

SUCCESSOR AGENCY MEMO

4397

City Clerk Use Only

DATE:

January 18, 2012

Planning & Redevelopment Department

TITLE:

Redevelopment Agency of the City of Roseville Third Enforceable

Obligation Payment Schedule per AB1X-26

CONTACT: Kevin Payne, Assistant Director, (916) 774-5256 or

kpayne@roseville.ca.us

Meeting Date: January 30, 2012

SUMMARY RECOMMENDATION

The Successor Agency Board is requested to approve the attached resolution adopting the Third Amended Enforceable Obligation Payment Schedule in compliance with AB1X-26.

BACKGROUND

In July 2011, California State Legislature approved ABX1 26 and ABX1 27. These two bills were passed as part of the 2011-12 state budget and work together to eliminate redevelopment agencies (ABX1 26) unless they agree to pay the state \$1.7 billion in this fiscal year and \$400 million to schools and special districts in subsequent budget years (ABX1 27). Shortly following adoption of these bills, the California Redevelopment Association (CRA) and the California League of Cities filed a lawsuit. The basis of the suit was that these two budget bills directly violated Proposition 1A (2004), Proposition 22, and Article 16 Section 16 of the California Constitution.

On August 25, 2011, the Agency adopted a resolution (Reso 18-11) approving the Redevelopment Agency of the City of Roseville's Enforceable Obligation Payment Schedule (EOPS) pursuant to AB1X-26. At the direction of the City Auditor, on December 21, 2011, the Agency adopted a resolution (Reso 20-11) amending that EOPS to include the \$5,000,000 loan from the Agency to the Roseville Community Development Corporation.

On December 29, 2011, the State of California Supreme Court ruled that AB1X-27 was unconstitutional based on the provisions in Proposition 22 and that AB1X-26 would be upheld. As a result ABX1-26 being upheld, Agencies have until February 1, 2012 to comply with the law which requires Agencies to adopt an amended EOPS that includes obligations through June 30, 2012; the end of the fiscal year. This amended Enforceable Obligation Payment Schedule per AB1X-26 is included as Attachment A.

DISCUSSION

Per the provisions of AB1X-26 an EOPS is required in order to facilitate the actions of the Successor Agency in ensuring that there is a clear schedule of "legally enforceable obligations". The EOPS is utilized in order to assist in the winding down of the Agencies debt, as it reflects those obligations that the Successor Agency will be responsible to remedy. The past EOPs did not carry through the entire fiscal year and the recent decision of the Supreme Court requires that an amended EOPS be acted upon prior to February 1, 2012.

	Rou	ting	App	roval:
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AGENDA ITE

The content of the EOPS is critical for setting the stage for the development of the future development of the Recognize Obligation Payment Schedule (ROPS). The ROPS must be adopted by the Successor Agency by March 1st. This document is a permanent schedule of obligations that replaces the EOPS. The County Auditor-Controller will then allocate property tax increment to successor agencies to pay debts listed in the ROPS. Given the critical nature of this document, the EOPS that is being recommended for approval has been developed internally and reviewed by our outside Redevelopment Financial Consultant.

FISCAL IMPACT

As the Successor Agency to the City of Roseville Redevelopment Agency this action supports the provisions of the "unwinding" provisions of AB1X-26. This request is required in order to ensure that revenues are allocated through future tax revenues to cover the Redevelopment Agency's past legally enforceable obligations.

ECONOMIC DEVELOPMENT/JOBS CREATED

This action is in response to past legislation and a subsequent court action. The purpose is not to promote economic development or jobs, but to ease the burden on the State budget. The Successor Agency's role is to "unwind" the assets and reduce the revenue necessary to be diverted to pay down the Redevelopment Agency's debt.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment (CEQA Guidelines §15061(b) (3). The adoption of an Enforceable Obligations Payment Schedule does not include the potential for a significant environmental effect, and therefore is not subject to CEQA.

Respectfully submitted,

Kevin Payne

Assistant Director

John Sprague

Assistant City/Manage

APPROVED:

Ray Kerridge

City Manager

Attachments:

1. Enforceable Obligations Payment Schedule

RESOLUTION NO. 12-15

A RESOLUTION OF THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE APPROVING THE THIRD AMENDED ENFORCEABLE OBLIGATION PAYMENT SCHEDULE

WHEREAS, on August 25, 2011, the Redevelopment Agency approved the Enforceable Obligation Payment Schedule (EOPS) pursuant to AB1X-26; and

WHEREAS, Agencies have until February 1, 2012 to comply with the law which requires the Redevelopment Agency to adopt an amended EOPS that includes obligations through June 30, 2012; and

WHEREAS, the City Council has reviewed the Third Amended Enforceable Obligation Payment Schedule;

NOW, THEREFORE, BE IT RESOLVED by the Successor Agency of the Redevelopment Agency of the City of Roseville that the Third Amended Enforceable Obligation Payment Schedule is hereby approved.

PASSED AND ADOPTED by the Successor Agency of the Redevelopment Agency of the City of Roseville this 30th day of January, 2012, by the following vote on roll call:

AYES AGENCY MEMBERS:

Allard, Herman, Garcia, Rohan, Roccucci

Pauline Lacuco

NOES AGENCY MEMBERS:

None

ABSENT AGENCY MEMBERS: None

ATTEST:

AMENDED ENFORCEABLE OBLIGATION PAYMENT SCHEDULE
City of Roseville Redevelopment Agency
FORMED 10/18/1989
Original Plan Area & Flood Area (Lov

Original Plan Area & Flood Area (Low and Moderate Income Admin)

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Totals	Ongoing Property Maintenance	Façade Rebates	Ongoing Monitoring	anoise Monitoring	Administrative Expenses	Passthrough Payments	City Loan-3900000 (2002)	City Loan-7747948 (2002)	City Loan-552217 (2000)	City Loan-59700 (1998)	Tax Allocation Bonds - 2006HT	Tax Allocation Bonds - 2006AT	Tax Allocation Bonds - 2006A	Tax Allocation Bonds - 2002	RCDC Loan (2010)	City Loan-2023679 (2010)	City Loan-3747668 (2007)	City Loan-3000000 (2009)	City Loan-85671 (1998)	City Loan-100000 (1995)	City Loan-1000000 (2005)	City Loan-170000 (1992)	City Loan-969201 (1991)		Project Name / Debt Obligation	
	Maintenance/LLDs	Various Business Owners	Emblohees of ABerich	Employees of Agency	Employees of Agency	Placer County/School Dist	City of Roseville	City of Roseville	City of Roseville	City of Roseville	Bank of New York	Bank of New York	Bank of New York	Bank of New York	City of Roseville	City of Roseville	City of Roseville	City of Roseville	City of Roseville	City of Roseville	City of Roseville	City of Roseville	City of Roseville		Payee	
	RDA Owned/Lease Properties	Various	Alloholde Housing Agreements	Affordable Housing Agreements	Payroll, Indirects, Contract Svcs, Int Exp	Statutory Payments to County and School Dist	Flood Repair	Flood Repair	Flood Repair	Flood Formation Consultant	Bonds for Housing Projects	Bonds for Acquisition of Property & Loans	Bonds for Capital Improvement Projects	Bonds for Capital Improvement Projects	Loan to Roseville Comm Development Corp	Acquisition of Property (320 Vernon St)	Acquisition of Property (Washington Blvd)	Automall Façade Improvements	Underpayment of Passthroughs	Tower Theater Improvements	Acquisition of Property (238 Vernon St)	Acquisition of Property (120 Grant Street)	Loan for Formation of Redevelopment Agency		Description	
\$222,273,332	OOO'OOT	2000	0,700,720	5 965 420	23,312,645	101,669,258	3,900,000	4,395,041	16,778	5,615	13,078,347	4,034,347	29,881,531	20,221,380	3,469,049	2,656,267	4,886,397	2,031,977	104,462	130,520	1,287,993	233,334	832,971		of Chilgadon	ᇫ
\$7,637,910	C/C/CT	75,000	25,000	68 728	1,326,634	1,937,588	0	378,602	0	0	712,394	443,537	963,888	1,548,550	130,178	0	0	0	0	0	37,238	0	0			Total Due During Fiscal Year
Ş																								MILLION TO THE	Aug**	1000000
\$1,390,649											263,856	181,080	320,313	625,400											Sept	
\$421,482						421,482																			Oct	Payments by Month
şo																									Nov	onth
\$2,850,378	10,010	15 572	75 000	34,364	663,317	1,516,106		378,602							130,1/8						37,238				Dec	
\$4,662,509	10,000	15,573	75 000	34,364	663,317	1,937,588	0	378,602	_	0	263,856	181,080	320,313	625,400	130,178	c		0		0 0	37,238	0		STATE OF STA	Total	

COR_EOPS Schedule_JAN_2012 xlsx Amended Jan-June 2012 (2)

AMENDED ENFORCEABLE OBLIGATION PAYMENT SCHEDULE City of Roseville Redevelopment Agency FORMED 10/18/1989 Original Plan Area & Elecal Area from

Project Area(s):	Original Plan Area & Flood A	Original Plan Area & Hood Area (Low and Moderate Income Admin)							ı		
			ğ	Total Due During			Payments by Month	Month			
Project Name / Debt Obligation	tion Payee	Description	or Obligation		Jan	Feb	Mar	Apr	$\overline{}$	May	May [1] June
			TOTAL STREET			100	The profession	S. C. J. J.		Manager In the	
1 City Loan-969201 (1991)	City of Roseville	Loan for Formation of Redevelopment Agency	832,971	0					-		
2 City Loan-170000 (1992)	City of Roseville	Acquisition of Property (120 Grant Street)	233,334	0					+-		
3 City Loan-1000000 (2005)		Acquisition of Property (238 Vernon St)	1,287,993	37,238					_		
_1		Tower Theater Improvements	130,520	0							
5 City Loan-85671 (1998)	City of Roseville	Underpayment of Passthroughs	104,462	0							
- 1		Automall Façade Improvements	2,031,977	0							
_		Acquisition of Property (Washington Blvd)	4,886,397	0							
8 City Loan-2023679 (2010)		Acquisition of Property (320 Vernon St)	2,656,267	0							
		Loan to Roseville Comm Development Corp	3,469,049	130,178					1		
10 Tax Allocation Bonds - 2002		Bonds for Capital Improvement Projects	20,221,380	1,548,550			297,750		ш		625,400
	A	Bonds for Capital Improvement Projects	29,881,531	963,888			323,262		L		320,313
		Bonds for Acquisition of Property & Loans	4,034,347	443,537			81,377				181,080
		Bonds for Housing Projects	13,078,347	712,394			184,682		1		263,856
14 City Loan-59700 (1998)	City of Roseville	Flood Formation Consultant	5,615	0					ı		
	City of Roseville	Flood Repair	16,778	0					П		
		Flood Repair	4,395,041	378,602					ı		
		Flood Repair	3,900,000	0							
		Statutory Payments to County and School Dist	101,669,258	1,937,588							
	Employees of Agency	Payroll, Indirects, Contract Svcs, Int Exp	23,312,645	1,326,634	110,553	110,303	110,303	110,303		110,303	110,303 111,552
	Employees of Agency	Affordable Housing Agreements	5,965,420	68,728	5,727	5,727	5,727	5,727		5,727	5,727 5,727
	Various Business Owners	Various	0	75,000							
	Ц	RDA Owned/Lease Properties	160,000	15,573					ш		
									1 1		
Totals			\$222,273,332	\$7,637,910	\$116,280	\$116,030	\$1,003,101	\$116,030		\$116,030	\$116,030 \$1,507,928

[1] June 2012 includes accruals for September 2012 Debt Service Payments