

Oversight Board of the Successor Agency  
to the Redevelopment Agency of the City of Santa Cruz  
809 Center Street  
Santa Cruz, CA 95060



## **OVERSIGHT BOARD AGENDA**

**Regular Meeting  
September 26, 2013**

9:30 A.M. CONSENT AND GENERAL BUSINESS, COUNCIL CHAMBERS

### **Call to Order**

### **Roll Call**

- \_\_\_\_\_ Hilary Bryant, City of Santa Cruz Mayor
- \_\_\_\_\_ Neal Coonerty, Santa Cruz County Supervisor, District 3
- \_\_\_\_\_ J. Guevara, former Redevelopment Employee, Mid-Managers Association
- \_\_\_\_\_ Doug Ley, Parking District Representative
- \_\_\_\_\_ Cynthia Mathews, Public Member-at-Large
- \_\_\_\_\_ Mary Hart, Associate Superintendent, Santa Cruz County Office of Education
- \_\_\_\_\_ Rachael Spencer, Cabrillo College Trustee

### **Administrative Business**

**Presentations:** Successor Agency and Legislative Update: Bonnie Lipscomb, Director of Successor Agency

### **Additions and Deletions**

### **Consent Agenda**

1. Approve Minutes for the July 11, 2013 Oversight Board Meeting

Resolution to approve as submitted.

### **General Business**

2. Recognized Obligation Payment Schedule 13-14B for the period January 1, 2014 through June 30, 2014

Resolution to approve as submitted.

3. Approval of Transfer of Marnell Alley, APN 009-363-42, to the City of Santa Cruz for a Government Purpose

Resolution to approve as submitted.

4. Approval of Transfer of Birch Lane Parking and Trash Enclosure Area, APN 005-144-14, to the City of Santa Cruz for a Government Purpose

Resolution to approve as submitted.

### **Oral Communications**

### **Adjournment**

### **Next Scheduled Meeting**

Tentatively scheduled for February 27, 2014 at 9:30AM

September 23, 2013

Oversight Board to the Successor Agency of the City of Santa Cruz  
337 Locust Street  
Santa Cruz, CA 95060

**CONSENT AGENDA AND GENERAL BUSINESS RECOMMENDATIONS  
FOR THE SEPTEMBER 26, 2013, REGULAR MEETING OF THE OVERSIGHT  
BOARD**

Dear Oversight Board Members:

This letter serves as a comprehensive staff report to the Oversight Board of the Successor Agency of the City of Santa Cruz for all agenda items for the Regular Meeting of the Oversight Board on Thursday, September 26, 2013.

**Consent Agenda**

1. Minutes of the July 11, 2013 Oversight Board Meeting

**Recommended Action:** Resolution to approve as submitted.

**General Business**

2. Approve Recognized Obligation Payment Schedule for January 1, 2014 through June 30, 2014 (ROPS 13-14B)

**Recommended Action:** Resolution to approve as submitted.

In August 2013, the (DOF) instituted the Redevelopment Agency Dissolution (RAD) Application at <https://rad.dof.ca.gov/rad-sa/login.html> for the 13-14B period. Rather than emailing the ROPS with the signed resolution, DOF now requires successor agencies to use the login system. This new procedure includes downloading a pre-populated spreadsheet (based on the previous ROPS period), providing additional data for debt obligations along with a data validation submittal to DOF in advance of the ROPS deadline prior to submitting and uploading the final, Oversight Board-approved ROPS and the corresponding resolution through the online web application.

Preparation of the ROPS 13-14B is significantly challenged by several factors including the ongoing and unresolved Other Funds Available Due Diligence Review (OFA DDR) process, the need to submit “carryover” RPTTF debt obligations, and reimbursement for the City of Santa Cruz’s payments of debt obligations the Successor Agency was liable for but not authorized to pay directly by the DOF during the previous ROPS period.

ROPS 13-14B is unique in that it is the first ROPS where the Successor Agency must estimate unspent Redevelopment Property Tax Trust Fund (RPTTF) monies in the current period to be re-submitted to the DOF for the subsequent period to ensure continuity of funding for a project that may extend beyond the six-month period. Since staff is estimating unspent funds more than 90 days in advance of the ending of the current ROPS period, ROPS 13-14B includes amounts that will ensure the Agency can pay debts as “carryover” RPTTF debt obligations. These amounts may not accurately reflect final expenditures so far in advance of the close of the current ROPS period.

ROPS 13-14B is further complicated because it includes \$56,302 in debt obligations that the City of Santa Cruz paid on behalf of the Successor Agency while the Other Funds Available Due Diligence Review (OFA DDR) process continued throughout the summer of 2013. DOF notified the Successor Agency on May 3, 2013 in its OFA DDR determination letter that many of the requests to retain reserves were denied with some partial approvals provided on ROPS 13-14A through RPTTF rather than allowing the Successor Agency to retain reserves to pay the recognized debt obligations. For all remaining recognized debt obligations, the DOF denied the use of reserves during the ROPS 3 period and instructed the Successor Agency that its sponsoring entity, the City of Santa Cruz, could pay the debts and then the Successor Agency could resubmit the debt obligations in the ROPS 13-14B period to make the City whole. While the Successor Agency is continuing to seek an appeal of the OFA DDR determination, the City of Santa Cruz (Economic Development) was ultimately obligated to pay the following recognized debt obligations on behalf of the Successor Agency:

| <b>Item #</b> | <b>Project Name</b>  | <b>Amount</b> | <b>Date of Payment</b> |
|---------------|--|---------------|------------------------|
| 6             | Tannery Digital Media Center-Kron wage monitoring                | 4,575         | 6/30/2013              |
| 11            | Tannery Digital Media Center-Kron architect-Carey & Co           | 16,073        | 6/30/2013              |
| 12            | Tannery Digital Media Center-Kron geotechnical svcs-TRC          | 483           | 3/21/2013              |
| 18            | Tannery Digital Media Center Property Mgmt-John Stewart Co.      | 3,063         | 6/30/2013              |
| 44            | Façade Improvement Program-Breakers Hotel                        | 20,000        | 4/11/2013              |
| 45            | Façade Improvement Program-Gabriella (John C. Daly)              | 2,307         | 6/24/2013              |
| 55            | Façade Improvement Program-Wayne Palmer                          | 100           | 4/24/2013              |
| 56            | San Lorenzo River Bridge Replacement-Phase I-AECOM Tech Services | 9,701         | 6/30/2013              |
| <b>TOTAL</b>  |  | 56,302        |                        |

Upon the conclusion of the OFA DDR process, staff expects that some of these items will ultimately be approved and reimbursed to the City (Economic Development).

3. Approval of Transfer of Marnell Alley, APN 009-363-42, to the City of Santa Cruz for a Government Purpose

**Recommended Action:** Authorization by the Oversight Board to transfer Marnell Alley to the City of Santa Cruz for a government purpose.

Pursuant to AB X1 26, the State Controller's Office is in the process of conducting an asset review of the former Agency's redevelopment assets. The objective of the review is to determine the dissolved redevelopment agency's compliance regarding the disposition of the former redevelopment agency's assets. The applicable Health and Safety Code section states that the Controller shall review the activities of redevelopment agencies in the state to determine whether an asset transfer has occurred after January 1, 2011, between the city or county, or city and county that created a redevelopment agency or any other public agency, and the redevelopment agency. If such an asset transfer did occur during that period and the government agency that received the assets is not contractually committed to a third party for the expenditure or encumbrance of those assets, to the extent not prohibited by state and federal law, the Controller shall order the available assets to be returned to the successor agency.

In a preliminary review not yet finalized, the Controller determined that two assets had been transferred to the City after January 1, 2011; Marnell Alley and the Birch Lane Parking and Trash Enclosure Area. The book value of Marnell Alley is \$1,000. The Controller, pending final review, will most likely determine that both assets be returned to the Successor Agency pursuant to Health and Safety Code section 34167.5. However, the Controller also noted that the two assets may also be subject to the provisions of Health and Safety Code Section 34181 (a) which states the following:

“The oversight board shall direct the successor agency to do all of the following:  
(a) Dispose of all assets and properties of the former redevelopment agency that were funded by tax increment revenues of the dissolved redevelopment agency; provided however, that the oversight board may instead direct the successor agency to transfer ownership of those assets that were constructed and used for a government purpose, such as roads, school buildings, parks, and fire stations, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset [emphasis added]”

**Background:** Marnell Alley was created as part of a land subdivision in 1911 to provide drainage and access to lots fronting on San Juan and Marnell Avenues between Soquel Drive and Melrose Avenue. Currently many of the homes along this alley use it for garage or backyard access. The alley was sold in 1984 to a private party at a back tax auction.

The Agency initiated the public acquisition of Marnell Alley at the request of the adjoining property owners and Merritt Motors. Additionally, staff desired to eliminate the dangerous

traffic condition which existed due to the direct access from Marnell Alley to Soquel Avenue. This over time had caused a number of accidents on Soquel Avenue as cars attempted to enter Soquel from Marnell. To accomplish the realignment of Marnell Alley an exchange agreement was approved with Merritt Motors through which the Agency exchanged the southerly 150-foot section of Marnell Alley (1,785 square feet) for a 135-foot strip of property along the northern edge of APN 009-363-42, approximately 2,339 square feet in an area owned by Merritt Motors. This allowed the realignment of the alley so it exited to Marnell Avenue instead of the dangerous exit onto Soquel Avenue.

As part of this exchange the Agency also improved drainage along the alley and made other utility improvements. Those improvements along with the environmental review and clearance were funded from the City's General Fund. Today the alley continues to serve as access to fourteen properties. No commercially viable use or value exists for the future disposition of the site; the value is inherent to the larger neighborhood and the safety of the greater community in general.

The improvements to Marnell Alley were constructed and used for a government purpose. Successor Agency recommends the transfer of Marnell Alley to the City of Santa Cruz for a government use.

4. Approval of Transfer of the Birch Lane Parking and Trash Enclosure Area, APN 005-144-14, to the City of Santa Cruz for a Government Purpose

**Recommended Action:** Authorization by the Oversight Board to transfer the Birch Lane Parking and Trash Enclosure Area to the City of Santa Cruz for a government purpose.

Pursuant to AB X1 26, the State Controller's Office is in the process of conducting an asset review of the former Agency's redevelopment assets. The objective of the review is to determine the dissolved redevelopment agency's compliance regarding the disposition of the former redevelopment agency's assets. The applicable Health and Safety Code section states that the Controller shall review the activities of redevelopment agencies in the state to determine whether an asset transfer has occurred after January 1, 2011, between the city or county, or city and county that created a redevelopment agency or any other public agency, and the redevelopment agency. If such an asset transfer did occur during that period and the government agency that received the assets is not contractually committed to a third party for the expenditure or encumbrance of those assets, to the extent not prohibited by state and federal law, the Controller shall order the available assets to be returned to the successor agency.

As stated in the previous agenda item, the State Controller has determined in a preliminary review not yet finalized that two assets had been transferred to the City after January 1, 2011; Marnell Alley and the Birch Lane Parking and Trash Enclosure Area. The book value of the Birch Lane site is \$157,000. The Controller, pending final review, will most likely determine that both assets be returned to the Successor Agency pursuant to Health and Safety Code section 34167.5 and disposed or transferred to the City pursuant to Health and Safety Code Section 34181 (a) which states the following:

“The oversight board shall direct the successor agency to do all of the following:  
(a) Dispose of all assets and properties of the former redevelopment agency that were funded by tax increment revenues of the dissolved redevelopment agency; provided however, that the oversight board may instead direct the successor agency to transfer ownership of those assets that were constructed and used for a government purpose, such as roads, school buildings, parks, and fire stations, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset .[emphasis added]”

**Background:** The Birch Lane Parking and Trash Enclosure Area was purchased by the former Redevelopment Agency in order to facilitate the implementation of the alley program, create an above ground vault for utilities, create a trash enclosure area for six surrounding commercial businesses and to create downtown public parking spaces with any available residual space. Acquisition of the property allowed the Agency to proceed with the design and construction of improvements along Birch Lane Alley. The use of any residual space for public parking was considered in both the Environmental Impact Report for the Downtown Recovery Plan and the Agency’s Five-Year Implementation Plan.

Similar to the Marnell Alley traffic improvement project, while the property was purchased by the former Agency, the City funded the Site Assessment and some of the improvements on the site including providing construction management. As the value of the site primarily benefits the greater downtown area and City in general, and the improvements to the Birch Lane Parking and Trash Enclosure Area were constructed and used for a government purpose, it is recommended that this site be transferred to the City for government use.

Sincerely,

Bonnie Lipscomb  
Director of Economic Development

Oversight Board of the Successor Agency  
to the Redevelopment Agency of the City of Santa Cruz  
809 Center Street  
Santa Cruz, CA 95060



## **DRAFT MINUTES OF THE OVERSIGHT BOARD MEETING**

### **Regular Meeting**

**July 11, 2013**

9:30 A.M.                      CONSENT AND GENERAL BUSINESS, COUNCIL CHAMBERS

#### **Call to Order**

Clerk Bren Lehr called the meeting to order at 9:30 a.m. in the Council Chambers.

#### **Roll Call**

Present:            Board Members Bryant, Coonerty, Guevara, Hart, and Spencer; Vice Chair Ley

Absent:            Chair Mathews

Staff:              Economic Development Director B. Lipscomb

#### **Administrative Business**

#### **The Oversight Board welcomed new member Mary Hart**

**Presentations** – Director of Successor Agency Bonnie Lipscomb presented on Successor Agency and Legislative updates since the last board meeting.

**Additions and Deletions** - NONE

#### **Consent Agenda**

1. Approve Minutes for the February 28, 2013 Oversight Board Meeting

Vice Chair Ley opened the public comment period. There were no speakers. Vice Chair Ley closed the public comment period.

**ACTION:** Motion by Spencer, second by Coonerty, and carried by a 5:1:1 vote (Mathews absent, Hart abstained); the Consent Agenda was approved.

**General Business**

2. Tannery Arts Center – Space 110 EDA-approved Tenant Improvements Approval

Resolution to approve as Submitted.

Vice Chair Ley opened the public comment period. There were no speakers. Vice Chair Ley closed the public comment period.

**ACTION:** Motion by Bryant, second by Coonerty, and carried by a 6:1:0 vote (Mathews absent); Resolution No. OBSA-11 was adopted.

3. Re-approve Outside Legal Counsel as a Recognized Debt Obligation

Resolution to approve as Submitted.

Vice Chair Ley opened the public comment period. There were no speakers. Vice Chair Ley closed the public comment period.

**ACTION:** Motion by Spencer, second by Bryant, and carried by a 6:1:0 vote (Mathews absent); Resolution No. OBSA-12 was adopted.

**Oral Communications - NONE**

**Adjournment – At 10:03 a.m.**

APPROVED: \_\_\_\_\_  
Vice Chair

ATTEST: \_\_\_\_\_  
Clerk



### Recognized Obligation Payment Schedule (ROPS 13-14B) - Summary

Filed for the January 1, 2014 through June 30, 2014 Period

Name of Successor Agency: Santa Cruz City  
 Name of County: Santa Cruz

| Current Period Requested Funding for Outstanding Debt or Obligation                                  | Six-Month Total     |
|--|---------------------|
| <b>Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding</b> |                     |
| <b>A Sources (B+C+D):</b>  | <b>\$ 1,670,052</b> |
| B Bond Proceeds Funding (ROPS Detail)  | -                   |
| C Reserve Balance Funding (ROPS Detail)  | 1,563,452           |
| D Other Funding (ROPS Detail)  | 106,600             |
| <b>E Enforceable Obligations Funded with RPTTF Funding (F+G):</b>                                    | <b>\$ 1,490,935</b> |
| F Non-Administrative Costs (ROPS Detail)   | 1,365,935           |
| G Administrative Costs (ROPS Detail)   | 125,000             |
| <b>H Current Period Enforceable Obligations (A+E):</b>   | <b>\$ 3,160,987</b> |

| Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding |                     |
|--|---------------------|
| I Enforceable Obligations funded with RPTTF (E):   | 1,490,935           |
| J Less Prior Period Adjustment (Report of Prior Period Adjustments Column U)                     | (6,577)             |
| <b>K Adjusted Current Period RPTTF Requested Funding (I-J)</b>                                   | <b>\$ 1,484,358</b> |

| County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding |                  |
|--|------------------|
| L Enforceable Obligations funded with RPTTF (E):   | 1,490,935        |
| M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AB)                        | -                |
| <b>N Adjusted Current Period RPTTF Requested Funding (L-M)</b>                                       | <b>1,490,935</b> |

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) 13-14B - Report of Fund 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. |   |                                    |                                   |   |   |                              |           |            |               |   |  |
|---|---|------------------------------------|-----------------------------------|---|---|------------------------------|-----------|------------|---------------|---|--|
| A   | B   | C                                  | D                                 | E   | F   | G                            | H         | I          | J             | K   |  |
| Fund Balance Information by ROPS Period   |   | Fund Sources                       |                                   |   |   |                              |           |            |               | Comments  |  |
|   |   | Bond Proceeds                      |                                   | Reserve Balance   |   | Other                        | RPTTF     |            | Total         |   |  |
|   |   | Bonds Issued on or before 12/31/10 | Bonds Issued on or after 01/01/11 | Review balances retained for approved enforceable obligations | RPTTF balances retained for bond reserves | Rent, Grants, Interest, Etc. | Non-Admin | Admin      |               |   |  |
| <b>ROPS III Actuals (01/01/13 - 6/30/13)</b>  |   |                                    |                                   |   |   |                              |           |            |               |   |  |
| 1   | <b>Beginning Available Fund Balance (Actual 01/01/13)</b><br>Note that for the RPTTF, 1 + 2 should tie to columns L and Q in the Report of Prior Period Adjustments (PPAs)            | 2,889,454                          | 35,751,166                        | 3,752,097   | -   | 748,622                      | -         | -          | \$ 43,141,339 | Some "Other Fund Sources" are still under review by DOF and are not listed with the Reserve Balances already approved by DOF. |  |
| 2   | <b>Revenue/Income (Actual 06/30/13)</b> Note that the RPTTF amounts should tie to the ROPS III distributions from the County Auditor-Controller                                       | -                                  | 34,927                            | -   | -   | 1,344,709                    | 1,410,574 | 125,000    | \$ 2,915,210  |   |  |
| 3   | <b>Expenditures for ROPS III Enforceable Obligations (Actual 06/30/13)</b> Note that for the RPTTF, 3 + 4 should tie to columns N and S in the Report of PPAs                         | -                                  | -                                 | 2,554,910   | -   | 223,300                      | 1,403,997 | 130,172    | \$ 4,312,379  |   |  |
| 4   | <b>Retention of Available Fund Balance (Actual 06/30/13)</b> Note that the Non-Admin RPTTF amount should only include the retention of reserves for debt service approved in ROPS III | -                                  | 3,743,712                         | 1,197,187   | -   | -                            | -         | -          | \$ 4,940,899  |   |  |
| 5   | <b>ROPS III RPTTF Prior Period Adjustment</b> Note that the net Non-Admin and Admin RPTTF amounts should tie to columns O and T in the Report of PPAs.                                | No entry required                  |                                   |   |   |                              |           | 6,577      | -             | \$ 6,577  |  |
| 6   | <b>Ending Actual Available Fund Balance (1 + 2 - 3 - 4 - 5)</b>   | \$ 2,889,454                       | \$ 32,042,381                     | \$ -  | \$ -                                      | \$ 1,870,031                 | \$ 6,577  | \$ (5,172) | \$ 36,796,694 | Other Fund Sources in Column G in the amount of \$462,770 are related to the Del Mar Theater and are restricted.              |  |
| <b>ROPS 13-14A Estimate (07/01/13 - 12/31/13)</b>   |   |                                    |                                   |   |   |                              |           |            |               |   |  |
| 7   | <b>Beginning Available Fund Balance (Actual 07/01/13) (C, D, E, G, and I = 4 + 6, F = H4 + F6, and H = 5 + 6)</b>   | \$ 2,889,454                       | \$ 35,786,093                     | \$ 1,197,187  | \$ -                                      | \$ 1,870,031                 | \$ 6,577  | \$ (5,172) | \$ 41,744,170 |   |  |
| 8   | <b>Revenue/Income (Estimate 12/31/13)</b><br>Note that the RPTTF amounts should tie to the ROPS 13-14A distributions from the County Auditor-Controller                               | -                                  | 34,500                            | -   | -   | 148,475                      | 3,824,866 | 60,245     | \$ 4,068,086  |   |  |
| 9   | <b>Expenditures for 13-14A Enforceable Obligations (Estimate 12/31/13)</b>  | -                                  | -                                 | 1,153,187   | -   | 190,109                      | 3,824,866 | 60,245     | \$ 5,228,407  |   |  |
| 10  | <b>Retention of Available Fund Balance (Estimate 12/31/13)</b><br>Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14A          | -                                  | 3,743,712                         | 44,000  | -   | -                            | -         | -          | \$ 3,787,712  |   |  |
| 11  | <b>Ending Estimated Available Fund Balance (7 + 8 - 9 -10)</b>  | \$ 2,889,454                       | \$ 32,076,881                     | \$ -  | \$ -                                      | \$ 1,828,397                 | \$ 6,577  | \$ (5,172) | \$ 36,796,137 |   |  |

**Recognized Obligation Payment Schedule (ROPS ) 13-14B - ROPS Detail**  
**January 1, 2014 through June 30, 2014**  
 (Report Amounts in Whole Dollars)

| A      | B                                      | C                                  | D                                 | E                                   | F                                | G  | H            | I                                    | J       | K   | L               | M           | N            | O          | P               |
|--------|--|------------------------------------|-----------------------------------|-------------------------------------|----------------------------------|--|--------------|--------------------------------------|---------|---|-----------------|-------------|--------------|------------|-----------------|
| 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  |                 |             |              |            | Six-Month Total |
|        |  |                                    |                                   |                                     |                                  |  |              |                                      |         | Non-Redevelopment Property Tax Trust Fund (Non-RPTTF) |                 |             | RPTTF        |            |                 |
|        |  |                                    |                                   |                                     |                                  |  |              |                                      |         | Bond Proceeds   | Reserve Balance | Other Funds | Non-Admin    | Admin      |                 |
|        |  |                                    |                                   |                                     |                                  |  |              | \$ 64,792,148                        |         | \$ -  | \$ 1,563,452    | \$ 106,600  | \$ 1,365,935 | \$ 125,000 | \$ 3,160,987    |
| 1      | 2004 Tax Allocation Bonds              | Bonds Issued On or Before 12/31/10 | 4/1/2005                          | 10/1/2031                           | Bank of New York                 | Bond issue to fund projects                      | Merged       | 5,983,715                            | N       |   |                 |             | 88,074       |            | \$ 88,074       |
| 2      | 2011 A Housing Bonds                   | Bonds Issued After 12/31/10        | 3/7/2011                          | 10/1/2024                           | BNY/JP Morgan                    | Bonds issued to fund housing projects            | Merged       | 10,324,806                           | N       |   |                 |             | 236,746      |            | \$ 236,746      |
| 3      | 2011 B Non Housing Taxable             | Bonds Issued After 12/31/10        | 3/7/2011                          | 10/1/2026                           | BNY/JP Morgan                    | Bonds issued to fund projects                    | Merged       | 27,501,608                           | N       |   |                 |             | 599,664      |            | \$ 599,664      |
| 4      | 2011 C Non Housing Tax Exempt          | Bonds Issued After 12/31/10        | 3/7/2011                          | 10/1/2026                           | BNY/JP Morgan                    | Bonds issued to fund projects                    | Merged       | 8,867,996                            | N       |   |                 |             | 155,436      |            | \$ 155,436      |
| 5      | Bond expenses                          | Fees                               | 4/1/2005                          | 10/1/2031                           | Bank of New York                 | Bond Trustee Fess                                | Merged       | 107,333                              | N       |   |                 |             | 5,423        |            | \$ 5,423        |
| 6      | 1010 Pacific OPA                       | OPA/DDA/Construction               | 1/18/2002                         | 11/12/2033                          | 1010 Pacific Investors           | Payments per OPA                                 | Merged       | 3,956,161                            | N       |   |                 |             | 81,531       |            | \$ 81,531       |
| 7      | 1280 Shaffer OPA                       | OPA/DDA/Construction               | 1/18/2002                         | 11/12/2033                          | 1280 Shaffer Rd Inv.             | Payments per OPA                                 | Merged       | 6,185,804                            | N       |   |                 |             | 126,430      |            | \$ 126,430      |
| 8      | Chestnut LLC OPA                       | OPA/DDA/Construction               | 7/11/2000                         | 11/12/2033                          | Developer Deferred City Fees     | Payments per OPA                                 | Merged       | 135,173                              | N       |   |                 |             | 58,131       |            | \$ 58,131       |
| 9      | Del Mar Property Management            | Property Maintenance               | 1/1/2014                          | 6/30/2014                           | Various                          | Del Mar Theater Roof Replacement, ED Staff Costs | Merged       | -                                    | Y       |   |                 |             |              |            | \$ -            |
| 11     | HWY 1/9 Intersection Imprvmnts Phase I | Improvement/Infrastructure         | 7/13/2004                         | 11/12/2033                          | City Public Works, Various       | HWY 1/9 Improvements                             | Merged       | 100,273                              | N       |   | 100,273         |             |              |            | \$ 100,273      |
| 15     | MBUACPD-Powertrain R & D (Zero)        | Miscellaneous                      | 3/8/2011                          | 3/8/2013                            | Zero Motorcycles                 | Grant Agreement-Pass through                     | Merged       | -                                    | Y       |   |                 |             |              |            | \$ -            |
| 16     | MBUAD-Trolley Grant Agreement          | Miscellaneous                      | 1/12/2012                         | 1/12/2014                           | Trolley Consortium/bid dependent | Grant Agreement-Pass through                     | Merged       | 7,600                                | N       |   |                 | 7,600       |              |            | \$ 7,600        |
| 18     | Econ Dev Marketing Workplan            | Professional Services              | 3/25/2011                         | 6/30/2013                           | Cabrillo-CC Small Bus Dev Ctr    | Contract for Business Development Services       | Merged       | -                                    | N       |   |                 |             |              |            | \$ -            |
| 21     | EDA/CCHE Grant Agmt.                   | Professional Services              | 1/1/2014                          | 6/30/2014                           | Mark Primack Architect, Inc.     | TDMC-Space 110 Architectural Services            | Merged       | 24,894                               | N       |   | 24,894          |             |              |            | \$ 24,894       |
| 22     | EDA/CCHE Grant Agmt.                   | Professional Services              | 1/1/2014                          | 6/30/2014                           | To be determined                 | TDMC-Space 110 Architectural Services            | Merged       | 25,000                               | N       |   | 25,000          |             |              |            | \$ 25,000       |
| 25     | EDA/CCHE Grant Agmt.                   | Improvement/Infrastructure         | 1/1/2014                          | 6/30/2014                           | City Planning Dept.              | TDMC-Space 110 Permit Fees                       | Merged       | 5,000                                | N       |   | 5,000           |             |              |            | \$ 5,000        |
| 26     | EDA/CCHE Grant Agmt.                   | Improvement/Infrastructure         | 1/1/2014                          | 6/30/2014                           | Various (bid dependent)          | TDMC-Space 110 Tenant Improvements               | Merged       | 392,210                              | N       |   | 392,210         |             |              |            | \$ 392,210      |
| 30     | EDA/CCHE Grant Agmt.                   | Improvement/Infrastructure         | 9/30/2009                         | 9/26/2015                           | Various (bid dependent)          | TDMC-Kron landscaping                            | Merged       | 75,000                               | N       |   |                 | 75,000      |              |            | \$ 75,000       |
| 34     | EDA/CCHE Grant Agmt.                   | Miscellaneous                      | 9/30/2009                         | 6/30/2014                           | Tannery Arts Center              | TDMC-Space 110 Space Costs -no tenant            | Merged       | 7,500                                | N       |   |                 |             | 7,500        |            | \$ 7,500        |
| 35     | EDA/CCHE Grant Agmt.                   | OPA/DDA/Construction               | 9/30/2009                         | 6/30/2013                           | CRW                              | TDMC - Kron House Construction - Change Order    | Merged       | -                                    | Y       |   |                 |             |              |            | \$ -            |
| 36     | EDA/CCHE Grant Agmt.                   | Property Maintenance               | 9/30/2009                         | 6/30/2013                           | To be determined                 | River Street - Retaining Wall Cap Repair         | Merged       | -                                    | Y       |   |                 |             |              |            | \$ -            |
| 45     | Del Mar Property Management            | Property Maintenance               | 1/1/2014                          | 6/30/2014                           | Various - TBD                    | Del Mar Facility maintenance & mgmt              | Merged       | 7,000                                | N       |   | 80,000          |             | 7,000        |            | \$ 87,000       |
| 47     | Del Mar Property Management            | Property Maintenance               | 1/1/2014                          | 6/30/2014                           | Various (bid dependent)          | Del Mar Theater exterior painting                | Merged       | -                                    | Y       |   |                 |             |              |            | \$ -            |
| 49     | Del Mar Parking Lot 7 Reconstr.        | Property Maintenance               | 7/1/2007                          | 12/31/2013                          | City-Public Works                | Capital Project                                  | Merged       | -                                    | Y       |   |                 |             |              |            | \$ -            |
| 66     | Trolley Agreement                      | Professional Services              | 3/7/2011                          | 12/31/2014                          | Kimley-Horn and Associates, Inc. | Contract for professional services               | Merged       | 8,000                                | N       |   | 8,000           |             |              |            | \$ 8,000        |
| 67     | Trolley Repairs                        | Professional Services              | 6/13/2011                         | 6/30/2014                           | Santa Cruz Trolley Consortium    | Contract for professional services               | Merged       | 6,321                                | N       |   | 6,321           |             |              |            | \$ 6,321        |





**Recognized Obligation Payment Schedule (ROPS) 13-14B - Report of Prior Period Adjustments**  
 Reported for the ROPS III (January 1, 2013 through June 30, 2013) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)  
 (Report Amounts in Whole Dollars)

**ROPS III Successor Agency (SA) Self-reported Prior Period Adjustments (PPA):** Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS III (July through December 2013) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 13-14B (January through June 2014) period will be offset by the SA's self-reported ROPS III prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.

**ROPS III CAC PPA:** To be completed by the CAC upon submittal of the ROPS 13-14B by the SA to Finance and the CAC

| A      | B                                  | C  | D            | E             | F      | G  | H            | I           | J      | K            | L   | M                                   | N            | O  | P          | Q   | R                                   | S                              | T  | U  | V                                   | W         | X  | Y                                   | Z      | AA   | AB  |                                 |  |
|--------|------------------------------------|--|--------------|---------------|--------|--|--------------|-------------|--------|--------------|---|-------------------------------------|--------------|--|------------|---|-------------------------------------|--------------------------------|--|--|-------------------------------------|-----------|--|-------------------------------------|--------|--|---|---------------------------------|--|
| Item # | Project Name / Debt Obligation     | Non-RPTTF Expenditures   |              |               |        |  |              |             |        |              |   | RPTTF Expenditures                  |              |  |            |   |                                     |                                |  |  |                                     |           |  |                                     |        | Net SA Non-Admin and Admin PPA                           |   | Net CAC Non-Admin and Admin PPA |  |
|        |                                    | LMIHF<br>(Includes LMIHF Due Diligence Review (DDR) retained balances) |              | Bond Proceeds |        | Reserve Balance<br>(Includes Other Funds and Assets DDR retained balances) |              | Other Funds |        | Non-Admin    |   |                                     |              | Admin  |            |   |                                     | Net SA Non-Admin and Admin PPA |  | Non-Admin CAC  |                                     | Admin CAC |  | Net CAC Non-Admin and Admin PPA     |        |  |   |                                 |  |
|        |                                    | Authorized   | Actual       | Authorized    | Actual | Authorized   | Actual       | Authorized  | Actual | Authorized   | Available RPTTF (ROPS III distributed + all other available as of 1/1/13) | Net Lesser of Authorized/ Available | Actual       | Difference (If M is less than N, the difference is zero) | Authorized | Available RPTTF (ROPS III distributed + all other available as of 1/1/13) | Net Lesser of Authorized/ Available | Actual                         | Difference (If R is less than S, the difference is zero) | Net Difference (Amount Used to Offset ROPS 13-14B Requested RPTTF (O + T)) | Net Lesser of Authorized/ Available | Actual    | Difference (If V is less than W, the difference is zero) | Net Lesser of Authorized/ Available | Actual | Difference (If Y is less than Z, the difference is zero) | Net Difference (Amount Used to Offset ROPS 13-14B Requested RPTTF (X + AA)) |                                 |  |
|        |                                    | \$ 2,508,661   | \$ 1,521,081 | \$ -          | \$ -   | \$ 1,243,436   | \$ 1,257,129 | \$ 106,414  | \$ -   | \$ 1,410,574 | \$ 1,410,574  | \$ 1,410,574                        | \$ 1,403,997 | \$ 6,577   | \$ 125,000 | \$ 125,000  | \$ 115,775                          | \$ 130,172                     | \$ -   | \$ 6,577   | \$ -                                | \$ -      | \$ -   | \$ -                                | \$ -   | \$ -   | \$ -  |                                 |  |
| 184    | Façade Improvement - Wayne Palmer  |  |              |               |        | 700  | 900          |             |        |              |   |                                     |              |  |            |   |                                     |                                |  |  |                                     |           |  |                                     |        |  |   |                                 |  |
| 185    | Hwy 1 SLR Bridge - AECOM Technical |  |              |               |        | 10,939   | 10,939       |             |        |              |   |                                     |              |  |            |   |                                     |                                |  |  |                                     |           |  |                                     |        |  |   |                                 |  |

**Recognized Obligation Payment Schedule 13-14B - Notes**

January 1, 2014 through June 30, 2014

| Item #  | Notes/Comments   |
|---------|--|
| General | Other Funds DDR is still under review by DOF.  |
| 173     | Originally listed on ROPS 1, Page 7, Line 7. Also listed on LMIH DDR #5.   |
| 174     | Originally listed on ROPS 1, Page 7, Line 3. Also listed on LMIH DDR #3.   |
| 175     | Originally listed on ROPS 1, Page 2, Lines 6 & 10. Also listed on OFA DDR #6 & #10.  |
| 176     | Originally listed on ROPS 1, Page 2, Line 11. Also listed on OFA DDR #11.  |
| 177     | Originally listed on ROPS 1, Page 2, Line 12. Also listed on OFA DDR #12.  |
| 178     | Originally listed on ROPS 1, Page 2, Lines 3, 4 & 5. Also listed on OFA DDR #3, #4 & #5.   |
| 179     | Originally listed on ROPS 1, Page 2, Line 13. Also listed on OFA DDR #13.  |
| 180     | Originally listed on ROPS 1, Page 2, Line 17. Also listed on OFA DDR #16.  |
| 181     | Originally listed on ROPS 1, Page 2, Line 18. Also listed on OFA DDR #17.  |
| 182     | Originally listed on ROPS 1, Page 4, Line 21. Also listed on OFA DDR #44.  |
| 183     | Originally listed on ROPS 1, Page 4, Line 22. Also listed on OFA DDR #45.  |
| 184     | Originally listed on ROPS 1, Page 4, Line 26. Also listed on OFA DDR #49.  |
| 185     | Originally listed on ROPS 1, Page 5, Line 14. Also listed on OFA DDR #56.  |
| 170     | Approved for Oversight Board legal counsel on ROPS 13-14A. Has not been used yet in the current period but will likely be needed in ROPS 13-14B. |

RESOLUTION NO. OBSA-13

RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF SANTA CRUZ APPROVING THE MINUTES OF THE 11th OF JULY, 2013 REGULAR MEETING

WHEREAS, Health and Safety Code Section 34179 section (e) defines that a majority of the total membership of the oversight board shall constitute a quorum for the transaction of business; and

WHEREAS, Health and Safety Code Section 34179 section (e) determines that a majority vote of the total membership of the oversight board is required for the oversight board to take action; and

WHEREAS, Health and Safety Code Section 34179 section (e) deems the Oversight Board as a local entity for the purposes of the Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act; and

WHEREAS, Health and Safety Code Section 34179 section (e) newly requires all actions taken of the Oversight Board to be taken by resolution; and

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board to the Successor Agency of the former Redevelopment Agency of the City of Santa Cruz that the Oversight Board hereby approves the minutes for the July 11, 2013 regular meeting.

PASSED AND ADOPTED this 26<sup>th</sup> of September, 2013, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: \_\_\_\_\_  
Chair

ATTEST: \_\_\_\_\_  
City Clerk Administrator



RESOLUTION NO. OBSA-14

RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF SANTA CRUZ APPROVING THE ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY FOR JANUARY 1, 2014 - JUNE 30, 2014 AND THE RECOGNIZED OBLIGATION SCHEDULE FOR JANUARY 1, 2014 - JUNE 30, 2014

WHEREAS, the Successor Agency to the former Redevelopment Agency has prepared pursuant to ABx1 26 and AB 1484 Recognized Obligation Payment Schedules (ROPS) and corresponding administrative budgets for each respective six-month period; and

WHEREAS, the ROPS and the corresponding administrative budget for the January 1, 2014-June 30, 2014 period has hereby been prepared for consideration by the Oversight Board; and

WHEREAS, the ROPS for the January 1, 2014-June 30, 2014 period (ROPS 13-14B) reflects \$56,302 in recognized debt obligations that the Economic Development Department absorbed on behalf of the Successor Agency; and

WHEREAS, the Successor Agency approved the proposed budget adjustments and amended ROPS for the period January 1, 2014-June 30, 2014 period (ROPS 13-14B) at its meeting on September 26, 2013; and

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board to the Successor Agency of the former Redevelopment Agency of the City of Santa Cruz that the Oversight Board hereby approves the ROPS and corresponding administrative budget for period January 1, 2014-June 30, 2014 period (ROPS 13-14B).

PASSED AND ADOPTED this 26<sup>th</sup> of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: \_\_\_\_\_  
Chair

ATTEST: \_\_\_\_\_  
City Clerk Administrator

RESOLUTION NO. OBSA-15

RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF SANTA CRUZ APPROVING THE TRANSFER OF MARNELL ALLEY, APN 009-363-42, TO THE CITY OF SANTA CRUZ FOR A GOVERNMENT PURPOSE

WHEREAS, pursuant to AB X1 26, the State Controller's Office is in the process of conducting an asset review of the former Agency's redevelopment assets; and

WHEREAS, in a preliminary review not yet finalized, the Controller has determined that two assets had been transferred to the City after January 1, 2011 by the Successor Agency; and

WHEREAS, the Controller, under Health and Safety Code sections 34167.5 may direct the Successor Agency to return the two assets to the Successor Agency; and

WHEREAS, the Oversight Board to the successor agency under Health and Safety Code Section 34181 (a) may either direct the successor agency to dispose of the assets or direct the successor agency to transfer ownership of those assets that were constructed and used for a government purpose, such as roads, school buildings, parks, and fire stations, to the appropriate public jurisdiction; and

WHEREAS, prior to the dissolution of the former Redevelopment Agency, the City Council and former Redevelopment Agency Board previously approved a resolution on March 8, 2011 transferring Marnell Alley from the Redevelopment Agency to the City; and

WHEREAS, Marnell Alley which has a book value of \$1,000 and was purchased by the former Redevelopment Agency to realign the alley, make certain public utility improvements and eliminate the dangerous traffic condition that previously existed due to the direct access from Marnell Alley to Soquel Avenue; and

WHEREAS, the alley continues to serve as access to fourteen properties; and

WHEREAS, no commercially viable use or value exists for the future disposition of the site; the value is inherent to the larger neighborhood and the safety of the greater community in general; and

WHEREAS, the improvements to Marnell Alley were constructed and used for a government purpose;

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board hereby authorizes the transfer of Marnell Alley to the City of Santa Cruz for a government purpose.

PASSED AND ADOPTED this 26<sup>th</sup> of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: \_\_\_\_\_  
Chair

ATTEST: \_\_\_\_\_  
City Clerk Administrator

RESOLUTION NO. OBSA-16

RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF SANTA CRUZ APPROVING THE TRANSFER OF BIRCH LANE PARKING AND TRASH ENCLOSURE AREA, APN 005-144-14, TO THE CITY OF SANTA CRUZ FOR A GOVERNMENT PURPOSE

WHEREAS, pursuant to AB X1 26, the State Controller's Office is in the process of conducting an asset review of the former Agency's redevelopment assets; and

WHEREAS, in a preliminary review not yet finalized, the Controller has determined that two assets had been transferred to the City after January 1, 2011 by the Successor Agency; and

WHEREAS, the Controller, under Health and Safety Code sections 34167.5 may direct the Successor Agency to return the two assets to the Successor Agency; and

WHEREAS, the Oversight Board to the successor agency under Health and Safety Code Section 34181 (a) may either direct the successor agency to dispose of the assets or direct the successor agency to transfer ownership of those assets that were constructed and used for a government purpose, such as roads, school buildings, parks, and fire stations, to the appropriate public jurisdiction; and

WHEREAS, prior to the dissolution of the former Redevelopment Agency, the City Council and former Redevelopment Agency Board previously approved a resolution on March 8, 2011 transferring the Birch Lane Parking and Trash Enclosure Area from the Redevelopment Agency to the City; and

WHEREAS, the Birch Lane Parking and Trash Enclosure Area has a book value of \$157,000 and was purchased by the former Redevelopment Agency in order to facilitate the implementation of the alley program, create an above ground vault for utilities, create a trash enclosure area for six surrounding commercial businesses and to create downtown public parking spaces with any available residual space; and

WHEREAS, acquisition of the property allowed the Agency to proceed with the design and construction of improvements along Birch Lane Alley; and

WHEREAS, the City of Santa Cruz funded the environmental site assessment and some of the improvements on the site including providing construction management; and

WHEREAS, the value of the site primarily benefits the greater downtown area and the City of Santa Cruz in general; and

WHEREAS, the improvements to the Birch Lane Parking and Trash Enclosure Area were constructed and used for a government purpose;

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board hereby authorizes the transfer of the Birch Lane Parking and Trash Enclosure Area to the City of Santa Cruz for a government purpose.

PASSED AND ADOPTED this 26<sup>th</sup> of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

APPROVED: \_\_\_\_\_  
Chair

ATTEST: \_\_\_\_\_  
City Clerk Administrator