



City of South Lake Tahoe **NEW BUSINESS b**

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STAFF REPORT
OVERSIGHT BOARD OF
South Tahoe Redevelopment Successor Agency
Meeting February 19, 2015

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

FROM: Debbie McIntyre, Financial Services Manager
South Tahoe Redevelopment Successor Agency

RE: Resolution Approving a Recognized Obligation Payment Schedule for The Six-Month Fiscal Period From July 1, 2015 Through December 31, 2015, And Taking Certain Related Actions

RECOMMENDATION:

Adopt Resolution Approving the Recognized Obligation Payment Schedule for the six-month fiscal period from July 1, 2015 through December 31, 2015, approved by the Successor Agency on February 3, 2015

ISSUE AND DISCUSSION:

Pursuant to Part 1.85 of Division 24 of the California Health and Safety Code (the "Redevelopment Dissolution Law"), the Successor Agency must prepare a Recognized Obligation Payment Schedule ("ROPS") for each six-month fiscal period (commencing each January 1 and July 1), listing the payments to be made by the Successor Agency during such period. All ROPS must be approved by the Oversight Board. Furthermore, each Oversight Board-approved ROPS must be submitted to the State Department of Finance ("DOF") for review.

Deadlines for ROPS Submission and Review

The Redevelopment Dissolution Law does not specify a deadline for the Successor Agency to submit the ROPS for July 1, 2015 through December 31, 2015 ("ROPS 15-16A") to the Oversight Board for approval. However, the Successor Agency must submit an Oversight Board-approved ROPS 15-16A to the DOF, the Office of the State Controller and the County Auditor-Controller no later than **March 3, 2015**. The Successor Agency must submit the ROPS to the DOF electronically in the manner of DOF's choosing. A copy of the Oversight Board-approved ROPS must be posted on the Successor Agency's website.

The DOF may eliminate or modify any items on the ROPS before approving the ROPS. The DOF must make its determination regarding the enforceable obligations and the amount and funding source for each enforceable obligation listed on a ROPS no later than 45 days after the ROPS is submitted. Within five business days of the DOF's determination, the Successor Agency may request to "meet and

confer" with the DOF on disputed items. The meet and confer period may vary, but an untimely submission of ROPS 15-16A may result in a meet and confer period of less than 30 days.

The County Auditor-Controller may object to the inclusion of any item on the ROPS that is not demonstrated to be an enforceable obligation and may object to the funding source proposed for any item. The County Auditor-Controller must provide notice of its objections to the DOF, the Successor Agency and the Oversight Board.

Penalties for Failure to Make Timely Submission

If the Successor Agency does not submit an Oversight Board-approved ROPS by March 3, 2015, the City of South Lake Tahoe will be subject to a civil penalty of \$10,000 per day for every day that the ROPS is not submitted to the DOF. The penalty is to be paid to the County Auditor-Controller for distribution to the taxing entities. If the Successor Agency does not timely submit a ROPS, creditors of the successor agency, the DOF, and affected taxing entities may request a writ of mandate to require the Successor Agency to immediately perform this duty. Additionally, if the Successor Agency does not submit a ROPS within 10 days of March 3rd, the Successor Agency's administrative cost allowance for that period will be reduced by 25 percent.

If the Successor Agency fails to submit an Oversight Board-approved ROPS to the DOF within five business days of "the date upon which the ROPS is to be used to determine the amount of property tax allocations", the DOF may determine whether the County Auditor-Controller should distribute any of property tax revenues to the taxing entities, or whether any amount should be withheld for enforceable obligations pending approval of the ROPS. It is not clear what "the date upon which the ROPS is to be used to determine the amount of property tax allocations."

FINANCIAL AND/OR POLICY IMPLICATIONS:

The preparation and submittal of ROPS 15-16A is for the purpose of allowing the Successor Agency to pay its enforceable obligations for the period from July 1, 2015 to December 31, 2015. As shown on the attached ROPS and resolution, Enforceable Obligations are listed at \$4,123,073.


Debbie McIntyre, Financial Services Manager
South Tahoe Redevelopment Agency

Attachments:

Resolution of the Oversight Board approving the ROPS 15-16A, which includes ROPS 15-16A

RESOLUTION NO. OB _____

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE SOUTH TAHOE REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE SIX-MONTH FISCAL PERIOD FROM JULY 1, 2015 THROUGH DECEMBER 31, 2015, AND TAKING CERTAIN RELATED ACTIONS

RECITALS:

A. Pursuant to Health and Safety Code Section 34177(l), the Successor Agency to the South Tahoe Redevelopment Agency (the "Successor Agency") must prepare a proposed Recognized Obligation Payment Schedule ("ROPS") before each six-month fiscal period (commencing each January 1 and July 1) and submit each proposed ROPS to the Oversight Board for the Successor Agency (the "Oversight Board") for approval.

B. Pursuant to Health and Safety Code Section 34177(l)(2)(C) and (m), the Successor Agency must (1) submit the Oversight Board-approved ROPS for the six-month fiscal period from July 1, 2015 through December 31, 2015 ("ROPS 15-16A"), to the DOF, the Office of the State Controller, and the County Auditor-Controller no later than March 3, 2015; and (2) post a copy of the Oversight Board-approved ROPS 15-16A on the Successor Agency's website.

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE SOUTH TAHOE REDEVELOPMENT AGENCY, 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. The Oversight Board hereby approves proposed ROPS 15-16A, substantially in the form attached hereto as Exhibit A. Staff of the Successor Agency is hereby authorized and directed to submit a copy of Oversight Board-approved ROPS 15-16A to the DOF, the Office of the State Controller, and the County Auditor-Controller and to post a copy of the Oversight Board-approved ROPS 15-16A on the Successor Agency's Internet website (being a page on the Internet website of the City of South Lake Tahoe).

Section 3. The officers of the Oversight Board and the staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary to effectuate this Resolution, including requesting additional review by the DOF and an opportunity to meet and confer on any disputed items, and any such actions previously taken by such officers and staff are hereby ratified and confirmed.

PASSED, APPROVED AND ADOPTED this 19th day of February, 2015.

AYES: Board members _____

NOES: Board members _____

ABSENT: Board members _____

ABSTAIN: Board members _____

ATTEST:

Clerk of the Board

Hal Cole, Chairperson

EXHIBIT A

**SUCCESSOR AGENCY TO THE SOUTH TAHOE REDEVELOPMENT AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE
(July 1, 2015 to December 31, 2015)**

Recognized Obligation Payment Schedule (ROPS 15-16A) - Summary

Filed for the July 1, 2015 through December 31, 2015 Period

Name of Successor Agency: South Lake Tahoe
Name of County: El Dorado

Current Period Requested Funding for Outstanding Debt or Obligation	Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding Sources (B+C+D):	\$ -
A Bond Proceeds Funding (ROPS Detail)	-
B Reserve Balance Funding (ROPS Detail)	-
C Other Funding (ROPS Detail)	-
Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 4,123,073
F Non-Administrative Costs (ROPS Detail)	3,998,073
G Administrative Costs (ROPS Detail)	125,000
H Current Period Enforceable Obligations (A+E):	\$ 4,123,073
Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I Enforceable Obligations funded with RPTTF (E):	4,123,073
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	-
K Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 4,123,073
County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L Enforceable Obligations funded with RPTTF (E):	4,123,073
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N Adjusted Current Period RPTTF Requested Funding (L-M)	4,123,073

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

Recognized Obligation Payment Schedule (ROPS 15-16A) - ROPS Detail
July 1, 2015 through December 31, 2015
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K					P	
										M						
										N			O			
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Funding Source			RPTTF		Six-Month Total	
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin		
								\$ 133,674,543								
1	RDA Notes (securing 1999 Refunding Revenue Bonds)	Bonds Issued On or Before 12/31/10	10/1/1999	1/10/2030	Bondholders paid by Trustee (Bank of New York Mellon)	Bond issues to fund non-housing projects	Park Avenue Area #1		Y					\$ 3,998,073	\$ 125,000	\$ 4,123,073
2	RDA Notes (securing 2004 Refunding Revenue Bonds)	Bonds Issued On or Before 12/31/10	4/1/2005	10/1/2019	Bondholders paid by Trustee (Bank of New York Mellon)	Bond issues to fund non-housing projects	Park Avenue Area #1		Y							
3	RDA Notes (securing 2003 Refunding Revenue Bonds)	Bonds Issued On or Before 12/31/10	10/1/1999	10/1/2033	Bondholders paid by Trustee (Bank of New York Mellon)	Bond issues to fund non-housing projects	Park Avenue Area #1		Y							
4	RDA Notes (securing 2005 Refunding Revenue Bonds)	Bonds Issued On or Before 12/31/10	10/1/2005	10/1/2020	Bondholders paid by Trustee (Bank of New York Mellon)	Bond issues to fund non-housing projects	Park Avenue Area #1	45,752,250	N					1,947,750		\$ 1,947,750
5	RDA Notes (securing 2007 Refunding Revenue Bonds)	Bonds Issued On or Before 12/31/10	10/1/2007	10/1/2037	Bondholders paid by Trustee (Bank of New York Mellon)	Bond issues to fund non-housing projects	Park Avenue Area #1	35,882,561	N					697,539		\$ 697,539
6	Contracted Financial Services	Fees	10/1/1999	10/1/2037	Bank of New York Mellon, Willdan, Fraser & Associates	Trustee Services, arbitrage rebate calculations, continuing disclosure reports, pass through calculations	Park Avenue Area #1	75,000	N					37,500		\$ 37,500
7	Contracted Legal Services	Admin Costs	10/1/2007	6/30/2014	Richards, Watson and Gershon	Redevelopment Dissolution Legal Costs	Park Avenue Area #1	40,000	N					20,000		\$ 20,000
21	Administrative Costs	Admin Costs	1/1/2014	6/30/2014	City of South Lake Tahoe	Costs to Administer Successor Agency (internal debt administration, accounting financial reporting, legal and banking fees)		250,000	N					105,000		\$ 105,000
24	John Kennedy Steakhouse Settlement	Litigation	8/18/2004	6/30/2015	Trina Kennedy	Park Avenue Project Lawsuit	Park Avenue Area #1	50,000	N							\$
25	Supplemental Educational Revenue Augmentation Fund loan	SERAF/ERAF	3/1/2011	6/30/2016	City of South Lake Tahoe Low-Moderate Income Housing Fund	Supplemental Educational Revenue Augmentation Fund Loan		426,210	N							\$
26	City General Fund loan to the Redevelopment Agency for Completion of Park Avenue Project	City/County Loans On or Before 6/27/11	3/14/2004	10/1/2037	City of South Lake Tahoe General Fund	Park Avenue Project Completion costs loan		5,276,219	N							\$
27	RDA Notes (securing 1999, 2003 and 2004 Refunding Revenue Bonds)	Bonds Issued After 12/31/10	12/8/2014	10/1/2034	Bondholders paid by Trustee (Bank of New York Mellon)	Refunding of 1999, 2003, and 2004 Refunding Revenue Bonds to fund non-housing projects	Park Avenue Area #1	45,922,303	N					1,315,284		\$ 1,315,284
28									N							\$
29									N							\$
30									N							\$
31									N							\$
32									N							\$
33									N							\$
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41									N							\$
42									N							\$
43									N							\$
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56									N							\$
57									N							\$
58									N							\$
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60									N							\$
61									N							\$
62									N							\$
63									N							\$

Report of Prior Period Adjustments
 Approved for the ROP's 14.15A (July 1, 2012 through December 31, 2012) Prior Period to Term and Salary Cost (PCC) section 34196 (B)

ROP's 14.15A (Business Agency (BA)) has requested their Prior Period Adjustments (PPA) Report to HSC Section 34196 (B). SA's are required to report the difference between the actual available funding and their actual expenditures for the ROP's 14.15A (July through December 2012) period. The amount of PPA's are reported in the "Total Fund (OPRTT)" column for the ROP's 14.15A (July through December 2012) period will be offset by the SA's self-reported ROP's 14.15A prior period adjustment. HSC Section 34196 (B) also requires that the prior period adjustments self-reported by SA's are subject to audit by the OPRTT Audit Committee (CAC) and the State Controller.

ROP's 14.15A CAC PPA's are requested by the CAC upon approval from ROP's 14.15A to the SA's. The SA's are required to report the difference between the actual available funding and their actual expenditures for the ROP's 14.15A (July through December 2012) period. The amount of PPA's are reported in the "Total Fund (OPRTT)" column for the ROP's 14.15A (July through December 2012) period will be offset by the SA's self-reported ROP's 14.15A prior period adjustment. HSC Section 34196 (B) also requires that the prior period adjustments self-reported by SA's are subject to audit by the OPRTT Audit Committee (CAC) and the State Controller.

Item #	Project Name / Fund Designation	Fund Processes		Non-OPRTT Expenditures		Other Funds		Non-Admin		OPRTT Expenditures		Admin		Total Non-Admin and Admin PPA (Net Difference of the Requested OPRTT)	SA Comments	Non-Admin CAC	Admin CAC		Net CAC Non-Admin and Admin PPA (Net Difference of the Requested OPRTT)	CAC Comments
		Actual	Available	Actual	Available	Actual	Available	Actual	Available	Actual	Available	Actual	Available							
1	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
2	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
3	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
4	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
5	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
6	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
7	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
8	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
9	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
10	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
11	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
12	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
13	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
14	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
15	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
16	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
17	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
18	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
19	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
20	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
21	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
22	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
23	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
24	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
25	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
26	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
27	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
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31	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
32	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
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35	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
36	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
37	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
38	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
39	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
40	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
41	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
42	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
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45	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
46	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
47	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
48	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
49	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
50	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
51	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
52	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
53	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
54	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
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56	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
57	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
58	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
59	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
60	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
61	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
62	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
63	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
64	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
65	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
66	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
67	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
68	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
69	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
70	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
71	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
72	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
73	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
74	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
75	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
76	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
77	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
78	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
79	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
80	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
81	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
82	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
83	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
84	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
85	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
86	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						
87	OPRTT	-	-	-	-	-	-	-	-	-	-	-	-	-						