

STAFF REPORT

TO: OVERSIGHT BOARD OF THE CITY OF GROVER BEACH SUCCESSOR AGENCY
FROM: GAYLA R. CHAPMAN, ADMINISTRATIVE SERVICES DIRECTOR
SUBJECT: APPROVING RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2014 TO DECEMBER 31, 2014 (ROPS 14-15A)

Gayla R. Chapman

BACKGROUND

On February 3, 2014 the City Council, as the Successor Agency, approved the Recognized Obligation Payment Schedule (ROPS 14-15A) for the six-month period of July 1, 2014 through December 31, 2014. The ROPS 14-15A lists the payment obligations that the Successor Agency to the dissolved Redevelopment Agency will be able to pay once the recognized obligation payments schedule (ROPS) has been certified and approved by the Oversight Board, subject to final review by the Department of Finance (DOF).

With the ROPS 14-15A Agency sponsored loans are now allowed to be repaid. The Supplemental Educational Revenue Augmentation Fund (SERAF) must be paid off in its entirety prior to City loan repayment.

DISCUSSION

The ROPS are required to list all of the redevelopment agency's monetary obligations that are enforceable within the meaning of the Redevelopment Dissolution Act and must include for each obligation:

1. The project name associated with the obligation;
2. The payee;
3. A short description of the nature of the work, product, service, facility, or other thing of value for which payment is to be made;
4. The amount of payment obligated to be made during the six month period; and
5. The funding source for the obligation.

The Successor Agency may only pay the obligations listed on the ROPS.

Within this ROPS is our first scheduled repayment of the SERAF loan. The SERAF loan will be fully repaid in the 14-15B ROPS which will be presented to the oversight board in August. At that time a small amount of remaining funds will be available to fund the remaining Agency sponsored loans.

Approved for Forwarding:



**ROBERT PERRAULT
CITY MANAGER**

**Please Review for
Potential Conflict of Interest:**

- | | |
|--|-----------------------------------|
| <input checked="" type="checkbox"/> None Identified by Staff | <input type="checkbox"/> Vacant |
| <input type="checkbox"/> Laferriere | <input type="checkbox"/> Green |
| <input type="checkbox"/> Jarvis | <input type="checkbox"/> Hill |
| | <input type="checkbox"/> Peterson |
| | <input type="checkbox"/> Shepard |

Meeting Date: February 24, 2014

Agenda Item No. 2a

When the ROPS 14-15A is sent to the Department of Finance, it is also sent to the County Auditor-Controller. After the ROPS is approved it will be signed by the Oversight Board Chair and then forwarded to the State Department of Finance. The ROPS must be received by the Department of Finance by no later than March 3, 2014 or the Successor Agency will be subject to a \$10,000 fine per day.

ALTERNATIVES

The Oversight Board has the following alternatives:

1. Adopt the Resolution of the Oversight Board of the Successor Agency to the dissolved Grover Beach Improvement Agency approving the Recognized Obligation Payment Schedule (ROPS 14-15A) for the Period of July 1, 2014 through December 31, 2014 and authorize the City Manager to forward the Certified ROPS to the County Auditor-Controller and the Department of Finance before March 3, 2014;
2. Give alternative direction to staff.

RECOMMENDED ACTION

Adopt the Resolution of the Oversight Board of the Successor Agency to the dissolved Grover Beach Improvement Agency approving the Recognized Obligation Payment Schedule (ROPS 14-15A) for the period of July 1, 2014 through December 31, 2014 and authorize the City Manager to forward the Certified ROPS to the County Auditor-Controller and the Department of Finance before March 3, 2014.

FISCAL IMPACT

Adoption of the Resolution will allow the Successor Agency to pay the obligations listed on the ROPS. If the ROPS is not received by the Department of Finance March 3, 2014, then the Successor Agency is subject to a \$10,000 per day fine.

PUBLIC NOTIFICATION

The agenda was posted in accordance with the Brown Act.

The agenda and staff report were sent to the County Administrative Officer, County Auditor-Controller, and the Department of Finance.

Attachments

1. Resolution adopting ROPS 14-15A (July 1, 2014 through December 31, 2014).

RESOLUTION NO. OB 14-

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF GROVER BEACH APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JULY 1, 2014 TO DECEMBER 31, 2014, PURSUANT TO THE PROVISIONS SET FORTH IN HEALTH AND SAFETY CODE SECTION 34177(I)

WHEREAS, consistent with Health and Safety Code Section 34173(d), the City of Grover Beach elected to become the Successor Agency to the Grover Beach Improvement Agency; and

WHEREAS, Assembly Bill 1484, Chaptered on June 27, 2012 requires that Successor Agency's to former Redevelopment Agency's review, approve and forward the Recognized Obligation Payment Schedule (ROPS) to the Oversight Board in order to have the Oversight Board approval of the ROPS prior to February 28, 2014 for submission to the County Auditor-Controller and to the State Department of Finance no later than March 3, 2014; and

WHEREAS, the City Council of the City of Grover Beach by operation of law and by action duly and regularly taken became the successor agency to the dissolved redevelopment agency ("Successor Agency"); and

WHEREAS, pursuant to the requirements of AB 1484, the Successor Agency has prepared a Recognized Obligation Payment Schedule for the period July 1, 2014 through December 31, 2014; and

WHEREAS, the Oversight Board to the Successor Agency has been appointed pursuant to Health and Safety Code Section 34179; and

WHEREAS, the Successor Agency has presented the Recognized Obligation Payment Schedule described above to the Oversight Board for its approval pursuant to Health and Safety Code Section 34180(g).

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board finds as follows:

Section 1. The forgoing Recitals are incorporated herein and made a part hereof.

Section 2. The Recognized Obligation Payment Schedule for the period July 1, 2014 through December 31, 2014, attached as "Exhibit A" to this Resolution, is hereby approved and adopted.

Section 3. The Board has authorized and directed Successor Agency staff to (1) post the Recognized Obligation Payment Schedule on the Successor Agency's website; (2) notify by mail or electronic means, the County Auditor-Controller, the State Department of Finance, and the State Controller of the Oversight Board's action approving and adopting the Recognized Obligation Payment Schedule; and (3) provide those offices with an address to the City's website where the Recognized Obligation Payment Schedule is posted.

Section 4. The City Clerk shall certify to the adoption of this Resolution.

On motion by Board Member _____, seconded by Board Member _____, and on the following roll call vote, to wit:

AYES: Board Members –
NOES: Board Members -
ABSENT: Board Members -
ABSTAIN: Board Members -

the foregoing Resolution was **PASSED, APPROVED, and ADOPTED** at a regular meeting of the Oversight Board, Grover Beach, California this 24th day of February 2014.



JOHN LAFERRIERE, CHAIR

Attest:

DONNA L. MCMAHON, CITY CLERK

Recognized Obligation Payment Schedule (ROPS 14-15A) - Summary

Filed for the July 1, 2014 through December 31, 2014 Period

Name of Successor Agency: Grover Beach
Name of County: San Luis Obispo

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):		\$ 3,190
B Bond Proceeds Funding (ROPS Detail)		-
C Reserve Balance Funding (ROPS Detail)		-
D Other Funding (ROPS Detail)		3,190
E Enforceable Obligations Funded with RPTTF Funding (F+G):		\$ 251,541
F Non-Administrative Costs (ROPS Detail)		211,541
G Administrative Costs (ROPS Detail)		40,000
H Current Period Enforceable Obligations (A+E):		\$ 254,731

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I Enforceable Obligations funded with RPTTF (E):		251,541
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)		(72,851)
K Adjusted Current Period RPTTF Requested Funding (I-J)		\$ 178,690

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L Enforceable Obligations funded with RPTTF (E):		251,541
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)		-
N Adjusted Current Period RPTTF Requested Funding (L-M)		251,541

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.

_____	_____
Name	Title
/s/ _____	_____
Signature	Date

Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail
July 1, 2014 through December 31, 2014
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
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					Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
								\$ 8,237,956		\$ -	\$ -	\$ 3,190	\$ 211,541	\$ 40,000	\$ 254,731
1	Series 2005 Tax Allocation Bonds	Bonds Issued On or	12/22/2005	8/1/2035	Union Bank of California	Bonds issued to fund non-housing	IA One	6,272,588	N				90,256		\$ 90,256
2	Water Fund Loan	City/County Loans On or Before 6/27/11	6/6/2011	6/30/2029	Grover Beach Water Fund	Loan for Agency Start-up Costs	IA One	906,547	N						\$ -
3	Wastewater Fund Loan	City/County Loans On or Before 6/27/11	6/6/2011	6/30/2023	Grover Beach Wastewater Fund	Loan for Agency costs for W. Grand Avenue Project	IA One	315,000	N						\$ -
4	General Fund Loan	City/County Loans On or Before 6/27/11	6/6/2011	6/30/2023	Grover Beach General Fund	Loan for Agency Start-up Costs	IA Two	463,063	N						\$ -
5	SERAF	SERAF/ERAF	2/16/2010	6/30/2029	Low & Mod Housing Fund	Loan from Low & Moderate Housing Fund	IA One	227,568	N				121,285		121,285
6	Farroll Road Housing Project	Miscellaneous	4/4/2011	6/30/2029	City of Grover Beach	Development Fees and Building and Planning Costs associated with Development Regulatory Agreement with Vernon and Associates	IA One - Housing		N						
7	Farroll Road Housing Project	Miscellaneous	4/4/2011	6/30/2029	Vernon and Associates	Transfer of Property for Low- and Moderate Housing Project with a Development Regulatory Agreement	IA One - Housing		N						
8	Employee Payroll and Benefits	Admin Costs	7/1/2013	6/30/2029	Various Employees and Vendors	Payroll and Benefits for Employees as noted in the Successor Agency Budget.	IA One - Housing	3,190	N			3,190			\$ 3,190
9	Employee Payroll and Benefits	Admin Costs	7/1/2013	6/30/2029	Various Employees and Vendors	Payroll and Benefits for Employees as noted in the Successor Agency Budget.	Admin	30,000	N					25,000	\$ 25,000
10	Supplies and Services	Admin Costs	7/1/2013	6/30/2029	Various Vendors	Supplies and Services as necessary to administer oversight board objectives as noted in the Successor Agency Budget.	Admin	20,000	N					15,000	\$ 15,000
															\$ -
															\$ -
															\$ -

Recognized Obligation Payment Schedule (ROPS) 14-15A - 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.

A	B	C	D	E	F	G	H	I	
		Fund Sources							
		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 balances retained	Prior ROPS RPTTF distributed as reserve for next bond payment	Rent, Grants, Interest, Etc.	Non-Admin and Admin	Comments	
ROPS 13-14A Actuals (07/01/13 - 12/31/13)									
1	Beginning Available Cash Balance (Actual 07/01/13) Note that for the RPTTF, 1 + 2 should tie to columns J and O in the Report of Prior Period Adjustments (PPAs)	-	-	3,190	102,062	-	14,397	\$3,190 remaining from LMIHF for staff time which was associated with Farroll Road project in past.	
2	Revenue/Income (Actual 12/31/13) Note that the RPTTF amounts should tie to the ROPS 13-14A distribution from the County Auditor-Controller during June 2013				92,381		66,634	F8 + F9 + H8 + H9 equal actual cash on hand 7/1/13. Since Revenue was received in June 2013 needed to lower beginning cash so that the funds were not double counted.	
3	Expenditures for ROPS 13-14A Enforceable Obligations (Actual 12/31/13) Note that for the RPTTF, 3 + 4 should tie to columns L and Q in the Report of PPAs				192,631		9,992		
4	Retention of Available Cash Balance (Actual 12/31/13) Note that the RPTTF amount should only include the retention of reserves for debt service approved in ROPS 13-14A				-		-		
5	ROPS 13-14A RPTTF Prior Period Adjustment Note that the RPTTF amount should tie to column S in the Report of PPAs.	No entry required						72,851	
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ 3,190	\$ 1,812	\$ -	\$ (1,812)		
ROPS 13-14B Estimate (01/01/14 - 06/30/14)									
7	Beginning Available Cash Balance (Actual 01/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ -	\$ -	\$ 3,190	\$ 1,812	\$ -	\$ 71,039		
8	Revenue/Income (Estimate 06/30/14) Note that the RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014								
9	Expenditures for 13-14B Enforceable Obligations (Estimate 06/30/14)								
10	Retention of Available Cash Balance (Estimate 06/30/14) Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14B								
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ -	\$ -	\$ 3,190	\$ 1,812	\$ -	\$ 71,039		

Recognized Obligation Payment Schedule 14-15A - Notes

July 1, 2014 through December 31, 2014

Item #	Notes/Comments
2	The repayment for each fiscal year will be equal to the maximum amount allowed pursuant to HSC Section 34176 (e) (6) (B).
3	The repayment for each fiscal year will be equal to the maximum amount allowed pursuant to HSC Section 34176 (e) (6) (B).
4	The repayment for each fiscal year will be equal to the maximum amount allowed pursuant to HSC Section 34176 (e) (6) (B).
5	The repayment for each fiscal year will be equal to the maximum amount allowed pursuant to HSC Section 34176 (e) (6) (B).