

RESOLUTION NO. 2013-02

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE CITY OF SANTA CLARA REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND AN ADMINISTRATIVE BUDGET FOR THE PERIOD JULY THROUGH DECEMBER 2013, MAKING RELATED FINDINGS AND DECLARATIONS AND TAKING RELATED ACTIONS IN CONNECTION THEREWITH

WHEREAS, the California state legislature enacted Assembly Bill 1x 26 (the “Dissolution Act”) to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code section 33000 et seq.);

WHEREAS, pursuant to Health and Safety Code section 34173, the City Council of the City of Santa Clara (the “City Council”) declared that the City of Santa Clara, a charter city (the “City”), would act as successor agency (the “Successor Agency”) for the dissolved City of Santa Clara Redevelopment Agency (the “Dissolved RDA”) effective February 1, 2012;

WHEREAS, on February 1, 2012, the RDA was dissolved pursuant to Health and Safety Code section 34172;

WHEREAS, the Dissolution Act provides for the appointment of an oversight board (the “Oversight Board”) with specific duties to approve certain Successor Agency actions pursuant to Health and Safety Code section 34180 and to direct the Successor Agency in certain other actions pursuant to Health and Safety Code section 34181;

WHEREAS, pursuant to AB 1484 (“AB 1484”), enacted June 27, 2012, to amend various provisions of the Dissolution Act, the Successor Agency is now declared to be a separate legal entity from the City;

WHEREAS, under the Dissolution Act, the Proposed ROPS 13-14A and the Administrative Budget for the period of July 1, through December 31, 2013 must be submitted to the Oversight Board for the Oversight Board's approval; 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 BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE CITY OF SANTA CLARA REDEVELOPMENT AGENCY AS FOLLOWS:

SECTION 1. The Oversight Board hereby finds, resolves, and determines that 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. Under Health and Safety Code section 34180(g), the Oversight Board must approve the establishment of the recognized obligation payment schedules of the Successor Agency.

SECTION 3. The Oversight Board hereby approves the Proposed ROPS 13-14A in the form presented to the Oversight Board and attached hereto as Attachment 1 (the "Approved ROPS 13-14A"), including the agreements and obligations described in the Approved ROPS 13-14A, and hereby determines that such agreements and obligations constitute "enforceable obligations" and "recognized obligations" for all purposes of the Dissolution Act. In connection with such approval, the Oversight Board makes the specific findings set forth below.

SECTION 4. The Oversight Board has examined the items on the Approved ROPS 13-14A and finds that each of them is necessary for the continued maintenance and preservation of property

owned by the Successor Agency until disposition in accordance with the Dissolution Act, the continued administration of the ongoing agreements herein approved by the Oversight Board, or the expeditious wind-down of the affairs of the Dissolved RDA by the Successor Agency.

SECTION 5. 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 the Approved ROPS 13-14A and herein approved by the Oversight Board.

SECTION 6. Under Health and Safety Code section 34177(j), the Oversight Board must approve the Administrative Budget for the Successor Agency.

SECTION 7. In accordance with the Dissolution Act, the Oversight Board hereby approves the Proposed Administrative Budget for the period of July 1, through December 31, 2013 in the form presented to the Oversight Board and attached hereto as Attachment 2 (the “Approved Administrative Budget”), and authorizes the Successor Agency to incur costs for the general administrative activities and functions described in the Administrative Budget.

SECTION 8. The Oversight Board finds that the Third Administrative Budget supports an FY 2013-14 Administrative Cost Allowance to the Successor Agency of \$953,400, for the six-month period of July through December 2013.

SECTION 9. The Oversight Board finds that the Administrative Budget supports a partial distribution of the FY 2013-14 Administrative Cost Allowance to the Successor Agency in the amount of \$125,000.

SECTION 10. 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 the approved Administrative Budget herein approved by the Oversight Board.

SECTION 11. The Oversight Board hereby authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to file, post, mail or otherwise deliver via electronic mail, internet posting, and/or hardcopy, all notices and transmittals necessary or convenient in connection with the approval of the Approved ROPS 13-14A and the Approved Administrative Budget, and to take any other administrative actions necessary to ensure the validity of the ROPS 13-14A and the validity of any enforceable obligation approved by the Oversight Board in this Resolution. In addition, the Oversight Board authorizes and directs the Successor Agency staff to make such non-substantive revisions to the Approved ROPS 13-14A as may be necessary to submit the Approved ROPS 13-14A in any modified form required by the Department of Finance, and the Approved ROPS 13-14A as modified shall thereupon constitute the Proposed ROPS 13-14A as approved by the Oversight Board pursuant to this Resolution.

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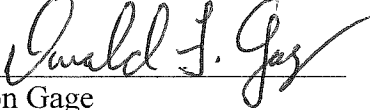
SECTION 12. This Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code section 34179(h).

CERTIFICATION

I hereby certify the forgoing to be a true copy of a resolution passed and adopted by the Oversight Board of the Successor Agency for the City of Santa Clara Redevelopment Agency at a regular meeting thereof held on 22nd day of February 2013, by the following vote:

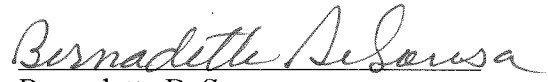
AYES:	BOARD MEMBERS:	Ameling, Chheng, Decker, Guthrie and Matthews and Chairperson Gage
NOES:	BOARD MEMBERS:	None
ABSENT:	BOARD MEMBERS:	Maduli
ABSTAIN:	BOARD MEMBERS:	None

APPROVE:



Don Gage
Chairperson

ATTEST:



Bernadette DeSousa
Acting Clerk to the Oversight Board

Attachments incorporated by reference:

1. Approved ROPS 13-14A
2. Approved Administrative Budget

I:\02-22-13 Oversight Board ROPS 13-14A Approval Resolution - FINAL.DOC

SUCCESSOR AGENCY CONTACT INFORMATION

Successor Agency

ID: 335
County: Santa Clara
Successor Agency: Santa Clara

Primary Contact

Honorific (Ms, Mr, Mrs)
First Name Gary
Last Name Ameling
Title Director of Finance
Address 1500 Warburton Avenue

City Santa Clara
State CA
Zip 95050
Phone Number 408-615-2340
Email Address gameling@santaclaraca.gov

Secondary Contact

Honorific (Ms, Mr, Mrs)
First Name Tamera
Last Name Haas
Title Assistant Director of Finance
Phone Number 408-615-2340
Email Address thaas@santaclaraca.gov

SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Filed for the July 1, 2013 to December 31, 2013 Period

Name of Successor Agency: **SANTA CLARA (SANTA CLARA)**

Outstanding Debt or Obligation	Total
Total Outstanding Debt or Obligation	\$190,640,239

Current Period Outstanding Debt or Obligation	Six-Month Total
A Available Revenues Other Than Anticipated RPTTF Funding	\$0
B Enforceable Obligations Funded with RPTTF	\$3,333,040
C Administrative Allowance Funded with RPTTF	\$125,000
D Total RPTTF Funded (B + C = D)	\$3,458,040
E Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be same amount as ROPS form six-month total</i>	\$3,458,040
F Enter Total Six-Month Anticipated RPTTF Funding	\$3,458,040
G Variance (F - D = G) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	\$0

Prior Period (July 1, 2012 through December 31, 2012) Estimated vs. Actual Payments (as required in HSC section 34186 (a))	
H Enter Estimated Obligations Funded by RPTTF (<i>lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed</i>)	\$3,077,253
I Enter Actual Obligations Paid with RPTTF	\$2,952,253
J Enter Actual Administrative Expenses Paid with RPTTF	\$125,000
K Adjustment to Redevelopment Obligation Retirement Fund (H - (I + J) = K)	\$0
L Adjustment to RPTTF (D - K = L)	\$3,458,040

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.

DONALD F. GAGE CHAIR OF SC OVERSIGHT BOARD
 Name Title

/s/ Donald F. Gage 2-28-13
 Signature Date

Oversight Board Approval Date: _____

SANTA CLARA (SANTA CLARA)
RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 13-14A)
July 1, 2013 through December 31, 2013

Item #	Project Name / Debt Obligation	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2013-14	Funding Source					Six-Month Total
									Bond Proceeds	Reserve Balance	Admin Allowance	RPTTF	Other	
							\$190,640,239	\$15,170,965	\$0	\$0	\$125,000	\$3,333,040	\$0	\$3,458,040
1	1999 Tax Allocation Bonds Series A	8/3/1999	6/1/2023	Bank of New York	Bond issue to fund non-housing projects	Bayshore North	44,370,763	1,708,863	0	0	0	854,432	0	854,432
2	1999 Tax Allocation Bonds Series B	8/18/1999	6/1/2017	Bank of New York	Bond issue to fund non-housing projects	Bayshore North	13,708,550	2,444,781	0	0	0	324,891	0	324,891
3	2002 Tax Allocation Refunding Bonds	6/6/2002	6/1/2014	Bank of New York	Bond issue to fund non-housing projects	Bayshore North	5,981,850	5,981,850	0	0	0	155,925	0	155,925
4	2003 Tax Allocation Bonds	4/30/2003	6/1/2023	Bank of New York	Bond issue to fund non-housing projects	Bayshore North	57,886,000	2,198,000	0	0	0	1,099,000	0	1,099,000
5	2011 Tax Allocation Bonds	5/11/2011	6/1/2026	Bank of New York	Bond issue to fund non-housing projects	Bayshore North	62,397,963	1,815,613	0	0	0	325,307	0	325,307
6	Miscellaneous Bond Costs	8/3/1999	6/1/2026	Various	Fiscal Agent Fees, Arbitrage Fees, etc.	Bayshore North	182,485	19,985	0	0	0	13,485	0	13,485
7	2002 Series B COPS (Agency Share)	3/1/1989	2/1/2014	City of Santa Clara	Reimbursement Agreement - Agency/City	Bayshore North	0	0	0	0	0	0	0	0
8	Settlement Agreement and Judgment Relating to 2011 Cooperation Agreement		7/31/2018	Forty Niners SC Stadium Company LLC	Repayment of a loan to assist a publicly owned stadium	Bayshore North	0	0	0	0	0	0	0	0
11	City ROPS Loan	5/22/2012		City of Santa Clara	Cash Flow Loan for ROPS payments	Bayshore North	0	0	0	0	0	0	0	0
12	Independent Legal Counsel	7/17/2012		Hilda Cantu Montoy	Legal Counsel for Oversight Board	All	60,000	60,000	0	0	0	60,000	0	60,000
13	Administrative Cost Allowance	2/1/2012		City of Santa Clara	Reimbursement for Administrative Expenses	All	5,552,628	441,873	0	0	125,000	0	0	125,000
14	Defense of Lawsuit Filed by County	1/8/2013 and 7/3/2012	When settled	Gibson, Dunn & Crutcher LLP/Goldfarb & Lipman LLP	Payment of legal fees to defend lawsuits	All	500,000	500,000	0	0	0	500,000	0	500,000
														0
														0
														0
														0

SANTA CLARA (SANTA CLARA)
Pursuant to Health and Safety Code section 34186 (a)
PRIOR PERIOD ESTIMATED OBLIGATIONS vs. ACTUAL PAYMENTS
RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS II)
July 1, 2012 through December 31, 2012

Item #	Project Name / Debt Obligation	Payee	Description/Project Scope	Project Area	LMIHF		Bond Proceeds		Reserve Balance		Admin Allowance		RPTTF		Other	
					Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual
					\$0	\$0	\$0	\$0	\$0	\$0	\$125,000	\$125,000	\$2,952,253	\$2,952,253	\$0	\$0
1	1999 Tax Allocation Bonds Series A	Bank of New York	Bond issue to fund non-housing projects	Bayshore North									854,431	854,431		
2	1999 Tax Allocation Bonds Series B	Bank of New York	Bond issue to fund non-housing projects	Bayshore North									369,778	369,778		
3	2002 Tax Allocation Refunding Bonds	Bank of New York	Bond issue to fund non-housing projects	Bayshore North									303,738	303,738		
4	2003 Tax Allocation Bonds	Bank of New York	Bond issue to fund non-housing projects	Bayshore North									1,099,000	1,099,000		
5	2011 Tax Allocation Bonds	Bank of New York	Bond issue to fund non-housing projects	Bayshore North									325,306	325,306		
6																
7																
8																
9																
10																
11																
12																
13	Administrative Cost Allowance	City of Santa Clara	Reimbursement for Administrative Expenses	All							125,000	125,000				

SANTA CLARA (SANTA CLARA)
 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 13-14A) -- Notes (Optional)
 July 1, 2013 through December 31, 2013

Item #	Project Name / Debt Obligation	Notes/Comments
1	1999 Tax Allocation Bonds Series A	
2	1999 Tax Allocation Bonds Series B	
3	2002 Tax Allocation Refunding Bonds	
4	2003 Tax Allocation Bonds	
5	2011 Tax Allocation Bonds	
6	Miscellaneous Bond Costs	
7	2002 Series B COPS (Agency Share)	
8	Settlement Agreement and Judgment Relating to 2011 Cooperation Agreement	
11	City ROPS Loan	
12	Independent Legal Counsel	Legal costs to defend Oversight Board in Forty Niners SC Stadium Company LLC lawsuit.
13	Administrative Cost Allowance	
14	Defense of Lawsuit Filed by County	Costs to defend the Successor Agency only. County of Santa Clara filed case number 34-2013-80001396 on 2/8/13. Defense costs will be segregated to ensure that RPTTF monies will not be used to defend the other City of Santa Clara entities named in the lawsuit.

**Successor Agency of the Redevelopment Agency of the City of Santa Clara
Administrative Budget for the Period July 1, 2013 to December 31, 2013
Funding Source: Administrative Cost Allowance**

	<u>Estimated Staff Hours</u>	<u>Estimated Cost</u>
Ongoing Administrative Activities		
County Correspondence/Coordination	80	10,080
State Controllers Office Correspondence/Coordination	80	10,080
Department of Finance Correspondence/Coordination	160	20,160
Preparation of Semi-Annual ROPS	160	20,160
Preparation of Administrative Budget	40	5,040
Oversight Board Staff Support		
Research	80	10,080
Preparation of Reports	160	20,160
Attendance at Meetings	72	9,072
Brown Act Requirements	40	5,040
Management of Dissolution Activities	160	20,160
Management of Consultants	20	2,520
Creation/Management of New Contracts as Approved	80	10,080
General Accounting/Auditing	160	20,160
Accounts Payable - Wires/Bill Payment	80	10,080
Debt Management	120	15,120
Investment Activities	16	2,016
Successor Agency Outside Counsel (Excludes Legal Defense)		<u>50,000</u>
Subtotal	1,508	\$240,008
Legal Activities Related to Lawsuits		
Staff Support for Legal Actions	400	50,400
Successor Agency Outside Counsel		<u>\$500,000</u>
Subtotal	400	\$550,400
Operations		
Successor Agency Supplies		500
Successor Agency Printing/Publications		5,000
Internet Hosting/Cable Television		1,000
Travel Expenses		200
Subtotal		\$6,700
Overhead		
Support Services Overhead (65% on Staff Costs Only)		156,265
Total for ROPS Period		<u>\$953,373</u>
Total (Rounded)		<u>\$953,400</u>

Assumes average staff hourly rate of \$90 per hour time plus 40% benefits factor

Support Services Overhead covers support from the City Manager's Office, City Attorney's Office, City Clerk's Office, Accounts Payable, Accounts Receivable, General Accounting, Human Resources, IT, Building Maintenance, and Risk Management.

Key staff working directly on dissolution include but are not limited to:

City Manager
Assistant City Manager (2)
Executive Assistant to the City Manager
City Attorney
Director of Finance
Assistant Director of Finance
Accounting Manager
Principal Accountant
Accountant
Principal Financial Analyst
Financial Analyst
Deputy City Clerk