

## **RESOLUTION NO. 07-1314**

### **A RESOLUTION OF THE SUCCESSOR AGENCY TO THE ARCATA COMMUNITY DEVELOPMENT AGENCY ADOPTING AN ADMINISTRATIVE BUDGET AND A RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 AND 34169, RESPECTIVELY**

**WHEREAS**, the City Council of the City of Arcata created the Arcata Community Development Agency and adopted the first Redevelopment Implementation Plan in 1983 for the purpose of considering and pursuing redevelopment activities in the community pursuant to the Community Redevelopment Law (“CRL”), Health and Safety Code §§ 33000, *et seq.*

**WHEREAS**, pursuant to ABX1 26, amending portions of Division 24 of the CRL, redevelopment agencies are dissolved effective February 1, 2012; and

**WHEREAS**, on August 24, 2011, the City Council elected in accordance with Health and Safety Code Section 34173 to serve as Successor Agency to the Arcata Community Development Agency, which is responsible for enforceable obligation payments and all other responsibilities as specified in Section 34177 of the Health and Safety Code; and

**WHEREAS**, Health and Safety Code Section 34167 prohibits redevelopment successor agencies from making payments for anything other than enforceable obligations as defined by Section 34167(d); and

**WHEREAS**, Section 34177(j) of the Health and Safety Code requires the successor agency to prepare a proposed administrative budget for submittal to the oversight board for its approval, which is to include estimated amounts for successor agency administrative costs for the six month ROPS periods, proposed sources of payment for such administrative costs, and proposals for arrangements for administrative and operations services provided by the City of Arcata; and

**WHEREAS**, pursuant Section 34177(l) of the Health and Safety Code, the Successor Agency must prepare an ROPS projecting dates and payment amounts for the period July 1, 2014 through December 31, 2014; post it to the Successor Agency’s website; and submit it to the County Auditor, State Controller, Department of Finance no later than March 1, 2014; and

**WHEREAS**, in electing to act as successor to the Arcata Community Development Agency as provided in Health and Safety Code Sections 34173 and 34176, the City Council expressly recognizes and reaffirms the statutory limitation on the City and the City Council’s liability in such actions. Nothing in this resolution shall be construed as a commitment, obligation, or debt of the City or any resources, funds or assets of the City to fund the Successor Agency.

**NOW THEREFORE, BE IT RESOLVED** by the Board of the Successor Agency to the Arcata Community Development Agency as follows:

1. The above recitals are true and correct and incorporated herein.
2. The FY 2014/2015 Successor Agency Budget attached hereto as Exhibit “A” and incorporated herein is hereby adopted (“Administrative Budget”).

3. The Recognized Obligations Payment Schedule attached hereto as Exhibit "B" and incorporated herein is hereby adopted ("ROPS").
4. As required by Health and Safety Code section 34177(l)(B), the Successor Agency directs staff to forward the ROPS to the Oversight Board for consideration for approval.
5. As required by Health and Safety Code section 34169(i), the Successor Agency Treasurer is hereby designated as the official to whom the Department of Finance may make requests in connection with the ROPS.
6. The Successor Agency Treasurer is hereby directed to take all action as required by state law associated with this Resolution, including transmitting the draft ROPS to the Humboldt County auditor-controller, the state Controller, and the state Department of Finance, and providing contact information to the Department of Finance.
7. The Successor Agency Treasurer is hereby authorized and directed to take all action necessary to post the ROPS on the Successor Agency's website.

This Resolution shall be effective upon adoption.

**DATED:** February 19, 2014

**ATTEST:**

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Secretary, Successor Agency to the  
Community Development Agency of the  
City of Arcata

**APPROVED:**

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Vice Chair, Successor Agency to the  
Community Development Agency of the  
City of Arcata

#### **SECRETARY'S CERTIFICATE**

I hereby certify that the foregoing is a true and correct copy of **Resolution No. 07-1314**, passed and adopted at a regular meeting of the Successor Agency to the Community Development Agency of the City of Arcata, County of Humboldt, State of California, held on the 19<sup>th</sup> day of February, 2014, by the following roll call vote:

**AYES: WINKLER, BRINTON, ORNELAS, STILLMAN**

**NOES: NONE**

**ABSENT: WHEATLEY**

**ABSTENTIONS: NONE**

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Secretary, Successor Agency to the  
Community Development Agency of the  
City of Arcata

**EXHIBIT A**

**ADMINISTRATIVE BUDGET**

**EXHIBIT B**

**RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE**

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

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

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Name of Successor Agency:	Arcata
Name of County:	Humboldt

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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</b>	<b>Sources (B+C+D):</b>	<b>\$ 196,000</b>
B	Bond Proceeds Funding (ROPS Detail)	-
C	Reserve Balance Funding (ROPS Detail)	196,000
D	Other Funding (ROPS Detail)	-
<b>E</b>	<b>Enforceable Obligations Funded with RPTTF Funding (F+G):</b>	<b>\$ 2,514,500</b>
F	Non-Administrative Costs (ROPS Detail)	2,389,500
G	Administrative Costs (ROPS Detail)	125,000
<b>H</b>	<b>Current Period Enforceable Obligations (A+E):</b>	<b>\$ 2,710,500</b>

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Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I	Enforceable Obligations funded with RPTTF (E):
J	Less Prior Period Adjustment (Report of Prior Period Adjustments Column U)
<b>K</b>	<b>Adjusted Current Period RPTTF Requested Funding (I-J)</b>

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

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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			
		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	Total	
<b>ROPS III Actuals (01/01/13 - 6/30/13)</b>										
1	<b>Beginning Available Fund Balance (Actual 01/01/13)</b> Note that for the RPTTF, 1 + 2 should tie to columns L and Q in the Report of Prior Period Adjustments (PPAs)		-	-	196,000	-		-	\$ 196,000	The \$196,000 from DDR was not on an ROPS, but was expended according to the DDR.
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		-	-		-		1,717,175	125,000	\$ 1,842,175
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		-	-		-	1,719,916	164,392	\$ 1,884,308	
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		-	-		-		-	\$ -	
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	<b>Ending Actual Available Fund Balance (1 + 2 - 3 - 4 - 5)</b>	\$ -	\$ -	\$ 196,000	\$ -	\$ -	\$ (2,741)	\$ (39,392)	\$ 153,867	SA will Journal Entry these negative balances
<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>	\$ -	\$ -	\$ 196,000	\$ -	\$ -	\$ (2,741)	\$ (39,392)	\$ 153,867	
8	<b>Revenue/Income (Estimate 12/31/13)</b> Note that the RPTTF amounts should tie to the ROPS 13-14A distributions from the County Auditor-Controller			-			2,389,500	125,000	\$ 2,514,500	
9	<b>Expenditures for 13-14A Enforceable Obligations (Estimate 12/31/13)</b>			196,000			2,389,500	125,000	\$ 2,710,500	
10	<b>Retention of Available Fund Balance (Estimate 12/31/13)</b> Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14A							\$ -		
11	<b>Ending Estimated Available Fund Balance (7 + 8 - 9 - 10)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,741)	\$ (39,392)	\$ (42,133)	

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

Recognized Obligation Payment Schedule (ROPS) 13-14B - Report of Prior Period Adjustments

Report 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 (January through June 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.

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

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

January 1, 2014 through June 30, 2014

Item #	Notes/Comments
6	The DOF authorized transfer of these commercial coaches to the school district. Over the course of the approval period, the school district decided they did not want the units. The project is out to bid. But no contracts have been signed. SA estimates \$15,000 to demo units and rehab the site. Contract will be out to bid and issued with a notice to proceed contingent on DOF approval of this ROPS line item. Actual ROPS amount may be able to be adjusted based on bid amount prior to DOF determination on this ROPS. SA staff will work closely with DOF staff to ensure approval amount matches contract amount. This project is critical as the units currently pose an attractive nuisance and represent a considerable danger to the community and liability to the school district and the SA.
4	2003 bond indenture and loan agreement require an escrow account with trustee to be funded until the bond is repaid once the 85% threshold of tax increment in the plan is met. Payments are being made pursuant to this requirement. DOF determined this is a legitimate obligation in its review of the 13-14A period. SA staff point to the DOF ROPS M&C letter of May 17, 2013 for background on this issue.
4	prior period adjustments. The ROPS 13-14A estimated \$1M in deposits. Actual tax amount was greater. Full amount deposited to escrow pursuant to loan agreement.