Agencies were still active. The Redevelopment Agency's tax increment would still be sufficient to make its debt payments.

Chair Sensibaugh asked if the Oversight Board ever needed to have the City of Tracy contribute funding to cover costs.

Mr. Harmon responded that to his knowledge, the City has never contributed funding to cover costs for the Oversight Board.

Chair Sensibaugh stated he is concerned that it is happening now and that people are not taking notice.

Mr. Harmon mentioned the State of California is asking former Redevelopment Agencies to prepare long-term cash flow documentation.

Board Member Thomas asked what the value of Line H represented. He also inquired about how it plays into the formula, what is its impact to the formula, and does it limit what the State can claim.

Chair Sensibaugh stated this is the amount of ROPS approved 12 months ago.

Board Member Borwick stated that Line I is higher due to having a previous balance.

Mr. Harmon stated that Line I is the amount previously approved by the State. The Oversight Board approved \$1.6 million in payments; however the state's approval took \$500K in cash held by the Successor Agency into consideration.

5. ADOPTION OF A RESOLUTION APPROVING THE DUE DILIGENCE REVIEW REPORT ON NON-HOUSING FUND ASSETS HELD BY THE SUCCESSOR AGENCY

Mr. Harmon provided the staff report. The State requires Successor Agencies to obtain the services of a licenses accountant to conduct a Due Diligence Review (DDR) of the Non-Housing Assets and Accounts held by the Successor Agency as of June 30, 2013. The purpose is to determine the available cash that can be transferred to other taxing agencies. The City of Tracy Finance Department retained the services of Moss, Levy & Hartzheim, LLP, CPA's to conduct the DDR. Complications with prior asset transfers and other fiscal deadline prevented the report from meeting the original December 15, 2012 deadline. The report was completed on submitted to the State on January 29, 2013. There is no penalty for this late submission.

Chair Sensibaugh mentioned he understands the reports better after the staff report.

6. Items from the Audience - None

7. Board Member Items

Chair Sensibaugh asked Mr. Harmon what he foresees for this Board in the future.

Mr. Harmon responded that the Board is doing well with the winding down of the agency's activities. He mentioned the Board will need to act on asset transfers and final resolutions on the parking lots, in addition to any items that come from the State. Mr. Harmon mentioned the State has asked some Boards for asset management plans. Mr. Harmon stated that this Oversight Board does not have any buildings that can be liquidated, so that may not be applicable. Mr. Harmon stated that once the remaining assets are cleared, approving the ROPS every six months will be a routine item for the Board. He also mentioned that the State may ask for long-term cash flow of what is available and what is needed.

Mr. Harmon stated that after the final ROPS is accepted in April, the Department of Finance should quickly issue a final determination. After all assets are transferred, the agency can be dissolved. However, the Oversight Board will continue to exist for a minimum amount of time as long as there are assets and debt to manage.

Chair Sensibaugh asked if Mr. Harmon anticipated the Board meeting in March. He asked if the meeting should be cancelled now.

Dan Sodergren, City Attorney, mentioned that the Board could cancel the meeting easily without a motion.

5. Adjournment – It was moved by Vice-Chair Maciel and seconded by Board Member Miller to adjourn. Voice vote found all in favor; passed and so ordered.

Time: 4:03 p.m.

Chair

Successor Agency Secretary

DRAFT

RESOLUTION _____

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE TRACY COMMUNITY DEVELOPMENT AGENCY APPROVING THE MEETING MINUTES OF OVERSIGHT BOARD

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 June 27, 2012, the California state legislature enacted Assembly Bill 1484 which, in part, requires that all actions taken by the oversight board shall be adopted by Resolution; and

WHEREAS, the Oversight Board conducted public a meetings on February 5, 2013 and February 13, 2013, for which the minutes are attached.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board of the Successor Agency of the Tracy Community Development Agency hereby approves the minutes of the Oversight Board meetings on February 5, 2013 and February 13, 2013.

Resolution _____

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ADOPTED April 2, 2013

AYES:

NOES:

ABSTAIN:

ABSENT:

Chair

ATTEST:

Successor Agency Secretary

AGENDA ITEM 5

REQUEST

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF TRACY APPROVING PREVIOUSLY APPROVED MEETING MINUTES OF THE OVERSIGHT BOARD

DISCUSSION

Effective June 27, 2012, the State of California changed Health and Safety Code (HSC) Section 34179(e) thru passage of Assembly Bill 1448. This subtle change added the requirement that "All actions taken by the oversight board shall be adopted by resolution."

The Oversight Board previously approved board meeting minutes dated May, 1 2012, June 5, 2012, August 7, 2012, and October 4, 2012 without a resolution. Adopting the attached resolution approving the meeting minutes will bring the Oversight Board into compliance with HSC Section 34179(e).

FISCAL IMPACT

There is no fiscal impact as a result of this staff report.

RECOMMENDATION

It is recommended that the Oversight Board approve, by resolution, the meeting minutes dated May, 1 2012, June 5, 2012, August 7, 2012, and October 4, 2012 to be in compliance with HSC Section 34179(e).

Prepared by: Robert Harmon, Senior Accountant
Reviewed by: Jenny Haruyama, Administrative Services Director
Approved by: R. Leon Churchill, Jr., City Manager

ATTACHMENTS

Attachment 1 – Resolution Approving the Meeting Minutes of the Oversight Board

RESOLUTION _____

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE TRACY COMMUNITY DEVELOPMENT AGENCY APPROVING PREVIOUSLY APPROVED MEETING MINUTES OF OVERSIGHT BOARD

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 June 27, 2012, the California state legislature enacted Assembly Bill 1484 which, in part, requires that all actions taken by the oversight board shall be adopted by Resolution; and

WHEREAS, the Oversight Board conducted public meetings on May, 1 2012, June 5, 2012, August 7, 2012 and October 4, 2012, the minutes of which are attached.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board of the Successor Agency of the Tracy Community Development Agency does hereby approve the minutes of the Oversight Board meetings on May, 1 2012, June 5, 2012, August 7, 2012 and October 4, 2012.

ADOPTED April 2, 2013

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Chair

ATTEST:

Successor Agency Secretary

AGENDA ITEM 6

REQUEST

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE COMMUNITY
DEVELOPMENT AGENCY OF THE CITY OF TRACY APPROVING PRIOR
RECOGNIZED OBLIGATION PAYMENT SCHEDULES (ROPS)**

DISCUSSION

Effective June 27, 2012, the State of California changed Health and Safety Code (HSC) Section 34179(e) thru passage of Assembly Bill 1448. This subtle change added the requirement that "All actions taken by the oversight board shall be adopted by resolution."

This Board previously approved two Recognized Payment Obligation Schedules (ROPS) without a resolution. ROPS III and ROPS 13-14A were approved on July 17, 2013 and February 13, 2013, respectively. The DOF is requesting that the Oversight Board approve the two ROPS via resolution to ensure compliance with HSC Section 34179(e).

FISCAL IMPACT

There is no fiscal impact as a result of this staff report.

RECOMMENDATION

It is recommended that the Oversight Board adopt the attached resolution approving ROPS III and ROPS 13-14A for the periods January 1, 2013 to June 30, 2013 and July 1, 2013 to December 31, 2013 respectively, to be in compliance with HSC Section 34179(e).

Prepared by: Robert Harmon, Senior Accountant
Reviewed by: Jenny Haruyama, Administrative Services Director
Approved by: R. Leon Churchill, Jr., City Manager

ATTACHMENTS

Attachment 1 – Resolution Approving Recognized Obligation Payment Schedules (ROPS)

RESOLUTION _____

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE TRACY COMMUNITY DEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULES (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(l)(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(l)(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 Sections 34179(e); and

WHEREAS, the Successor Agency approved the ROPS III on July 17, 2012, and the ROPS 13-14A on February 5, 2013; and

WHEREAS, the Oversight Board previously approved the ROPS III on July 17, 2013, and the ROPS 13-14A on February 13, 2013;

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board of the Successor Agency of the Tracy Community Development Agency does hereby approve the Required Obligation Payment Schedule (ROPS III) for the period of January 1, 2013 to June 30, 2013;

BE IT FURTHER RESOLVED that the Oversight Board of the Successor Agency of the Tracy Community Development Agency does hereby approve the Required Obligation Payment Schedule (ROPS 13-14A) for the period of July 1, 2013 to December 31, 2013.

ADOPTED: April 2, 2013

AYES:

NOES:

ABSTAIN:

ABSENT:

Chair

ATTEST:

Successor Agency Secretary