



AGENDA

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER CAPITOLA REDEVELOPMENT AGENCY

WEDNESDAY, JANUARY 17, 2018
3:00 PM

1. CALL TO ORDER AND ROLL CALL

Katie Herlihy - Employee Representative of the Former Capitola Redevelopment Agency
Zach Friend – Santa Cruz County Board of Supervisors
Steven Hall – Central Fire Protection District
Mary Hart – Santa Cruz County Office of Education
Gayle Ortiz – Santa Cruz County Board of Supervisors' Appointment
Gary Reece – Cabrillio College Appointment
Michael Termini – Mayor's Appointment

2. CONSENT CALENDAR

A. Approve Minutes – January 13, 2017

3. PUBLIC HEARINGS

General Government items are intended to provide an opportunity for public discussion of each item listed. The following procedure is followed for each General Government item: 1) Staff explanation; 2) Board questions; 3) Public Comment; 4) Board deliberation; 5) Decision.

A. Approval of the Successor Agency Recognized Obligation Payment Schedule for the period from July 1, 2018 to June 30, 2019 (ROPS 18-19) and associated Resolution 2018-01.
RECOMMENDED ACTION: Approve ROPS 18-19 and adopt Resolution 2018-01.

4. PUBLIC COMMENT

Oral Communications allow time for members of the Public to address the Oversight Board on any item not on the Agenda. Presentations will be limited to three minutes per speaker. Individuals may not speak more than once during Oral Communications. All speakers are requested to print their name on the sign-in sheet located at the podium so that their name may be accurately recorded in the minutes.

5. ADJOURNMENT

Adjourn to the next meeting of the Oversight Board of the City of Capitola, as Successor Agency to the former Capitola Redevelopment Agency, to be determined.

Agenda and Agenda Packet Materials: The Oversight Board for the Capitola Successor Agency Agenda is available on the City's website: www.cityofcapitola.org/. Agendas are also available at the City Hall located at 420 Capitola Avenue, Capitola.

Agenda Document Review: The complete agenda packet is available at City Hall prior to the meeting. If you need more information, contact the Finance Department at 831-475-7300.

Agenda Materials Distributed after Distribution of the Agenda Packet: Pursuant to Government Code Section 54957.5, materials related to an agenda item submitted after distribution of the agenda packet are available for public inspection at the Reception Office at City Hall, 420 Capitola Avenue, Capitola, CA, during normal business hours.

Americans with Disabilities Act: Disability-related aids or services are available to enable persons with a disability to participate in this meeting consistent with the Federal Americans with Disabilities Act of 1990. Assisted listening devices are available for individuals with hearing impairments at the meeting in the City Council Chambers. Should you require special accommodations to participate in the meeting due to a disability, please contact the City Clerk's office at least 24-hours in advance of the meeting at 831-475-7300. In an effort to accommodate individuals with environmental sensitivities, attendees are requested to refrain from wearing perfumes and other scented products.

MINUTES

**OVERSIGHT BOARD OF THE CITY OF CAPITOLA, AS
SUCCESSOR AGENCY TO THE FORMER
CAPITOLA REDEVELOPMENT AGENCY**

JANUARY 13, 2017

1. CALL TO ORDER/ROLL CALL

PRESENT: Chairperson Michael Termini
Board Members: Gayle Ortiz, Mary Hart, Gary Reece, Zach Friend,
and Brian VanSon

ABSENT: None

2. CONSENT CALENDAR

A. Approval of Minutes – January 20, 2016

ACTION: The minutes were approved unanimously by all Board Members present.

3. GENERAL GOVERNMENT/PUBLIC HEARINGS

A. Approval of the Successor Agency Recognized Obligation Payment Schedule for the period from July 1, 2017 to June 30, 2018 and associated Resolution 2017-01.

ACTION: Resolution 2017-01 was approved unanimously by all Board Members present.

4. PUBLIC COMMENT

None

5. ADJOURNMENT

Adjourned to the next meeting, date to be determined.

Michael Termini, Chair



**OVERSIGHT BOARD OF THE CITY OF CAPITOLA,
AS SUCCESSOR AGENCY TO THE FORMER
CAPITOLA REDEVELOPMENT AGENCY**

MEETING OF JANUARY 17, 2018

FROM: FINANCE DEPARTMENT

SUBJECT: PUBLIC HEARING TO CONSIDER APPROVAL OF THE RECOGNIZED OBLIGATION
PAYMENT SCHEDULE FOR JULY 1, 2018 TO JUNE 30, 2019 (ROPS 18-19)

RECOMMENDED ACTION: Approve the Recognized Obligation Payment Schedule for the period from July 1, 2018 to June 30, 2019 (ROPS 18-19).

BACKGROUND: In accordance with Health and Safety Code section 34177(o)(1), the City of Capitola Successor Agency is required to adopt full year ROPS beginning with the ROPS 2016-17 submission. The deadline for submission of the current ROPS, ROPS 2018-19, to the Department of Finance is February 1, 2018. Following Successor Agency Board approval, ROPS 2018-19 will be submitted to the State Department of Finance for approval.

DISCUSSION: Total proposed ROPS 2018-19 is \$242,363. It includes payment of the remaining \$47,363 on the Loan and Repayment Agreement for repayment of a \$618,028 original obligation. It also includes continued funding of \$65,000 to the Housing Authority Rental Assistance Program, \$100,000 for the Castle MHP/Millennium Housing Assistance Project, and an administrative allowance of \$30,000. Item #11 41st Avenue Mall Economic Development Project is being retired and no funding request is being made for item #13 Rispin/Perry Park Improvements, pending project completion. To date, the Successor Agency has requested and received \$450,000 for item #13.

FISCAL IMPACT: Adoption of this ROPS allows the Successor Agency to make payments on listed obligations during the next fiscal year. The full financial impact to the City and the Successor Agency will not be known until after the Oversight Board and the Department of Finance completes the review and approval process in accordance with ABX1 26.

ATTACHEMENT:

1. Resolution 2018-01 – Recognized Obligation Payment Schedule, July 1, 2018 – June 30, 2019
2. Recognized Obligation Payment Schedule (ROPS 18-19), July 1, 2018 – June 30, 2019

Report Prepared By: Jim Malberg
Finance Director

Reviewed and Forwarded
By City Manager/Executive Director

CAPITOLA SUCCESSOR AGENCY OVERSIGHT BOARD

RESOLUTION NO. 2018-01

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF CAPITOLA APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD BEGINNING JULY 1, 2018 AND ENDING JUNE 30, 2019, AND MAKING RELATED FINDINGS AND DECLARATIONS AND TAKING RELATED ACTIONS IN CONNECTION THEREWITH.

WHEREAS, on December 29, 2011, the California Supreme Court delivered its decision in *California Redevelopment Association v. Matosantos*, finding ABx1 26 (the "Dissolution Act") largely constitutional; and

WHEREAS, on June 27, 2012, the California State Legislature enacted Assembly Bill AB 1484 ("AB 1484"), modifying many of the provisions of ABx1 26 and establishing several new procedural deadlines; and

WHEREAS, under the Dissolution Act, the Successor Agency to the Redevelopment Agency of the City of Capitola (the "Successor Agency") must prepare a "Recognized Obligation Payment Schedule" ("ROPS") that enumerates the enforceable obligations and expenses of the Successor Agency for specified one year intervals; and

WHEREAS, Health and Safety Code Section 34177(1)(1) and (2)) was amended by AB1484, adding 34177(1)(3)(m), to require the Successor Agency to submit a Ninth Recognized Obligation Payment Schedule ("ROPS 18-19") for the period beginning July 1, 2018 and ending June 30, 2019 to the State of California Department of Finance, and to make associated notifications and distributions after approval by the Oversight Board, no later than February 1, 2018; and

WHEREAS, on January 11, 2018, the Capitola City Council, in its capacity as the governing board of the Successor Agency, approved ROPS 18-19 for the one year period ending June 30, 2019 (a copy of which is on file with the City Clerk); and

WHEREAS, under the Dissolution Act, ROPS 18-19 must be submitted to the Successor Agency's oversight board (the "Oversight Board") for Oversight Board approval; and

WHEREAS, pursuant to the Dissolution Act, the duly constituted Oversight Board met at a duly noticed public meeting on January 17, 2018 to consider approval of the ROPS 18-19, among other approvals; and

WHEREAS, in accordance with Health & Safety Code Sections 34177(1)(2)(B) and 34179(f), the Successor Agency shall submit the approved ROPS 18-19 to the Santa Cruz County Chief Administrative Officer, the Santa Cruz County Auditor-Controller, and the State Department of Finance and posted the proposed ROPS 18-19 on its web site; and

WHEREAS, the accompanying staff report provides supporting information upon which the actions set forth in this Resolution are based.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board hereby finds, resolves, and determines as follows:

RESOLUTION NO. 2018-01

SECTION 1. The foregoing recitals are true and correct, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.

SECTION 2. The Oversight Board hereby approves ROPS 18-19 for the period beginning July 1, 2018 and ending June 30, 2019 in the form presented to the Oversight Board and attached hereto as Exhibit A, including the agreements and obligations described in ROPS 18-19, and hereby determines that such agreements and obligations constitute "enforceable obligations" and "recognized obligations" for all purposes of the Dissolution Act.

SECTION 3. The Oversight Board has examined the items contained on ROPS 18-19 and finds that each of them is necessary for the continued maintenance and preservation of property owned by the Successor Agency until disposition and liquidation, the continued administration of the enforceable obligations herein approved by the Oversight Board, or the expeditious wind-down of the affairs of the Dissolved RDA by the Successor Agency.

SECTION 4. The Successor Agency is authorized and directed to enter into any agreements and amendments to agreements necessary to memorialize and implement the agreements and obligations in ROPS 18-19 and herein approved by the Oversight Board.

SECTION 5. The Oversight Board authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to post the ROPS 18-19 on the Successor Agency website, transmit the ROPS18-19 to the Santa Cruz County Auditor-Controller, the State Controller, and the State Department of Finance, and to take any other administrative actions to ensure the validity of the ROPS 18-19 and the validity of any enforceable obligations approved by the Oversight Board in this Resolution.

SECTION 6. This Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34177(m).

PASSED AND ADOPTED this 17th day of January 2018, by the Members of the Oversight Board of the Successor Agency for the Redevelopment Agency of the City of Capitola with the following vote, to wit:

Michael Termini, Chair

Jim Malberg, Oversight Board
Designated Communication Official

Capitola Recognized Obligation Payment Schedule (ROPS 18-19) - ROPS Detail

July 1, 2018 through June 30, 2019

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	18-19A (July - December)					Q	18-19B (January - June)					W		
											Fund Sources						Fund Sources							
											L	M	N	O	P		R	S	T	U	V			
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF			
Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 18-19 Total						18-19A Total						18-19B Total		
3	Loan and Repayment Agreement	City/County Loans On or Before 6/27/11	9/10/1981	10/5/2021	Capitola City Treasurer	\$618,028 Loan and Repayment Agreement	Capitola Project Area	\$ 1,772,217	N	\$ 47,363	\$ 242,363	\$ -	\$ -	\$ -	\$ 162,363	\$ 30,000	\$ 192,363	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000
8	Housing Rental Assistance Program	Miscellaneous	5/12/2011	3/13/2021	Housing Authority of the County of Santa Cruz	\$2,627,100 Housing Rental Assistance Program Agreement	Capitola Project Area	459,108	N	\$ 65,000				65,000		\$ 65,000							\$ -	
9	Millennium Housing	Miscellaneous	3/18/2011	3/18/2021	Millennium Housing of California, Inc.	\$2,000,000 Housing Loan Agreement	Capitola Project Area	495,746	N	\$ 100,000			50,000		\$ 50,000				50,000				\$ 50,000	
10	Administrative Allowance	Admin Costs	2/1/2012	6/30/2021	Capitola City Treasurer	\$250,000 Annual Administrative Allowance	Capitola Project Area	770,000	N	\$ 30,000				30,000		\$ 30,000							\$ -	
11	41st Avenue Mill Economic Development Project	Improvement/Infrastructure	4/6/2011	4/6/2017	Macerich	\$1,030,000 Mill Economic Development Project	Capitola Project Area		Y	\$ -						\$ -							\$ -	
13	Rispin/Peery Park Improvements	Litigation	9/30/2014	6/30/2018	Capitola City Treasurer	ADA injunctive relief settlement	Capitola Project Area		N	\$ -						\$ -							\$ -	
14									N	\$ -						\$ -							\$ -	