

**RESOLUTION NO. 2015-04 (OVERSIGHT BOARD)**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE CITY OF SANTA CLARA REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND AN ADMINSTRATIVE BUDGET FOR THE PERIOD JULY 1, 2015 THROUGH DECEMBER 31, 2015, MAKING RELATED FINDINGS AND DECLARATIONS AND TAKING RELATED ACTIONS IN CONNECTION THEREWITH**

**BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CLARA AS FOLLOWS**

**WHEREAS**, the California state legislature enacted Assembly Bill 1x 26 (the “Dissolution Act”) to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code section 33000 et seq.);

**WHEREAS**, pursuant to Health and Safety Code section 34173, the City Council of the City of Santa Clara (the “City Council”) declared that the City of Santa Clara, a charter city (the “City”), would act as successor agency (the “Successor Agency”) for the dissolved City of Santa Clara Redevelopment Agency (the “Dissolved RDA”) effective February 1, 2012;

**WHEREAS**, on February 1, 2012, the RDA was dissolved pursuant to Health and Safety Code section 34172;

**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;

**WHEREAS**, pursuant to AB 1484 (“AB 1484”), enacted June 27, 2012, to amend various provisions of the Dissolution Act, the Successor Agency is now declared to be a separate legal entity from the City;

**WHEREAS**, under the Dissolution Act, the Proposed ROPS 15-16A and the Administrative Budget for the period of July 1, 2015 through December 31, 2015 must be submitted to the Oversight Board for the Oversight Board’s approval; and,

**WHEREAS**, Health and Safety Code Section 34177(a)(4) allows the Successor Agency to make payments of enforceable obligations from sources other than those listed on the ROPS with the prior approval of the Oversight Board; and

**WHEREAS**, the accompanying staff report provides supporting information upon which the actions set forth in this Resolution are based.

**NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE CITY OF SANTA CLARA REDEVELOPMENT AGENCY AS FOLLOWS:**

SECTION 1. The Oversight Board hereby finds, resolves, and determines that the foregoing recitals are true and correct, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.

SECTION 2. Under Health and Safety Code section 34180(g), the Oversight Board must approve the establishment of the recognized obligation payment schedules of the Successor Agency.

SECTION 3. The Oversight Board hereby approves the ROPS 15-16A attached hereto as Attachment 1 (the “Approved ROPS 15-16A”). In connection with such approval, the Oversight Board makes the specific findings set forth below.

SECTION 4. The Oversight Board has examined the items on the Approved ROPS 15-16A and finds that each of them is necessary for the continued maintenance and preservation of property owned by the Successor Agency until disposition in accordance with the Dissolution Act, the continued administration of the ongoing agreements herein approved by the Oversight Board, or the expeditious wind-down of the affairs of the Dissolved RDA by the Successor Agency.

SECTION 5. Under Health and Safety Code section 34177(j), the Oversight Board must approve the Administrative Budget for the Successor Agency.

SECTION 6. In accordance with the Dissolution Act, the Oversight Board hereby approves the Administrative Budget for the period of July 1, 2015 through December 31, 2015 attached hereto as Attachment 2 (the “Approved Administrative Budget”), and authorizes the Successor Agency to incur costs for the general administrative activities and functions described in the Administrative Budget.

SECTION 7. The Oversight Board finds that the Administrative Budget supports a distribution of the FY 2015-16 Administrative Cost Allowance to the Successor Agency in the amount of \$250,000 which includes the administrative costs associated with the Administrative Budget for the period of July 1, 2015 through December 31, 2015.

SECTION 8. The Oversight Board Chairperson, Successor Agency Director of Finance, and Oversight Board General Counsel are collectively authorized to make any technical or clerical corrections to the approved ROPS 15-16A prior to filing with DOF. The Oversight Board hereby authorizes and directs the Successor Agency staff to take all actions necessary under the

Dissolution Act to file, post, mail or otherwise deliver via electronic mail, internet posting, and/or hardcopy, all notices and transmittals necessary or convenient in connection with the approval of the Approved ROPS 15-16A and the Approved Administrative Budget.

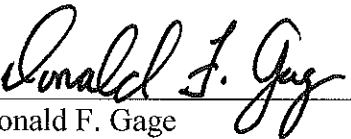
SECTION 9. This Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code section 34179(h).

CERTIFICATION

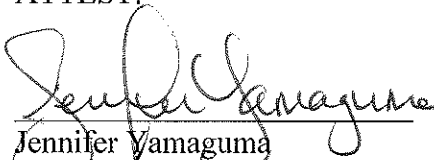
I hereby certify the forgoing to be a true copy of a resolution passed and adopted by the Oversight Board of the Successor Agency for the City of Santa Clara Redevelopment Agency at a special meeting thereof held on 5<sup>th</sup> day of March 2015, by the following vote:

AYES:	BOARD MEMBERS:	Cauble, Guthrie, Maduli, Ochoa and Chairperson Gage
NOES:	BOARD MEMBERS:	Ameling and Matthews
ABSTAIN:	BOARD MEMBERS:	None
ABSENT:	BOARD MEMBERS:	None

APPROVE:

  
Donald F. Gage  
Chairperson

ATTEST:

  
Jennifer Yamaguma  
Clerk to the Oversight Board

Attachments incorporated by reference:

1. Approved ROPS 15-16A
2. Approved Administrative Budget

## Recognized Obligation Payment Schedule (ROPS 15-16A) - Summary

Filed for the July 1, 2015 through December 31, 2015 Period

Name of Successor Agency: Santa Clara  
 Name of County: Santa Clara

Current Period Requested Funding for Outstanding Debt or Obligation	Six-Month Total
<b>Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding</b>	
<b>A Sources (B+C+D):</b>	<b>\$ 51,114,952</b>
B Bond Proceeds Funding (ROPS Detail)	38,900,000
C Reserve Balance Funding (ROPS Detail)	-
D Other Funding (ROPS Detail)	12,214,952
<b>E Enforceable Obligations Funded with RPTTF Funding (F+G):</b>	<b>\$ 250,000</b>
F Non-Administrative Costs (ROPS Detail)	-
G Administrative Costs (ROPS Detail)	250,000
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 51,364,952</b>

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I Enforceable Obligations funded with RPTTF (E):	250,000
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	-
<b>K Adjusted Current Period RPTTF Requested Funding (I-J)</b>	<b>\$ 250,000</b>

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L Enforceable Obligations funded with RPTTF (E):	250,000
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
<b>N Adjusted Current Period RPTTF Requested Funding (L-M)</b>	<b>250,000</b>

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/ <i>Donald F. Gag</i>	<i>3-10-15</i>
Signature	Date



**Recognized Obligation Payment Schedule (ROPS 15-16A) - 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. 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](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		
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, Grants, Interest, Etc.	Non-Admin and Admin		
<b>ROPS 14-15A Actuals (07/01/14 - 12/31/14)</b>									
1	Beginning Available Cash Balance (Actual 07/01/14)	18,197,977	27,768,419	3,728,175	-	-	-	H1) Blocked from entering negative amounts in H1. Actual amount is \$65,802 cash deficit resulting from the RPTTF funding shortage to meet the debt payments approved on ROPS 2.	
2	Revenue/Income (Actual 12/31/14) RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor-Controller during June 2014	682	7				3,235,985	C2) Restricted interest earnings of \$682. D2) Restricted interest earnings of \$7.	
3	Expenditures for ROPS 14-15A Enforceable Obligations (Actual 12/31/14) RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q			3,728,175			3,237,670		
4	Retention of Available Cash Balance (Actual 12/31/14) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	18,198,639	27,768,426					C4) Parity reserve of \$7,084,819. Bond proceeds of \$11,113,820 held for the purposes for which the bonds were issued. D4) Parity reserve of \$2,767,861. Bond proceeds of \$25,000,565 required to be retained until the State issues a Finding of Completion. All funds are subject to the court ordered preliminary injunction.	
5	ROPS 14-15A RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 14-15A 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)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,685)	H6) Understated by the \$65,802 cash deficit which is the RPTTF funding shortage to meet the debt payments approved on ROPS 2. Blocked from entering negative amounts in H1.	
<b>ROPS 14-15B Estimate (01/01/15 - 06/30/15)</b>									
7	Beginning Available Cash Balance (Actual 01/01/15) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ 18,198,639	\$ 27,768,426	\$ -	\$ -	\$ -	\$ (1,685)	H7) Understated by the \$65,802 cash deficit which is the RPTTF funding shortage to meet the debt payments approved on ROPS 2. Blocked from entering negative amounts in H1.	
8	Revenue/Income (Estimate 06/30/15) RPTTF amounts should tie to the ROPS 14-15B distribution from the County Auditor-Controller during January 2015						9,364,638		
9	Expenditures for ROPS 14-15B Enforceable Obligations (Estimate 06/30/15)						9,364,638		
10	Retention of Available Cash Balance (Estimate 06/30/15) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	18,198,639	27,768,426					C10 and D10) See above Comments.	
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,685)	H11) Understated by the \$65,802 cash deficit which is the RPTTF funding shortage to meet the debt payments approved on ROPS 2. Blocked from entering negative amounts in H1.	







## Recognized Obligation Payment Schedule (ROPS 15-16A) - Notes

July 1, 2015 through December 30, 2015

Item #	Notes/Comments
All	Since the form requires that the Contract/Agreement Termination Date be filled in, we have entered 12/31/9999 for line items where no contract or agreement termination date exists.
6	Miscellaneous Bond Costs are an estimate which may require a true-up on a future ROPS. For ROPS 15-16A, the amount was increased by \$1,685 for the additional fees incurred during the ROPS 14-15A time period.
32	Repairs and maintenance for Martinson Child Development Center, 1350 Hope Drive, can be requested on a future ROPS for reimbursement of \$4,999 after property is transferred to the Successor Agency, per County.
33	1999 TAB Redemption. Amount includes the total estimated remaining bond proceed plus the anticipated amount of released reserves; rounded up to the next hundred thousand.
34	2011 TAB defeasance in accordance with Oversight Board approved resolution at February 27, 2015 meeting. Amount includes the total estimated bond proceeds plus the anticipated amount of released reserves; rounded up to next hundred thousand.
35	ROPS I - Over expenditure of Item 6 by \$884
36	Contingent upon transfer of the Convention Center property to the Successor Agency, the Successor Agency may enter into a contract with the Chamber for interim operations of the Convention Center pending disposition of the property. The amount requested represents the Chamber proposed budget for July through December 2015 in the amount of \$3,212,718. The requested amount must first be funded by the Convention Center operating revenues. If the operating revenues are not sufficient, then lease revenues may be used to cover the shortfall, but only up to the amount approved, \$3,212,718. The noted "Outstanding Obligation" is the 2015-16 Convention Center operating budget request in order to continue operation of the Convention Center through the next fiscal year. The revenue from operations of the Convention Center is expected to be \$6,025,248 in 2015-16.
37	Contingent upon transfer of the Convention Center property to the Successor Agency, this item can qualify as maintenance under Section 34171(d)(1)(F) to fund the Maintenance District Assessment. Per the resolution providing for the assessment, payments shall be collected in the same manner as the ad valorem property tax. Accordingly, the amount requested for this item represents the semi-annual amount due at this time, as ad valorem tax payments are due in two annual installments. The noted "Outstanding Obligation" is approximately 45% of the 2015-16 Maintenance District budget request of \$1,338,721 or \$602,424.
38	Contingent upon transfer of the Convention Center property to the Successor Agency, this item is eligible for funding under Section 34717(d)(1)(F) to the extent it is for insurance required to protect the property and Successor Agency. The noted "Outstanding Obligation" is an estimate and preliminary quote based on the Special Property Insurance Program. The insurance provider is listed as TBD as the Successor Agency should seek competitive bids and bring an actual insurance contract to the Oversight Board for approval.

**Successor Agency of the Redevelopment Agency of the City of Santa Clara  
Administrative Budget for the Period July 1, 2015 to December 31, 2015  
Funding Source: Administrative Cost Allowance**

<b>Ongoing Administrative Activities</b>	<b>Estimated Staff Hours</b>	<b>Estimated Cost</b>
County Correspondence/Coordination	40	5,040
State Controllers Office Correspondence/Coordination	10	1,260
Department of Finance Correspondence/Coordination	80	10,080
Preparation of Semi-Annual ROPS	120	15,120
Preparation of Administrative Budget	20	2,520
Oversight Board Staff Support		
Research	30	3,780
Preparation of Reports	60	7,560
Attendance at Meetings	60	7,560
Brown Act Requirements	20	2,520
Management of Dissolution Activities	80	10,080
Management of Consultants	10	1,260
Creation/Management of New Contracts as Approved	40	5,040
General Accounting/Auditing	160	20,160
Accounts Payable - Wires/Bill Payment	80	10,080
Debt Management	120	15,120
Investment Activities	16	2,016
Successor Agency Outside Counsel		50,000
Independent Legal Counsel		<u>15,000</u>
Subtotal	946	\$184,196
<b>Operations</b>		
Successor Agency Supplies		100
Successor Agency Printing/Publications		2,000
Internet Hosting/Cable Television		400
Travel Expenses		100
Subtotal		\$2,600
<b>Overhead</b>		
Support Services Overhead (65% on Staff Costs Only)		\$77,477
Total for ROPS Period		<u>\$264,273</u>
Total (Rounded)		<u>\$265,000</u>

Assumes average staff hourly rate of \$90 per hour time plus 40% benefits factor

Support Services Overhead covers support from the City Manager's Office, City Attorney's Office, City Clerk's Office, Accounts Payable, Accounts Receivable, General Accounting, Human Resources, IT, Building Maintenance, and Risk Management.

**Key staff working directly on dissolution include but are not limited to:**

City Manager  
Assistant City Manager  
Economic Development Officer/Assistant City Manager  
Executive Assistant to the City Manager  
City Attorney  
Director of Finance/Assistant City Manager  
Assistant Director of Finance  
Accounting Manager  
Principal Accountant  
Accountant  
Principal Financial Analyst  
Financial Analyst  
Deputy City Clerk