

SUCCESSOR AGENCY AGENDA: FEBRUARY 19, 2013

SCHEDULED MATTER

SUBJECT: REVIEW AND APPROVAL OF DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS)

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT

COMMENT: As of February 1, 2012, the Porterville Redevelopment Agency ("Agency") was dissolved and the City Council now acts and serves as the governing body of the "Successor Agency," a separate legal entity from the City, pursuant to Parts 1.8 and 1.85 of Division 24 of the Health & Safety Code ("Dissolution Act"). The Dissolution Act requires the Successor Agency to administer the enforceable obligations of the former Agency and otherwise unwind the Agency's affairs subject, where applicable, to the review and approval by the seven-member Oversight Board.

On June 27, 2012, the Legislature passed and the Governor signed AB 1484. The primary purpose of AB 1484 is to make technical and substantive amendments to the Dissolution Act. Included in AB 1484 was a change to the schedule for adoption of a Recognized Obligation Payment Schedule for the period ending June 30, 2013, and all subsequent ROPS. The California Department of Finance (DOF) implemented a new ROPS naming convention to be associated with the fiscal year that the ROPS is related to and the time period (A-the first half of the fiscal year and B-the second half of the fiscal year). Under AB 1484, a Successor Agency and its Oversight Board are required to submit the ROPS 13-14 A (previously referred to as Fourth ROPS) by March 1, 2013 for the June 1<sup>st</sup> distribution of the semiannual Redevelopment Property Tax Trust Fund (RPTTF) distribution.

Pursuant to Section 34177(l)(1) of the Dissolution Act, for each recognized obligation the ROPS 13-14 A shall identify one or more of the following sources of payment:

- (A) Low and Moderate Income Housing Fund.
- (B) Bond proceeds.
- (C) Reserve balances.
- (D) Administrative cost allowance.
- (E) The Redevelopment Property Tax Trust Fund, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

DD



APPROPRIATED/FUNDED



CM



ITEM NO.

SA-02

(F) Other revenue sources, including rents, concessions, asset sale proceeds, interest earnings, and any other revenues derived from the former redevelopment agency, as approved by the Oversight Board.

The draft ROPS 13-14 A is included as Attachment No. 1 to this agenda report and includes comparable listings of Enforceable Obligations as were set forth in the DOF-approved first, second and third ROPS.

Section 34177(1)(2)(B) of the Dissolution Act requires the Successor Agency to submit the ROPS 13-14 A to the Oversight Board for approval and, concurrently with the submission of the ROPS to the Oversight Board, the Successor Agency is required to transmit the ROPS 13-14 A to the County Administrative Officer, the County Auditor-Controller, and the California Department of Finance ("DOF"). Section 34177(1)(2)(C) requires that, once the Oversight Board has approved the ROPS 13-14 A, the ROPS 13-14 A be sent to the County Auditor-Controller, the State Controller's Office, the DOF, and that the ROPS 13-14 A be posted on the Successor Agency's website.

Section 34177(m) of the Dissolution Act requires the Successor Agency to complete the Third ROPS and each subsequent ROPS in the manner directed by the DOF. The DOF provided a pre-populated ROPS template and instructions for the ROPS 13-14 A. As the format is new and there have been issues with the provided template, staff recommends that the Successor Agency review and approve the ROPS 13-14 A as provided and authorize the Successor Agency's Community Development Director and/or the Finance Director or their authorized designees to also augment, modify, add or revise the ROPS 13-14 A as may be necessary to comply with requirements imposed by the DOF.

RECOMMENDATION: That the Successor Agency:

1. Approve the Recognized Obligation Payment Schedule for the first half of fiscal year 2013-14 (ROPS 13-14 A) provided that should any modification be required to the ROPS 13-14 A by the DOF, the Community Development Director and/or the Finance Director or their authorized designees shall be authorized to make any augmentation, modification, additions or revisions as may be necessary to conform the ROPS 13-14 A to requirements imposed by the DOF; and
2. Adopt a Resolution approving the ROPS 13-14 A for the period of July 1, 2013 through December 31, 2013 and directing Successor Agency staff to submit the ROPS 13-14 A to the Oversight Board.

ATTACHMENT: 1. Recognized Obligation Payment Schedule for the period of July 1, 2013 through December 31, 2013.

2. A Resolution of the Successor Agency to the Porterville Redevelopment Agency Approving the Recognized Obligation Payment Schedule (ROPS 13-14 A) for the Period July 1, 2013 to December 31, 2013, Subject to Submittal to, and Review and Approval by, the Oversight Board and California Department of Finance pursuant to California Health & Safety Code, Division 24, Part 1.85, as amended by Assembly Bill 1484; and Authorizing Posting and Transmittal Thereof.

(Note that the action of the Oversight Board to approve the ROPS 13-14 A shall not become effective for 45 days after the ROPS has been submitted to the DOF).

SUCCESSOR AGENCY CONTACT INFORMATION

**Successor Agency**

ID: 379  
County: Tulare  
Successor Agency: Porterville

**Primary Contact**

Honorific (Ms, Mr, Mrs)

First Name

Last Name

Title

Address

City

State

Zip

Phone Number

Email Address

<b>Maria</b>
<b>Bemis</b>
<b>Finance Director</b>
<b>291 N. Main Str</b>
<b>Porterville</b>
<b>CA</b>
<b>93257</b>
<b>559-782-7435</b>
<b>mbemis@ci.porterville.ca.us</b>

**Secondary Contact**

Honorific (Ms, Mr, Mrs)

First Name

Last Name

Title

Phone Number

Email Address

<b>Jenni</b>
<b>Byers</b>
<b>Project Manager</b>
<b>559-782-7460</b>
<b>jbyers@ci.porterville.ca.us</b>

**ATTACHMENT  
ITEM NO. 1**

**SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

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

Name of Successor Agency: **PORTERVILLE (TULARE)**

Outstanding Debt or Obligation	Total
Total Outstanding Debt or Obligation	\$8,731,868

Current Period Outstanding Debt or Obligation	Six-Month Total
A Available Revenues Other Than Anticipated RPTTF Funding	\$103,832
B Enforceable Obligations Funded with RPTTF	\$164,945
C Administrative Allowance Funded with RPTTF	\$76,262
D Total RPTTF Funded (B + C = D)	\$241,207
E Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be same amount as ROPS form six-month total</i>	\$345,039
F Enter Total Six-Month Anticipated RPTTF Funding	\$448,998
G Variance (F - D = G) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	\$207,791

**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> )	\$320,830
I Enter Actual Obligations Paid with RPTTF	\$271,376
J Enter Actual Administrative Expenses Paid with RPTTF	\$29,518
K Adjustment to Redevelopment Obligation Retirement Fund (H - (I + J) = K)	\$19,936
L Adjustment to RPTTF (D - K = L)	\$221,271

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.

Dr. John Snavelly

Oversight Board Chair

Name

Title

/s/

Signature

Date



**PORTERVILLE (TULARE)**  
 Pursuant to Health and Safety Code section 34186 (a)  
**PRIOR PERIOD ESTIMATED OBLIGATIONS vs. ACTUAL PAYMENTS**  
**RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS II)**  
 July 1, 2012 through December 31, 2012

Item #	Project Name / Debt Obligation	Payee	Description/Project Scope	Project Area	LMIHF		Bond Proceeds		Reserve Balance		Admin Allowance		RPTTF		Other	
					Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual
					\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	\$29,518	\$387,377	\$271,376	\$0	\$0
A-1	2008 Tax Allocation Bonds Series A	US Bank	Issuance of the Agency's Tax Allocation Refunding Bonds	Project Area No.1 as Amended									187,173	117,172		
A-2	2008 Tax Allocation Bonds Series B	US Bank	Issuance of the Agency's Taxable Tax Allocation Refunding Bonds	Project Area No. 1 as Amended									101,849	81,849		
A-3	2008 Tax Allocation Bonds Series C	US Bank	Issuance of the Agency's Tax Allocation Refunding Bonds	Project Area No. 1 as Amended									49,768	29,768		
A-4	2008 Tax Allocation Bonds Series D	US Bank	Issuance of the Agency's Taxable Tax Allocation Refunding Bonds	Project Area No. 1 as Amended									30,001	25,001		
A-5	2008 Tax Allocation Bond Reserves	Funded	Reserve account for the 2008 Bonds	Project Area No. 1 as Amended												
A-6	2008 Tax Allocation Bond Admin	US Bank	2008 Bonds administration fees	Project Area No. 1 as Amended									4,650	3,650		
A-7	2008 Tax Allocation Bond Arbitrage	Arbitrage Compliance Spec	Professional fees to be paid for arbitrage calculations	Project Area No. 1 as Amended												
A-8	Rural Eco Dev Infrastructure Prog	St of Calif Dept of Commerce	Loan from State of California for Porterville Enterprise Zone Infrastructure Project	Project Area No. 1 as Amended									13,936	13,936		
A-9	Rural Eco Dev Infrastructure Prog Resv	Funded	Required by the State of California and serves as insurance for the loan	Project Area No. 1 as Amended												
C-1	Successor Agency Administration	City of Porterville, Stradling, Yocca, Carlson, & Rauth, Rosenow Spevacek Group and Gallina LLP	Successor Agency and Oversight Board administration costs	Project Area No. 1 as Amended							100,000	29,518				





RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE  
PORTERVILLE REDEVELOPMENT AGENCY APPROVING THE  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 13-14 A) FOR THE PERIOD  
JULY 1, 2013, TO DECEMBER 31, 2013, SUBJECT TO SUBMITTAL TO, AND REVIEW  
AND APPROVAL BY, THE OVERSIGHT BOARD AND CALIFORNIA DEPARTMENT OF  
FINANCE PURSUANT TO CALIFORNIA HEALTH & SAFETY CODE, DIVISION 24,  
PART 1.85, AS AMENDED BY ASSEMBLY BILL 1484; AND AUTHORIZING POSTING  
AND TRANSMITTAL THEREOF

WHEREAS, the Porterville Redevelopment Agency ("Agency") was established as a redevelopment agency, organized and existing under the California Community Redevelopment Law, Health & Safety Code Section 33000, et seq. ("CRL"), and was authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Porterville ("City"); and

WHEREAS, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code ("Dissolution Act"), pursuant to which (1) all redevelopment agencies in California were dissolved on February 1, 2012 and (2) successor agencies were formed for the purpose of winding down the affairs of the former redevelopment agencies; and

WHEREAS, the Agency is now a dissolved redevelopment agency pursuant to the Dissolution Act; and

WHEREAS, by a resolution considered and approved by the City Council of the City at an open public meeting, the City Council chose to serve as the governing body of the Successor Agency to the dissolved Agency, a separate legal entity, under the Dissolution Act; and

WHEREAS, as of and on and after February 1, 2012, the City serves and acts as the Successor Agency and the City will perform the functions of the Successor Agency under the Dissolution Act to administer the enforceable obligations of the former Agency and otherwise unwind the Agency's affairs, all subject to the review and approval by a seven-member Oversight Board ("Oversight Board"); and

WHEREAS, pursuant to Section 34171(h) of the Dissolution Act, a "Recognized Obligation Payment Schedule" means the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each six-month fiscal period as provided in subdivisions (l) and (m) of Section 34177 of the Dissolution Act; and

WHEREAS, pursuant to subdivisions (l) and (m) of Section 34177 of the Dissolution Act, the City, acting as Successor Agency to the Agency, has prepared its Recognized Obligation Payment Schedule ("ROPS") for the period covering July 1, 2013 through December 31, 2013, in the form attached to this Resolution as Attachment No. 1 and incorporated herein by this reference; and

WHEREAS, by this Resolution, pursuant to Section 34177(l)(2)(B) of the Dissolution Act, as amended by AB 1484, the City Council, serving as and on behalf of the Successor

**ATTACHMENT**  
**ITEM NO. 2**

Agency, approves the ROPS and authorizes the transmittal of the ROPS to the Oversight Board and concurrently to the County Administrative Officer, the County Auditor-Controller, and the State Department of Finance; and

WHEREAS, pursuant to Section 34177(1)(2)(C) of the Dissolution Act, a copy of the ROPS shall be submitted to the County Auditor-Controller, the State Controller's Office, the State Department of Finance and shall be posted on the City's/Successor Agency's website promptly upon approval thereof by the Oversight Board.

NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE PORTERVILLE REDEVELOPMENT AGENCY:

1. The above recitals are true and correct, are a substantive part of this Resolution, and are adopted as the findings of the Successor Agency.

2. The Successor Agency hereby approves the ROPS in the format provided by the State Department of Finance attached hereto as Exhibit A.

3. The City Manager or his authorized designees on behalf of the Successor Agency shall cause the ROPS to be transmitted concurrently to the Oversight Board, the County Administrative Officer, the County Auditor-Controller, and the State Department of Finance.

4. The City Manager or his authorized designees on behalf of the Successor Agency shall, upon approval of the ROPS by the Oversight Board, transmit the approved ROPS to the County Auditor Controller, the State Controller's Office, and the State Department of Finance, and shall cause the approved ROPS to be posted on the City's website.

5. This Resolution shall be effective immediately upon adoption.

6. The City Clerk on behalf of the Successor Agency shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 19th day of February, 2013.

By: \_\_\_\_\_  
Virginia R. Gurrola, Chair

ATTEST:  
John D. Lollis, Agency Secretary

\_\_\_\_\_  
Patrice Hildreth, Chief Deputy Agency Secretary

SUCCESSOR AGENCY CONTACT INFORMATION

Successor Agency  
ID:  
County:  
Successor Agency:

379  
Tulare  
Porterville

Primary Contact  
Honorific (Ms, Mr, Mrs)  
First Name  
Last Name  
Title  
Address

Maria
Bemis
Finance Director
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559-782-7435
mbemis@ci.porterville.ca.us

Secondary Contact  
Honorific (Ms, Mr, Mrs)  
First Name  
Last Name  
Title  
Phone Number  
Email Address

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Byers
Project Manager
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EXHIBIT   A

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L Adjustment to RPTTF (D - K = L)	\$221,271

Certification of Oversight Board Chairman: Dr. John Shavelly Oversight Board Chair

Pursuant to Section 34177(m) of the Health and Safety code, Name Title

I hereby certify that the above is a true and accurate Recognized /s/ Signature Date

Obligation Payment Schedule for the above named agency.





