CITY OF IMPERIAL

OVERSIGHT BOARD MEETING DATE: January 27, 2016 AGENDA ITEM: D-1

ITEM TITLE: Consideration of a Resolution Approving Recognized Obligation Payment Schedule of the Former City of Imperial Redevelopment Agency for the Period of July 2016 – December 2016 and January 2017-June 2017

RECOMMENDATION:

Adopt a Resolution of the Oversight Board of the Successor Agency to City of Imperial Redevelopment Agency approving the Recognized Obligation Payment Schedule (ROPS) for the period of June 2016 – December 2016 and January 2017 – June 2017.

FISCAL IMPLICATIONS:

Adoption of the resolution will allow the Successor Agency to pay the obligations listed on the ROPS.

BACKGROUND AND OVERVIEW:

SB 107 changed the ROPS reporting process from two semi-annual submittals to one annual submittal due in February each year. The ROPS identifies the obligations of the former RDA that the Successor Agency must fund during Fiscal Year 2016/2017. These obligations include tax allocation bond debt service payments, third party contracts, administrative costs andreimbursements.

DEADLINES FOR ROPS SUBMISSION AND REVIEW

The ROPS must be submitted to the Department of Finance by February 1, 2016. The DOF has until April 15, 2016 to make its final determination regarding the enforceable obligations, the dollar amounts, and funding sources.

PENALTIES FOR FAILURE TO MAKE TIMELY SUBMISSION

If the Successor Agency does not submit an Oversight Board-approved ROPS by February 1, 2016, the City of Imperial will be subject to a civil penalty of $10,000 per day for every day that the ROPS is not submitted to the DOF. The penalty is to be paid to the County Auditor-Controller for distribution to the taxing entities.

FINDINGS AND ALTERNATIVES:

1. Adopt a Resolution of the Oversight Board of the Successor Agency to City of Imperial Redevelopment Agency approving the Recognized Obligation Payment Schedule (ROPS) for the period of June 2016 – December 2016 and January 2017 – June 2017 or

No alternative recommended as this is a requirement of the DOF.

Submitted by:_____
Laura Gutierrez, Finance Director

RESOLUTION NO. OB 2016-01

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO CITY OF IMPERIAL REDEVELOPMENT AGENCY ADOPTING RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JUNE 2016 – DECEMBER 2016 AND JANUARY 2017 THROUGH JUNE 2017

WHEREAS, the Oversight Board of the Successor Agency to City of Imperial Redevelopment Agency ("Oversight Board" as applicable) has been established to direct the Successor Agency to take certain actions to wind down the affairs of the Redevelopment Agency in accordance with the California Health and Safety Code; and

WHEREAS, the City of Imperial Redevelopment Agency ("Agency") was engaged in activities to execute and implement the Project Area No. 1 Redevelopment Plan and the Project Area No. 2 Redevelopment Plan (collectively, the "Redevelopment Plans") pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code § 33000 et seq.) ("CCRL") and

WHEREAS, as part of the 2011-12 State budget bill, the California Legislature enacted and the Governor signed, companion bill ABX1 26 requiring that each redevelopment agency be dissolved; and

WHEREAS, an action challenging the constitutionality of ABX1 26 and ABX1 27 was filed in the California Supreme Court by the California Redevelopment Association, the League of California Cities, and two individual cities; and

WHEREAS, on December 29, 2011, the Court upheld ABX1 26; and

WHEREAS, Health and Safety Code Section 34177 requires successor agencies to prepare and adopt on an annual basis, a "Recognized Obligation Payment Schedule" ("ROPS") that lists all obligations of the former redevelopment agency that are enforceable within the meaning of subdivision (d) of Section 34171; and

WHEREAS, on January 25, 2016, the City Council of the City of Imperial acting as the Successor Agency to the City of Imperial Redevelopment Agency approved a Recognized Obligation Payment Schedule for the period of June 2016 – December 2016 and January 2017 – June 2017; and

NOW, THEREFORE, BE IT RESOLVED, by the Oversight Board of Successor Agency to the City of Imperial Redevelopment Agency, does hereby resolve as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2. Adoption of a Recognized Obligation Payment Schedule. In order to enable the City of Imperial Successor Agency to strictly comply with ABX1 26, and based on the Recitals set forth above, the Oversight Board hereby adopts the Schedule attached hereto as Exhibit "A" as the Recognized Obligation Payment Schedule for the period of June 2016 – December 2016 and January 2017 through June 2017. Pursuant to Health & Safety Code Section 34173(e), the Successor Agency's liability, including, but not limited to, its liability for the obligations on the attached schedule is limited to the total sum of property tax revenues it received pursuant to Part 1.85 of ABX1 26.

Section 3. Implementation. The Oversight Board hereby establishes the Recognized Obligation Payment Schedule, pursuant to Health & Safety Code Section 34180(g), for the period of June 2016 – December 2016 and January 2017 - June 2017.

Section 4. Severability. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

Section 5. The Oversight Board Secretary shall certify to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED at the meeting of the Oversight Board of the Successor Agency to City of Imperial Redevelopment Agency held this 27th day of January 2016.

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Michael McMahon, Chairperson,
Oversight Board of the Successor Agency to City of Imperial Redevelopment Agency

ATTEST:

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Debra Jackson
Oversight Board Secretary

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Imperial Recognized Obligation Payment Schedule (ROPS 16-17) - ROPS Detail

July 1, 2016 through June 30, 2017

(Report Amounts In Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
											16-17A						16-17B					
											Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF			Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			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 16-17 Total	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	16-17A Total	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	16-17B Total
								$ 32,476,424		$ 4,789,568	$ 1,663,852	$ -	$ -	$ 1,065,302	$ 257,000	$ 2,986,154	$ 1,200,000	$ -	$ -	$ 454,014	$ 149,400	$ 1,803,414
1	2005 Tax Allocation Bonds	Bonds Issued On or Before	11/1/2005	11/1/2036	Wells Fargo Bank, N A	Bonds issued to fund projects		8,644,085	N	$ 473,238				348,819		$ 348,819				124,419		$ 124,419
2	2007 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	12/1/2007	12/1/2038	Wells Fargo Bank, N A	Bonds issued to fund projects		23,832,339	N	$ 1,046,078				716,483		$ 716,483				329,595		$ 329,595
3	Successor Agency Admin Fee	Admin Costs	9/17/2013	6/30/2015	City of Imperial Successor Agency	Per Section 34171 (b)			N	$ 250,000					125,000	$ 125,000					125,000	$ 125,000
4	County of Imperial	OPA/DDA/Construction	6/13/2006	6/30/2014	County of Imperial	Contractual Obligation			Y													
6	North Imperial Avenue Senior Apartments	OPA/DDA/Construction	3/27/2013	12/31/2015	EAH Housing Corporation	Bonds issued to fund projects Low Moderate Funds			N	$ 1,300,000	100,000					$ 100,000	1,200,000					$ 1,200,000
16	Street Improvements	Improvement/Infrastructure	12/1/2007	12/1/2038	City of Imperial Successor Agency	Bonds issued to fund public capital/infrastructure project improvements to benefit the Project Area			N	$ 1,163,852	1,163,852					$ 1,163,852						$
17	Library Improvements	Improvement/Infrastructure	12/1/2007	12/1/2038	City of Imperial Successor Agency	Bonds issued to fund public capital/infrastructure project improvements to benefit the Project Area			N	$ 200,000	200,000					$ 200,000						$
19	Business Assistance Program	Business Incentive Agreements	12/1/2007	12/1/2038	City of Imperial Successor Agency	Bonds issued to fund Economic Development Activities to benefit the Project Area			N	$ 200,000	200,000					$ 200,000						$
20	2007 Tax Allocation Bonds	Fees	12/1/2007	12/1/2038	Wells Fargo Bank, N A	Bond Trustee Fees			N	$ 2,000					2,000	$ 2,000						$
23	Business Assistance Program 2	Business Incentive Agreements	12/1/2007	12/1/2038	City of Imperial Successor Agency	Bonds issued to fund Economic Development Activities to benefit the Project Area - Available funding shifted from Item #4			Y													
24	2005 Tax Allocation Bonds	Fees	11/1/2005	11/1/2036	Wells Fargo Bank, N A	Bond Trustee Fees			N	$ 2,000						$ -					2,000	$ 2,000
25	2005 Tax Allocation Bonds	Fees			Urban Futures, Inc	Bond Continuing Disclosure Annual Report			N	$ 3,700						$ -					3,700	$ 3,700
26	2007 Tax Allocation Bonds	Fees			Urban Futures, Inc	Bond Continuing Disclosure Annual Report			N	$ 3,700						$ -					3,700	$ 3,700
27	2005 Tax Allocation Bonds	Professional Services	12/1/2015	12/31/2015	Standard & Poors	Bond Credit Rating for Refunding (this will allow for substantial savings to the Bond without extending the terms)			N	$ 15,000						$ -					15,000	$ 15,000
28	208 North J Street	Professional Services			Robert Heeney Appraisal	Appraisal of property to be disposed in accordance to the LRPMP			N	$ 5,000					5,000	$ 5,000						$
29	Successor Agency Admin Fee	RPTTF Shortfall	7/1/2012	1/1/2012	City of Imperial Successor Agency	Per Section 34171 (b) Shortfall on ROPS 13-14A			N	$ 125,000					125,000	$ 125,000						$
30									N	$ -						$ -						$
31									N	$ -						$ -						$
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