

SANTA CLARA COUNTY OFFICIAL



Gary Ameling
Director of Finance

November 19, 2013

Irene Lui
Santa Clara County Controller-Treasurer
Finance Agency
County Government Center
70 West Hedding St., East Wing, 2nd Floor
San Jose, CA 95110-1705

sent via email Irene.Lui@fin.sccgov.org

Re: City of Santa Clara – Low and Moderate Income Housing Fund Due Diligence Review
Installment Payment Plan (Initial Payment)

Dear Ms. Lui:

The Successor Agency to the Redevelopment Agency of the City of Santa Clara ("Successor Agency") has made a payment to your office in the amount of Thirty Seven Million Nine Hundred Thousand Dollars (\$37,900,000 ("LMIHF DDR Payment")) as partial payment of the amounts determined to be available pursuant to the LMIHF Due Diligence Review and in accordance with the terms of that certain Installment Payment Plan Agreement between the City of Santa Clara, the Successor Agency and the California Department of Finance ("DOF") dated November 14, 2013.

On behalf of the City of Santa Clara, I hereby direct you to distribute to each taxing entity entitled to receive distributions pursuant to Health and Safety Code section 34188 in accordance with each taxing entity's property tax share, that portion of the LMIHF DDR Payment, that would otherwise be paid to the City of Santa Clara pursuant to section 34188. You are directed to continue to make redistributions of the City of Santa Clara's proportionate share of each subsequent distribution resulting from the LMIHF DDR Payment to the taxing entities until the City of Santa Clara's proportionate share reaches zero dollars and zero cents (\$0.00). The attached schedule is attached as an example, and is the City of Santa Clara's estimate of the City of Santa Clara's total share of the distributions the City of Santa Clara would have received from the LMIHF DDR Payment pursuant to section 34188.

Sincerely,

A handwritten signature in blue ink that reads "Gary Ameling".

Gary Ameling
Director of Finance

GA:dt

Enc (3)

cc: Julio J. Fuentes, City Manager

Finance Department
1500 Warburton Avenue
Santa Clara, CA 95050
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Attachment I

**City of Santa Clara
Low and Moderate Income Housing Fund DDR Installment Payment Plan Agreement
Distribution of Residual Property Tax**

		<u>Initial Payment</u>
Remaining Housing Cash		32,000,000.00
Credit of Cash for Housing Loan (1)		5,900,000.00
 Cash to be Distributed to Taxing Entities		 37,900,000.00
Interest Earned 7-1-2012 Through 11-18-2013		155,472.12
Total Cash to be Distributed to Taxing Entities		<u>38,055,472.12</u>
City of Santa Clara's Property Tax Share (2)	10.17%	3,870,241.51
		393,603.56
		40,029.48
		4,071.00
		414.02
		42.11
		4.28
		0.44
		0.04
		0.00
City of Santa Clara LMIHF DDR Residual Payments (3)		4,308,406.45

Notes:

- (1) Based on Housing Loan credit on Other Funds DDR being approved by DOF.
- (2) City of Santa Clara property tax share per County of Santa Clara Controller-Treasurer Department for 2013-14.
- (3) Based on number of iterations until the City residual payment equals \$0.00 (per Agreement Section 3(a)).

Successor Agency of the City of Santa Clara Redevelopment Agency												Attachment 2	
Interest Earnings Calculation													
Housing DDR Installment Payment Plan													
Fund 910					Fund 915			Total Housing Funds					
Date	LAIF Rate	Principal	Accrued Interest	Balance	Principal	Accrued Interest	Balance	Principal	Accrued Interest	Balance			
7/1/2012		24,336,865.00		24,336,865.00	7,663,135.00		7,663,135.00	32,000,000.00		32,000,000.00			
7/31/2012	0.3630%		7,361.90	24,344,226.90		2,318.10	7,665,453.10		9,680.00	32,009,680.00			
8/31/2012	0.3770%		7,645.83	24,351,872.73		2,407.50	7,667,860.60		10,053.33	32,019,733.33			
9/30/2012	0.3480%		7,057.69	24,358,930.42		2,222.31	7,670,082.91		9,280.00	32,029,013.33			
10/31/2012	0.3400%		6,895.45	24,365,825.87		2,171.22	7,672,254.13		9,066.67	32,038,080.00			
11/30/2012	0.3240%		6,570.95	24,372,396.82		2,069.05	7,674,323.18		8,640.00	32,046,720.00			
12/31/2012	0.3260%		6,611.51	24,379,008.34		2,081.82	7,676,405.00		8,693.33	32,055,413.33			
1/31/2013	0.3000%		6,084.22	24,385,092.55		1,915.78	7,678,320.78		8,000.00	32,063,413.33			
2/28/2013	0.2860%		5,800.29	24,390,892.84		1,826.38	7,680,147.16		7,626.67	32,071,040.00			
3/31/2013	0.2850%		5,780.01	24,396,672.85		1,819.99	7,681,967.15		7,600.00	32,078,640.00			
4/30/2013	0.2640%		5,354.11	24,402,026.96		1,685.89	7,683,653.04		7,040.00	32,085,680.00			
5/31/2013	0.2450%		4,968.78	24,406,995.73		1,564.56	7,685,217.60		6,533.33	32,092,213.33			
6/30/2013	0.2440%		4,948.50	24,411,944.23		1,558.17	7,686,775.77		6,506.67	32,098,720.00			
7/31/2013	0.2670%		5,414.95	24,417,359.18		1,705.05	7,688,480.82		7,120.00	32,105,840.00			
8/31/2013	0.2710%		5,496.08	24,422,855.26		1,730.59	7,690,211.41		7,226.67	32,113,066.67			
9/30/2013	0.2570%		5,212.15	24,428,067.40		1,641.19	7,691,852.60		6,853.33	32,119,920.00			
10/31/2013	0.2660%		5,394.67	24,433,462.07		1,698.66	7,693,551.26		7,093.33	32,127,013.33			
11/18/2013	0.2660%		3,236.80	24,436,698.88		1,019.20	7,694,570.46		4,256.00	32,131,269.33			
Totals		24,336,865.00	99,833.88	24,436,698.88	7,663,135.00	31,435.46	7,694,570.46	32,000,000.00	131,269.33	32,131,269.33			
Notes:													
1) Use PIMA Average Monthly Effective Yields.													
2) Use simple interest.													
3) Nov 2013 rate not available yet, so use Oct 2013 rate.													
4) Payment date is 11/19/2013; use 18/30 for Nov 1st-18th calculation.													
5) All funds were invested in LAIF.													
Fund 938					Fund 939			Total PA CIP Funds			Grand Totals		
Date	LAIF Rate	Principal	Accrued Interest	Balance	Principal	Accrued Interest	Balance	Principal	Accrued Interest	Balance	Principal	Accrued Interest	Balance
7/1/2012		4,255,628.89		4,255,628.89	1,644,371.11		1,644,371.11	5,900,000.00		5,900,000.00	37,900,000.00		37,900,000.00
7/31/2012	0.3630%		1,287.33	4,256,916.22		497.42	1,644,868.53		1,784.75	5,901,784.75	11,464.75		37,911,464.75
8/31/2012	0.3770%		1,336.98	4,258,253.19		516.61	1,645,385.14		1,853.58	5,903,638.33	11,906.92		37,923,371.67
9/30/2012	0.3480%		1,234.13	4,259,487.33		476.87	1,645,862.01		1,711.00	5,905,349.33	10,991.00		37,934,362.67
10/31/2012	0.3400%		1,205.76	4,260,693.09		465.91	1,646,327.91		1,671.67	5,907,021.00	10,738.33		37,945,101.00
11/30/2012	0.3240%		1,149.02	4,261,842.11		443.98	1,646,771.89		1,593.00	5,908,614.00	10,233.00		37,955,334.00
12/31/2012	0.3260%		1,156.11	4,262,998.22		446.72	1,647,218.61		1,602.83	5,910,216.83	10,296.17		37,965,630.17
1/31/2013	0.3000%		1,063.91	4,264,062.13		411.09	1,647,629.71		1,475.00	5,911,691.83	9,475.00		37,975,105.17
2/28/2013	0.2860%		1,014.26	4,265,076.39		391.91	1,648,021.61		1,406.17	5,913,098.00	9,032.83		37,984,138.00
3/31/2013	0.2850%		1,010.71	4,266,087.10		390.54	1,648,412.15		1,401.25	5,914,499.25	9,001.25		37,993,139.25
4/30/2013	0.2640%		936.24	4,267,023.34		361.76	1,648,773.91		1,298.00	5,915,797.25	8,338.00		38,001,477.25
5/31/2013	0.2450%		868.86	4,267,892.19		335.73	1,649,109.64		1,204.58	5,917,001.83	7,737.92		38,009,215.17
6/30/2013	0.2440%		865.31	4,268,757.51		334.36	1,649,443.99		1,199.67	5,918,201.50	7,706.33		38,016,921.50
7/31/2013	0.2670%		946.88	4,269,704.38		365.87	1,649,809.87		1,312.75	5,919,514.25	8,432.75		38,025,354.25
8/31/2013	0.2710%		961.06	4,270,665.45		371.35	1,650,181.22		1,332.42	5,920,846.67	8,559.08		38,033,913.33
9/30/2013	0.2570%		911.41	4,271,576.86		352.17	1,650,533.39		1,263.58	5,922,110.25	8,116.92		38,042,030.25
10/31/2013	0.2660%		943.33	4,272,520.19		364.50	1,650,897.89		1,307.83	5,923,418.08	8,401.17		38,050,431.42
11/18/2013	0.2660%		566.00	4,273,086.19		218.70	1,651,116.59		784.70	5,924,202.78	5,040.70		38,055,472.12
Totals		4,255,628.89	17,457.30	4,273,086.19	1,644,371.11	6,745.48	1,651,116.59	5,900,000.00	24,202.78	5,924,202.78	37,900,000.00	155,472.12	38,055,472.12

Attachment 3

**City of Santa Clara
Low and Moderate Income Housing Fund Due Diligence Review Installment Payment Plan
11/19/2013**

**Revised Amount Due Per DOF Revised LMIHF Determination
Letter Dated 11/14/2013**

Amount Due Per LMIHF DDR	63,179,968.00
Amount Approved on ROPS 13-14B	<u>(17,430,344.00)</u>
DOF Revised LMIHF DDR Determination Amount Due	<u>45,749,624.00</u>

Initial Payment Plus Interest Per Installment Payment Plan Agreement

Initial Cash Payment	37,900,000.00
Plus Interest Earned 7/1/2012 Through 11/18/2013	<u>155,472.12</u>
Total Cash to be Distributed to Taxing Entities 11/19/2013 (1)	<u>38,055,472.12</u>

**Calculation of Remaining Amount Due after Initial Payment
and City Residual Payment Credits**

Amount Due Per Installment Payment Plan Agreement	45,749,624.00
Initial Cash Payment	<u>(37,900,000.00)</u>
City of Santa Clara LMIHF DDR Residual Payments (2)	<u>(4,308,406.45)</u>
Estimate Remaining Balance Due After 11/19/2013 Payment	
Estimated Remaining Balance to be Covered by Future Residual Payments (City Has Right to Prepay)	<u>3,541,217.55</u>

Notes:

- (1) Successor Agency to the RDA of the City of Santa Clara Wire Transfer to Santa Clara County on 11/19/2013.
- (2) See attachment to Exhibit A