

**OVERSIGHT BOARD  
CITY OF PACIFICA AS SUCCESSOR AGENCY  
TO THE CITY OF PACIFICA REDEVELOPMENT AGENCY**

**January 26, 2016 – 6:00 PM  
Meeting in the City Council Chambers – 2212 Beach Blvd – Pacifica, CA 94044**

[www.cityofpacificca.org](http://www.cityofpacificca.org)

For those wishing to address the Board on any Item on the Agenda or under Oral Communications, please complete a Speaker Card located at the rear of the Chambers and submit to a staff member as early in the meeting as possible.

**AGENDA**

**1. Roll Call, Welcome and Introductions**

**2. Minutes: November 30, 2016**

**Recommendation:** Approve the Minutes for the Meeting of September 29, 2015

**3. Adoption of Amended and Restated Resolution Establishing Amounts Advanced By The City Of Pacifica As Enforceable Obligations**

In February of 2015 the Board adopted Resolution No. 01-2015 establishing amounts owed to the City of Pacifica for Loans made to the former Redevelopment Agency. The last resolution did not properly account for interest owed based on repayments to the City prior to the dissolution legislation. The proposed resolution will also update the interest calculation in accordance with recent legislation.

**Recommendation:** That the Members of the Board adopt the Resolution.

**4. Consideration and approval of Recognized Obligation Payment Schedule (ROPS) 16-17 Including an Administrative Budget for the time period of July 1, 2016 – June 30, 2017**

The dissolution process requires Oversight Board review and approval of each Recognized Obligation Payment Schedule, which based on revised legislation will cover twelve months of expenses for the Successor Agency.

**Recommendation:** Adopt Resolution approving the Recognized Obligation Payment Schedule (ROPS) and directing staff to submit to the Department of Finance (DOF)

**5. Adoption of a Resolution Authorizing Transfer of Public Parking Lot Properties to the City of Pacifica as provided for in the Amended Long Range Property Management Plan (LRPMP).**

The former RDA owned parcels used as public parking lots, and legal title transferred to the Successor Agency when the RDA was dissolved. On November 30, 2015 the Oversight Board approved an amended LRPMP, which was subsequently approved by the Department of Finance. This resolution will authorize the property transfer in accordance with the plan.

**Recommendation:** Adopt Resolution Authorizing the Transfer of Property to the City of Pacifica as approved in the Amended Long Range Property Management Plan (LRPMP) adopted with Resolution No. 05-2015

**6. Public Comments:**

**Note:** Speakers are limited to three minutes, unless modified by the Chairperson. The Board cannot take action on any matter raised under this item.

**7. Board Comments**

**8. Adjourn**

The City of Pacifica will provide assistance for disabled citizens upon at least 24 hours advance notice to the City Manager's Office (650) 738-7301, or send request via email to: [o'connellk@ci.pacificca.ca.us](mailto:o'connellk@ci.pacificca.ca.us) If you need sign language assistance or written material printed in a larger font or taped, advance notice is necessary. All meeting rooms are accessible to the disabled.

Draft Minutes of the Pacifica Oversight Board

Meeting Date: November 30, 2015

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Minutes Were Presented (Item #2) Board Meeting January 26, 2016

Motion To Accept: \_\_\_\_\_, Second By: \_\_\_\_\_

Voting Yes Board Members:

Voting No:

Abstain:

The meeting of November 30, 2015 was called to order at 5:40 p.m.

Roll Call was taken as entered below:

Name	Present	Absent	Name	Present	Absent
Lorenzo Hines Jr (Representing: City of Pacifica RDA Employees)	X		Penny Bennett (Representing: San Mateo County)		X
Pete DeJarnatt (Representing: San Mateo County Library JPA)	X		Josie Peterson (Representing: Pacifica School District)		X
Raymond Chow (Representing: San Mateo Community College District)	X		Mary Ann Nihart (Representing: City of Pacifica)	X	
Mike Callagy (Representing: San Mateo County)	X				

Others Attending:

Craig Labadie, Oversight Board Legal Counsel

**ITEM #2. Minutes: September 29, 2015**

A motion was made by Board Member Peter DeJarnatt to adopt as presented the Minutes of the Board Meeting of September 29, 2015. The motion was seconded by Board Member Raymond Chow and passed by unanimous vote.

**ITEM #3. Consideration and approval of Approval of Second Amended Long-Range Property Management Plan**

Craig Labadie presented the staff report. Upon a motion made by Board Member Peter DeJarnatt and seconded by Board Member Raymond Chow the Oversight Board unanimously voted to adopt the Resolution approving the Second Amended Long-Range Property Management Plan, directing Successor Agency staff to make such minor, technical and clarifying revisions to the Plan as may be necessary to carry out the purposes and intent of the Resolution, and directing staff to submit the Second Amended LRPMP to the Department of Finance (DOF) for review and to take such other and further actions as are deemed necessary to facilitate DOF review and approval and to carry out the purposes and intent of the Resolution.

**ITEM #4. Public Comments:**

There were no comments from the public.

**ITEM #5. Board Comments**

There were no comments from the board.

**ITEM #6. Adjournment**

The Board meeting adjourned at 5:55 p.m. The next scheduled meeting is January 5, 2016.



**CITY OF PACIFICA  
OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY  
OF THE REDEVELOPMENT AGENCY  
(January 26, 2016)**

Agenda Item No. 3

**SUBJECT:** Restatement And Amendment Of Resolution No. 2013-4 Approving Repayment of Amounts Owed To The City of Pacifica By the Former Redevelopment Agency

**ORIGINATED BY:** Paul Rankin, Finance Advisor – Regional Government Services

**BACKGROUND:**

The Redevelopment dissolution process has been revised based on changes in State law and Department of Finance Guidelines. With respect to monies advanced by the City prior to dissolution, there have been several key actions taken during the wind-down process. The following are some of the key events to date:

April 26, 2013 - the Department of Finance issued a Finding of Completion authorizing the City to proceed with placement of loans between the former redevelopment agency on the Recognized Obligation Payment Schedule (ROPS).

June 19, 2013 - the Oversight Board adopted Resolution 2013-4, which made certain findings regarding loans from the City of Pacifica to the former Redevelopment Agency. This action is a requirement in order for repayments to be included on the ROPS, in accordance with the process established for dissolution of redevelopment agencies. The Department of Finance was notified of the action taken and did not to initiate further review.

February 27, 2014 - the Department of Finance as part of the review of ROPS 14-15A, removed from the ROPS a request for repayment. The County Auditor Controller advised that at time there were not adequate funds available for the payment.

February 11, 2015 - in conjunction with ROPS 2015/2016 A the Oversight Board adopted a corrected resolution (Resolution 01-2015) restating the amounts owed and accounting for repayments previously made. This resolution also accounted for accrued interest at a rate of 0.24% based on the original dissolution laws. Amount of payment was \$100,902.

September 23, 2015 - Revised Guidelines are published as a result of the State Legislature adopting SB107, which made revisions to the Redevelopment dissolution process. This includes an increase in the allowed interest rate.

### **DISCUSSION:**

In past actions Oversight Board concurred that the loans by the City to the former Agency, were for redevelopment purposes. The Oversight Board must also authorize inclusion of loan principal and interest on the ROPS as authorized by Health and Safety Code Section 34191.4(b)(2). Any repayment of loans under this section is subject to the County Auditor Controller determining that there are sufficient funds available in the Redevelopment Property Tax Trust Fund (RPTTF).

As part of the preparation of Resolution 1-2015, adopted February 11, 2015, schedules were prepared which recalculated interest accrued beginning with the origination of the loan. The interest rate applied was the quarterly LAIF rate of 0.24% (June 2013 LAIF rate at time the Oversight Board had a Finding of Completion and adopted Resolution No. 4-2013). During the review by the Department of Finance, the reviewer had questions about the interest calculation, which State Staff indicated would be reviewed at a later date.

The 2015 legislation (SB107) provides that remaining principal amount of the loan that was previously unpaid after the original effective date, shall be recalculated from the date of origination of the loan as approved by the redevelopment agency on a quarterly basis at a simple interest rate of 3%. The legislation provides that moneys repaid shall be applied first to principal and second to interest. Since this is a higher rate than the current schedules it would be appropriate for the Oversight Board to adopt updated schedules.

### **Proposed Updated Loan Schedules**

The City recorded repayments intermittent repayments prior to the change in State law that dissolved Redevelopment Agencies. There was not a consistent application of the repayments, with them sometimes applied towards principal and sometimes applied to interest. In order to account for loans where the City made interest payments prior to dissolution, it is appropriate to consider an adjusted loan origination date, which is later than the original funding date. This will prevent the City from receiving duplicate interest as is shown in the following example:

#### **Example of Need For Adjusted Origination Date**

Loan #4 was originated for \$500,000 on March 14, 1988. One payment was recorded against Principal July 1, 2004 in the amount of \$58,814.90, leaving an unpaid balance of \$441,185.10. Interest was applied to: No Interest payments 1988- 2002; Paid one year interest owed Fiscal Year 2002-2003, partial interest for paid for Fiscal Year 2003/2004; principal only Fiscal Year 2004/2005; no repayments for three years; Fiscal Year 2008/2009 one year interest paid; Fiscal Year 2009/2010 one year interest paid.

Based on the interest previously paid prior to dissolution on Loan #4 it equates to 3.833 years of interest. Therefore, in order to calculate outstanding interest owed, it is proposed to use an "Adjusted Loan Origination" date of January 12, 1992 (Original date of 3/14/1988 plus 3.833 years for the period where interest was previously paid).

Adjusted worksheets have been prepared for each loan. The adjusted origination date shortens the length of time the loans are recorded as outstanding, and subject to interest. This will account for the fact that the City received interest on the loans prior to dissolution.

In addition to the adjusted origination dates the schedules also calculate the interest at a rate of 3% as allowed under the recent changes enacted by the State Legislature.

**Portion of Repayment – City Is Required To Forward To Housing Successor Agency**

It should be noted that the State Law mandates that 20% of the repayments are required to be used for Low and Moderate Income Housing Activities. The funds are to be collected by the Housing Successor Agency. In Pacifica, the City Council opted for the City to serve as the Successor Agency but not to serve as the “housing successor” to the former Redevelopment Agency by adoption on January 23, 2012 of Resolution No. 01-2012. The San Mateo County Housing Authority is functioning as the housing successor agency for Pacifica. This mandated allocation will result in less than the full amount borrowed from the General Fund ultimately being retained by the City.

**Revised and Restated Resolution**

The recommended Resolution does not modify the previous findings made by the Oversight Board that determined the loans were used for redevelopment purposes and finding that they were enforceable obligations under the laws establishing the distribution process. It does revise in some cases the origination dates to account for prior repayments. Further the schedules account for the payment made as Part of ROPS 2015/2016A and the updated “simple interest” at a rate of 3%.

Exhibit A included with the Resolution provides a listing of each loan, its status at dissolution and the accrued interest based on the authorized new rate. Total principal balance owed as of 7/1/2015 is \$2,240,283.10 plus accrued interest through June 30, 2016 of \$1,598,082.16 resulting in combined principal and interest of \$3,838,365.26. Staff used the June 30, 2016 date since the July 2015 payment was accounted for in the schedules.

**FISCAL IMPACT:** The City will need to revise its accounting records to reflect the amount of accrued interest. On an on-going basis the City will need to allocate the portion of repayment to the San Mateo County Housing Authority is functioning as the housing successor agency.

**ATTACHMENTS:**

1. Resolution restating and amending Resolution No. 1-2015 approving repayment of amounts owed to the City of Pacifica by the former Redevelopment Agency.

**BOARD ACTION REQUESTED:** That the Members of the Oversight Board adopt the resolution.

**OVERSIGHT BOARD RESOLUTION NO. ##-2016**

**A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PACIFICA RESTATING AND AMENDING RESOLUTION NO. 01-2015 APPROVING REPAYMENT OF AMOUNTS OWED TO THE CITY OF PACIFICA BY THE FORMER REDEVELOPMENT AGENCY**

**WHEREAS**, April 26, 2013, the California Department of Finance granted a “Finding of Completion” allowing for loans to be added to the Recognized Obligation Payment Schedule (ROPS) provided certain findings were made; and

**WHEREAS**, June 19, 2013 the Oversight Board adopted Resolution No. 2013-4; and

**WHEREAS**, the Oversight Board resolution declared that the loans from the City to the Redevelopment Agency were for legitimate redevelopment purposes; and

**WHEREAS**, the Department of Finance was provided with the adopted Resolution; and

**WHEREAS**, the Resolution set forth a principal balance of \$3,237,150 owed to the City of Pacifica pursuant to loan agreements from 1985 through 1994; and

**WHEREAS**, on February 11, 2015 the Oversight Board adopted Resolution No. 01-2015 which updated the presentation of loans outstanding including the origination date, amended balances, and rate of interest in accordance with the Redevelopment Dissolution process; and

**WHEREAS**, effective on September 22, 2015, the California Legislature enacted SB 107, a budget trailer bill amending various provisions of the Redevelopment Dissolution Law, including Health & Safety Code Section 34191.4(b)(3), which provides for interest on such loans to be calculated as simple interest at the rate of three percent (3%); and

**WHEREAS**, the Oversight Board reviewed at a public meeting the revised schedule which also included revised origination date(s) accounting for repayments of interest prior to dissolution; and

**WHEREAS**, the adjustment of the origination dates shorten the length of time the loans have been outstanding and will prevent the collection of interest by the City in excess of what is owed; and

**WHEREAS**, this restated and amended resolution does not alter the finding by the Oversight Board that the loans from the City to the Redevelopment Agency were for legitimate redevelopment purposes, and therefore such loans as presented shall be deemed an enforceable obligation of the former Pacifica Redevelopment Agency; and

**NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PACIFICA DOES RESOLVE AS FOLLOWS:**

1. The Oversight Board hereby finds and determines that certain loans were made by the City of Pacifica to the Pacifica Redevelopment Agency for legitimate redevelopment purposes.
2. Exhibit A attached hereto and by reference made a part hereof contains a listing of each loan including: the loan origination date, the original principal amount loaned, an adjusted loan origination date to be used for calculating interest, the unpaid principal balance, and the accrued interest as of June 30, 2016.
3. The loans shall accrue interest at a simple interest rate of 3.00% based on the adjusted (shortened) origination date.
4. Repayment of the Loan(s) shall be recognized as an enforceable obligation pursuant to Health and Safety Code Section 34191.4(b).
5. The Successor Agency shall take any and all necessary administrative actions to include repayment of principal and interest on Recognized Obligation Payment Schedules (ROPS) as allowed pursuant to Health and Safety Code Section 34191.4(b)(2) and to carry out the purposes and intent of this Resolution.

**PASSED AND ADOPTED** at a regular meeting of the Oversight Board for the Successor Agency to the Redevelopment Agency of the City of Pacifica, California held on January 26, 2016, by the following vote of the members thereof:

**AYES:** Board Members –  
**NOES:** Board Members -  
**ABSTAIN:** Board Members -  
**ABSENT:** Board Members –

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Mary Ann Nihart, Chair

**ATTEST:**

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Clerk of the Board – Lorenzo Hines, Jr.

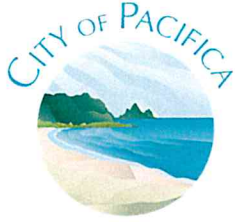
**RESOLUTION No. ##-2016 (January 26, 2016) Restated and Amended Resolution**

**RECORD OF LOANS BETWEEN CITY OF PACIFICA AND  
PACIFICA REDEVELOPMENT AGENCY**

(Based on authorized ROPS and RPTTF funding available - payments as of 7/1/2015 Interest Accrued To 6/30/2016)

City Ref #	Origination Date	Revised Origination Date (Accounts For Payments of Interest Prior To Dissolution)	City Council Resolution Reference	Original Principal Amount Loaned	Unpaid Balance Owed To City 7/2/2015	Accrued Interest As of 6/30/2016	6/30/2016 Total Balance - Principal & Interest
<b>RETIRED LOANS</b>							
1	March 25, 1985			62,150.00	0.00		Paid Off
2	November 25, 1985		Reso 69-85	175,000.00	0.00		Paid Off
3	February 9, 1987		Reso 3-87	300,000.00	0.00		Paid Off
9	May 24, 1993		Reso 16-93	300,000.00	0.00		Paid Off
<b>OUTSTANDING LOANS</b>							
4	March 14, 1988	January 12, 1992	Reso 17-88	500,000.00	340,283.10	\$323,817.78	\$664,100.88
5	May 8, 1989	March 7, 1993	Reso 19-89	475,000.00	475,000.00	\$332,239.73	\$807,239.73
6	May 14, 1990	May 13, 1993	Reso 20-90	500,000.00	500,000.00	\$346,972.60	\$846,972.60
7	April 8, 1991	April 4, 1994	Reso 9-91	500,000.00	500,000.00	\$333,452.05	\$833,452.05
8	January 27, 1992	January 26, 1995	Reso 1-92	250,000.00	250,000.00	\$160,684.93	\$410,684.93
10	April 11, 1994	April 10, 1997	Reso 15-94	175,000.00	175,000.00	\$100,915.07	\$275,915.07
<b>TOTAL</b>				<b>\$3,237,150.00</b>	<b>\$2,240,283.10</b>	<b>\$1,598,082.16</b>	<b>\$3,838,365.26</b>





**CITY OF PACIFICA  
OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY OF THE REDEVELOPMENT  
AGENCY  
(January 26, 2016)**

**Agenda Item No. 4**

**SUBJECT:** Adoption of Oversight Board Resolution Approving Recognized Obligation Payment Schedule (ROPS) No. 16-17 and the Administrative Budget of the Successor Agency

**ORIGINATED BY:** Paul Rankin, Finance Advisor – Regional Government Services

**DISCUSSION:**

State law dissolved all redevelopment agencies effective February 1, 2012. The Pacifica City Council determined that the City would serve as the Successor Agency. Successor Agencies are required to prepare and submit to the Department of Finance (DOF), a Recognized Obligation Payment Schedule (ROPS) for the period July 1, 2016 through June 30, 2017 (ROPS 16-17). The Successor Agency is required to prepare a proposed administrative budget and submit it to the Oversight Board for approval.

**DISCUSSION & ANALYSIS**

Based on new legislation signed by the Governor in September 2015, the process for submitting the ROPS was changed. Previously submittals were made for six month periods. This will be the first "Annual ROPS". The ROPS 16-17 will be used to determine the allowed costs and whether funding will be needed by the Successor Agency from the Redevelopment Property Tax Trust Fund (RPTTF). This fund is administered by the County Auditor-Controller. The Successor Agency may claim expenses for: 1) Redevelopment Debt Service costs (Non-Administrative); and 2) Administrative costs.

**Transition To Annual ROPS - Prior Period Adjustments**

The previous ROPS process used a rolling six month analysis, whereby funds distributed that were not required are reflected as adjustments in the corresponding period the following year. The Department of Finance has temporarily suspended the submittal of the Prior Period Adjustment Form while they transition to the new annual filing.

The format of the report continues to include a Cash Balance Worksheet. The first section accounts for actual expenses incurred in the July – December 2015 period (ROPS 15-16A). As presented the Trust Fund held by the City is estimated to have a positive balance of \$9,171 as of December 31, 2015.

The lower portion of the report presents a projected ending balance as of June 30, 2016. The debt service costs are scheduled and Staff used the approved \$25,000 administrative budget for the projected administrative expenses.

As shown on the Cash Balance ROPS form the City is projected to end the year with a \$15,945 deficit in the Successor Agency Trust Fund account. Because the second half of the year is a projection the true amount of the deficit if any, will not be known until all expenses for the period have been incurred. If the administrative costs for the period are less than \$25,000 the deficit will be reduced.

When the City presented the 2015-16B ROPS a similar deficit was projected and funds were requested as part of the ROPS. During the review by the County Auditor Controller and the Department of Finance these additional funds were removed from the approved funding. Staff was advised that in the event of an actual deficit funds could be added to a future ROPS cycle.

#### Non-Administration Expenses (Enforceable Obligations)

Included in the Non-Administrative Costs are enforceable obligations, which consist of debt service payments for the 2004 Tax Allocation Bonds (TAB) and General Fund Loans from the City of Pacifica.

For the purpose of the 2004 TAB costs the amounts requested reflect the January 1, 2017 scheduled payment and the July 1, 2017 payment. Funding for the July 2017 payment must be requested at this time since the funds must be transmitted to the Trustee in June 2017, in advance of the debt payment date. The July 1, 2016 payment was funded in advance by ROPS 2015-16B (January 1, 2016 – June 30, 2016).

For the ROPS Period 16-17 (July 2016 – June 2017) the Agency is requesting \$112,853 to reduce the balance owed on loans made by the City of Pacifica General Fund. In accordance with State law there is a formula, which compares the 2012/2013 Base Year residual RPTTF funding to residual funds in 2015/2016. Fifty percent of the growth is the maximum amount that can be distributed for repayment of General Fund Loans. In the 2014-15A ROPS the formula resulted in zero dollars being available and in 2015/2016 the first repayment of \$100,902 was approved.

As the City receives repayment of these loans, 20% of the payments received are required to be used for housing purposes and will need to be forwarded to the Housing Successor Agency.

#### Administration Expenses

California Health & Safety Code section 34171(b) established a provision for the Successor Agency to recover Administrative costs. The law basically states that the administrative allowance shall not be less than \$250,000 per fiscal year, except as approved by the Oversight Board. The Pacifica Oversight Board has consistently requested less than the allowed minimum based on the estimated costs. By claiming lower administrative costs this allows for more funds to be available to meet enforceable obligations and/or to be available for distribution among all taxing entities as residual funds.

Staff estimates that expenses of the Pacifica Successor Agency for the period July 1, 2016 - June 2017 will be \$19,000. A breakdown of the Budget is presented in Exhibit B, of the Resolution (See Attachment 1). Of this amount \$14,500 is related to contract legal services provided by Law Offices of Craig Labadie and administrative costs associated with Staff support provided by Regional Government Services. The City is also expecting \$4,500 of allocated audit costs will be related to the Successor Agency costs.

It should be noted that the format of the Annual ROPS still requires presenting figures in six-month increments. Although this works well for scheduled payments the exact timing of administrative costs is subject to variances. It is expected that the Oversight Board is approving an Annual Budget regardless of what period the expenses may occur.

**FISCAL IMPACT:**

The adoption of the ROPS 16-17 will provide for payment of expenses for the period July 1, 2016 through June 30, 2017, including; administrative costs in this period; scheduled bond debt service payments; and a payment towards loans extended by the City of Pacifica General Fund.

**ATTACHMENTS:**

Resolution Approving the Recognized Obligation Payment Schedule of the Successor Agency for the Period July 1, 2016 to June 30, 2017

EXHIBIT A - Recognized Obligation Payment Schedule (ROPS)(4 pages)  
EXHIBIT B - Administrative Budget

**BOARD ACTION REQUESTED:**

Staff recommends that the Pacifica Oversight Board adopt the Resolution as presented.

**OVERSIGHT BOARD RESOLUTION NO. ###-2016**

**A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PACIFICA APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE OF THE SUCCESSOR AGENCY FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017**

**WHEREAS**, Section 34177(l)(2) of the Health and Safety Code requires the Successor Agency to the Redevelopment Agency of the City of Pacifica (“Successor Agency”) to submit to the State Department of Finance (“DOF”), the State Controller, and the San Mateo County Auditor-Controller (“County Auditor”) for review, a Recognized Obligation Payment Schedule for the period July 1, 2016 through June 30, 2017 (“ROPS”) that has been reviewed and approved by the Oversight Board for the Successor Agency City of Pacifica (“Board”); and

**WHEREAS**, Section 34177(m) of the Health and Safety Code requires that the ROPS be submitted, after approval by the Board, no later than February 1, 2016; and

**WHEREAS**, in accordance with Section 34179.7 of the Health and Safety Code the DOF has granted a “Finding of Completion” dated April 26, 2013; and

**WHEREAS**, on June 19, 2013 the Oversight Board adopted Resolution 2013-4 approving repayment of loans from the City of Pacifica to the former Redevelopment Agency creating an enforceable obligations pursuant to 34191.4(b) Health and Safety Code; and

**WHEREAS**, an annual repayment of the City of Pacifica loans began with the 15-16A ROPS, in accordance with Section 34191.4(b)(2)(A) of the Health and Safety Code and the next opportunity for repayment to be claimed is during the 2016-17 ROPS period; and

**WHEREAS**, under Health and Safety Code Section 34177(j), the Oversight Board must approve the Administrative Budget for the Successor Agency.

**WHEREAS**, Successor Agency staff have prepared the attached ROPS and submitted it to the Oversight Board for review and approval, and at the same time have provided a copy of the attached ROPS to the County Administrative Officer, the County Auditor and DOF, all as required pursuant to Health and Safety Code Section 34177(l)(2)(B).

**NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PACIFICA DOES RESOLVE AS FOLLOWS:**

1. The Recognized Obligation Payment Schedule for the period July 1, 2016 through June 30, 2017, in the form attached to this resolution (Exhibit A – 4 Pages) and incorporated herein by reference, is hereby approved.

2. In accordance with the Dissolution Act, the Oversight Board hereby approves the Proposed Administrative Budget in the form presented to the Oversight Board and attached hereto as Exhibit B (the “Administrative Budget”) and incorporated herein by reference, is

hereby approved. Further the Board authorizes the Successor Agency to incur costs for the general administrative activities and functions described in the Administrative Budget.

3. Oversight Board acknowledges that the Administrative Budget includes a projection of expenses for a twelve month period and the timing of the expenses may differ from the period shown, provided the budget is not exceeded.

4. Oversight Board hereby acknowledges and approves the inclusion in the Non-Administration funding request an amount to address 2004 Tax Allocation Bond debt service payments, and a payment to reduce the obligation for loans made by the City General Fund to the Redevelopment Agency prior to dissolution.

5. The Oversight Board reviewed the Cash Balance projection for June 30, 2017 as part of the ROPS forms. It is understood that this calculation includes estimates, which may differ from the actual results once all authorized expenses have been accounted for. In the event that the projected deficit occurs the Oversight Board expects that funds will be requested from the RPTTF in a future ROPS to balance the funding with required obligations.

6. The staff of the Successor Agency is hereby directed to submit the ROPS to DOF, the State Controller and the County Auditor and post the ROPS on the Successor Agency's website in accordance with Health and Safety Code Section 34177(1)(2)(C), and to cooperate with DOF to the extent necessary to obtain DOF's acceptance of the ROPS, including, if necessary, making modifications to the ROPS determined by the Successor Agency's City Manager to be reasonable and financially feasible to meet its legally required financial obligations.

**PASSED AND ADOPTED** at a regular meeting of the Oversight Board for the Successor Agency to the Redevelopment Agency of the City of Pacifica, California held on January 26, 2016, by the following vote of the members thereof:

- AYES:** Board Members –
- NOES:** Board Members –
- ABSTAIN:** Board Members –
- ABSENT:** Board Members –

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Mary Ann Nihart, Chair

**ATTEST:**

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Clerk of the Board – Lorenzo Hines, Jr.

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

Successor Agency: Pacifica  
 County: San Mateo

	16-17A Total	16-17B Total	ROPS 16-17 Total
<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>			
<b>Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF)</b>			
<b>Funding Sources (B+C+D):</b>			
A	\$ -	\$ -	\$ -
B Bond Proceeds Funding	-	-	-
C Reserve Balance Funding	-	-	-
D Other Funding	-	-	-
<b>E Enforceable Obligations Funded with RPTTF Funding (F+G):</b>			
F Non-Administrative Costs	\$ 161,035	\$ 99,662	\$ 260,697
G Administrative Costs	151,035	90,662	241,697
H <b>Current Period Enforceable Obligations (A+E):</b>	10,000	9,000	19,000
	<b>\$ 161,035</b>	<b>\$ 99,662</b>	<b>\$ 260,697</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.

Mary Ann Nihart Chair  
 Name Title  
 /s/ \_\_\_\_\_ 01/26/2016  
 Signature Date



**Pacifica Recognized Obligation Payment Schedule (ROPS 16-17) - Report of Cash Balances**  
(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I						
									Fund Sources					
									Bond Proceeds		Reserve Balance		Other	
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	RPTTF								
ROPS 15-16A Actuals (07/01/15 - 12/31/15)														
1	Beginning Available Cash Balance (Actual 07/01/15)	129,852					52,116	\$129,852 is Debt Service Reserve held by Trustee. Beg balance incl. \$181 interest earning posted at 6/30/2015 for allocated share of pooled cash in FY 14/15						
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						106,683	Distribution received June 2015 for ROPS period						
3	Expenditures for ROPS 15-16A Enforceable Obligations (Actual 12/31/15)						149,628	\$100,902 paid to City Reduce General Fund Loans: \$37,092 Transferred to Trustee 12/23/15 & Paid Bondholders 1/1/16; Plus \$2,364 Trustee Fees; Plus Admin Exp 15-16A = \$9,270						
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)													
5	ROPS 15-16A RPTTF Balances Remaining													
6	Ending Actual Available Cash Balance (C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)) ROPS 15-16B Estimate (01/01/16 - 06/30/16)	\$ 129,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,171						
7	Beginning Available Cash Balance (Actual 01/01/16) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ 129,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,171						
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						91,976	Rev distributed 12/20/15.						
9	Expenditures for ROPS 15-16B Enforceable Obligations (Estimate 06/30/16)						117,092	\$92,092 July 1, 2016 Bond Holder payments Transferred to Trustee June 2015. Plus ROPS 15/16 B \$25,000 approved Admin Expense						
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)													
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ 129,852	\$ -	\$ -	\$ -	\$ -	\$ (15,945)	Actual deficit if any will depend on final actual Admin expense. Projected cost is approved Budget						





**EXHIBIT B**

**CITY OF PACIFICA SUCCESSOR AGENCY  
ADMINISTRATIVE BUDGET**

**ROPS 2016-2017 ANNUAL  
(July 1, 2016 - June 30, 2017)**

	<u><b>Budget</b></u>
Audit	\$4,500
Admin Support / Staff Services	7,500
Contract Legal (OB and SA)	7,000
<b>TOTAL</b>	<hr/> <b>\$19,000</b>



**CITY OF PACIFICA  
OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY OF THE REDEVELOPMENT  
AGENCY  
(January 26, 2016)**

**Agenda Item No. 5**

**SUBJECT:** Adoption of Oversight Board Resolution Authorizing the Transfer of Public Parking Lot Properties to the City of Pacifica as provided for in the Amended and Approved Long Range Property Management Plan (LRPMP)

**ORIGINATED BY:** Paul Rankin, Finance Advisor – Regional Government Services

**DISCUSSION:**

State law dissolved all redevelopment agencies effective February 1, 2012. The State established required steps for the wind-down and disposition of all assets. Legally the title to the parcels owned by the former Redevelopment Agency (RDA), transferred to the Successor Agency by operation of law when the RDA was dissolved. The State has now approved the Long Range Property Management Plan (LRPMP), which will allow for the transfer of the title to the properties from the Successor Agency to the City of Pacifica.

**DISCUSSION & ANALYSIS**

At the Oversight Board meeting on November 30, 2015, the Board adopted an amended LRPMP. The amendment aligned the LRPMP with revisions to State law that were approved in September 2015.

The revised law expressly authorized an Oversight Board to direct a Successor Agency to transfer ownership to a city properties constructed and used for the governmental purpose of parking facilities and lots. The law required that the land must be dedicated solely to public parking, and the parking lots cannot generate revenues in excess of reasonable maintenance costs of the properties. As determined in the action taken by the Oversight Board, the property held by the Successor Agency met the required criteria.

Staff submitted to the State Department of Finance the Second Amended LRPMP as adopted by Resolution No. 05-2015. In a letter dated December 10, 2015 the California Department of Finance approved the LRPMP, including the transfer of the parking lot properties to the City of Pacifica.

In order to formally transfer the ownership the deeds will need to be recorded in the name of the City. Staff prepared a Resolution to establish that the Oversight Board has approved the transfer. The Successor Agency Executive Director (City Manager of the City of Pacifica), is directed by the Resolution to take such reasonable and necessary actions and sign on behalf of the Successor Agency all necessary documents (including grant deeds or quit claim deeds).

**FISCAL IMPACT:**

The transfer of ownership is without any payment between the Successor Agency and the City. The transfer of the property titles may result in certain administrative costs to process and record the documents. The City of Pacifica has continued to maintain the parking lots and this will continue.

**ATTACHMENTS:**

Resolution Authorizing Transfer of Public Parking Lot Properties to the City of Pacifica As Approved In the Amended Long Range Property Management Plan.

**BOARD ACTION REQUESTED:**

Staff recommends that the Pacifica Oversight Board adopt the Resolution as presented.

**OVERSIGHT BOARD  
RESOLUTION NO. ##-2015**

**A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY  
TO THE REDEVELOPMENT AGENCY OF THE CITY OF PACIFICA AUTHORIZING  
TRANSFER OF PUBLIC PARKING LOT PROPERTIES TO THE CITY OF PACIFICA  
AS APPROVED IN THE AMENDED  
LONG-RANGE PROPERTY MANAGEMENT PLAN**

**WHEREAS**, the Redevelopment Dissolution Law (AB1x 26, enacted on or about June 29, 2011, as amended by AB 1484, enacted on or about June 27, 2013) provided for creation of the Successor Agency to the Redevelopment Agency of the City of Pacifica ("Successor Agency") and required the Successor Agency to expeditiously wind-down the affairs of the former Redevelopment Agency as directed by the Pacifica Oversight Board.

**WHEREAS**, Health and Safety Code Section 34191.5(b) states that the Successor Agency shall prepare a Long-Range Property Management Plan ("LRPMP") that addresses the disposition and use of the real properties of the former Redevelopment Agency, which shall be submitted to the Oversight Board and the Department of Finance for approval no later than six months following the issuance to the Successor Agency of the Finding of Completion.

**WHEREAS**, Health and Safety Code Section 34191.5, subdivision (c)(2) sets forth the permissible uses of the subject real properties.

**WHEREAS**, the permissible uses include retention of the property for governmental use pursuant to Health and Safety Code Section 34181(a), which in turn states that the Oversight Board may direct the Successor Agency to transfer ownership of assets that were constructed and used for a governmental purpose to the City.

**WHEREAS**, at the time of its dissolution, the Redevelopment Agency owned six parcels of real property containing approximately 35,100 square feet which had been developed for surface parking lots utilizing City funds loaned to the Redevelopment Agency (as shown in the attached property listing); and

**WHEREAS**, the Agency-owned parking lots have at all times been made available, free of charge, for use by all members of the public; and

**WHEREAS**, on June 19, 2013 the Oversight Board approved Resolution No 2013-5, approving a LRPMP for the disposition and use of the real properties of the former Redevelopment Agency which was thereafter submitted to the Department of Finance for review; and

**WHEREAS**, in order to address concerns of Department of Finance, on October 2, 2014 the Oversight Board approved Resolution No 04-2014, approving an amended LRPMP for the disposition and use of the real properties of the former Redevelopment Agency which was thereafter submitted to the Department of Finance for review; and

**WHEREAS**, effective on September 22, 2015, the California Legislature enacted SB 107, a budget trailer bill amending various provisions of the Redevelopment Dissolution Law, which amended Health and Safety Code Section 34181(a) to expressly authorize an oversight board to direct a successor agency to transfer ownership of real property assets that were constructed and used for the governmental purpose of parking facilities and lots dedicated solely to public parking to a city, provided that such parking lots and facilities do not generate revenues in excess of reasonable maintenance costs of the properties; and

**WHEREAS**, On November 30, 2015 the Oversight Board adopted Resolution No.5-2015 which amended the LRPMP and made findings that the parking lots are dedicated solely to public parking; that the parking lots do not generate any revenue whatsoever; and that the City has incurred, and continues to incur, reasonable and necessary costs for maintaining the parking lots; and

**WHEREAS**, pursuant to a letter dated December 10, 2015 the California Department of Finance issued final approval of the Agency's use or disposition of all properties as public parking lots as listed on the LRPMP; and

**WHEREAS**, the Oversight Board desires to implement the LRPMP by authorizing the transfer of title of the properties to the City of Pacifica in accordance with the approved LRPMP; and

**WHEREAS**, pursuant to Health and Safety Code Sections 34179(h)(1)(D) and 34191.5(f), actions to implement the disposition of property pursuant to an approved LRPMP do not require review by the Department of Finance.

**NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PACIFICA DOES HEREBY RESOLVE AS FOLLOWS:**

1. The City of Pacifica is the appropriate public jurisdiction to assume ownership of the Governmental Use Properties as authorized by Health & Safety Code section 34181(a) and as identified in Attachment "A" Parcels Owned By the City of Pacifica Successor Agency.
2. Pursuant to Section 15301 of the State CEQA Guidelines, the transfer of the Governmental Use Properties is exempt from environmental review under CEQA because the transfer will result in a continuation of an existing facility involving no expansion of use and is therefore exempt from environmental review.
3. The Successor Agency Executive Director (City Manager of the City of Pacifica) is hereby authorized and directed to take such reasonable and necessary actions and sign on behalf of the Successor Agency such reasonable and necessary documents (including, without limitation, grant deeds and quit claim deeds) first approved in writing by the Oversight Board's Legal Counsel as may be appropriate to transfer the Governmental Use Properties from the Successor Agency to the City of Pacifica.

**PASSED AND ADOPTED** at a duly noticed regular meeting of the Oversight Board for the Successor Agency to the Redevelopment Agency of the City of Pacifica, California held on January 26, 2016, by the following vote of the members thereof:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ABSTAIN: Board Members:

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Mary Ann Nihart, Chair

ATTEST:

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Clerk of the Board-Lorenzo Hines Jr.

## ATTACHMENT A

### Parcels Owned By the City of Pacifica Successor Agency (Each parcel listed is improved as a public parking lot.)

<b>Ref. No.</b>	<b>APN</b>	<b>Location</b>	<b>Approximate Size</b>	<b>Deed Rec # / Date</b>
1	022-027-050	Dondee Way Parking Lot	3,000 s.f.	#87-099178 (06/25/1987)
2	022-027-060	Dondee Way Parking Lot	6,000 s.f.	#90-042645 (03/30/1990)
3	022-027-080	Dondee Way Parking Lot	2,500 s.f.	#90-097064 (07/20/1990)
4	022-027-200	Dondee Way Parking Lot	5,500 s.f.	#89-176730 (12/29/1989)
5	022-027-220	County Road Parking Lot	12,100 s.f.	#33583AS (04/13/1981)
6	022-027-240	County Road Parking Lot	6,000 s.f.	#85509AS (09/08/1981)