



**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE OAKLEY REDEVELOPMENT AGENCY
STAFF REPORT**

Date: August 19, 2014
To: Oversight Board
From: Bryan Montgomery, Executive Director 
Subject: **Resolution Approving a Recognized Obligations Payment Schedule
For the Six-Month Period January to June 2015**

Background and Analysis

State Law requires the Successor Agency Board and the Oversight Board adopt Recognized Obligations Payment Schedules (ROPS) for each six-month period. As is now the normal process, the State Department of Finance (DOF) has provided us the forms to use and instructions to leave blank any item they have previously denied, until such time as the Agency has received a "Finding of Completion," or a court order approving the item as an enforceable obligation. With the settlement of the City and Agency's litigation with the State, many of the previously denied obligations are now enforceable obligations, and the parties have agreed to remove several contested items from the list altogether. We have updated the ROPS to reflect these changes. The Successor Agency Board adopted this ROPS at its August 12, 2014 meeting.

Fiscal Impact

For items approved by DOF, the ROPS defines the payments allowed by the Successor Agency. When compared to prior ROPS, the only material changes to the Successor Agency's proposed expenditures are the payments on enforceable obligations newly confirmed by the Settlement Agreement, which are principally obligations payable from the Agency's 2008 Tax Exempt Tax Allocation Bonds proceeds. Otherwise, the expenditures proposed are limited to paying debt service, amounts necessary to maintain the Agency's properties, and to pay the City the administrative allowance allowed under statute.

It is worth noting that the attached proposal includes the reservation of some funds necessary to ensure the Agency's bonded debt service payments due in September 2015 are adequately funded. This reserve process is one authorized by DOF because the law prescribes the distribution of property taxes evenly throughout the year, while they recognize the debt service payment schedules are generally staggered, with two payments - an interest only payment one time and a principal and interest payment the other time. For us, the smaller interest only payment is in the Spring and the larger principal and interest payment is in the Fall. Thus, we reserve a portion of the Winter property tax distribution to ensure that

when combined with the Summer distribution, there will be enough funds on hand to make the larger Fall debt service payment.

Recommendation

Staff recommends the Board adopt the attached Resolution approving the ROPS attached for the six month period January – June 2015.

Attachments

1. Resolution and Recognized Obligations Payment Schedule for January – June 2015.

OB RESOLUTION NO. _____

**A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO
THE OAKLEY REDEVELOPMENT AGENCY, APPROVING A RECOGNIZED
OBLIGATIONS PAYMENT SCHEDULE FOR JANUARY–JUNE 2015**

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board to the Board of the Successor Agency of the Oakley Redevelopment Agency, approves the attached Recognized Obligations Payment Schedule for January – June 2015 attached hereto as Exhibit A.

The foregoing resolution was adopted at a regular meeting of the Successor Agency Board, held on the 19th day of August 2014, by the following vote:

AYES:

NOES:

ABSTENTION:

ABSENT:

APPROVED: _____
Kevin Romick, Chair

ATTEST:

Libby Vreonis, Secretary

Recognized Obligation Payment Schedule (ROPS 14-15B) - Summary
 Filed for the January 1, 2015 through June 30, 2015 Period

Name of Successor Agency: Oakley
 Name of County: Contra Costa

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):		\$ 2,419,374
B Bond Proceeds Funding (ROPS Detail)		2,349,374
C Reserve Balance Funding (ROPS Detail)		-
D Other Funding (ROPS Detail)		70,000
E Enforceable Obligations Funded with RPTTF Funding (F+G):		\$ 1,005,002
F Non-Administrative Costs (ROPS Detail)		880,002
G Administrative Costs (ROPS Detail)		125,000
H Current Period Enforceable Obligations (A+E):		\$ 3,424,376

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding

I Enforceable Obligations funded with RPTTF (E):	1,005,002
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	-
K Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 1,005,002

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding

L Enforceable Obligations funded with RPTTF (E):	1,005,002
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N Adjusted Current Period RPTTF Requested Funding (L-M)	1,005,002

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 14-15B) - ROPS Detail
January 1, 2015 through June 30, 2015
 (Report Amounts in Whole Dollars)

A Item #	B Project Name / Debt Obligation	C Obligation Type	D Contract/Agreement Execution Date	E Contract/Agreement Termination Date	F Payee	G Description/Project Scope	H Project Area	I Total Outstanding Debt or Obligation	J Retired	K, L, M, N, O Funding Source					P Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										K Bond Proceeds	L Reserve Balance	M Other Funds	N Non-Admin	O Admin	
1	2003 TABS DS	Bonds Issued On or Before 12/31/10	11/1/2003	9/1/2028	Wells Fargo Corporate Trust	Debt Service Payable in September and March of each year	Oakley	\$ 56,075,885 9,410,113	N	\$ 2,349,374	\$ 70,000	\$ 880,002	\$ 125,000	\$ 3,424,376 190,572	
2	2008 Tax Exempt TABS DS	Bonds Issued On or Before 12/31/10	5/1/2008	9/1/2038	Wells Fargo Corporate Trust	Debt Service Payable in September and March of each year	Oakley	42,671,398	N				579,430	579,430	
3	Annual Trustee/Fiscal Agent Fees	Fees	11/1/2003	9/1/2028	Wells Fargo Corporate Trust	Annual Trustee Fes for 2003 Bonds	Oakley	38,000	N				2,000	2,000	
4	Annual Trustee/Fiscal Agent Fees	Fees	5/1/2008	9/1/2038	Wells Fargo Corporate Trust	Annual Trustee Fes for 2008 Bonds	Oakley	63,000	N				2,000	2,000	
5	Continuing Disclosure Services	Fees	7/18/2005	9/1/2028	NBS Financial	Annual Continuing Disclosure Services for 2003 Bonds	Oakley	32,000	N				2,500	2,500	
6	Continuing Disclosure Services	Fees	5/1/2008	9/1/2038	NBS Financial	Annual Continuing Disclosure Services for 2008 Bonds	Oakley	52,000	N				2,500	2,500	
7	Data for Continuing Disclosures	Fees	1/1/2014	9/1/2038	Hindenliter, DeLamas (HdL)	Data for Continuing Disclosures (used for both the 2003 and 2008 Bonds)	Oakley	15,000	N				1,000	1,000	
8	DS Payment on Interagency Obligation	Miscellaneous	8/14/2006	9/1/2039	City of Oakley	Payment of Impact Fees on Housing Project (Pursuant to Settlement Agreement with DOF, Agency agreed not to submit this to the OB for recognition as an Agency EO)	Oakley		Y						
9	Annual External Audit	Dissolution Audits	1/1/2014	9/1/2039	Current External Auditor is Maze and Associates	Required external audit of the SA pursuant to bond covenants/other requirements.	Oakley	115,000	N				5,000	5,000	
10	Debt Service Reserve Fund	Reserves	1/1/2014	9/3/2015	Wells Fargo Corporate Trust	Set aside for debt service due in September 2015- applied to reduce the RPTTF request for 2003 Sr Bonds DS	Oakley	100,000	N				100,000	100,000	
11	SA Administrative Allowance	Admin Costs	1/1/2014	6/30/2015	City of Oakley	Administrative allowance for the 14-15B ROPS, as prescribed (\$125k, less \$5k shown above in Annual External Audit line item)	Oakley	120,000	N				120,000	120,000	
13	Property Common Area Maintenance and Property Taxes	Property Maintenance	1/1/2014	6/30/2015	Various contractors and utilities	Property taxes, mainenance and common area charges to operate owned properties purasant to existig leases and obligation to maintain properties.	Oakley	160,000	N		50,000			50,000	
18	Downtown Project	Improvement/Infrastructure	8/9/2011	6/30/2015	TBD	CentroMart Façade and Building improvements represented as part of DDAs	Oakley	500,000	N	500,000				500,000	
19	Downtown Project	Improvement/Infrastructure	8/9/2011	6/30/2015	Bay Cities	Oakley Plaza Public Parking improvements represented as part of DDAs - Negotiating Final Payment for this and item 21 below. Amount shown is the total of the current expected payment. (They claim the payment due is greater)	Oakley	750,000	N	750,000				750,000	
20	Downtown Project	Improvement/Infrastructure	8/9/2011	6/30/2014	Goodland Landscape and Construction	Construction of Public Plaza represented as part of DDAs	Oakley		Y						
21	Downtown Project	Improvement/Infrastructure	8/9/2011	6/30/2015	Bay Cities	Construction of Main Street Improvements represented as part of DDAs (See above note in item 19 (The \$750,000 amount is the total combined anticipated final payment for the two items)	Oakley	750,000	N						
23	Directional Sign Project	Improvement/Infrastructure	8/9/2011	6/30/2015	Ellis and Ellis Sign Systems	Costs for fabrication and installation of directional monument signs.	Oakley	51,878	N	51,878				51,878	

Recognized Obligation Payment Schedule (ROPS 14-15B) - ROPS Detail
January 1, 2015 through June 30, 2015
 (Report Amounts in Whole Dollars)

A Item #	B Project Name / Debt Obligation	C Obligation Type	D Contract/Agreement Execution Date	E Contract/Agreement Termination Date	F Payee	G Description/Project Scope	H Project Area	I Total Outstanding Debt or Obligation	J Retired	K, L, M, N, O Funding Source					P Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										K Bond Proceeds	L Reserve Balance	M Other Funds	N Non-Admin	O Admin	
24	Main Street Frontage Improvements	Improvement/Infrastructure	2/1/2009	6/30/2015	TBD	Main Street frontage improvements to Conco Land Company property on Main Street (APNs 037-100-048 and 037-100-049) pursuant to dedication agreement.	Oakley	880,000	N	880,000					880,000
25	Housing Activities/Programs	Miscellaneous	2/1/2009	9/1/2039	City of Oakley	Joint Projects and Cooperation Agreement payment for housing activities/programs. (Pursuant to Settlement Agreement with DOF. Agency agreed to not submit this item to the OB to recognize as an Agency EO).	Oakley		Y						
28	Downtown Project	Professional Services	7/12/2011	6/30/2015	Mark Thomas Engineering	Completion of Design Work for Downtown Main Street Project	Oakley	5,603	N	5,603					5,603
32	Building Maintenance for unleased RE Owned	Property Maintenance	1/1/2014	6/30/2015	Various	Maintenance and other services/utilities directly related to unleased properties, until they are leased or sold.	Oakley	200,000	N			20,000			20,000
34	LMIHF DDR Remainder	Miscellaneous	8/23/2013	12/31/2014	County Auditor Controller	LMIHF DDR Payment to CAC when funds are available	Oakley		N						
35	AOF DDR Remainder	Miscellaneous	10/16/2013	12/31/2014	County Auditor Controller	AOF DDR Payment to CAC when funds are available	Oakley		N						
41	Need to reinstate project costs for prior item 22.	Professional Services	8/9/2011	6/30/2015	City of Oakley	Staff time for project management for items 19 and 21.	Oakley	161,893	N	161,893					161,893
42									N						
43									N						
44									N						
45									N						
46									N						
47									N						
48									N						
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Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Cash Balances
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), 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. For tips on how to complete the Report of Cash Balances Form, see https://rad.dof.ca.gov/rad-sa/pdf/Cash_Balance_Agency_Tips_Sheet.pdf.

A	B	C	D	E	F	G	H	I
Cash Balance Information by ROPS Period		Fund Sources				Comments		
		Bond Proceeds	Reserve Balance	Other	RPTTF			
ROPS 13-14B Actuals (01/01/14 - 06/30/14)								
1	Beginning Available Cash Balance (Actual 01/01/14)	3,201,333				59,372	550	
2	Revenue/Income (Actual 06/30/14) RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014	490				141,234	1,097,250	Other Revenue excludes common area deposits collected from Tenants during the period.
3	Expenditures for ROPS 13-14B Enforceable Obligations (Actual 06/30/14) RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q	462,501				16,856	785,800	To be consistent in excluding tenant deposits from available cash balances, other expenses exclude expenditures of tenant deposits for common area maintenance.
4	Retention of Available Cash Balance (Actual 06/30/14) RPTTF amount retained should only include the amounts distributed for debt service reserve(s) approved in ROPS 13-14B	2,675,597					312,000	Retention of Bond Funds as shown are solely for the cash reserves required for the Agency's 2003 and 2008 Bonds. Retention of RPTTF was to ensure adequate funds would be available for the September 2014 DS payments.
5	ROPS 13-14B RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 13-14B PPA in the Report of PPA, Column S	No entry required						
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	63,725				183,750		
ROPS 14-15A Estimate (07/01/14 - 12/31/14)								
7	Beginning Available Cash Balance (Actual 07/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	2,739,322				312,000	183,750	
8	Revenue/Income (Estimate 12/31/14) RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor-Controller during June 2014	732,000				80,000	1,083,555	Bond Revenues include the estimated proceeds of sale from Pre AB 1484 offer and acceptance, and reimbursement for utility related costs from that same buyer/Developer. Proceeds and reimbursement are restricted to uses under Tax Exempt Bond Safe Harbor IRC Rules. Other Rev = Est Rent/Int and exclude common area deposits collected from tenants.
9	Expenditures for ROPS 14-15A Enforceable Obligations (Estimate 12/31/14)	795,725				312,000	223,750	Bond Expenditures include the use of the Bond Revenues and other Bond Proceeds on hand, for the resolution of bond funded enforceable obligations approved pursuant to the recent Settlement Agreement between the City/SA, DOF and the CAC. The obligations exceed the funds estimated to be available, so the Expenditures shown were reduced so that the Ending Est Available Cash was not negative. As future funding is generated (from the PMP Dispositions of Bond Restricted Property), we expect to use those proceeds to meet the remaining bond funded EOs. Other Expenditures = Contribution of all funds to pay DS first, plus maintenance/taxes for vacant/other properties for which they are not covered by the Tenants, plus the Agency's share of common area charges payable from other revenues (rent/int), but to be consistent, excludes the expenses for common area maintenance paid for with tenant deposits.
10	Retention of Available Cash Balance (Estimate 12/31/14) RPTTF amount retained should only include the amount distributed for debt service reserve(s) approved in ROPS 14-15A	2,675,597						Retention of Bond Funds as shown are solely for the cash reserves required for the Agency's 2003 and 2008 Bonds.
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)					40,000		

