



City of Port Hueneme

PORT HUENEME CITY COUNCIL REGULAR MEETING

APRIL 16, 2012

AGENDA AMENDMENT

Item 7A has been added to the Agenda as follows:

7. FINANCE DIRECTOR:

- A. ADOPTION OF A RESOLUTION AMENDING THE JANUARY - JUNE, 2012 INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINSTRATIVE BUDGET FOR THE CITY OF PORT HUENEME AS REDEVELOPMENT SUCCESSOR AGENCY
Action: It is recommended the City Council adopt a Resolution amending the January - June, 2012 Initial Recognized Obligation Payment Schedule and Administrative Budget for the City of Port Hueneme acting as Redevelopment Successor Agency.

RESOLUTION NO. _____
A RESOLUTION OF THE CITY COUNCIL ACTING AS SUCCESSOR AGENCY TO THE PORT HUENEME REDEVELOPMENT AGENCY AMENDING THE JANUARY-JUNE, 2012 INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE § 34177

The previously numbered items 7 (Council Members' Reports/Comments), 8 (Open Forum), and 9 (Closed Session) are now Items 8, 9, and 10, respectively.

David J. Norman
City Manager &
Interim City Clerk

Dated: April 13, 2012



City of Port Hueneme

COUNCIL AGENDA STAFF REPORT

TO: City Council Acting as Redevelopment Successor Agency

FROM: Robert Bravo, Finance Director

SUBJECT: ADOPTION OF A RESOLUTION AMENDING THE JANUARY - JUNE, 2012 INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE CITY OF PORT HUENEME AS REDEVELOPMENT SUCCESSOR AGENCY

DATE: April 16, 2012

RECOMMENDATION:

It is recommended the City Council adopt a Resolution amending the January - June, 2012 Initial Recognized Obligation Payment Schedule and Administrative Budget for the City of Port Hueneme acting as Redevelopment Successor Agency.

FISCAL IMPACT:

Dissolution of the former Redevelopment Agency and the subsequent liquidation of former Agency properties will generate some additional property tax revenue in addition to a \$250,000 Administrative Fee for the City, but such revenue is not anticipated to fully replace the amount of tax increment revenue previously received by the Redevelopment Agency. The net negative fiscal impact of Agency dissolution for the current fiscal year and FY 2012-13 will be addressed through the annual budget process.

RELATIONSHIP TO THE STRATEGIC PLAN:

None.

BACKGROUND/ANALYSIS:

In connection with the approval and adoption of the State Budget for Fiscal Year 2011-12, the California Legislature adopted, and the Governor signed, ABx1 26 (Stats. 2011, chap. 5, "ABx1 26") (the "Dissolution Act"), which effectively dissolved all redevelopment agencies in the State of California.

AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE

April 16, 2012

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In compliance with the Dissolution Act, the City's Redevelopment Agency adopted a Recognized Obligation Payment Schedule ("ROPS") on February 29, 2012. Since that date, the State Department of Finance ("DOF") has changed the forms for submittal of the ROPS and commented on the draft ROPS adopted by the Council action as Redevelopment Successor Agency. In addition, the Finance Department has updated the Successor Agency Administrative Budget to reflect actual expenses for the months of January – March, 2012, and re-estimated expenses for the months of April – June, 2012.

As a result of the comments made by the DOF and the changes made by the City's Finance Department to the ROPS and the Administrative Budget, it is necessary for the City Council acting as Successor Agency to amend the previously approved ROPS and Administrative Budget prior to its submittal to the Oversight Board for approval.

Following Oversight Board approval, ROPS and the Administrative Budget will be forwarded to DOF and the County Auditor-Controller, where final approval is expected.

Alternatives:

The following alternatives are presented for Council consideration:

- Approve the recommendation,
- Modify the recommendation and approve,
- Reject the recommendation and/or provide direction to staff.

Attachment:

- Recognized Obligation Payment Schedule and Administrative Budget

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL ACTING AS SUCCESSOR AGENCY TO THE PORT HUENEME REDEVELOPMENT AGENCY AMENDING THE JANUARY-JUNE, 2012 INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE § 34177

The City Council of the City of Port Hueneme, acting as Successor Agency to the Port Hueneme Redevelopment Agency ("Successor Agency"), does resolve as follows:

Section 1. The City Council finds and declares that:

- A. On June 29, 2011, AB 1X 26 and AB 1X 27 became effective, requiring that each redevelopment agency within California be dissolved unless the community that created it enacts an ordinance committing it to making certain payments;
- B. On December 29, 2011, the California Supreme Court issued a decision in *California Redevelopment Association v. Matosantos* (Case No. S194861) largely upholding AB 1X 26, invalidating AB 1X 27 as unconstitutional, and holding that AB 1X 26 may be severed from AB 1X 27 and enforced independently;
- C. The Supreme Court generally revised the effective dates and deadlines for performance of obligations in Part 1.85 arising before May 1, 2012, to take effect four months later;
- D. As a result of the Supreme Court's decision, the Port Hueneme Redevelopment Agency (the "Redevelopment Agency"), created pursuant to the Community Redevelopment Law, was dissolved pursuant to AB 1X 26 on February 1, 2012;
- E. By its Resolution No. 4002, adopted on January 11, 2012, the City Council of the City of Port Hueneme made an election to serve as the successor agency for the Redevelopment Agency under Part 1.85 (the "Successor Agency");
- F. By its Resolution No. 828, adopted on January 30, 2012, the Redevelopment Agency approved an amended Enforceable Obligation Payment Schedule ("EOPS");
- G. Health & Safety Code § 34177(l) requires the Successor Agency to prepare and approve an Initial Recognized Obligation Payment Schedule ("ROPS") for the period from February 1, 2012 through June 30, 2012, which describes the dates and amounts of scheduled payments for each enforceable obligation of the Redevelopment

Agency for the identified time period and identify the funding source to pay each obligation;

- H. Another Recognized Obligation Payment Schedule must be approved by the Successor Agency for the successive six months, from July 1, 2012 through December 31, 2012, detailing the payments due during that time period;
- J. Each Recognized Obligation Payment Schedule must be approved by the oversight board and is subject to review and approval by the County Auditor-Controller, Department of Finance, and State Controller;
- K. The City Council, acting as Successor Agency, adopted an Initial Recognized Obligation Payment Schedule on February 29, 2012 by its Resolution 4012 and forwarded said Schedule to the California State Department of Finance for comment;
- L. The California State Department of Finance commented on the Initial ROPS and issued new reporting forms, upon which the City's Finance Department made adjustments to the Initial ROPS and Administrative Budget for subsequent approval by the City Council acting as Redevelopment Successor Agency;
- M. The Council acting as Redevelopment Successor Agency desires to adopt this Resolution amending the previously adopted Initial Recognized Obligation Schedule for the period from January 1, 2012 through June 30, 2012.

Section 2. *Amended Initial Recognized Obligation Payment Schedule and Administrative Budget.* The Board hereby amends the Initial Recognized Obligation Payment Schedule and Administrative Budget for the period of January 1, 2012 – June 30, 2012, attached as Exhibit "A" to this Resolution.

Section 3. *Authorization.* 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 providing documents associated with the Initial ROPS to all affected agencies in accordance with State Law and California State Department of Finance and State Controller guidance. The Executive Director, or designee, is the official whom the Department of Finance may make requests for review in connection with the Initial ROPS.

Section 4. *Transmittal.* The Secretary shall transmit the Initial ROPS to the Oversight Board for approval. Upon approval from the oversight board, the Secretary shall provide the ROPS to the County Auditor-Controller, State Controller, and Department of Finance.

Section 5. *Amendment.* The Initial ROPS may be amended from time to time at any public meeting of the Board.

Section 6. *Environmental Determination.* This Resolution is exempt from review under the California Environmental Quality Act (California Public Resources Code §§ 2100, et seq., “CEQA”) and CEQA regulations (14 California Code of Regulations §§ 15000, et seq.) because it establishes rules and procedures to implement government funding mechanisms; does not involve any commitment to a specific project which could result in a potentially significant physical impact on the environment; and constitutes an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. Accordingly, this Resolution does not constitute a “project” that requires environmental review (see specifically 14 CCR § 15378(b)(4-5)).

Section 7. *Reliance on Record.* Each and every one of the findings and determinations in this Resolution are based on the competent and substantial evidence, both oral and written, contained in the entire record relating to the Successor Agency and applicable law. The findings and determinations constitute the independent findings and determinations of the Board in all respects and are fully and completely supported by substantial evidence in the record as a whole.

Section 8. *Summaries of Information.* All summaries of information in the findings, which precede this Section, are based on the substantial evidence in the record including, without limitation, verbal and documentary evidence submitted to the Successor Agency. The absence of any particular fact from any such summary is not an indication that a particular finding is not based in part on that fact.

Section 9. The Secretary is directed to certify the adoption of this Resolution; record this Resolution in the book of the City’s original resolutions; and make a minute of the adoption of the Resolution in the Successor Agency’s records and the minutes of this meeting.

Section 10. This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.

PASSED, APPROVED, AND ADOPTED this 16th day of April, 2012.

DOUGLAS A. BREEZE
MAYOR

ATTEST:

MICHELLE ASCENCION
DEPUTY CITY CLERK

APPROVED AS TO FORM:

MARK D. HENSLEY
CITY ATTORNEY

APPROVED AS TO CONTENT:

DAVID J. NORMAN
CITY MANAGER

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE - CONSOLIDATED
FILED FOR THE JANUARY 1, 2012 to JUNE 30, 2012 PERIOD**

Name of Successor Agency Port Hueneme Redevelopment Agency _____

	Current	
	Total Outstanding Debt or Obligation	Total Due During Fiscal Year
Outstanding Debt or Obligation	\$ 29,339,688.04	\$ 3,848,445.88
	Total Due for Six Month Period	
Outstanding Debt or Obligation	\$ 3,129,225.35	
Available Revenues other than anticipated funding from RPTTF	\$ -	
Enforceable Obligations paid with RPTTF	\$ 2,635,184.19	
Administrative Cost paid with RPTTF	\$ 198,051.35	
Pass-through Payments paid with RPTTF	\$ 295,989.81	
Administrative Allowance (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)	\$ 131,759.21	

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.

Name Title

Signature Date

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)						
								Payments by month						
								Jan 2012	Feb 2012	Mar 2012	Apr 2012	May 2012	Jun 2012	Total
1) 1993 Tax Allocation Refunding Bonds	5/1/1993	Bank of New York	Bonds to Fund Central Comm Capital Projects	Central Comm.	2,565,000.00	999,337.50	RPTTF					880,537.50	48,262.50	\$ 928,800.00
2) 1993 Tax Allocation Refunding Bonds	5/1/1993	Bank of New York	Bonds to Fund R-76 Capital Projects	R-76	2,185,000.00	315,562.50	RPTTF					187,437.50	63,537.50	\$ 250,975.00
3) 2004 Tax Allocation Refunding Bonds	2004	Bank of New York	Bonds to Fund Central Comm Capital Projects	Central Comm.	11,580,000.00	823,490.64	RPTTF					341,684.38	240,121.88	\$ 581,806.26
4) Central Community - Promissory Note #7	10/20/1999	City of Port Hueneme	Loan to Fund Capital Projects	Central Comm.	1,780,288.00	385,104.00	RPTTF	32,092.00		64,184.00			96,276.00	\$ 192,552.00
5) NCEL - Promissory Note #1	1/7/1998	Surplus Property Authority	Loan to Fund Capital Projects	NCEL	7,626,717.88	86,430.00	RPTTF			21,607.50			21,607.50	\$ 43,215.00
6) Fiscal Agent Fees	2004	Bank of New York	Banking Fees	Central Comm./R-76	10,000.00	10,000.00	RPTTF				5,000.00	5,000.00		\$ 10,000.00
7) Cost Allocation Expenses	6/18/2012	City of Port Hueneme	Allocated expenses for Insurance and Overhead	ALL	36,495.00	255,465.00	RPTTF	36,495.00						\$ 36,495.00
8) Repairs & Maintenance	Not Applicable	Various	Landscaping and Weed Abatement for Property	Central Comm./R-76	4,000.00	4,000.00	RPTTF					2,000.00	2,000.00	\$ 4,000.00
9) Contract Services - Misc.	6/18/2012	Jenkins & Hugin, LLP	Legal Services	ALL	8,964.00	8,964.00	RPTTF	8,964.00						\$ 8,964.00
10) Staffing Services	6/18/2012	City of Port Hueneme	Payroll for Employees	ALL	29,777.33	208,441.31	RPTTF	29,777.33						\$ 29,777.33
11) Utilities	6/18/2012	City of Port Hueneme	Utilities for Successor Agency properties	Central Comm./R-76	4,637.00	4,637.00	RPTTF	4,637.00						\$ 4,637.00
12) Contract Services - Misc.	Not Applicable	Various	Property Marketing Services	Central Comm./R-76	20,067.50	20,067.50	RPTTF			67.50		10,000.00	10,000.00	\$ 20,067.50
13) Repairs & Maintenance	Not Applicable	Various	Repairs & Maint of Successor Agency properties	Central Comm./R-76	4,442.00	4,442.00	RPTTF	1,442.00			1,000.00	1,000.00	1,000.00	\$ 4,442.00
14) Administrative Fees	Not Applicable	County of Ventura	AB 1924 Fees	ALL	103,000.00	103,000.00	RPTTF				51,500.00		51,500.00	\$ 103,000.00
15) Contract Services - Misc.	Not Applicable	TBD	Legal Services - for Successor Agency	ALL	20,000.00	20,000.00	RPTTF					10,000.00	10,000.00	\$ 20,000.00
16) Contract Services - Misc.	Not Applicable	TBD	Appraisal Services	Central Comm./R-76	7,000.00	7,000.00	RPTTF				2,000.00	5,000.00		\$ 7,000.00
17) Low and Moderate Income Housing Fund Debt	5/7/2003	City of Port Hueneme	Debt Obligations	ALL	2,854,531.00	285,453.10	RPTTF			142,726.55			142,726.55	\$ 285,453.10
18) Arbitrage Rebate Analysis	2004	Bond Logistics	Arbitrage Rebate Analysis for Bonds	Central Comm./R-76	4,000.00	4,000.00	RPTTF					4,000.00		\$ 4,000.00
19) Low and Moderate Income Housing Debt (ERAF)	12/2/1998	City of Port Hueneme	Debt Obligations from ERAF	Central Comm./R-76	292,717.00	100,000.00	RPTTF				50,000.00		50,000.00	\$ 100,000.00
20)														\$ -
21)														\$ -
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35)														\$ -
Totals - This Page (RPTTF Funding)					\$ 29,136,636.71	\$ 3,645,394.55	N/A	\$ 113,407.33	\$ -	\$ 228,585.55	\$ 107,500.00	\$ 1,443,659.38	\$ 742,031.93	\$ 2,635,184.19
Totals - Page 2 (Other Funding)					\$ -	\$ -	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Page 3 (Administrative Cost Allowance)					\$ 203,051.33	\$ 203,051.33	N/A	\$ -	\$ 22,110.27	\$ 22,110.27	\$ 22,943.60	\$ 60,193.60	\$ 70,693.61	\$ 198,051.35
Totals - Page 4 (Pass Thru Payments)					\$ 5,059,891.85	\$ 389,222.45	N/A	\$ -	\$ -	\$ -	\$ -	\$ 202,757.14	\$ 93,232.67	\$ 295,989.81
Grand total - All Pages					\$ 29,339,688.04	\$ 3,848,445.88		\$ 113,407.33	\$ 22,110.27	\$ 250,695.82	\$ 130,443.60	\$ 1,503,852.98	\$ 812,725.54	\$ 3,129,225.35

* 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

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						
									Jan 2012	Feb 2012	Mar 2012	Apr 2012	May 2012	Jun 2012	
1)															\$ -
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Totals - LMIHF															\$0.00
Totals - Bond Proceeds															\$0.00
Totals - Other															\$0.00
Grand total - This Page						\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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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

