



City of South Lake Tahoe

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NEW BUSINESS a

STAFF REPORT
OVERSIGHT BOARD OF
South Tahoe Redevelopment Successor Agency
Meeting January 24, 2017

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

FROM: Debbie McIntyre, Director of Finance
South Tahoe Redevelopment Successor Agency

RE: Resolution Approving a Recognized Obligation Payment Schedule ROPS 17-18 for the Twelve-Month Fiscal Period From July 1, 2017 Through June 30, 2018, And Taking Certain Related Actions

RECOMMENDATION:

Adopt Resolution Approving the Recognized Obligation Payment Schedule for the twelve-month fiscal period from July 1, 2017 through June 30, 2018, approved by the Successor Agency on January 24, 2017.

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 twelve-month fiscal period (commencing each 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, 2017 through June 30, 2018 ("ROPS 17-18") to the Oversight Board for approval. However, the Successor Agency must submit an Oversight Board-approved ROPS 17-18 to the DOF, the Office of the State Controller and the County Auditor-Controller no later than **February 1, 2017**. 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 16-17 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 February 1, 2017, 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 February 1st, 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 17-18 is for the purpose of allowing the Successor Agency to pay its enforceable obligations for the period from July 1, 2017 to June 30, 2018. As shown on the attached ROPS and resolution, Enforceable Obligations are listed at \$5,677,190.



Debbie McIntyre, Director of Finance
South Tahoe Redevelopment Agency

Attachments: Resolution of the Oversight Board approving the ROPS 17-18, which includes ROPS 17-18

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 TWELVE-MONTH FISCAL PERIOD FROM JULY 1, 2017 THROUGH JUNE 30, 2018, 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 twelve-month fiscal period (commencing each 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 twelve-month fiscal period from July 1, 2017 through June 30, 2018 ("ROPS 17-18"), to the DOF, the Office of the State Controller, and the County Auditor-Controller no later than February 1, 2017; and (2) post a copy of the Oversight Board-approved ROPS 16-17 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 17-18, 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 17-18 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 17-18 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 24th day of January, 2017.

AYES: Board members _____

NOES: Board members _____

ABSENT: Board members _____

ABSTAIN: Board members _____

ATTEST:

Clerk of the Board

Chairperson

EXHIBIT A

**SUCCESSOR AGENCY TO THE SOUTH TAHOE REDEVELOPMENT AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE
(July 1, 2017 to June 30, 2018)**

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

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

Successor Agency: South Lake Tahoe
 County: El Dorado

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		17-18A Total (July - December)	17-18B Total (January - June)	ROPS 17-18 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ -	\$ -	\$ -
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	-	-	-
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 3,922,345	\$ 1,754,845	\$ 5,677,190
F	RPTTF	3,797,345	1,629,845	5,427,190
G	Administrative RPTTF	125,000	125,000	250,000
H	Current Period Enforceable Obligations (A+E):	\$ 3,922,345	\$ 1,754,845	\$ 5,677,190

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

South Lake Tahoe Recognized Obligation Payment Schedule (ROPS 17-18) - ROPS Detail

July 1, 2017 through June 30, 2018

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	17-18A (July - December)					Q	17-18B (January - June)					W
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
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	ROPS 17-18 Total					17-18A Total						17-18B Total	
5	RCA Notes Securing 2007	Bonds Issued On or Before	10/1/2007	10/1/2037	Bondholders paid by	Bond issues to fund non-housing		\$ 118,694,241		\$ 5,077,190					\$ 3,923,345						\$ 1,724,845	
6	Contracted Financial Services	Fees	10/1/1999	10/1/2037	Bank of New York Mellon, William, Fraser & Associates	Trustee Services, arbitrage rebate calculations, continuing disclosure reports, pass through calculations		75,000	N	\$ 75,000					\$ 37,500						\$ 37,500	
7	Contracted Legal Services	Admin Costs	10/1/2007	6/30/2014	Richards, Watson and Gershon	Redevelopment Dissolution Legal Costs		10,000	N	\$ 10,000					5,000						5,000	
21	Administrative Costs	Admin Costs	11/1/2014	6/30/2014	City of South Lake Tahoe	Costs to Administer Successor Agency (Internal debt administration, accounting financial reporting, legal and bonding fees)		250,000	N	\$ 240,000					120,000						120,000	
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 9/27/11	3/1/2004	10/1/2037	City of South Lake Tahoe General Fund	Park Avenue Project Completion costs loan		5,276,219	N	\$ -					\$ -						\$ -	
27	2014 Redevelopment Project Area No. 1 Series A Notes	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		42,276,017	N	\$ 1,737,668				1,164,734	\$ 1,164,734					573,134	\$ 573,134	
28	2015 Redevelopment Project Area No. 1 Series A Notes	Bonds Issued After 12/31/10	9/16/2015	10/1/2035	Bondholders paid by Trustee (Bank of New York Mellon)	Refunding of 2005 Refunding Revenue Bonds to fund non-housing projects		36,820,918	N	\$ 2,453,094				1,884,447	\$ 1,884,447					568,647	\$ 568,647	
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**South Lake Tahoe 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	
		Fund Sources							
		Bond Proceeds		Reserve Balance		Other	RPTTF		
	Cash Balance Information by ROPS Period	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	Comments	
ROPS 15-16B Actuals (01/01/16 - 06/30/16)									
1	Beginning Available Cash Balance (Actual 01/01/16)	5,748,125					-		
2	Revenue/Income (Actual 06/30/16) RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during June 2016					326,783	1,448,588		
3	Expenditures for ROPS 15-16B Enforceable Obligations (Actual 06/30/16)					326,783	1,448,588		
4	Retention of Available Cash Balance (Actual 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)								
5	ROPS 15-16B RPTTF Balances Remaining	No entry required							
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ 5,748,125	\$ -	\$ -	\$ -	\$ -	\$ -		