

A G E N D A

REGULAR MEETING OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE CITY OF SUISUN CITY REDEVELOPMENT AGENCY FRIDAY, FEBRUARY 15, 2013

2:00 P.M.

SUISUN CITY COUNCIL CHAMBERS -- 701 CIVIC CENTER BOULEVARD -- SUISUN CITY, CALIFORNIA

(Next Board Res. No. OB2013 – 03)

ROLL CALL

Board Members

PUBLIC COMMENT

(Requests by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda per California Government Code §54954.3 allowing 3 minutes to each speaker).

CONSENT CALENDAR

Consent calendar items requiring little or no discussion may be acted upon with one motion.

- 1) Board Approval of the Minutes of the Regular and/or Special Meetings of the Oversight Board held on January 3 and January 10, 2013 – (Hobson).

GENERAL BUSINESS

- 2) Adoption of Oversight Board Resolution No. OB2013-__: Approving the Recognized Obligation Payment Schedule (ROPS) for the Period of July to December 2013, and Directing Transmittal Pursuant to State Law – (Garben)

REPORTS: *(Informational items only.)*

- 3) Staff
- 4) Chair/Boardmembers

ADJOURNMENT

A complete packet of information containing Staff Reports and exhibits related to each item is available for public review at least 72 hours prior to a Board Meeting or, in the event that it is delivered to the Boardmembers less than 72 hours prior to a Board Meeting, as soon as it is so delivered. The packet is available for review in the Suisun City Manager's Office during normal business hours, and online at www.suisun.com/Oversight-Board.html.

MINUTES

REGULAR MEETING OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE CITY OF SUISUN CITY REDEVELOPMENT AGENCY

THURSDAY, JANUARY 3, 2013

4:00 P.M.

SUISUN CITY COUNCIL CHAMBERS -- 701 CIVIC CENTER BOULEVARD -- SUISUN CITY, CALIFORNIA

ROLL CALL

Chairman Spering called the meeting to order at 4:00 PM with Board Members Kearns, Sanchez, Sheldon, da Silva, and Spering present. Board Member Thurston was absent.

PUBLIC COMMENT - None

(Requests by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda per California Government Code §54954.3 allowing 3 minutes to each speaker).

CONSENT CALENDAR

Consent calendar items requiring little or no discussion may be acted upon with one motion.

GENERAL BUSINESS

- 1) Adoption of Oversight Board Resolution No. OB2013-01: Approving the Administrative Budget for the Period Ending June 30, 2013 – (Garben).

Motioned by Board Member DaSilva and seconded by Board Member Kearns to adopt Resolution No. OB2013-01. Motion carried unanimously by members present.

- 2) Convene a Public Comment Session Relating to the All Other Funds Due Diligence Review Completed by Vavrinek, Trine, Day & Company, LLP – (Garben).

Chairman Spering opened the public comment session and announced the public comment session will remain open until the next meeting.

REPORTS: *(Informational items only.)*

- 3) Staff – Next meeting is January 10, 2013.
- 4) Chair/Boardmembers

ADJOURNMENT

There being no further business, Chairman Spering adjourned the Oversight Board at 4:25 PM..

Donna Pock, CMC
Deputy City Clerk

MINUTES

REGULAR MEETING OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE CITY OF SUISUN CITY REDEVELOPMENT AGENCY

THURSDAY, JANUARY 10, 2013

4:00 P.M.

SUISUNCITY COUNCIL CHAMBERS -- 701 CIVIC CENTER BOULEVARD -- SUISUN CITY, CALIFORNIA

(Next Board Res. No. OB2013 – 02)

ROLL CALL

Vice Chairman Sanchez called the meeting to order at 4:04 PM with Board Members Kearns, Sheldon, da Silva, Thurston and Sanchez present. Board Member Spering was absent.

PUBLIC COMMENT

(Requests by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda per California Government Code §54954.3 allowing 3 minutes to each speaker).

CONSENT CALENDAR

Consent calendar items requiring little or no discussion may be acted upon with one motion.

GENERAL BUSINESS

- 1) Oversight Board Resolution No. OB2013-02: Confirming the Amount of Cash and Cash Equivalents Available for Disbursement to Taxing Entities Identified in the All Other Funds Due Diligence Review was Determined in Accordance with the Method Prescribed in Health and Safety Code Section 34179.5– (Garben)

Vice Chairman continued the public comment session, after hearing no public comments, closed the public comment session. Motioned by Board Member Sheldon and seconded by Board Member Thurston to adopt Resolution No. OB2013-02 with correction to seventh whereas to read as follows:

WHEREAS, under the Dissolution Act, the All Other Funds Due Diligence Review has been submitted by the Successor Agency to the Oversight Board for the Oversight Board’s approval and, in accordance with Health and Safety Code Section 34179.6, the Successor Agency also submitted the All Other Funds Due Diligence Review to the Auditor-Controller, the State Controller (the “Controller”) and the State Department of Finance (the “DOF”); and

Motion carried unanimously by members present.

REPORTS: *(Informational items only.)*

- 2) Staff next meeting 2:00 pm 2/15/13
- 3) Chair/Boardmembers

ADJOURNMENT

There being no further business, Chairman Spering adjourned the Oversight Board at 4:16 PM.

Donna Pock, CMC
Deputy City Clerk

AGENDA TRANSMITTAL

MEETING DATE: February 15, 2013

SUCCESSOR AGENCY AGENDA ITEM: Adopt Oversight Board Resolution No. OB2013-__: Approving the Recognized Obligation Payment Schedule (ROPS) for the Period of July to December 2013, and Directing Transmittal Pursuant to State Law.

FISCAL IMPACT: None. All obligations listed will be included in the FY 2013-14 Annual Budget.

IMPACT ON PASS THROUGHES TO OTHER TAXING ENTITIES: This item has no impact to the existing pass-through payments to other affected taxing entities.

BACKGROUND: A component of the dissolution of the former redevelopment agency requires the Successor Agency prepare a ROPS and submit it to the Oversight Board every six months. Upon approval of the Oversight Board, the ROPS is to be transmitted to a number of County and State offices.

The following provides an overview of deadlines and process associated with the ROPS:

ROPS Submittal Deadline – March 3, 2013, is the deadline to submit a ROPS covering the period of July to December 2013.

ROPS Submittal/Approval Process – The Successor Agency must submit the ROPS to the County Auditor-Controller, County Administrative Officer, and the State Department of Finance (DOF) at the same time as the ROPS is submitted to the Oversight Board.

ROPS Form – The DOF has provided the form for this ROPS period.

Penalties – A penalty may be levied on the City of \$10,000 per day for each day the ROPS is delinquent. Failure to submit the ROPS within 10 days of the deadline will result in a 25% reduction of the Successor Agency's maximum administrative cost allowance for the period covered by the delinquent ROPS.

STAFF REPORT: Generally, the current ROPS includes line items that were listed on previously adopted ROPS, but contain updated figures to reflect the fiscal period between July and December 2013.

It should be noted two items are included on this ROPS that have been disputed as part of the "Meet & Confer" process that took place with the ROPS for the previous period (January to June 2013), and have not been paid to date. The two items are:

1. Administrative/operational costs incurred by the former redevelopment agency for the month of January 2012 (\$135,900)
2. The former redevelopment agency's portion of the audit contract for FY 2010-11 (\$9,500).

Through the "Meet and Confer" process, the DOF agreed these items are obligations of the former Redevelopment Agency, but incorrectly asserted that "since these items have been previously paid, they are not eligible for RPTTF funding." Since the Successor Agency has not been paid for these

PREPARED BY:

Jason Garben, Economic Development Director

REVIEWED/APPROVED BY:

Suzanne Bragdon, Executive Director

expenditures, DOF staff has suggested they be listed on the ROPS for this period to remedy the situation.

Staff recommends that the Oversight Board adopt the resolution approving the ROPS, and direct its transmittal pursuant to State law.

RECOMMENDATION: It is recommended that the Oversight Board

Adopt Oversight Board Resolution No. OB2013-__: Approving the Recognized Obligation Payment Schedule (ROPS) for the Period of July to December 2013, and Directing Transmittal Pursuant to State Law.

ATTACHMENTS:

1. ROPS (July 1 through December 31, 2013)
2. Resolution NO. OB 2013 - __ A Resolution of the Oversight Board to the Successor Agency to the Redevelopment Agency of the City of Suisun City Approving the Recognized Obligation Payment Schedule for the period July 1 to December 31, 2013, and Directing Transmittal Pursuant to State Law

SUCCESSOR AGENCY CONTACT INFORMATION

Successor Agency

ID: **349**
County: **Solano**
Successor Agency: **Suisun City**

Primary Contact

Honorific (Ms, Mr, Mrs)	
First Name	Jason
Last Name	Garben
Title	Economic Development Director
Address	701 Civic Center Boulevard
City	Suisun City
State	CA
Zip	94585
Phone Number	707-421-7347
Email Address	jgarben@suisun.com

Secondary Contact

Honorific (Ms, Mr, Mrs)	
First Name	Suzanne
Last Name	Bragdon
Title	City Manager

SUCCESSOR AGENCY CONTACT INFORMATION

Phone Number

707-421-7303

Email Address

sbragdon@suisun.com

SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Filed for the July 1, 2013 to December 31, 2013 Period

Name of Successor Agency: **SUISUN CITY (SOLANO)**

Outstanding Debt or Obligation	Total
Total Outstanding Debt or Obligation	\$76,511,951

Current Period Outstanding Debt or Obligation	Six-Month Total
A Available Revenues Other Than Anticipated RPTTF Funding	\$2,021,000
B Enforceable Obligations Funded with RPTTF	\$2,777,340
C Administrative Allowance Funded with RPTTF	\$125,000
D Total RPTTF Funded (B + C = D)	\$2,902,340
E Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be same amount as ROPS form six-month total</i>	\$4,923,340
F Enter Total Six-Month Anticipated RPTTF Funding	\$5,150,000
G Variance (F - D = G) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	\$2,247,660

Prior Period (July 1, 2012 through December 31, 2012) Estimated vs. Actual Payments (as required in HSC section 34186 (a))

H Enter Estimated Obligations Funded by RPTTF <i>(lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)</i>	\$4,412,822
I Enter Actual Obligations Paid with RPTTF	4,285,709
J Enter Actual Administrative Expenses Paid with RPTTF	\$119,568
K Adjustment to Redevelopment Obligation Retirement Fund (H - (I + J) = K)	\$7,545
L Adjustment to RPTTF (D - K = L)	\$2,894,795

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

ROPS 13-14A EXPLANATORY NOTES

Items 15 & 16

On ROPS III, the Successor Agency listed Item 15 (Audit Costs of the former Redevelopment Agency) and Item 16 (RDA Employee/Admin Costs of the former Redevelopment Agency incurred in January 2012) for funding because payment for these items had been demanded returned by the County Auditor-Controller.

After a meet and confer process, the State Department of Finance (DOF) accepted Item 15 (\$9,500 in audit costs) as an administrative cost and dropped its objection to Item 16 (\$135,900 in employee costs). However, the DOF declined to provide funding “since these items have been previously paid, they are not eligible for RPTTF funding.”

The DOF determination letter ignores a significant follow-up action of the County Auditor-Controller at the direction of the DOF that required the Successor Agency to return tax increment revenue received to pay the obligations associated with Items 15 and 16. This has created a deficit position for the Successor Agency as evidenced in the All Other Funds Due Diligence Review as the Successor Agency remitted the revenues received to pay Items 15 and 16 back to the County on July 12 as requested by the County (Items 15 and 16 were denied at that time, and had the final determination (as explained in the DOF’s December 18 and December 27 letters relating to Items 15 and 16) been known prior to July 12, 2012, the \$145,400 in question would have never been remitted to the County on July 12.

In January 2013, Successor Agency staff entered discussions with Danielle Brandon and Evelyn Suess of the DOF on the appropriate method to secure payment for these outstanding expenses, including documentation of the transfers to the County described above. On January 29, 2013, Ms. Suess confirmed her direction that Items 15 and 16 be placed on the ROPS 13-14A for funding, and she would alert the DOF analyst that this has been an issue of ongoing discussion.

RESOLUTION NO. OB 2013 - ___

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JULY 1 TO DECEMBER 31, 2013, AND DIRECTING TRANSMITTAL PURSUANT TO STATE LAW

WHEREAS, as part of the 2011-12 State budget bill, the California Legislature enacted and the Governor has signed, companion bills AB 26 X1 (AB 26) and AB 27 X1 (AB 27), requiring that each redevelopment agency be dissolved unless the community that created it enacts an ordinance committing it to making certain payments; and

WHEREAS, on December 29, 2011, the California Supreme Court issued its opinion in the case of *California Redevelopment Association, et al. v. Ana Matosantos, etc., et al.*, Case No. S196861, and upheld the validity of AB 26 and invalidated AB 27; and

WHEREAS, the Court's decision results in the implementation of AB 26, which dissolves all redevelopment agencies in the State of California as of February 1, 2012; and

WHEREAS, the City is, by operation of law, the Successor Agency (the "Agency") to the Redevelopment Agency for purposes of winding down the Redevelopment Agency under AB 26; and

WHEREAS, as part of the 2012-13 State budget bill, the California Legislature enacted and the Governor has signed AB 1484, which enacted several technical and substantive amendments to AB 26, including certain processes and procedures relating to the submittal of the ROPS; and

WHEREAS, pursuant to AB 26 and AB 1484, the City as Successor Agency is required to maintain a "Recognized Obligation Payment Schedule" (the "ROPS"), which revised schedule for the period of July 1 through December 31, 2013, was received and accepted by the Agency on February 12, 2013; and

WHEREAS, pursuant to AB 26 and AB 1484, the Agency forwarded the ROPS to the Oversight Board for approval; and

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board to the Successor Agency does resolve as follows:

Section 1. The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2. The ROPS, attached hereto and incorporated herein by this reference, is hereby adopted pursuant to Health & Safety Code Section 34180, subject to all reservations of rights and contingencies set forth above.

Section 3. The Successor Agency Executive Director or designee is authorized to take all actions necessary to implement this Resolution, including without limitation, the posting of this Resolution and ROPS on the Board's website, and the provision of notice of adoption of this Resolution and such Schedule to the State Department of Finance.

PASSED AND ADOPTED at a regular meeting of the Oversight Board to the Successor Agency to the Redevelopment Agency of the City of Suisun City duly held on Friday, the 15th of February, 2013, by the following vote:

AYES: BOARDMEMBERS: _____
NOES: BOARDMEMBERS: _____
ABSENT: BOARDMEMBERS: _____
ABSTAIN: BOARDMEMBERS: _____

WITNESS my hand and the seal of the City of Suisun City this 15th of February, 2013.

Linda Hobson, CMC
Secretary