

# AGENDA

## SPECIAL MEETING OF THE OVERSIGHT BOARD OF THE EL CERRITO REDEVELOPMENT SUCCESSOR AGENCY

**Tuesday, January 24, 2017, 6:30 p.m.**

Hillside Conference Room  
El Cerrito City Hall, Second Floor  
10890 San Pablo Avenue  
El Cerrito CA, 94530

**1. Roll Call**

**2. Board/Staff Communications** (*Informational reports on matters of general interest which are announced by the Oversight Boardmembers or Board staff.*)

**3. Public Comment**

*Comments are limited to 3 minutes per speaker.*

**4. New Business Items**

**A. Approval of Minutes**

Approve the September 27, 2016 Oversight Board of the El Cerrito Redevelopment Successor Agency special meeting minutes.

**B. Review and Authorization to Submit the Draft Recognized Obligations Payment Schedule 17-18 (July 1, 2017 – June 30, 2018)**

Adopt an Oversight Board resolution reviewing and authorizing submittal of the draft Amended Recognized Obligations Payment Schedule 17-18.

**Adjournment**

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| <ul style="list-style-type: none"><li>▪ Oversight Board meetings are not televised.</li><li>▪ In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Clerk, (510) 215-4305. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 ADA Title I).</li></ul> |
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# MINUTES

## SPECIAL MEETING OF THE OVERSIGHT BOARD OF THE EL CERRITO REDEVELOPMENT SUCCESSOR AGENCY

**Tuesday, September 27, 2016, 6:30 p.m.**

Hillside Conference Room  
El Cerrito City Hall, Second Floor  
10890 San Pablo Avenue  
El Cerrito CA, 94530

### 1. Roll Call

Present: Directors Dotson, Rasiah, Solseng, Zepeda and Chair Jones

Absent: Directors Kronenberg and Potter

Chair Jones convened the special Oversight Board meeting at 6:30 p.m.

### 2. Board/Staff Communications

Melanie Mintz, Community Development Director invited all to participate in Restaurant Week, October 6-9, 2016. Ms. Mintz also informed the Oversight Board Directors that the Planning Commission and Design Review Board recently convened a joint study session to preview a proposed mixed-use development project for the Mayfair Block, 11600 and 11690 San Pablo Avenue. The pre-application includes 234 dwelling units, including 68 units of affordable housing with 10,000 square feet of ground floor commercial. Next steps include the preparation of compensation agreements.

Karen Tiedemann, Special Counsel, Goldfarb & Lipman LLP, stated that staff would be bringing the next Recognized Obligation Payment Plan Schedule to the Oversight Board for review in January 2017.

### 3. Public Comment – No speakers

### 4. New Business Items

#### A. Approval of Minutes

Approve the April 4, 2016 Oversight Board of the El Cerrito Redevelopment Successor Agency special meeting minutes.

## **Agenda Item No. 4(A)**

**Action:** Moved, seconded (Solseng/Zepeda; Ayes – Directors Dotson, Rasiah, Solseng, Zepeda and Chair Jones; Noes – None; Absent – Directors Kronenberg and Potter) and carried to approve the minutes.

### **B. Review and Authorization to Submit an Amended Recognized Obligations Payment Schedule 16-17B.**

Adopt an Oversight Board resolution reviewing and authorizing submittal of an Amended Recognized Obligations Payment Schedule 16-17B.

Presenter: Melanie Mintz, Community Development Director.

**Action:** Moved, seconded (Rasiah/Solseng; Ayes – Directors Dotson, Rasiah, Solseng, Zepeda and Chair Jones; Noes – None; Absent – Directors Kronenberg and Potter) and carried to adopt Oversight Board Resolution No. 2016–04.

**Adjourned** at 6:53 p.m.

# AGENDA BILL

## Agenda Item No. 4(B)

**Date:** January 19, 2017  
**To:** Oversight Board to the El Cerrito Redevelopment Successor Agency  
**From:** Melanie Mintz, Community Development Director  
Mark Rasiah, Finance Director  
**Subject:** Review and Authorization to Submit the Draft Recognized Obligations Payment Schedule 17-18 (July 1, 2017 - June 30, 2018)

### **ACTION REQUESTED**

Adopt an Oversight Board resolution reviewing and authorizing submittal of the draft Recognized Obligations Payment Schedule 17-18.

### **BACKGROUND**

#### Recognized Obligation Payment Schedules

ABx1 26 (Dissolution Act) dissolved the El Cerrito Redevelopment Agency (RDA) and established the El Cerrito Redevelopment Successor Agency (Successor Agency) on February 1, 2012. Under the Dissolution Act, the portion of property tax revenues collected in the City of El Cerrito Redevelopment Project Area (Project Area) that was considered Tax Increment prior to the RDA's dissolution are called Redevelopment Property Tax and are deposited by the County Auditor-Controller (Auditor-Controller) into the Redevelopment Property Tax Trust Fund (RPTTF). The Auditor-Controller distributes the funds in the RPTTF with the following priority:

1. Auditor-Controller's administrative costs
2. Pass-through payments to the taxing entities affected by the Redevelopment Plan for the Project Area, calculated the same as prior to RDA dissolution
3. Distribution to the Successor Agency to retire the former RDA's obligations
4. Repayment of loans from the Housing Fund (starting in FY 2014-15)
5. Distribution of residual funds to taxing entities

Beginning with the previous ROPS period, the Successor Agency must review and authorize submittal of a Recognized Obligation Schedule (ROPS) for each fiscal year. Each ROPS must then be approved by the Oversight Board to the Successor Agency (Oversight Board) and the California Department of Finance (DOF) before the Auditor-Controller disburses funding for payments on the approved ROPS.

## Agenda Item No. 4(B)

The schedule being reviewed this evening is the draft ROPS 17-18 covering payments due during the period of July 2017 to June 2018. The Successor Agency must submit ROPS 17-18 approved by the Oversight Board to DOF no later than February 1, 2017. The Successor Agency approved the draft ROPS on January 17, 2017 (SA Resolution 2017-01). After submittal, DOF then has until April 15th to review the ROPS and approve or disapprove of any items. The Successor Agency can request additional review by DOF and an opportunity to meet and confer on disputed items, and must make that request within five business days of receiving a DOF determination. The DOF is required to notify the Successor Agency and Auditor-Controller of its final determination of the approved payments at least 15 days prior to the first distribution date of RPTTF for the ROPS, which is June 1st. RPTTF will continue to be distributed twice annually, on June 1st and January 2nd of each year. The annual ROPS can be amended once per year as long as the amendment is received by DOF before October 1st of the applicable fiscal year.

### ANALYSIS

The proposed ROPS 17-18 is Exhibit A to the attached Oversight Board resolution, authorizing its submittal. The Successor Agency adopted SA Resolution 2017-01 approving the draft ROPS 17-18. It includes: 1) A summary of the funding request; 2) An itemized listing of obligations ("ROPS Detail"); 3) A report of cash balances; Obligations with remaining outstanding balances are included on ROPS 17-18, as follows:

- Tax Allocation Bond Debt Service: In August of 2016 items 1, 3, and 5 on the ROPS were refinanced into the 2016 Tax Allocation Bonds. This is shown as item 29. Debt service on the 2016 Bonds has been deferred in order to create savings that can flow to the City and the taxing entities in the form of additional residual revenues.
- Valente Note (\$288,216): Payment is due on March 5, 2018.
- San Pablo Avenue Streetscape and Streetlights (\$431,599): In the process of closing out multi-year capital improvement projects, it was determined that commitments of tax increment by the RDA to the City were not transferred to the Capital Improvement Fund, but were relied upon for letting construction contracts. While the commitment of tax increment not transferred by the RDA totaled \$956,511, the City was able to reduce project costs and only \$431,599 of the commitment remains outstanding. This continues to be recorded on the ROPS, although DOF has denied this item in the past. SB 107, which amended the Dissolution Statute effective September 22, 2015, included new language that makes clear that any agreement entered into by the former Redevelopment Agency prior to June 28, 2011 is an enforceable obligation if the agreement relates to State Highway infrastructure improvements that the Redevelopment Agency committed funds to pursuant to Section 33445. The San Pablo Streetscape improvements qualifies for repayment under this new language since San Pablo is a State Designated Highway and the Redevelopment Agency committed funds to the project prior to June 28, 2011 and pursuant to Section 33445. The

**Agenda Item No. 4(B)**

Successor Agency is relisting this item in order to keep options open for obtaining repayment of these of funds.

- ERAF and SERAF Loans (\$250,000): Pursuant to Successor Agency Resolution No. 2014-01 and Oversight Board Resolution No. 2014-03, and consistent to the approved SERAF/ERAF Loan Repayment Schedule, an annual repayment amount is listed on the ROPS.
- FY 2017-18 Administrative Allowance (\$250,000): One half of the Successor Agency's administrative allowance is included in each six month period on the ROPS.

The total amount of RPTTF funding required for ROPS 17-18 is estimated to be \$1,219,815.

**FINANCIAL CONSIDERATIONS**

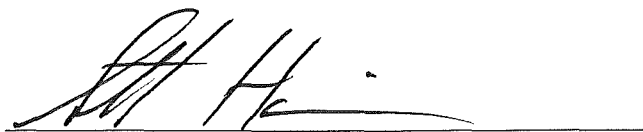
As a direct result of refunding all the outstanding Tax Allocation Bonds in 2016, debt service payments have been deferred to March 2019. This will have a positive effect on taxing entities receiving residual distributions of RPTTF.

It is estimated that the total amount of RPTTF funding required for ROPS 17-18 is \$1,219,815. In order to repay the obligations of the Successor Agency, the ROPS must be approved and submitted to the DOF.

**LEGAL CONSIDERATIONS**

All actions being requested are consistent with the Dissolution Act, as amended and have been reviewed by the Agency attorney

**Reviewed by:**



**Scott Hanin**  
City Manager

**Attachments:**

1. Resolution and Draft ROPS 17-18

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE EL CERRITO  
REDEVELOPMENT AGENCY  
RESOLUTION NO. 2017-XX

RESOLUTION OF THE OVERSIGHT BOARD OF THE EL CERRITO REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING THE DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE 17-18 FOR THE JULY 1, 2017-JUNE 30, 2018 PERIOD, AS REQUIRED UNDER ABX126 AND AB1484, AND AUTHORIZING FUTURE REVISIONS THAT DO NOT INCREASE THE SUCCESSOR AGENCY'S OVERALL OBLIGATIONS

WHEREAS, pursuant to the California Community Redevelopment Law (the "Redevelopment Law"), the City Council (the "City Council") of the City of El Cerrito (the "City") adopted the Redevelopment Plan for the City of El Cerrito Redevelopment Project Area by Ordinance No. 77-17, as amended by Ordinances No. 80-13; No. 89-5; No. 94-4; No. 2004-3; No. 2005-01; and No. 2006-10 (collectively, the "Redevelopment Plan"); and

WHEREAS, the El Cerrito Redevelopment Agency (the "RDA") was responsible for implementation of the Redevelopment Plan; and

WHEREAS, as part of the 2011-12 State budget bill, ABx1 26 (the "Dissolution Act") was enacted significantly modifying the Redevelopment Law to require the dissolution of redevelopment agencies throughout California and the establishment of successor agencies to wind down the former redevelopment agencies' affairs; and

WHEREAS, on August 15, 2011, pursuant to the Dissolution Act, the City elected to serve as the El Cerrito Redevelopment Agency Successor Agency (the "Successor Agency"), should the RDA be dissolved; and

WHEREAS, California redevelopment agencies were dissolved on February 1, 2012; and

WHEREAS, pursuant to the Dissolution Act, upon dissolution, the RDA transferred as a matter of law all remaining liabilities, debts and obligations to the Successor Agency; and transferred all unencumbered funds and assets to the Successor Agency's Redevelopment Obligation Retirement Fund (the "RORF"), for disposition and/or use by the Successor Agency to retire RDA debt and pay for RDA obligations; and

WHEREAS, pursuant to the Dissolution Act, the Contra Costa County Auditor Controller (the "Auditor-Controller") established the Redevelopment Property Tax Trust Fund (the "RPTTF") to hold Redevelopment Property Tax collected from the City of El Cerrito Redevelopment Project Area to be disbursed to the Successor Agency for payment of its enforceable obligations and to taxing entities affected by the Redevelopment Plan; and

WHEREAS, SB 107 was enacted on September 22, 2015 modifying the Dissolution Act to require the Successor Agency to submit an Oversight Board approved annual Recognized Obligations Payment Schedule 17-18 ("ROPS 17-18") covering the period July 1, 2017 through June 30, 2018 to the Department of Finance (the "DOF") by February 1, 2017; and

**Agenda Item No. 4(B)**

**Attachment 1**

WHEREAS, the Oversight Board to the Successor Agency to the El Cerrito Redevelopment Agency (the "Oversight Board") was formed on April 4, 2012; and

WHEREAS, the City Council acting in its role as governing board of the Successor Agency, reviewed and authorized a draft ROPS 17-18, prepared pursuant to the Dissolution Act on January 17, 2017; and

WHEREAS, the Oversight Board desires to authorize the Successor Agency staff to prepare and submit to the appropriate entities modifications to the ROPS 17-18 on matters that can be handled administratively and have no impact on the Successor Agency's overall obligations.

WHEREAS, at the time the Former Redevelopment Agency was dissolved, the Former Redevelopment Agency owed the City \$431,599 related to the San Pablo Streetscape Improvements; and

WHEREAS, SB 107 specifically provides at Section 34171(d)(2) that an agreement entered into by a Redevelopment Agency prior to June 28, 2011 is an enforceable obligation if it relates to State Highway Infrastructure improvements to which the Redevelopment Agency committed funds: and

WHEREAS, the Successor Agency has determined that the amounts owed to the City constitute an enforceable obligations pursuant to Section 34171(d)(2) to be listed on the ROPS 17-18; and

WHEREAS, the Successor Agency wishes to authorize Successor Agency staff to amend the ROPS 17-18 administratively to account for any additional changes made by the DOF to the ROPS form or changes made by the Oversight Board that occur after the Successor Agency's consideration.

NOW THEREFORE, BE IT RESOLVED that the Oversight Board of the El Cerrito Redevelopment Agency hereby approves the draft Recognized Obligation Payment Schedule 17-18 for the July 2017-June 2018 period, as required under the Dissolution Act and attached hereto as Exhibit A.

BE IT FURTHER RESOLVED that the Oversight Board of the El Cerrito Redevelopment Agency authorizes the submittal of the draft Recognized Obligation Payment Schedule 17-18 as required under the Dissolution Act, subject to such changes as may be necessary to accommodate changes in the DOF approved form and any changes made by the Oversight Board any such changes to be approved by the City Manager.

BE IT FURTHER RESOLVED, the Oversight Board of the El Cerrito Redevelopment Agency authorizes the inclusion in the ROPS 17-18 of a reimbursement to the City of El Cerrito for the San Pablo Streetscape Improvement in the amount of \$431,599 in accordance with Section 34171(d)(2).

BE IT FURTHER RESOLVED that this Resolution shall become effective immediately upon its passage and adoption.



**Agenda Item No. 4(B)**  
**Attachment 1**

I CERTIFY that at the regular meeting on January 24, 2017, the Oversight Board of the El Cerrito Redevelopment Successor Agency passed this resolution by the following vote:

AYES: DIRECTORS  
NOES: DIRECTORS  
ABSENT: DIRECTORS  
ABSTAIN: DIRECTORS

IN WITNESS of this action, I sign this document on January XX, 2017.

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Cheryl Morse, City Clerk

APPROVED:

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William C. Jones, III, Chair

**Agenda Item No. 4(B)**  
**Exhibit A**

**Recognized Obligation Payment Schedule (ROPS 17-18) - Summary**

Filed for the July 1, 2017 through June 30, 2018 Period

**Successor Agency:**

El Cerrito

**County:**

Contra Costa

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>17-18A Total (July - December)</b>	<b>17-18B Total (January - June)</b>	<b>ROPS 17-18 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 806,599</b>	<b>\$ 413,216</b>	<b>\$ 1,219,815</b>
F RPTTF	681,599	288,216	969,815
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 806,599</b>	<b>\$ 413,216</b>	<b>\$ 1,219,815</b>

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.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date



**EI Cerrito Recognized Obligation Payment Schedule (ROPS 17-18) - 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 Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H	I
		<b>Fund Sources</b>						
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>	
	<b>Cash Balance Information by ROPS Period</b>	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>Comments</b>
<b>ROPS 15-16B Actuals (01/01/16 - 06/30/16)</b>								
1	<b>Beginning Available Cash Balance (Actual 01/01/16)</b>	-	1,137		731,962	102	156,169	
2	<b>Revenue/Income (Actual 06/30/16)</b> RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016					74	742,251	
3	<b>Expenditures for ROPS 15-16B Enforceable Obligations (Actual 06/30/16)</b>				731,962		779,847	
4	<b>Retention of Available Cash Balance (Actual 06/30/16)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)							
5	<b>ROPS 15-16B RPTTF Balances Remaining</b>	No entry required						
6	<b>Ending Actual Available Cash Balance</b> C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ 1,137	\$ -	\$ -	\$ 176	\$ 118,573	