

# NEW BUSINESS (b)

## **STAFF REPORT** **Oversight Board Meeting May 10, 2012**

**TO:** Honorable Chair and Members of the Oversight Board for the South Tahoe Redevelopment Successor Agency

**FROM:** MaryAnn Brand, Interim Finance Director for the Successor Agency

**DATE:** May 10, 2012

**RE:** Resolution of Oversight Board Approving the Amended Recognized Payment Schedule for the period July 1, 2012 through December 30, 2012

### **RECOMMENDATION:**

Adopt Resolution

### **ISSUE AND DISCUSSION:**

ABX1 26 requires that the Successor Agency and Oversight Board approve a Recognized Payment Schedule (ROPS) for each period (January to June and July to December) of each year.

The attached Resolution and ROPs are for the second period (July 1, 2012 through December 30, 2012) which are required to be adopted and submitted to the Department of Finance no later than May 11, 2012.

### **FINANCIAL AND/OR POLICY IMPLICATIONS:**

The attached ROPs will be amended to include the estimated maintenance and operations costs for the drainage basins and open public space parcels owned by the Successor Agency. Those costs are estimated to be approximately \$20,000 per year, which does not include extraordinary expenses, insurance and routine maintenance.

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

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OVERSIGHT BOARD FOR THE SOUTH TAHOE REDEVELOPMENT SUCCESSOR AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JULY 1, 2012 AND ENDING DECEMBER 30, 2012, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH**

RECITALS:

A. WHEREAS, Health and Safety Code Section 34177 provides that before each six-month fiscal period, successor agencies to former redevelopment agencies must prepare a Recognized Obligation Payment Schedule (“ROPS”) for the enforceable obligations of the former redevelopment agency in accordance with the requirements of Section 34177 and submit the ROPS to the Oversight Board and the County Auditor’s Office for approval and subsequently submit it to the California Department of Finance for review and post on the Sponsoring or Successor Agency’s website; and

B. WHEREAS, accordingly, the South Tahoe Redevelopment Successor Agency completed the Recognized Obligation Payment Schedule for the period July 1, 2012 to December 30, 2012 and has reviewed it with the County Auditor’s office; and

C. WHEREAS, in accordance with Health and Safety Code section 34177, a ROPS shall not be deemed valid until the ROPS is submitted to and duly approved by the Oversight Board, which is required to be adopted and submitted to the Department of Finance no later than May 11, 2012; and

D. WHEREAS, accordingly, the Board of Directors of the Oversight Board for the South Tahoe Redevelopment Successor Agency desires to adopt this Resolution approving the attached ROPS in accordance with Health and Safety Code Section 34177 for the six-month fiscal period that commences on July 1, 2012 and ends on December 30, 2012.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE OVERSIGHT BOARD FOR THE SOUTH TAHOE REDEVELOPMENT SUCCESSOR AGENCY (“OVERSIGHT BOARD”), HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:**

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. This Resolution is adopted pursuant to Health and Safety Code Section 34177.

Section 3. The Board hereby approves the ROPS substantially in the form attached as Exhibit A to this Resolution and incorporated herein by reference.

Section 4. The officers and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including, but not limited to, submitting the ROPS to the Controller's Office and the Department of Finance and to be posted on the Successor Agency's Internet Web Site.

**PASSED AND ADOPTED** by the Board of Directors of the Oversight Board to the Successor Agency of the South Tahoe Redevelopment Agency at a duly noticed meeting held on May 10, 2012, by the following vote:

AYES: Councilmember(s): \_\_\_\_\_

NOES: Board Member(s): \_\_\_\_\_

ABSENT: Board Member(s): \_\_\_\_\_

ABSTAIN: Board Member(s): \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Ellen Palazzo, Secretary

By: \_\_\_\_\_  
Hal Cole, Chairperson

**EXHIBIT A**

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE  
(July 1, 2012 through December 30, 2012)**

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE - CONSOLIDATED  
FILED FOR THE July, 2012 to December, 2012 PERIOD**

**Name of Successor Agency** South Tahoe Redevelopment Successor Agency

	Current	
	Total Outstanding Debt or Obligation	Total Due During Fiscal Year
<b>Outstanding Debt or Obligation</b>	\$ 149,454,788.00	\$ 5,836,559.02
	<b>Total Due for Six Month Period</b>	
<b>Outstanding Debt or Obligation</b>	\$ 4,083,279.00	
<b>Available Revenues other than anticipated funding from RPTTF</b>	\$ 50,000.00	
<b>Enforceable Obligations paid with RPTTF</b>	\$ 3,908,279.00	
<b>Administrative Cost paid with RPTTF</b>	\$ 125,000.00	
<b>Pass-through Payments paid with RPTTF</b>	\$ -	
<b>Administrative Allowance</b> (greater of 5% of anticipated Funding from RPTTF or 250,000. Note: Calculation should not include pass-through payments made with RPTTF. The RPTTF Administrative Cost figure above should not exceed this Administrative Cost Allowance figure)	\$ 195,413.95	

Certification of Oversight Board Chairman:  
Pursuant to Section 34177(l) of the Health and Safety code,  
I hereby certify that the above is a true and accurate Recognized  
Enforceable Payment Schedule for the above named agency.

Debbie McIntyre Accounting Manager  
Name Title

Signature Date 27-Apr-12

Name of Redevelopment Agency: South Tahoe Redevelopment Successor Agency  
 Project Area(s) RDA Project Area All

FORM A - Redevelopment Property Tax Trust Fund (RPTTF)

**DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE**  
 Per AB 26 - Section 34177 (\*)

Project Name / Debt Obligation	Contract/Agreement Execution Date	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2011-2012**	*** Funding Source	Payable from the Redevelopment Property Tax Trust Fund (RPTTF)						Total	
								July 2012	August 2012	September 2012	October 2012	November 2012	December 2012		
1) 1999 Refunding Revenue Bonds		Bondholders paid by Trustee (Bank of New York Mellon)	Bond issues to fund non-housing projects	Area #1	14,437,455.00	557,678.78	RPTTF			341,339.00					\$ 341,339.00
2) 2004 Refunding Revenue Bonds		Bondholders paid by Trustee (Bank of New York Mellon)	Bond issues to fund non-housing projects	Area #1	20,295,059.00	748,566.26	RPTTF			476,783.00					\$ 476,783.00
3) 2003 Refunding Revenue Bonds		Bondholders paid by Trustee (Bank of New York Mellon)	Bond issues to fund non-housing projects	Area #1	21,598,028.00	620,136.00	RPTTF			332,568.00					\$ 332,568.00
4) 2005 Refunding Revenue Bonds		Bondholders paid by Trustee (Bank of New York Mellon)	Bond issues to fund non-housing projects	Area #1	53,757,250.00	2,892,500.00	RPTTF			1,858,750.00					\$ 1,858,750.00
5) 2007 Refunding Revenue Bonds		Bondholders paid by Trustee (Bank of New York Mellon)	Bond issues to fund non-housing projects	Area #1	39,366,996.00	1,167,678.00	RPTTF			686,339.00					\$ 686,339.00
6) Contracted Financial Services		Bank of New York Mellon, Wildan, Fraser & Associates	Trustee services, arbitrage rebate calculations, continuing disclosure reports, pass through calculations.				RPTTF	6,250.00	6,250.00	6,250.00	6,250.00	6,250.00	6,250.00	6,250.00	\$ 37,500.00
7) Administration Costs		City of South Lake Tahoe	Costs of Administar Successor Agency (internal debt administration, accounting, financial reporting, legal and banking fees)				RPTTF	20,833.00	20,833.00	20,833.00	20,833.00	20,833.00	20,835.00	20,835.00	\$ 125,000.00
8) Contracted Legal Services		Tanon & Associates, Richards, Watson & Gerson, and Boutin Jones	Convention Center Project bankruptcy ongoing legal costs pending resolution of lawsuit				OTHER	8,333.00	8,333.00	8,333.00	8,333.00	8,333.00	8,335.00	8,335.00	\$ 50,000.00
9)															\$ -
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32)															\$ -
Totals - This Page (RPTTF Funding)					\$ 149,454,788.00	\$ 5,786,559.02	N/A	\$ 35,416.00	\$ 35,416.00	\$ 3,731,195.00	\$ 35,416.00	\$ 35,416.00	\$ 35,420.00	\$ 35,420.00	\$ 3,908,279.00
Totals - Page 2 (Other Funding)					\$ -	\$ 50,000.00	N/A	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00
Totals - Page 3 (Administrative Cost Allowance)					\$ -	\$ -	N/A	\$ 20,833.00	\$ 20,833.00	\$ 20,833.00	\$ 20,833.00	\$ 20,833.00	\$ 20,835.00	\$ 20,835.00	\$ 125,000.00
Totals - Page 4 (Pass Thru Payments)					\$ -	\$ -	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand total - All Pages					\$ 149,454,788.00	\$ 5,836,559.02		\$ 106,249.00	\$ 56,249.00	\$ 3,752,028.00	\$ 56,249.00	\$ 56,249.00	\$ 56,255.00	\$ 56,255.00	\$ 4,083,279.00

\* The Preliminary Draft Recognized Obligation Payment Schedule (ROPS) is to be completed by 3/1/2012 by the successor agency, and subsequently be approved by the oversight board before the final ROPS is submitted to the State Controller and State Department of Finance by April 15, 2012. It is not a requirement that the Agreed Upon Procedures Audit be completed before submitting the final Oversight Approved ROPS to the State Controller and State Department of Finance.

\*\* All totals due during fiscal year and payment amounts are projected.

\*\*\* Funding sources from the successor agency: (For fiscal 2011-12 only, references to RPTTF could also mean tax increment allocated to the Agency prior to February 1, 2012.)

RPTTF - Redevelopment Property Tax Trust Fund  
 LMHF - Low and Moderate Income Housing Fund  
 Bonds - Bond proceeds  
 Admin - Successor Agency Administrative Allowance  
 Other - reserves, rents, interest earnings, etc

Name of Redevelopment Agency: South Tahoe Redevelopment Successor Agency  
 Project Area(s): RDA Project Area All

FORM B - All Revenue Sources Other Than Redevelopment Property Tax Trust Fund (RPTTF)

**DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE**  
 Per AB 26 - Section 34177 (\*)

Project Name / Debt Obligation	Contract/Agreement Execution Date	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2011-2012**	Funding Source ***	Payable from Other Revenue Sources						Total	
								Payments by month							
								July 2012	August 2012	Sept 2012	Oct 2012	Nov 2012	Dec 2012		
1) Convention Center Project			Project 350-84001 Fund Balance			50,000.00		50,000.00							\$ 50,000.00
2)															\$ -
3)															\$ -
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33)															\$ -
Totals - LMIHF															\$0.00
Totals - Bond Proceeds															\$0.00
Totals - Other															\$50,000.00
Grand total - This Page						\$ 50,000.00		\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00

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 \*\* All total due during fiscal year and payment amounts are projected.  
 \*\*\* Funding sources from the successor agency: (For fiscal 2011-12 only, references to RPTTF could also mean tax increment allocated to the Agency prior to February 1, 2012.)  
 RPTTF - Redevelopment Property Tax Trust Fund      Bonds - Bond proceeds      Other - reserves, rents, interest earnings, etc  
 LMIHF - Low and Moderate Income Housing Fund      Admin - Successor Agency Administrative Allowance

