AGENDA
SPECIAL MEETING OF THE OVERSIGHT BOARD OF THE
EL CERRITO REDEVELOPMENT SUCCESSOR AGENCY

Wednesday, January 24, 2018, 7:30 pm

Hillside Conference Room
El Cerrito City Hall, Second Floor
10890 San Pablo Avenue
El Cerrito CA, 94530

1. Roll Call

2. Board/Staff Communications (Informational reports on matters of general interest which are announced by the Oversight Boardmembers or Board staff.)

3. Public Comment
   Comments are limited to 3 minutes per speaker.

4. New Business Items
   A. Approval of Minutes
      Approve the January 24, 2017 Oversight Board of the El Cerrito Redevelopment Successor Agency special meeting minutes.

   B. Review and Authorization to Submit the Draft Recognized Obligations Payment Schedule 18-19 (July 1, 2018 – June 30, 2019)
      Adopt an Oversight Board resolution reviewing and authorizing submittal of the draft Amended Recognized Obligations Payment Schedule 18-19.

   C. Update on disposition of properties within the Long Range Property Management Plan

   D. Update on Dissolution Timeline and establishment of Countywide Oversight Board

5. Adjournment

- Oversight Board meetings are not televised.
- In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Board Clerk, (510) 215-4305. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 ADA Title I).
SPECIAL MEETING OF THE OVERSIGHT BOARD OF THE
EL CERRITO REDEVELOPMENT SUCCESSOR AGENCY

MINUTES

Tuesday, January 24, 2017, 6:30 p.m.

Hillside Conference Room
El Cerrito City Hall, Second Floor
10890 San Pablo Avenue
El Cerrito CA, 94530

1. Roll Call
   6:32 p.m.
   Present: Directors Dotson (arrived 6:50 p.m.), Kronenberg, Potter, Rasiah, Solseng, Zepeda and Chair Jones all present.
   Absent: None
   Also Present: Karen Tiedemann, Special Counsel.

2. Board/Staff Communications
   Melanie Mintz, Community Development Director, updated Board Members on current and upcoming development projects, including the Mayfair property and plans for a business hotel and also updated the Board regarding the status of affordable housing in the City.

   Cheryl Morse, City Clerk, updated Board Members with information related to the City’s Centennial Celebration events and distributed a calendar of events.

3. Public Comment – No comments.

4. New Business Items
   A. Approval of Minutes
      Approve the September 27, 2016 Oversight Board of the El Cerrito Redevelopment Successor Agency special meeting minutes.

      Action: Moved, seconded (Rasiah/Solseng) and carried unanimously to approve the minutes.

Adopt an Oversight Board resolution reviewing and authorizing submittal of the draft Amended Recognized Obligations Payment Schedule 17-18.

Action: Moved, seconded (Potter/Kronenberg) and carried unanimously to adopt Oversight Board Resolution No. 2017–01

Adjourned at 6:53 p.m.
Date: January 24, 2018
To: Oversight Board to the El Cerrito Redevelopment Successor Agency
From: Melanie Mintz, Community Development Director
Mark Rasiah, Finance Director
Subject: Review and Authorization to Submit the Draft Recognized Obligations Payment Schedule 18-19 (July 1, 2018 - June 30, 2019)

ACTION REQUESTED

Adopt an Oversight Board resolution reviewing and authorizing submittal of the draft Amended Recognized Obligations Payment Schedule 18-19.

BACKGROUND

Recognized Obligation Payment Schedules

ABx1 26 (Dissolution Act) dissolved the El Cerrito Redevelopment Agency (RDA) and established the El Cerrito Redevelopment Successor Agency (Successor Agency) on February 1, 2012. Under the Dissolution Act, the portion of property tax revenues collected in the City of El Cerrito Redevelopment Project Area (Project Area) that was considered Tax Increment prior to the RDA’s dissolution are called Redevelopment Property Tax and are deposited by the County Auditor-Controller (Auditor-Controller) into the Redevelopment Property Tax Trust Fund (RPTTF). The Auditor-Controller distributes the funds in the RPTTF with the following priority:

1. Auditor-Controller’s administrative costs
2. Pass-through payments to the taxing entities affected by the Redevelopment Plan for the Project Area, calculated the same as prior to RDA dissolution
3. Distribution to the Successor Agency to retire the former RDA’s obligations
4. Repayment of loans from the Housing Fund (starting in FY 2014-15)
5. Distribution of residual funds to taxing entities

Beginning with the previous ROPS period, the Successor Agency must review and authorize submittal of a Recognized Obligation Schedule (ROPS) for each fiscal year. Each ROPS must then be approved by the Oversight Board to the Successor Agency (Oversight Board) and the California Department of Finance (DOF) before the Auditor-Controller disburses funding for payments on the approved ROPS.
Agenda Item No. 4(B)

The schedule being reviewed this evening is the draft ROPS 18-19 covering payments due during the period of July 2018 to June 2019. The Successor Agency must submit ROPS 18-19 approved by the Oversight Board to DOF no later than February 1, 2018. The Successor Agency approved the draft ROPS on January 16, 2018. (Resolution 2018-01) After submittal, DOF then has until April 15th to review the ROPS and approve or disapprove of any items. The Successor Agency can request additional review by DOF and an opportunity to meet and confer on disputed items, and must make that request within five business days of receiving a DOF determination. The DOF is required to notify the Successor Agency and Auditor-Controller of its final determination of the approved payments at least 15 days prior to the first distribution date of RPTTF for the ROPS, which is June 1st. RPTTF will continue to be distributed twice annually, on June 1st and January 2nd of each year. The annual ROPS can be amended once per year as long as the amendment is received by DOF before October 1st of the applicable fiscal year.

ANALYSIS

The proposed ROPS 18-19 is Exhibit A to the attached Oversight Board resolution, authorizing its submittal. The Successor Agency adopted Resolution 2018-01 approving the draft ROPS 17-18. It includes: 1) A summary of the funding request; 2) An itemized listing of obligations (“ROPS Detail”); 3) A report of cash balances; Obligations with remaining outstanding balances are included on ROPS 18-19, as follows:

- **Tax Allocation Bond Debt Service:** In August of 2016 items 1, 3, and 5 on the ROPS were refinanced into the 2016 Tax Allocation Bonds. This is shown as item 29. Debt service on the 2016 Bonds had been deferred in order to create savings that can flow to the City and the taxing entities in the form of additional residual revenues. The first debt service payment is due as part of ROPS 18-19 B in the amount of $856,584.

- **Valente Note ($288,216):** Payment is due on March 5, 2019.

- **San Pablo Avenue Streetscape and Streetlights ($431,599):** In the process of closing out multi-year capital improvement projects, it was determined that commitments of tax increment by the RDA to the City were not transferred to the Capital Improvement Fund, but were relied upon for letting construction contracts. While the commitment of tax increment not transferred by the RDA totaled $956,511, the City was able to reduce project costs and only $431,599 of the commitment remains outstanding. This continues to be recorded on the ROPS, although DOF has denied this item in the past. SB 107, which amended the Dissolution Statute effective September 22, 2015, included new language that makes clear that any agreement entered into by the former Redevelopment Agency prior to June 28, 2011 is an enforceable obligation if the agreement relates to State Highway infrastructure improvements that the Redevelopment committed funds to pursuant to Section 33445. The San Pablo Streetscape improvements qualifies for repayment under this new language since San Pablo is a State Designated Highway and the Redevelopment Agency committed funds
to the project prior to June 28, 2011 and pursuant to Section 33445. The Successor Agency is relisting this item in order to keep options open for obtaining repayment of these of funds.

- **ERAF and SERAF Loans ($250,000):** Pursuant to Successor Agency Resolution No. 2014-01 and Oversight Board Resolution No. 2014-03, and consistent to the approved SERAF/ERAF Loan Repayment Schedule, an annual repayment amount is listed on the ROPS.

- **FY 2018-19 Administrative Allowance ($250,000):** One half of the Successor Agency’s administrative allowance is included in each six month period on the ROPS.

The total amount of RPTTF funding required for ROPS 18-19 is estimated to be $2,067,399.

**FINANCIAL CONSIDERATIONS**
As a direct result of refunding all the outstanding Tax Allocation Bonds in 2016, debt service payments have been deferred to March 2019. This has had a positive effect on City cash flows in 2017 and 2018 from residual revenues that flow to the City.

It is estimated that the total amount of RPTTF funding required for ROPS 18-19 is $2,067,399. In order to repay the obligations of the Successor Agency, the ROPS must be approved and submitted to the DOF.

**LEGAL CONSIDERATIONS**
All actions being requested are consistent with the Dissolution Act, as amended and have been reviewed by the Agency attorney

Reviewed by:

Scott Hanin
City Manager

**Attachments:**
1. Resolution and Draft ROPS 17-18
RESOLUTION OF THE OVERSIGHT BOARD OF THE EL CERRITO REDEVELOPMENT AGENCY APPROVING THE DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE 18-19 FOR THE JULY 1, 2018-JUNE 30, 2019 PERIOD, AS REQUIRED UNDER ABX126 AND AB1484, AND AUTHORIZING FUTURE REVISIONS THAT DO NOT INCREASE THE SUCCESSOR AGENCY’S OVERALL OBLIGATIONS

WHEREAS, pursuant to the California Community Redevelopment Law (the “Redevelopment Law”), the City Council (the “City Council”) of the City of El Cerrito (the “City”) adopted the Redevelopment Plan for the City of El Cerrito Redevelopment Project Area by Ordinance No. 77-17, as amended by Ordinances No. 80-13; No. 89-5; No. 94-4; No. 2004-3; No. 2005-01; and No. 2006-10 (collectively, the “Redevelopment Plan”); and

WHEREAS, the El Cerrito Redevelopment Agency (the “RDA”) was responsible for implementation of the Redevelopment Plan; and

WHEREAS, as part of the 2011-12 State budget bill, ABx1 26 (the “Dissolution Act”) was enacted significantly modifying the Redevelopment Law to require the dissolution of redevelopment agencies throughout California and the establishment of successor agencies to wind down the former redevelopment agencies’ affairs; and

WHEREAS, on August 15, 2011, pursuant to the Dissolution Act, the City elected to serve as the El Cerrito Redevelopment Agency Successor Agency (the “Successor Agency”), should the RDA be dissolved; and

WHEREAS, California redevelopment agencies were dissolved on February 1, 2012; and

WHEREAS, pursuant to the Dissolution Act, upon dissolution, the RDA transferred as a matter of law all remaining liabilities, debts and obligations to the Successor Agency; and transferred all unencumbered funds and assets to the Successor Agency’s Redevelopment Obligation Retirement Fund (the “RORF”), for disposition and/or use by the Successor Agency to retire RDA debt and pay for RDA obligations; and

WHEREAS, pursuant to the Dissolution Act, the Contra Costa County Auditor Controller (the “Auditor-Controller”) established the Redevelopment Property Tax Trust Fund (the “RPTTF”) to hold Redevelopment Property Tax collected from the City of El Cerrito Redevelopment Project Area to be disbursed to the Successor Agency for payment of its enforceable obligations and to taxing entities affected by the Redevelopment Plan; and

WHEREAS, SB 107 was enacted on September 22, 2015 modifying the Dissolution Act to require the Successor Agency to submit an Oversight Board approved annual Recognized Obligations Payment Schedule 18-19 (“ROPS 18-19”) covering the period July 1, 2018 through June 30, 2019 to the Department of Finance (the “DOF”) by February 1, 2018; and

WHEREAS, the Oversight Board to the Successor Agency to the El Cerrito Redevelopment Agency (the “Oversight Board”) was formed on April 4, 2012; and
WHEREAS, the City Council acting in its role as governing board of the Successor Agency, reviewed and authorized a draft ROPS 18-19, prepared pursuant to the Dissolution Act on January 16, 2018; and

WHEREAS, the Oversight Board desires to authorize the Successor Agency staff to prepare and submit to the appropriate entities modifications to the ROPS 18-19 on matters that can be handled administratively and have no impact on the Successor Agency’s overall obligations.

WHEREAS, at the time the Former Redevelopment Agency was dissolved, the Former Redevelopment Agency owed the City $431,599 related to the San Pablo Streetscape Improvements; and

WHEREAS, SB 107 specifically provides at Section 34171(d)(2) that an agreement entered into by a Redevelopment Agency prior to June 28, 2011 is an enforceable obligation if it relates to State Highway Infrastructure improvements to which the Redevelopment Agency committed funds: and

WHEREAS, the Successor Agency has determined that the amounts owed to the City constitute an enforceable obligations pursuant to Section 34171(d)(2) to be listed on the ROPS 18-19; and

WHEREAS, the Successor Agency wishes to authorize Successor Agency staff to amend the ROPS 18-19 administratively to account for any additional changes made by the DOF to the ROPS form or changes made by the Oversight Board that occur after the Successor Agency’s consideration.

NOW THEREFORE, BE IT RESOLVED that the Oversight Board of the El Cerrito Redevelopment Agency hereby approves the draft Recognized Obligation Payment Schedule 18-19 for the July 2018-June 2019 period, as required under the Dissolution Act and attached hereto as Exhibit A.

BE IT FURTHER RESOLVED that the Oversight Board of the El Cerrito Redevelopment Agency authorizes the submittal of the draft Recognized Obligation Payment Schedule 18-19 as required under the Dissolution Act, subject to such changes as may be necessary to accommodate changes in the DOF approved form and any changes made by the Oversight Board any such changes to be approved by the City Manager.

BE IT FURTHER RESOLVED, the Oversight Board of the El Cerrito Redevelopment Agency authorizes the inclusion in the ROPS 18-19 of a reimbursement to the City of El Cerrito for the San Pablo Streetscape Improvement in the amount of $431,599 in accordance with Section 34171(d)(2).

BE IT FURTHER RESOLVED that this Resolution shall become effective immediately upon its passage and adoption.

I CERTIFY that at the special meeting on January 24, 2018, the Oversight Board of the El Cerrito Redevelopment Successor Agency passed this resolution by the following vote:

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:
I sign this document on January 30, 2018.

________________________________________
Cheryl Morse, City Clerk

APPROVED:

________________________________________
Bill Jones, Oversight Board Chair
**Recognized Obligation Payment Schedule (ROPS 18-19) - Summary**

Filed for the July 1, 2018 through June 30, 2019 Period

<table>
<thead>
<tr>
<th>Successor Agency:</th>
<th>El Cerrito</th>
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<tbody>
<tr>
<td>County:</td>
<td>Contra Costa</td>
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</tbody>
</table>

### Current Period Requested Funding for Enforceable Obligations (ROPS Detail)

<table>
<thead>
<tr>
<th>Enforceable Obligations Funded as Follows (B+C+D):</th>
<th>18-19A Total (July - December)</th>
<th>18-19B Total (January - June)</th>
<th>ROPS 18-19 Total</th>
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<tbody>
<tr>
<td>$</td>
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<tr>
<td>B Bond Proceeds</td>
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<td>C Reserve Balance</td>
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<td>D Other Funds</td>
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<td>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</td>
<td>$ 806,599</td>
<td>$ 1,269,800</td>
<td>$ 2,076,399</td>
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<td>F RPTTF</td>
<td>806,599</td>
<td>1,269,800</td>
<td>2,076,399</td>
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<td>G Administrative RPTTF</td>
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<tr>
<td>H Current Period Enforceable Obligations (A+E):</td>
<td>$ 806,599</td>
<td>$ 1,269,800</td>
<td>$ 2,076,399</td>
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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
### El Cerrito Recognized Obligation Payment Schedule (ROPS 18-19) - ROPS Detail

July 1, 2018 through June 30, 2019

<table>
<thead>
<tr>
<th>Index</th>
<th>Project Name/Description</th>
<th>Obligation Type</th>
<th>Contract/Agreement Execution Date</th>
<th>Contract/Agreement Repeal Date</th>
<th>Project Area</th>
<th>Description/Project Scope</th>
<th>Total Ongoing Debt on Obligation</th>
<th>Ongoing Debt Due</th>
<th>Bond Proceeds</th>
<th>Reserve Balances</th>
<th>Other Funds</th>
<th>Construction Costs</th>
<th>Admin Costs</th>
<th>RPTTF</th>
<th>Admin RPTTF</th>
<th>Total Bond Proceeds</th>
<th>Other Funds</th>
<th>RPTTF</th>
<th>Admin RPTTF</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>2016 Tax Allocation Bonds</td>
<td>Unknown</td>
<td>1/1/2016</td>
<td>12/31/2021</td>
<td>El Cerrito</td>
<td>San Pablo Avenue Streetscape</td>
<td>$14,350,132</td>
<td>$806,599</td>
<td>$250,000</td>
<td>$288,216</td>
<td>$125,000</td>
<td>$2,076,399</td>
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<td>$2,076,399</td>
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[Report Amounts in Whole Dollars]
### El Cerrito Recognized Obligation Payment Schedule (ROPS 18-19) - Report of Cash Balances

**July 1, 2015 through June 30, 2016**  
(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](#).

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<th>A</th>
<th>B</th>
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<tr>
<td><strong>Bond Proceeds</strong></td>
<td>Reserve Balance</td>
<td>Other</td>
<td>RPTTF</td>
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<td>Cash Balance Information for ROPS 15-16 Actuals</td>
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<td>Bonds issued on or before 12/31/10</td>
<td>Bonds issued on or after 01/01/11</td>
<td>Prior ROPS period balances and DDR RPTTF balances retained</td>
<td>Prior ROPS RPTTF distributed as reserve for future period(s)</td>
<td>Rent, grants, interest, etc.</td>
<td>Non-Admin and Admin</td>
<td>Comments</td>
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<td><strong>1</strong> Beginning Available Cash Balance (Actual 07/01/15)</td>
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<td><strong>2</strong> Revenue/Income (Actual 06/30/16)</td>
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<td>RPTTF amounts should tie to the ROPS 15-16 total distribution from the County Auditor-Controller during June 2015 and January 2016.</td>
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<td><strong>3</strong> Expenditures for ROPS 15-16 Enforceable Obligations (Actual 06/30/16)</td>
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<td><strong>4</strong> Retention of Available Cash Balance (Actual 06/30/16)</td>
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<td>RPTTF amount retained should only include the amounts distributed as reserve for future period(s)</td>
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<td><strong>5</strong> ROPS 15-16 RPTTF Balances Remaining</td>
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<td><strong>6</strong> Ending Actual Available Cash Balance (06/30/16)</td>
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<td>The beginning balance has been adjusted to reconcile to the June 30, 2016 ending cash balance.</td>
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