

RESOLUTION NO. 2016-02 (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, 2016 THROUGH JUNE 30, 2017, 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 16-17 and the Administrative Budget for the period of July 1, 2016 through June 30, 2017 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 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 16-17 attached hereto as Attachment 1 (the “Approved ROPS 16-17”). 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 16-17 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, 2016 through June 30, 2017 attached hereto as Attachment 2 (the “Approved Administrative Budget”).

SECTION 7. 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 16-17 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 16-17 and the Approved Administrative Budget.

SECTION 8. 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 regular meeting thereof held on 21st day of January 2016, by the following vote:


AYES: BOARD MEMBERS: Ameling, Cauble, Guthrie, Matthews, Tinsley and Chairperson Gage

NOES: BOARD MEMBERS: None

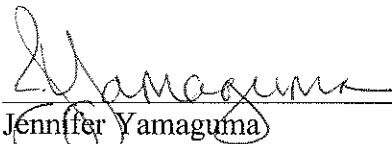
ABSTAIN: BOARD MEMBERS: None

ABSENT: BOARD MEMBERS: Maduli

APPROVE:


Donald F. Gage
Chairperson

ATTEST:


Jennifer Yamaguma
Clerk to the Oversight Board

Attachments incorporated by reference:

1. Approved ROPS 16-17
2. Approved Administrative Budget

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Attachment 1

[Insert APPROVED ROPS 16-17]

Recognized Obligation Payment Schedule (ROPS 16-17) - Summary
 Filed for the July 1, 2016 through June 30, 2017 Period

Successor Agency: Santa Clara
 County: Santa Clara

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		16-17A Total	16-17B Total	ROPS 16-17 Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding				
A	Sources (B+C+D):	\$ 25,526,188	\$ 83,370,853	\$ 108,897,041
B	Bond Proceeds Funding	12,180,337	32,741,957	44,922,294
C	Reserve Balance Funding	-	-	-
D	Other Funding	13,345,851	50,628,896	63,974,747
E	Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ -	\$ -	\$ -
F	Non-Administrative Costs	-	-	-
G	Administrative Costs	-	-	-
H	Current Period Enforceable Obligations (A+E):	\$ 25,526,188	\$ 83,370,853	\$ 108,897,041

Certification of Oversight Board Chairman:
 Pursuant to Section 34177 (o) 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 successor agency.

Donald F. Gage, Chairperson
 Name Title
 /s/ Donald F. Gage 1/21/16
 Signature Date

Santa Clara Recognized Obligation Payment Schedule (ROPS 16-17) - ROPS Detail

July 1, 2016 through June 30, 2017

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	16-17A				16-17B				W				
											Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)				RPTTF		Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)				RPTTF		
											L	M	N	O	P	Q	R	S		T	U	V	
																							Bond Proceeds
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	ROPS 16-17 Total	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	16-17A Total	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	16-17B Total	
								\$ 124,634,174		\$ 108,897,041	\$ 12,180,337	\$ -	\$ 13,345,851	\$ -	\$ -	\$ 25,526,188	\$ 32,741,957	\$ -	\$ 50,628,896	\$ -	\$ -	\$ 83,370,853	
1	1999 Tax Allocation Bonds Series A	Bonds Issued On or Before	8/3/1999	6/1/2023	Bank of New York	Bond issue to fund non-housing	Bayshore North	-	Y	\$ -						\$ -						\$ -	
2	1999 Tax Allocation Bonds Series B	Bonds Issued On or Before	8/18/1999	6/1/2017	Bank of New York	Bond issue to fund non-housing	Bayshore North	-	Y	\$ -						\$ -						\$ -	
4	2003 Tax Allocation Bonds	Bonds Issued On or Before	4/30/2003	6/1/2023	Bank of New York	Bond issue to fund non-housing	Bayshore North	43,562,250	N	\$ 37,842,000	463,857		437,143			\$ 901,000	4,615,494		32,325,506			\$ 36,941,000	
5	2011 Tax Allocation Bonds	Bonds Issued After 12/31/10	5/11/2011	6/1/2026	Bank of New York	Bond issue to fund non-housing	Bayshore North	56,401,125	N	\$ 46,685,159			325,306			\$ 325,306	28,126,463		18,233,390			\$ 46,359,853	
6	Miscellaneous Bond Costs	Fees	8/3/1999	6/1/2026	Various	Fiscal Agent Fees, Arbitrage Fees, etc.	Bayshore North	108,000	N	\$ 80,000			10,000			\$ 10,000			70,000			\$ 70,000	
7	2002 Series B COPS (Agency Share)	Bonds Issued On or Before	3/1/1989	2/1/2014	City of Santa Clara	Reimbursement Agreement - Agency/City	Bayshore North		Y														
8	2011 Cooperation and Predevelopment Funding Agreement, as modified by First Amendment thereto	Third-Party Loans	2/22/2011	7/31/2017	Forty Niners SC Stadium Company LLC	Repayment of a loan to assist a publicly owned stadium	Bayshore North	12,846,319	N	\$ 12,573,402			12,573,402			\$ 12,573,402						\$ -	
11	City ROPS Loan	City/County Loans After 6/27/11	5/22/2012	12/31/9999	City of Santa Clara	Cash Flow Loan for ROPS payments	Bayshore North		Y														
12	Independent Legal Counsel	Legal	7/17/2012	12/31/9999	Hilda Cantu Montoy	Legal Counsel for Oversight Board	All		N	\$ -						\$ -						\$ -	
13	Administrative Cost Allowance	Admin Costs	7/1/2015	12/31/2015	City of Santa Clara	Reimbursement for Administrative Expenses	All		N	\$ -						\$ -						\$ -	
14	Defense of Lawsuit Filed by County	Legal	1/8/2013	6/30/2014	Gibson, Dunn & Crutcher LLP/Goldfarb & Lipman LLP	Payment of legal fees to defend lawsuits	All		Y														
31	Subleasehold Interest - Sports and Open Space Authority (SOSA)	Miscellaneous	3/22/1995	3/22/2050	City of Santa Clara and Sports and Open Space Authority	Per Other Funds DDR Attachment D, Item 29a and 29b per pre-meet and confer advice from DOF.	Bayshore North		Y														
32	Martinson Child Development Center, 1350 Hope Drive	Property Maintenance	11/18/2003	11/17/2038	United Fire Safety	Repairs and maintenance for Martinson Child Development Center, 1350 Hope Drive	Bayshore North		N	\$ -						\$ -						\$ -	
33	Unspent 1999 Bond Proceeds	Bonds Issued On or Before	8/3/1999	6/1/2023	Trustee	Defeasance/Redeem Unspent Bond Proceeds	Bayshore North		Y	\$ -						\$ -						\$ -	
34	Unspent 2011 Bond Proceeds	Bonds Issued After 12/31/10	5/11/2011	6/1/2026	Trustee	Defeasance/Redeem Unspent Bond Proceeds	Bayshore North		Y	\$ -						\$ -						\$ -	
35	ROPS I, Item #6, Shortfall	Bonds Issued On or Before	12/31/2012	12/31/9999	Successor Agency	ROPS I - Item #6 shortfall	Bayshore North		Y	\$ -						\$ -						\$ -	
36	Convention Center Operations	Professional Services	7/1/2015	12/31/2015	Santa Clara Chamber of Commerce	Convention Center operations pending disposition	Bayshore North		Y														
37	Convention Center Maintenance District Assessment	Property Maintenance	7/1/2015	6/30/2016	Convention Center Maintenance District	Approximately 45% of maintenance district costs for common areas	Bayshore North		Y														
38	Convention Center - property insurance	Property Maintenance	7/1/2015	6/30/2016	TBD	Building property insurance for Convention Center	Bayshore North		Y														
39	Tasman Garage Project	Improvement/Infrastructure	5/24/2011	12/31/2014	City of Santa Clara	1999 Bonds proceeds used to reimburse the City of Santa Clara for final construction costs of the Tasman Garage	Bayshore North		Y	\$ -						\$ -						\$ -	
40	Northside Library	Improvement/Infrastructure	8/3/1999	5/31/2012	Various	1999 & 2003 Bonds proceeds used for construction of the Northside Library	Bayshore North	11,716,480	N	\$ 11,716,480	11,716,480					\$ 11,716,480						\$ -	
41									N	\$ -						\$ -						\$ -	
42									N	\$ -						\$ -						\$ -	
43									N	\$ -						\$ -						\$ -	
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78									N	\$ -						\$ -						\$ -	

**Santa Clara Recognized Obligation Payment Schedule (ROPS 16-17) - 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 [CASH BALANCE TIPS SHEET](#).

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 RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	Comments	
ROPS 15-16A Actuals (07/01/15 - 12/31/15)									
1	Beginning Available Cash Balance (Actual 07/01/15)	20,251,709	27,768,433	-	-	-	36,953		
2	Revenue/Income (Actual 12/31/15) RPTTF amounts should tie to the ROPS 15-16A distribution from the County Auditor-Controller during June 2015	979	1,542			40,755,218	-	C2) Restricted interest earnings of \$979. D2) Restricted interest earnings of \$1,542. G3) Receipt of \$245,925 in DDR interest balance. Receipt of \$33,866,493 of post DDR lease revenues. Receipt of current lease revenues.	
3	Expenditures for ROPS 15-16A Enforceable Obligations (Actual 12/31/15)	12,564,936	(356,488)			34,747,056	-	C3) 1999 Bond proceeds of \$12,208,448 used to defease bonds D3) Adjustment of parity reserve balance after 1999 Bonds defeasense G3) Payment of available lease revenues of \$26,692,418 for defeasence of 1999 Bonds. DDR interest of \$245,925 distributed to County. Payment of approved ROPS items.	
4	Retention of Available Cash Balance (Actual 12/31/15) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	4,615,494	28,126,463				-	C4) Parity reserve of \$6,728,822. 1999 Bond proceeds of \$958,871 as reimbursement due to the City. D4) Parity reserve of \$3,124,351. 2011 Bond proceeds of \$25,000,570 plus interest held for defeasance of bonds.	
5	ROPS 15-16A RPTTF Balances Remaining	No entry required						36,953	
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ 3,072,258	\$ -	\$ -	\$ -	\$ 6,008,162	\$ -		
ROPS 15-16B Estimate (01/01/16 - 06/30/16)									
7	Beginning Available Cash Balance (Actual 01/01/16) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ 7,687,752	\$ 28,126,463	\$ -	\$ -	\$ 6,008,162	\$ 36,953		
8	Revenue/Income (Estimate 06/30/16) RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016					27,089,534		G8) Receipt of \$19,759,355 from "Settle Agreement" with County and other Parties, including Convention Center purchase. Estimate of lease revenues.	
9	Expenditures for ROPS 15-16B Enforceable Obligations (Estimate 06/30/16)	2,608,401		5,229,651		12,451,394		C9) \$958,871 to reimburse City per ROPS 15-16B Item 39 and \$1,649,530 available reserve parity to be used for 2003 and 2001 debt interest payment. G9) \$7,221,743 library distribution to taxing entities and \$5,229,651 ROPS 15-16B Enforable Obligations	
10	Retention of Available Cash Balance (Estimate 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	4,615,494	28,126,463			12,573,402		G10) July 1st debt payment on the 2011 Cooperation and Predevelopment Funding Agreement plus remaing principl balance	
11	Ending Estimated Available Cash Balance (7 + 8 - 9 -10)	\$ 463,857	\$ -	\$ (5,229,651)	\$ -	\$ 8,072,900	\$ 36,953		

Attachment 2

[Insert Approved Administrative Budget]

**REDEVELOPMENT SUCCESSOR AGENCY
CITY OF SANTA CLARA
ROPS 16-17 ADMINISTRATIVE BUDGET
July 1, 2016 – June 30, 2017**

This document constitutes the Administrative Budget of the Redevelopment Successor Agency of the City of Santa Clara. This Administrative Budget has been prepared by the Redevelopment Successor Agency (RSA) of the City of Santa Clara and submitted to the Santa Clara Oversight Board for approval in accordance with the requirements of Health and Safety Code Section 34177(j). The Administrative Budget accompanies the Recognized Obligation Payment Schedule (ROPS) prepared pursuant to Health and Safety Code Section 34177(l) for the period indicated. This Administrative Budget is prepared in three parts to correspond to the three elements described for the Administrative Budget in Health and Safety Code Section 34177(j) (1), (2), and (3).

1. Estimated Amounts For Successor Agency Administrative Cost (Health and Safety Code Section 34177(j)(1)).

Administrative Activities	Job Classification Services & Expenditures	Estimated Hours	Annual Budget
<i>Successor Agency Administration</i>			
<i>Scope of Services to include but not limited to;</i> preparation of the Recognized Obligation Payment Schedule (ROPS) including the administrative budget, response to inquires or requests from the Santa Clara County and Department of Finance, administration and oversight of property liquidation, administrative support of Oversight Board, preparation of annual audit, administrative contract management and bill payment, and administration and oversight of various lease contracts including billing and review of compliance with lease terms.	City Manager	50	\$ 9,915
	Economic Development Officer / Assistant City Manager	300	\$ 40,513
	Director of Finance / Assistant City Manager	100	\$ 14,304
	Deputy City Manager	20	\$ 2,482
	Assistant Director of Finance	75	\$ 7,435
	Accounting Manager	50	\$ 4,529
	Principal Accountant	50	\$ 4,217
	Financial Analyst	0	\$ -
		645	\$ 83,395

Administrative Activities	Job Classification Services & Expenditures	Estimated Hours	Annual Budget
<u>Legal Advice for RSA Issues – ROPS Administration</u>			
Legal Services Administration	City Attorney	45	\$ 7,152
<u>RSA – ROPS Administration</u>			
Contract of legal services to assist the Oversight Board	Legal Services		\$ 30,000
Contract of legal services to assist in administration of Successor Agency	Legal Services		\$ 70,000
<u>City Wide Overhead – In Lieu</u>			
City Overhead Charges (general accounting functions, payroll, information technology and office and equipment)	City Overhead Charges	65%	\$ 58,856
Total Administrative Budget			\$ 249,403
Annual Minimum Administrative Cost Allowance (3% of RPTTF allocated or \$250,000 whichever is greater)			\$ 250,000

2. Proposed Source of Payment For Above-Identified Administrative Costs (Health and Safety Code Section 34177(j)(2)).

The City will not receive the administrative allowance shown herein as the Successor Agency will not receive any RPTTF for the ROPS, therefore based on SB 107 amended; the Successor Agency is not entitled to receive funds for the administrative budget.

3. Proposals For Arrangements For Administration and Operations Services (Health and Safety Code Section 34177(j)(3)).

The RSA has arranged with the City of Santa Clara to provide the staff services, office, materials, and equipment to administer the responsibilities of the RSA, and will draw upon services of outside consultants as required to provide special services for the wind-down of the former RDA to the extent City staff lacks the necessary expertise or capacity.