

**AGENDA
SPECIAL MEETING
OVERSIGHT BOARD-
CRA SUCCESSORY AGENCY**

(Formally Community Redevelopment Agency of Sierra Madre)

MONDAY, AUGUST 13, 2012

6:30 PM

**City Hall Council Chambers
232 W. Sierra Madre Blvd.**

*Committee Members
Marilyn Diaz, Chair
Tom Love, Vice Chair
John Buchannan
Bart Doyle
David Jaynes
Robert B. Miller
Karin Schnaider*

AGENDA ITEM	DESCRIPTION
CALL TO ORDER/ROLL CALL	Committee Members
PUBLIC COMMENT	The Oversight Board will listen to the public on any item on the agenda. The Oversight Board cannot legally take action on any item not scheduled on the agenda. Such items may be referred for administrative action or scheduled on a future agenda. Comments will generally be limited to three minutes per speaker.

ACTION ITEMS*

- | | |
|--|---|
| 1. AGENDA APPROVAL | The Oversight Board reserves the right to hear items in a different order in order to accomplish business in the most efficient manner |
| 2. APPROVAL OF MINUTES | Approval of Minutes from the Special Oversight Board Meeting of May 31, 2012 |
| 3. APPROVAL OF MINUTES | Approval of Minutes from the Special Oversight Board Meeting of June 25, 2012 |
| 3. ORAL COMMUNICATIONS | |
| 4. DISCUSSION: Consideration of Adoption of Resolution OB-12-004 adopting the Successor Agency Required Obligation Payment Schedule | RECOMMENDATION:
RESOLUTION OB-12-004 OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF SIERRA MADRE, APPROVING THE SUCCESSOR AGENCY'S RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD FROM JANUARY 1, 2013, THROUGH JUNE 30, 2013, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(l) |

**6. ITEMS FOR FUTURE
AGENDAS**

RECOMMENDATION – That the Board provide input regarding items for future agendas.

As a courtesy to others, we ask that cellular phones be turned off during the meeting.

MEETING ASSISTANCE

The City Hall Council Chamber is physically accessible and assistive listening devices are available at the meeting. If you require special assistance to participate in this meeting, please call the City Manager's office at (626) 355-7135 at least 48 hours prior to the meeting.

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2
3 **SPECIAL MEETING**
4 **OVERSIGHT BOARD – CRA SUCCESSOR AGENCY**
5 **(Formerly Community Redevelopment Agency of Sierra Madre)**
6 **Thursday, May 31, 2012 – 7:00 p.m.**
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8 A Special meeting of the Oversight Board was held on May 31, 2012. City Manager Elaine Aguilar called the
9 meeting to order at 7:00 p.m.

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11 **CALL TO ORDER/ROLL CALL**
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13 **PRESENT:** Board Member Buchanan, Board Member Diaz, Board Member Love, Board Member
14 Schnaider, Board Member Van Pelt

15
16 **ABSENT:** Board Member Doyle, Board Member Jaynes,

17
18 **ALSO PRESENT:** Elaine Aguilar, City Manager
19 Teresa Highsmith, General Council for Successor Agency
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21

22 **ACTION ITEMS**
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24 **1. AGENDA APPROVAL**

25 It was moved by Board Member Love to approve the agenda as presented. The motion was seconded by
26 Board Member Van Pelt. The motion passed by unanimous vote.

27 **2. ORAL COMMUNICATIONS**

28 A. Barbara Lee – Requested a “No Vote on Measure A”. Ms. Lee read from the Star News Opinion
29 section of the May 31 edition.
30

31 **3. BOARD ORGANIZATION**

32 City Manager Aguilar called for nominations for the position of Chair.
33 Board Member Schnaider nominated Marilyn Diaz as Chair.
34 Board Member Buchanan seconded the nomination.
35 Board Member Diaz nominated Tom Love as Chair.
36 The nomination for Tom Love was not seconded.
37 The Board voted unanimously for Marilyn Diaz as Chair.
38

39 Chair Diaz called for nominations for Vice Chair
40 Board Member Buchanan nominated Tom Love for Vice Chair
41 Board Member Van Pelt seconded the nomination
42 The Board voted unanimously for Tom Love as Vice Chair
43

44 **4. PRESENTATION: ROLE AND PURPOSE OF OVERSIGHT BOARD**

45 Teresa Highsmith made the presentation. Ms. Highsmith explained how AB1X26 was signed into law
46 by the Governor on 6/28/2011 and chaptered into law on 6/29/2011. The RDA dissolved in Sierra
47 Madre in January 2012 and the City of Sierra Madre determined to become the Successor Agency to the
48 former Sierra Madre RDA. Once the Successor Agency takes over, there are a number of actions that
49 need to be taken and approved by the Oversight Board. The Oversight Board exists to supervise and
50 has approval authority over various actions that the Successor Agency may take. The Oversight Board
51 has a fiduciary obligation to the various taxing entities that are represented among you. The legislation
52 also provides that the Oversight Board is to be provided staffing services from the City to the extent that
53 agendas need to be provided and questions answered. Any costs incurred by the Oversight Board

54 shall be picked up by the Successor Agency from the administrative expenses that are provided
55 for the Successor Agency in the wind-down process. Oversight Board Members are immune from
56 any personal liability for any of the actions that are taken within the scope of their official duties.
57 Any Oversight Board action is not effective for three business days to allow the State Department of
58 Finance to review and see if they have any questions. If they have questions then the Chair will be
59 notified and the State Department of Finance has 10 days to provide the Oversight Board with direction.
60 The Oversight Board is a separate legal entity from the City and Successor Agency; Board Members
61 are subject to the Brown Act.

62
63 The Successor Agency may not take some action without approval from the Oversight
64 Board, including:

- 65
- 66 1. Establishing a new repayment term
- 67 2. Refunding outstanding bonds
- 68 3. Setting aside funds in reserve for existing bond indebtedness
- 69 4. Merging of project areas
- 70 5. Processing/accepting federal grants to complete existing projects
- 71 6. The approval of the Recognized Obligation Payment Schedule (ROPS)
72 Recognized Obligation Payment Schedule is a list of all existing indebtedness, projects, money that
73 must be spent, and a list of where the funds are that will be used to pay these expenses, broken down by
74 each month. The Recognized Obligation Payment Schedule is a forward-looking document, the
75 Successor Agency has to do one every six months. The first six-month period began on February 1st of
76 this year because that is the Redevelopment Agency officially dissolved. The period of February 1st
77 through June 30th is your first Recognized Obligation Payment Schedule and the second period is
78 July 1st through the end of this year.
- 79 7. Transfer of property to the City.
- 80 8. Terminating existing agreements that do not qualify as Enforceable Obligations. The Oversight Board
81 has the authority and must direct the transfer of all housing assets including the amounts that are on
82 deposit in the Low and Moderate Housing Fund get transferred to the Successor Agency to the housing
83 function.
- 84 9. The Oversight Board has authority to determine whether any existing agreements should be terminated
85 prospectively if it determines it is in the best interest of the various taxing entities.
- 86

87 Chair Person Diaz called for public comment. The following individuals addressed the Board:

- 88
- 89 A. Barbara Lee – Inquired regarding safeguards for the public.
- 90 B. Heather Allen – Inquired regarding how the Oversight Board Members were appointed.
- 91

92 Chairperson Diaz called for any other comment and closed public comments.

93

94 **5. DISCUSSION: CONSIDERATION OF ADOPTION OF RESOLUTION OB-12-001 AND**
95 **RESOLUTION OB-12-002 ADOPTING THE SUCCESSOR AGENCY REQUIRED**
96 **OBLIGATION PAYMENT SCHEDULE**

97 City Manager Aguilar gave the report.

98 There are two Resolutions for the Board's consideration; Resolution OB-12-001 approves the February
99 1st through June obligations; while Resolution OB-12-002 approves obligations for the July through
00 December. Items on both Recognized Obligation Payment Schedules were discussed and explanations
01 were provided.

02
03 Board Member Van Pelt moved to approve Resolution OB-12-001 as presented. Board Member
04 Buchanan seconded the motion.

05

06 Chair Diaz requested that the vote be postponed to permit time for public comment on the item.

07
08 The following individuals addressed the Board:

09
10 A. Barbara Lee – Inquired about staffing costs exceeding the Administrative allocation.

11
12 B. Heather Allen – Inquired about the former Agency’s bond payments and where the source of
13 funding.

14
15 Chair Diaz closed public comment and called for a vote of the motion introduced by Board Member
16 Van Pelt.

17
18 The motion to approve Resolution OB-12-001 as presented, unanimously passed.

19
20 The second resolution for consideration is Resolution OB-12-002 which approves the period of July
21 through December.

22
23 Vice Chair Love moved to approve Resolution OB-12-002 as presented. The motion was seconded by
24 Board Member Van Pelt.

25
26 Chair Diaz called for public comment. No one came forward and Chair Diaz closed public comment
27 and called for a vote on the motion on the floor.

28
29 The motion passed unanimously.

30
31 **6. ITEMS FOR FUTURE AGENDAS**

32 The Oversight Board discussed the date for the next Special Meeting. The date of Monday, June 25th, at
33 6:30 pm was selected. Staff stated that, at this time, the following items would be on the June 25th
34 Agenda:

- 35 1. Minutes of the May 31, 2012 meeting
36 2. Property Transfers from the former Agency to the Successor Agency
37 3. Adopting a Conflict of Interest Code
38 4. Retaining legal counsel for the Oversight Board
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40 **ADJOURNMENT**

41 The Oversight Board adjourned without objection at 8:35 pm.
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Marilyn Diaz
Chair
Oversight Board

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3 **SPECIAL MEETING**
4 **OVERSIGHT BOARD – CRA SUCCESSOR AGENCY**
5 **(Formerly Community Redevelopment Agency of Sierra Madre)**
6 **Monday, June 25, 2012 – 6:30 p.m.**
7

8 A special meeting of the Oversight Board was held on June 25, 2012. Chair Person Diaz called the meeting to
9 order at 6:30 p.m.

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11 **CALL TO ORDER/ROLL CALL**
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13 **PRESENT:** Chair Person Diaz, Board Member Schnaider, Board Member Doyle,
14 Board Member Miller, Board Member Buchanan (arrived at 6:42 pm)

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16 **ABSENT:** Vice Chair Love, Board Member Jaynes,
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18 **ALSO PRESENT:** Elaine Aguilar, City Manager
19 Teresa Highsmith, General Council for Successor Agency
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21 **ACTION ITEMS**
22

23 **1. AGENDA APPROVAL**
24

25 **2. APPROVAL OF MINUTE**
26

27 Item carried-over to next meeting
28

29 **3. ORAL COMMUNICATIONS**
30

31 None
32

33 **4. DISCUSSION: CONSIDERATION OF RESOLUTION OB-12-003 APPROVING ASSET**
34 **TRANSFERS FROM AGENCY TO CITY AND HOUSING AUTHORITY**
35

36 Report presented by City Manger Aguilar

37 Chair called for comment from the public. No one came forward. Chair closed public comment.

38 Motion to Approve Resolution OB-12-003 approving asset transfers from agency to City to Housing
39 Authority : Board Member Buchanan

40 Second: Board Member Doyle

41 Approved by Chair Diaz, Board Members Schnaider, Doyle, Miller, and Buchanan
42

43 **5. DISCUSSION: CONSIDERATION OF RETAINING LEGAL SERVICES TO OVERSIGHT**
44 **BOARD**
45

46 Report presented by City Manager Aguilar

47 The Board chose to keep legal services as an “anticipated administrative cost” but took no action to
48 appoint legal counsel.
49

50 **6. ITEMS FOR FUTURE AGENDAS**
51

52 1. Next meeting on Monday, September 24, 2012 at 6:30 pm

53 2. Approval of Minutes from May 31, 2012
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ADJOURNMENT

The City Council adjourned without objection at 7:09 pm.

Marilyn Diaz
Chairperson
Oversight Board

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Oversight Board Agenda Report

Committee Members

John Buchanan
Marilyn Diaz
Bart Doyle
David Jaynes
Tom Love
Robert B. Miller
Karin Schnaider

TO: Committee Members
FROM: Elaine I. Aguilar, City Manager
DATE: August 13, 2012

SUBJECT: Consideration of Resolution OB-12-004: Adopting Required Obligation Payment Schedule (ROPS) III (third) for the period from January 1, 2013 through June 30, 2013

SUMMARY

In late December, the California Supreme Court issued a ruling regarding *CRA v. Matosantos*. The Court upheld AB 1X 26 (the bill that eliminated redevelopment agencies) and struck down ABX 1 27, the bill that would have allowed agencies to remain in operation as long as they made a payment to the state. Redevelopment Agencies cease to exist on February 1, 2012. At the January 10, 2012 City of Sierra Madre Council/Agency Board meeting, the City Council decided to assume the responsibilities of the Successor Agency to the Community Redevelopment Agency of Sierra Madre (CRA).

The primary responsibility of the Oversight Board is to review and adopt the ROPS for the Successor Agency. There are three basic issues to consider in reviewing the ROPS. The first is securing required reserves for debt service payments to ensure compliance with Bond Covenants. Second, is meeting other debt obligations and third is funding the administration costs of the Successor Agency. The ROPS includes both contractual obligations and the administrative budget for the Successor Agency.

On May 31, 2012, the Oversight Board approved Resolution 12-001 and Resolution 12-002 the first and second ROPS for the City of Sierra Madre's Successor Agency. The Oversight Board is being asked to consider the ROPS III (third) for the period of January 1, 2013 through June 30, 2013. The ROPS III is based upon the budget approved by the Successor Agency board on May 22, 2012 by Resolution 12-29 as part of the City's midyear budget.

ANALYSIS

Pursuant to Health and Safety Code Section 34173(d), the City of Sierra Madre ("Successor Agency") elected to become the successor agency to the Community Redevelopment Agency of the City of Sierra Madre on January 10, 2012 and memorialized the action in Resolution No.12-14 on January 24, 2012. One of the

responsibilities of the City, as successor agency, is to prepare a Recognized Obligation Payment Schedule ("ROPS"), which sets forth the nature, amount, and source(s) of payment of all "enforceable obligations" of former Community Redevelopment Agency of Sierra Madre (CRA) (as defined by law) to be paid by the successor agency after CRA's dissolution, covering the forward-looking six month fiscal period, which is to cover the period from January 1, 2013, through June 30, 2013. Only payments required pursuant to the ROPS may be made by the Successor Agency.

As of January 1, 2013, the Successor Agency ROPS included the following: bonds, contracts, and administration costs of the Successor Agency. These schedules are attached for review including the Department of Finance instructions on how the form should be completed.

FINANCIAL REVIEW

Included in the budget for the period of January 1, 2013 through June 30, 2013 is the debt payments for the former Redevelopment Agency tax increment bonds; assumed audit contract for "due diligence" audit required by AB 1484; potential legal or other audit needs of either the Oversight Board or Successor Agency to conduct business during the fiscal year; and the administration costs of the Successor Agency to meet the contractual contracts, debt payments and wind-down process of the former Redevelopment Agency.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of the report are available via the City's website at www.cityofsierramadre.com, at the City Hall public counter, and the Sierra Madre Public Library.

ALTERNATIVES

1. Consider modifying the ROPS III as presented.

STAFF RECOMMENDATION

It is recommended that the Oversight Board provide staff with direction regarding the City's Successor Agency ROPS III (third) for January 1, 2013 through June 30, 2013 (Resolution OB-12-004) and notify the appropriate agencies of the Oversight Board actions.

Attachments:

1. A RESOLUTION OB-12-004 OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF SIERRA MADRE, APPROVING THE SUCCESSOR AGENCY'S RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD FROM JANUARY 1, 2013, THROUGH JUNE 30, 2012, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(I)

RESOLUTION NO. OB-12-004

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF SIERRA MADRE, APPROVING THE SUCCESSOR AGENCY'S RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD FROM JANUARY 1, 2013, THROUGH JUNE 30, 2013, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(I)

WHEREAS, pursuant to Health and Safety Code Section 34173(d), the City of Sierra Madre ("Successor Agency") elected to become the successor agency to the Redevelopment Agency of the City of Sierra Madre on January 10, 2012 and memorialized the action in Resolution No.12-14 on January 24, 2012; and

WHEREAS, in accordance with Health and Safety Code Section 34177(I)(2), as modified by the Supreme Court decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861, the Successor Agency must adopt a semiannual Recognized Obligation Payment Schedule ("ROPS"), covering the period from January 1, 2013 through June 30, 2013 in order to received tax increment collected by the County of Los Angeles to pay obligations approved on the ROPS; and

WHEREAS, on May 31, 2012 the Oversight Board did approve Resolution 12-001 and Resolution 12-002, the first and second ROPS respectively; and

WHEREAS, Health and Safety Code Section 34177(I)(2) requires the Successor Agency to submit the ROPS certified by the external auditor ("Certified ROPS") to the Successor Agency's oversight board for its approval, and upon such approval, the Successor Agency is required to submit a copy of the approved ROPS ("Approved ROPS") to the Los Angeles County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and post the Approved ROPS on the Successor Agency's website; and

WHEREAS, pursuant to AB 1484, the ROPS III is due to said reporting agencies by September 4, 2012; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SIERRA MADRE, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. CEQA Compliance. The approval of the ROPS through this Resolution does not commit the Oversight Board to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

Section 3. Approval of ROPS. The Oversight Board hereby approves the ROPS for the period from January 1, 2013 through June 30, 2013, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code Section 34177.

Section 4. Transmittal of the ROPS. The City Manager is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the Approved ROPS, including submitting the approved ROPS to the Los Angeles County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and posting the Approved ROPS on the Successor Agency's website.

Section 5. Effectiveness. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 13th day of August, 2012, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chairperson

ATTEST:

City Attorney

EXHIBIT A

RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Successor Agency Contact Information

Name of Successor Agency:	<u>City of Sierra Madre</u>
County:	<u>Los Angeles</u>
Primary Contact Name:	Karin Schnaider, Finance Director
Primary Contact Title:	252 W Sierra Madre Blvd
Address:	Sierra Madre CA 91024
Contact Phone Number:	<u>626-355-7135 xt 301</u>
Contact E-Mail Address:	<u>kschnaider@cityofsierramadre.com</u>
Secondary Contact Name:	<u>Elaine Aguilar</u>
Secondary Contact Title:	<u>City Manager</u>
Secondary Contact Phone Number:	<u>626-355-7135</u>
Secondary Contact E-Mail Address:	<u>eaguilar@cityofsierramadre.com</u>

SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Filed for the January 1, 2013 to June 30, 2013 Period

Name of Successor Agency: City of Sierra Madre

		Total Outstanding Debt or Obligation
Outstanding Debt or Obligation		\$ 4,235,000
Current Period Outstanding Debt or Obligation		Six-Month Total
A	Available Revenues Other Than Anticipated RPTTF Funding	0
B	Enforceable Obligations Funded with RPTTF	442,500
C	Administrative Allowance Funded with RPTTF	100,180
D	Total RPTTF Funded (B + C = D)	542,680
Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be same amount as ROPS form six-month total</i>		\$ 542,680
E	Enter Total Six-Month Anticipated RPTTF Funding	
F	Variance (D - E = F) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	(\$42,680)
Prior Period (January 1, 2012 through June 30, 2012) Estimated vs. Actual Payments (as required in HSC section 34186 (a))		
G	Enter Estimated Obligations Funded by RPTTF <i>(Should be the same amount as RPTTF approved by Finance, including admin allowance)</i>	
H	Enter Actual Obligations Paid with RPTTF	
I	Enter Actual Administrative Expenses Paid with RPTTF	
J	Adjustment to Redevelopment Obligation Retirement Fund (G - (H + I) = J)	0
K	Adjustment to RPTTF	\$ 542,680.00

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 _____
Signature _____ Date _____

Name of Successor Agency: City of Sierra Madre
 County: Los Angeles

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III) – Notes (Optional)
 January 1, 2013 through June 30, 2013

Item #	Notes/Comments
3	Bond Payments This item is listed at full principal and interest as recommended by LA County to ensure proper cash flow for bond payments that occur prior to December 2013 distributions.
4	ATTORNEY These items are budgeted for an as needed basis. Contracts will be signed based upon needs of either the Successor Agency or the Oversight Committee. Actual amount will vary from budget.
5	DUE DILIGENCE AUDIT OR OTHER AUDIT REQUIREMENTS This item is a requirement of AB 1484. CalCPA is determining agreed upon procedures. City CPA firm may be engaged if endorsed by CalCPA and if workload and timelines permit. Actual amount will vary from budget.



INSTRUCTIONS FOR COMPLETING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Pursuant to Health and Safety Code (HSC) section 34177 (m), the Department of Finance (Finance) is providing the Recognized Obligation Payment Schedule (ROPS) successor agencies (agencies) must use to report enforceable obligations (EO) for the period January through June 2013. The completed ROPS is due to Finance on September 4, 2012¹. Upon completion, the ROPS should be submitted to Finance in Excel format using the following email address:

Redevelopment_Administration@dof.ca.gov

Changes to Finance's Previous ROPS Version:

To assist agencies in completing the ROPS, the schedule has been modified from its previous version and changes are listed as follows:

- Agencies must report actual amounts paid with Redevelopment Property Tax Trust Fund² (RPTTF) from the previous period (January 2012 through June 2012).
- Agencies must report anticipated RPTTF funding for the current period (January 2013 through June 2013).
- All EOs must now be listed on one form regardless of funding source or project area.
- Agencies are no longer required to report monthly EO estimates. Instead only the six-month estimated amounts are required.
- Funding source columns have been designated.
- A column for contract/agreement termination date has been added.
- A Notes form is now available for agencies to provide additional and necessary information related to the EOs listed on the ROPS. This form is optional and should be used at the agency's discretion.

¹ September 1, 2012, the submittal date specified in statute, falls on a Saturday and the next business day, September 3, 2012, is the Labor Day Holiday. As such and in accordance with Code of Civil Procedure section 12a and 12b, for purposes of the January through June 2013 ROPS, the official submittal date is September 4, 2012.

² For clarification purposes, references to the Redevelopment Property Tax Trust Fund (RPTTF) includes any property tax (also referred to as 'tax increment') allocated to the former Redevelopment Agency/Successor Agency in fiscal year 2011-12 covering the period January through June 2012.

General Directions:

There are five forms (tabs) in the ROPS workbook. Note: The shaded areas within each form do not require entries as they contain calculation formulas or cell references.

Specific instructions for completing each form are provided below:

1. **Contact Info** – Complete this page with the required and necessary agency contact information. The agency’s name and county needs to be completed only on this form; the information will be transferred to all other forms in the workbook.

2. **Summary** – In general, this form summarizes amounts referenced from the ROPS. However, agencies are required to complete the following amounts as specified in the form:
 - Current Period Total Anticipated RPTTF funds
 - Previous Period Estimated Obligations Funded with RPTTF
 - Previous Period Actual Obligations Paid with RPTTF
 - Previous Period Administrative Expenses Paid with RPTTF

3. **ROPS** – Provide the date the Oversight Board approved the ROPS. List all enforceable obligations on this form along with the required information as indicated in the table below:

Column Name	Description and Examples	Clarifications
Line	Designated line item numbers.	Once the line item number is designated to an obligation, the line item number shall remain the same and should not be reused. Do not use or designate a number more than once.
Project Name / Debt Obligation	Names of projects associated with the enforceable obligation payment, which include the following:	Refer to HSC §34167(d) for the definition of an enforceable obligation. <u>Note:</u> For each listed item, supporting documentation is not required to be provided in the ROPS; however, it is advisable to maintain such documentation and it may be requested by Finance.
	Bonds: Includes debt service, reserve set-asides and any other payments related to the repayment of bonds, notes, interim certificates, debentures, or other obligations. Examples include tax allocation bonds, revenue bonds, certificates of participation (COPs), and California Infrastructure and Economic Development Bank (IBANK) bonds. Other payments related to bonds could include fiscal agent fees, letter of credit bank fees, continuing disclosure fees, etc.	Includes bonds as defined by HSC §33602 and issued pursuant to Government Code §5838. On the form, bond payments may be grouped together; however, it is recommended that non-housing and housing bond payments be entered under separate project names. Also, separate reserve set-asides from other payments related to the repayment of bonds.

Column Name	Description and Examples	Clarifications
	<p><u>Loans or Moneys Borrowed by Agency:</u> Includes loans or moneys borrowed for legal purposes. Examples include loans from the LMHF and <i>certain</i> loans from the sponsoring entity—i.e. the city, county, or city and county that created the agency. Other examples include repayment of loans from other public agencies, such as CalHFA, HUD Section 108.</p>	<p>This schedule should include all sponsoring entity and agency loan agreements. Note: sponsoring entity agency loan agreements are only enforceable if entered into the first two years of the agency's existence or if they were for the sole purpose of securing, or repaying indebtedness obligations written prior to December 31, 2010. Also note: Per HSC §34173 (h), includes other loans between the sponsoring entity and successor agency for administrative costs, enforceable obligations, or project-related expenses as reported on the ROPS and approved by the oversight board.</p>
	<p><u>Payments:</u> required by the federal and state governments or in connection with agency employees.</p>	<p>Includes payments such as salaries, pension payments, pension obligation debt service, and unemployment payments. Does not include pass-through payments.</p>
	<p><u>Judgments and settlements:</u></p>	<p>Includes payments related to court or other binding decisions and arbitrations against the former redevelopment agency.</p>
	<p><u>Legally binding and enforceable agreements or contracts:</u> Includes all obligations of agency not listed above, both housing and non-housing. Note: report all regardless of source of funding, such as those that will be funded with bond or other debt proceeds. Examples include obligations such as construction contracts, Disposition and Development Agreements (DDAs), Owner Participation Agreements (OPAs), pre-development loans, Community Facilities District (CFD) reimbursements, rental subsidies, and professional services contracts. Also includes agreements pledging future receipt of tax increment to other entities, such as a matching grant or promissory note.</p>	<p>Per HSC §34167 (d)(5), includes any legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy. However, as noted above, pursuant to HSC 26, §34171(d)(2), the definition of enforceable obligations to be paid by a successor agency does not include any agreements, contracts, or arrangements between the sponsoring entity and the agency, except for two specific categories of loans as defined in the legislation. Note: Depending on the nature of the agreement or contract, enforceable obligations in this category are subject to the RPTTF administrative cost allowance set forth in §34171 (b). Also note: discuss with your legal counsel whether an agreement such as an Exclusive Negotiation Agreement (ENA) should be listed as an enforceable obligation under §34167 and §34169 Enforceable Obligations. For DDAs or OPAs, provide a breakdown of the various projects and corresponding expenditures associated with each DDA/OPA project.</p>
	<p><u>Contracts or agreements necessary for continued administration or operation of agency</u> such as, but not limited to, office space rent, equipment, supplies, insurance, and services.</p>	<p>Per HSC §34167(d)(5), includes contracts or agreements necessary for continued administration or operation of the agency including, but not limited to, agreements to purchase or rent office space, equipment and supplies, and pay-related expenses pursuant to §33127 and for carrying insurance pursuant to §33134.</p>

Column Name	Description and Examples	Clarifications
Contract/ Agreement Execution Date	The date the contract/agreement was signed by all involved parties.	
Contract/ Agreement Termination Date	The date the contract/agreement ended and/or is no longer valid.	
Payee	Recipient of debt or obligation payments.	Include name of public agency, entity or other organization to receive payment.
Description/ Project Scope	Description of the nature of the work, product, service, facility or other thing of value for which payment is to be made. Specify project scope, such as infrastructure improvement, stadium, parking structure, public transit, etc.	
Project Area	List the name of the former redevelopment project area from which the payment was required	
Total Outstanding Debt or Obligation	Total remaining debt or obligation, including principal and interest, as applicable.	Although this amount is not required by §34169, it may be prudent to include the total amount for purposes of preparing the ROPS or Statement of Investment (SOI) estimate for the remaining term of obligation. The SOI is a good source for this data.
Funding Source	Enter 6-month obligation total attributable to each funding source. Obligations with multiple funding sources should report specific funding amount attributable to each funding source.	Funding sources include the LMIHF, Bond Proceeds, Reserve Balance, Administrative Allowance, RPTTF, and Other. If the funding source is reserve, identify the original source of funds on the Notes form. If funding source is Other, specify source of funds (e.g. rent, interest income, etc.); notations should be made in cases where the successor agency estimates the amount to be paid. <u>Note:</u> Per §34171 (b) related to administrative cost allowance, successor agencies may claim up to three percent of property tax allocated to the Redevelopment Obligation Retirement Fund (RORF) or \$250,000, whichever is greater, beginning in fiscal year 2012-13 and each fiscal year thereafter.
6-Month Total	This column calculates the six-month total for each obligation for all funding sources.	No entries should be made in this column.

Disputed Obligations

Per Finance's letter dated July 12, 2012, agencies requesting reconsideration of previously denied obligations may include them in the January through June 2013 period ROPS. The obligations should be identified in the Notes form including a reference to the correspondence and/or supporting documents provided to

Finance. Finance will review the obligation or debt along with other obligations or debt listed on the ROPS.

Retired or Paid-Off Obligations

Per HSC section 34187 (a) (1), obligations that have been retired or paid-off, either through early payment or payment at maturity, should be listed on this form and identified as such in the Notes form.

Pass-Through Payments

Per HSC section 34183 (a) (1), the county auditor-controller will make the required pass-through payments starting with the July through December 2012 ROPS. Therefore, going forward, pass-through payments should not be identified in the ROPS.

4. **Notes** – This form is optional. When providing additional information on EOs, ensure the identified line item number corresponds with the correct ROPS line item.
5. **Prior Period Payment** – Per HSC §34186 (a), successor agencies must report the difference between actual payments and past estimated obligations. The difference between actual payments made and estimated obligation amounts will be used to adjust funds to be transferred to the RORF.
 - List all obligations reported on the January to June 2012 ROPS period approved by Finance.
 - For each obligation, list the page number or form and line item number referenced in the January to June 2012 ROPS.
 - For each obligation, provide the estimated obligation amount and actual payment made by funding source.