

AGENDA

MEETING OF THE KERN COUNTYWIDE OVERSIGHT BOARD

The Board of Supervisors Chamber
1115 Truxtun Ave. 1st Floor
Bakersfield, California
Wednesday, January 30, 2019

2:00 PM

All agenda item supporting documentation is available for public review in the office of the Clerk of the Board of Supervisors, 1115 Truxtun Ave., 5th Floor, Bakersfield, 93301 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

1. CALL TO ORDER:

2. PLEDGE OF ALLEGIANCE:

3. ROLL CALL

- 4. PUBLIC COMMENT:** This time has been set aside for members of the public to address the Oversight Board on any matter not on this agenda but within the subject matter jurisdiction of the Board. Although the Oversight Board values your comments, pursuant to the Brown Act, it generally cannot take any action on items not listed on the posted agenda. Speakers are limited to two minutes. Please state and spell your name before making your comments.

5. ADMINISTRATIVE ITEMS:

5.A. ADOPTION OF A RESOLUTION

RECOMMENDATION: Adopt Resolution No. 008 “RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CALIFORNIA CITY REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2019 TO JUNE 30, 2020 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 (I)”.

5.B. ADOPTION OF A RESOLUTION

RECOMMENDATION: Adopt Resolution No. 009 “RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD TO THE FORMER CITY OF DELANO COMMUNITY REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED

OBLIGATION PAYMENT SCHEDULE 19-20 A & B FOR THE PERIOD OF JULY 2019 THROUGH JUNE 2020”.

5.C. ADOPTION OF A RESOLUTION

RECOMMENDATION: Adopt Resolution No. 010 “RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD TO THE DISSOLVED SHAFTER COMMUNITY DEVELOPMENT AGENCY, APPROVING AND ADOPTING A PROPOSED ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(J)”.

5.D. ADOPTION OF A RESOLUTION

RECOMMENDATION: Adopt Resolution No. 011 “A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED SHAFTER COMMUNITY DEVELOPMENT AGENCY, APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE COVERING THE PERIOD OF JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(I) AND (o).”

5.E. ADOPTION OF A RESOLUTION

RECOMMENDATION: Adopt Resolution No. 012 “RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD TO THE FORMER TAFT COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF TAFT APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO THE PROVISIONS SET FORTH IN HEALTH AND SAFETY CODE SECTION 34180(g)(AB 1X 26)”.

5.F. ADOPTION OF A RESOLUTION

RECOMMENDATION: Adopt Resolution No. 013 “RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD TO THE TEHACHAPI REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD FROM JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 AND TAKING CERTAIN RELATED ACTIONS”.

5.G. ADOPTION OF A RESOLUTION

RECOMMENDATION: Adopt Resolution No. 014 “RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD TO THE TEHACHAPI REDEVELOPMENT AGENCY APPROVING PROPOSED ADMINISTRATIVE BUDGETS FOR THE SIX-MONTH FISCAL PERIODS FROM JULY 1, 2019 THROUGH DECEMBER 31, 2019, AND FROM JANUARY 1, 2020 THROUGH JUNE 30, 2020, AND TAKING CERTAIN RELATED ACTIONS”.

5.H. ADOPTION OF A RESOLUTION

RECOMMENDATION: Adopt Resolution No. 015 “RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD TO THE FORMER RIDGECREST

REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) FOR JULY 1, 2019 THROUGH JUNE 30, 2020 (2019-20) AND APPROVING THE ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2019-20.”

5.I. ADOPTION OF A RESOLUTION

RECOMMENDATION: Adopt Resolution No. 016 “A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED ARVIN COMMUNITY DEVELOPMENT AGENCY, APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE COVERING THE PERIOD OF JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(l) AND (o).”

5.J. ADOPTION OF A RESOLUTION

RECOMMENDATION: Adopt Resolution No. 017 “A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED WASCO COMMUNITY DEVELOPMENT AGENCY, APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE COVERING THE PERIOD OF JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(l) AND (o).”

5.K. ADOPTION OF A RESOLUTION

RECOMMENDATION: Adopt Resolution No. 018 “A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED WASCO COMMUNITY DEVELOPMENT AGENCY, APPROVING AND ADOPTING A PROPOSED ADMINISTRATIVE BUDGET COVERING THE PERIOD OF JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(l) AND (o).”

6. BOARD MEMBER COMMENTS OR ANNOUNCEMENTS:

7. ADJOURNMENT:

**Americans with Disabilities Act
(Government Code Section 54954.2)**

The Board of Supervisors Chamber is accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the Board of Supervisors may request assistance at the Clerk of the Board of Supervisors, Fifth Floor, 1115 Truxtun Avenue, Bakersfield, California or by calling (661) 868-3585. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.

BEFORE THE KERN COUNTYWIDE OVERSIGHT BOARD

In the matter of:

Resolution No. _____

RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CALIFORNIA CITY REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2019 TO JUNE 30, 2020 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 (I)

I, Karmeena Morales, Secretary on behalf of the Oversight Board, do certify that the following resolution, on motion of Director _____, seconded by Director _____, was duly passed and adopted by the Board of Directors at an official meeting this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

Board

Secretary on behalf of the Oversight

Kern Countywide Oversight Board

RESOLUTION

Section 1. WHEREAS:

(a) The City Council of the City of California City (the "City") adopted Resolution No. 01-12-2449 on January 11, 2012, pursuant to Part 1.85 of the California Health and Safety Code electing for the City to serve as the successor agency for the City of California City Redevelopment Agency (the "Successor Agency") upon the dissolution of the California City Redevelopment Agency.

(b) The Oversight Board of the Successor Agency (the "Oversight Board") has been duly appointed and constituted pursuant to Section 34179 of part 1.85 of the California Health and Safety Code; and

(c) Health and Safety Code section 34177(o) requires the Successor Agency to submit a Recognized Obligation Payment Schedule (ROPS) by February 1, 2019, listing outstanding obligations of the Agency to be performed by the Successor Agency during the time period from July 1, 2019 through June 30, 2020; and

Section 2. THEREFORE IT IS RESOLVED by the Board of Directors of the Kern Countywide Oversight Board, as follows:

1. The California City Successor Agency to the California City Redevelopment Agency, approved Successor Agency **Resolution No. 01-08-19**, attached hereto as Exhibit A, at their January 8, 2019 meeting.

2. The above recitals are true and correct and are a substantive part of this Resolution.

3. The Kern Countywide Oversight Board hereby approves and adopts the ROPS 19-20, as shown in Exhibit "A" pursuant to Health and Safety Code Section 34177.

4. The Secretary is hereby authorized and directed to file a certified copy of this Resolution with the County Auditor-Controller and the State Department of Finance.

5. This Resolution shall be effective in accordance with California Health and Safety Code Section 34179(h).

EXHIBIT A

Recognized Obligation Payment Schedule (ROPS 19-20) - Summary
Filed for the July 1, 2019 through June 30, 2020 Period

Successor Agency:

California City

County:

Kern

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ 1,171,225	\$ 24,000	\$ 1,195,225
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	1,171,225	24,000	1,195,225
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 765,302	\$ 440,376	\$ 1,205,678
F	RPTTF	715,302	390,376	1,105,678
G	Administrative RPTTF	50,000	50,000	100,000
H	Current Period Enforceable Obligations (A+E):	\$ 1,936,527	\$ 464,376	\$ 2,400,903

Certification of Oversight Board Chairman:
Pursuant to Section 34177 (o) 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 successor
agency.

NameTitle

/s/

SignatureDate

California City Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail																						
July 1, 2019 through June 30, 2020																						
(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
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 19-20 Total	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 13,019,491		\$ 2,400,903	\$ 0	\$ 0	\$ 1,171,225	\$ 715,302	\$ 50,000	\$ 1,936,527	\$ 0	\$ 0	\$ 24,000	\$ 390,376	\$ 50,000	\$ 464,376
4	Debt Service Administration	Fees	9/1/2000	9/1/2034	U S Bank	Debt. Service Administration fee	One	2,800	N	\$ 2,800				2,800		\$ 2,800						\$ -
5	Federal Court Stipulated Judgment	Litigation	7/1/1993	7/26/2038	California City SDI Fund	Loan for public works project Sewer Plant (1)	One		N	\$ -						\$ -						\$ -
6	Federal Court Stipulated Judgment	Litigation	9/27/1993	7/26/2038	California City SDI Fund	Loan for commercial/housing project. Land (2)	One		N	\$ -						\$ -						\$ -
7	Airport Industrial Development	Miscellaneous	11/6/2007	11/6/2022	Van Pray Living Trust	Land banking for industrial development	One	1,071,713	N	\$ 1,071,712			1,007,072	20,320		\$ 1,027,392			24,000	20,320		\$ 44,320
9	Loan from Low/Mod Housing Fund	SERAF/ERAF	2/1/2010	6/30/2015	Desert Jade Corp.	Loan to fund SERAF Payment	One		N	\$ -						\$ -						\$ -
10	Employees/Operating	Admin Costs	2/1/2012	7/26/2038	Staff/Operations	Annual Admin/Operations Successor Agency	One	264,153	N	\$ 264,153			164,153		50,000	\$ 214,153					50,000	\$ 50,000
14	Successor Agency Administration	City/County Loans After 6/27/11	1/15/2013	7/28/2038	City of California City	Promissory note - City funding Successor Agency Admin (ROPS 13-14A)	One		N	\$ -						\$ -						\$ -
18	Legal Services	Legal	2/19/2013	7/28/2038	Jones & Mayer	Legal Counsel Services	One		N	\$ -						\$ -						\$ -
19	2014 Tax Allocation Bonds	Bonds Issued After 12/31/10	8/24/2014	9/1/2034	U S Bank	Bond Refinance	One	10,570,825	N	\$ 740,238				370,182		\$ 370,182				370,056		\$ 370,056
20	Kern County Superintendent of Schools - Pass Thru	Litigation	9/1/2015	7/28/2038	Kern County Superintendent of Schools (KCSS)	Pass-Thru Obligation	One		N	\$ -						\$ -						\$ -
21	Loan from Low/Mod Housing Fund	SERAF/ERAF	2/1/2010	6/30/2015	California City Housing	Loan to fund SERAF Payment			N	\$ -						\$ -						\$ -
22	Mojave Unified School District (MUSD) - Pass Thru	Litigation	6/28/1988	6/28/2038	Mojave Unified School District	Pass-Thru Obligation			N	\$ -						\$ -						\$ -
23	Kern County Superintendent of Schools - Pass Thru	Litigation	9/1/2015	7/28/2038	Kern County Superintendent of Schools (KCSS)	Pass-Thru Obligation	One	22,161	N	\$ 22,161				22,161		\$ 22,161						\$ -
24	Mojave Unified School District (MUSD) - Pass Thru	Litigation	6/25/1988	6/28/2018	Mojave Unified School District	Pass-Thru Obligation	One	102,839	N	\$ 102,839				102,839		\$ 102,839						\$ -
25	Loan from Low/Mod Housing Fund	SERAF/ERAF	2/1/2020	6/30/2015	California City Housing	Loan to fund SERAF Payment	One	985,000	N	\$ 197,000				197,000		\$ 197,000						\$ -
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California City Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail																						
July 1, 2019 through June 30, 2020																						
(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
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 19-20 Total	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total
											Fund Sources						Fund Sources					
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
83									N	\$ -						\$ -						\$ -
84									N	\$ -						\$ -						\$ -
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California City Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
July 1, 2016 through June 30, 2017
(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. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	Comments
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount						\$862,094 is NOT CASH. Funds are held by Trustee to satsify Debt Service Payments and Indenture
		0	862,094		0	274,891	
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller						RPTTF 16-17A \$631,400, 16-17B \$832,109. Other Funds \$48,000 (rental revenue - Airport Hangar Property owned by Successor Agency)
		0			48,000	1,463,509	
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)						Annual 16-17 Expenditures: Airport Industrial Development \$315,463. 2014 Tax Allocation Bonds \$733,243. Employees/Operating/Admin \$85,847.12. Huyndai (final payment) \$212,917. Low/Mod DDR Payment \$215,518 (reimbursed to city).
		0			48,000	1,571,608	
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						Balance of \$250,000 admin allowance for FY 16- 17. \$54,974 Fys prior to 16-17, \$65,928.54 FY 17/18. portion of FY 19-20 \$80,000
		0				164,153	
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
						19	
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)						\$862,094 is NOT CASH. Funds are held by Trustee to satsify Debt Service Payments and Indenture
		\$ 0	\$ 862,094	\$ 0	\$ 0	\$ 2,620	

California City Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020

[illegible]



**DEPARTMENT OF
FINANCE**

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

June 29, 2018

Ms. Jan Sprague, Administrative Secretary
California City
21000 Hacienda Boulevard
California City, CA 93505

Dear Ms. Sprague:

Subject: Approval of Oversight Board Action

The California City Successor Agency (Agency) notified the California Department of Finance (Finance) of its May 9, 2018 Oversight Board (OB) Resolution on May 14, 2018. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of the OB action.

Based on our review and application of the law, OB Resolution No. 05-18-01, approving certain payments as enforceable obligations of the Agency, is approved. Specifically:

- The Settlement Agreement and Mutual Release (Settlement Agreement) between the Agency and the local educational agencies (LEAs), Kern County Superintendent of Schools (KCSOS), and Mojave Unified School Districts (MUSD), relating to unpaid pass-through payments, is approved. We note the amount due to KCSOS specified in the Resolution was \$22,181; however, the amount included in Exhibit A of the Resolution is \$22,161. The Agency confirmed it was a typographical error and the correct proposed payment amount is \$22,161.

It is our understanding the settlement amount of \$125,000 (\$22,161 + \$102,839) will release the Agency from any outstanding pass-through payments due to the LEAs for fiscal years 2008-09 through 2010-11. In addition, the payments pursuant to this Settlement Agreement should be listed on a future Recognized Obligation Payment Schedule (ROPS) for Finance's review and approval.

- The repayment schedule to the Low and Moderate Income Housing Asset Fund and the outstanding balance for payment of the Supplement Education Revenue Augmentation Fund (SERAF) in the total principal amount of \$985,000 is approved. The loan repayments are subject to the repayment formula outlined in HSC section 34191.4 (b) and should be placed on a future ROPS for Finance's review and approval.

This is our determination with respect to the OB action taken.

Please direct inquiries to Cindie Lor, Supervisor, or Jane Xuan, Analyst, at (916) 322-2985.

Sincerely,

A handwritten signature in blue ink, appearing to read "Erika Li", with a stylized flourish extending to the right.

ERIKA LI
Program Budget Manager

cc: Mr. Tom Weil, City Manager, California City
Ms. Mary B. Bedard, Auditor-Controller, Kern County



June 28, 2018

Ms. Jan Sprague, Administrative Secretary
California City
21000 Hacienda Boulevard
California City, CA 93505

Dear Ms. Sprague:

Subject: Determination of Oversight Board Action

The City of California City Successor Agency (Agency) notified the California Department of Finance (Finance) of its May 9, 2018 Oversight Board (OB) Resolution on May 14, 2018. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of the OB action.

Based on our review and application of the law, OB Resolution No. 05-18-02, approving the distribution of funds from the sale of property detailed in the Long-Range Property Management Plan (LRPMP), is partially approved.

It is our understanding the Agency has \$983,072 available from the sale of properties listed on the approved LRPMP (Assessor's Parcel Numbers 205-330-26, 302-510-05, 302-510-06, 302-510-07, 302-510-08, 302-510-09, 302-510-10, and 216-010-02). The Agency proposes to use the sale proceeds as follows:

- The Agency intends to use \$398,072 to reimburse the City of California City (City) for administrative fees and charges incurred through April 2018. According to the Agency, funding received in prior Recognized Obligation Payment Schedule (ROPS) periods has been insufficient to fully reimburse the City for Agency administrative costs. However, Finance did not approve funding for an administrative cost shortfall on the ROPS for the July 1, 2018 through June 30, 2019 period (ROPS 18-19). Therefore, the request to use \$398,072 in sale proceeds to reimburse the City is not approved.
- The Agency intends to use \$585,000 to pay down its Van Pray Land Note (Note) balance, ROPS Item No. 7. On the ROPS 18-19, Finance approved funding of \$326,000, consisting of \$48,000 in Other Funds and \$278,000 in Redevelopment Property Tax Trust Fund (RPTTF). The Agency is requesting to spend a total of \$911,000 (\$585,000 + \$326,000), which exceeds the total due during the ROPS 18-19 period. Therefore, the request to use \$585,000, in addition to funding approved on ROPS 18-19, is not approved. However, should the Agency choose to use sale proceeds in place of RPTTF funding approved for Item No. 7, the change in funding source is allowed up to \$278,000.

As a result, of the \$983,072 in sale proceeds available, the Agency is allowed to use up to \$278,000 for ROPS Item No. 7 in place of RPTTF funding previously authorized for the ROPS 18-19 period. However, the remaining \$705,072 (\$983,072 - \$278,000) should be retained and reported for use on enforceable obligations on a subsequent ROPS or remitted to the County Auditor-Controller pursuant to HSC section 34177(e).

In the event the OB desires to amend the portions of the Resolution not approved by Finance, Finance is returning it to the board for reconsideration. However, the Agency may move forward with the portion of the Resolution approved by Finance.

Please direct inquiries to Cindie Lor, Supervisor, or Jane Xuan, Analyst, at (916) 322-2985.

Sincerely,



ERIKA LI
Program Budget Manager

cc: Mr. Tom Weil, City Manager, California City
Ms. Mary B. Bedard, Auditor-Controller, Kern County

State of California

HEALTH AND SAFETY CODE

Section 34191.4

34191.4. The following provisions shall apply to any successor agency that has been issued a finding of completion by the department:

(a) All real property and interests in real property identified in subparagraph (C) of paragraph (5) of subdivision (c) of Section 34179.5 shall be transferred to the Community Redevelopment Property Trust Fund of the successor agency upon approval by the Department of Finance of the long-range property management plan submitted by the successor agency pursuant to subdivision (b) of Section 34191.5 unless that property is subject to the requirements of any existing enforceable obligation.

(b) (1) Notwithstanding subdivision (d) of Section 34171, upon application by the successor agency and approval by the oversight board, loan agreements entered into between the redevelopment agency and the city, county, or city and county that created the redevelopment agency shall be deemed to be enforceable obligations provided that the oversight board makes a finding that the loan was for legitimate redevelopment purposes.

(2) For purposes of this section, "loan agreement" means any of the following:

(A) Loans for money entered into between the former redevelopment agency and the city, county, or city and county that created the former redevelopment agency under which the city, county, or city and county that created the former redevelopment agency transferred money to the former redevelopment agency for use by the former redevelopment agency for a lawful purpose, and where the former redevelopment agency was obligated to repay the money it received pursuant to a required repayment schedule.

(B) An agreement between the former redevelopment agency and the city, county, or city and county that created the former redevelopment agency under which the city, county, or city and county that created the former redevelopment agency transferred a real property interest to the former redevelopment agency for use by the former redevelopment agency for a lawful purpose and the former redevelopment agency was obligated to pay the city, county, or city and county that created the former redevelopment agency for the real property interest.

(C) (i) An agreement between the former redevelopment agency and the city, county, or city and county that created the former redevelopment agency under which the city, county, or city and county that created the former redevelopment agency contracted with a third party on behalf of the former redevelopment agency for the development of infrastructure in connection with a redevelopment project as identified in a redevelopment project plan and the former redevelopment agency was obligated

to reimburse the city, county, or city and county that created the former redevelopment agency for the payments made by the city, county, or city and county to the third party.

(ii) The total amount of loan repayments to a city, county, or city and county that created the former redevelopment agency for all loan agreements described in clause (i) shall not exceed five million dollars (\$5,000,000).

(3) If the oversight board finds that the loan is an enforceable obligation, any interest on the remaining principal amount of the loan that was previously unpaid after the original effective date of the loan shall be recalculated from the date of origination of the loan as approved by the redevelopment agency on a quarterly basis, at a simple interest rate of 3 percent. The recalculated loan shall be repaid to the city, county, or city and county in accordance with a defined schedule over a reasonable term of years. Moneys repaid shall be applied first to the principal, and second to the interest. The annual loan repayments provided for in the recognized obligation payment schedules shall be subject to all of the following limitations:

(A) Loan repayments shall not be made prior to the 2013–14 fiscal year. Beginning in the 2013–14 fiscal year, the maximum repayment amount authorized each fiscal year for repayments made pursuant to this subdivision and paragraph (7) of subdivision (e) of Section 34176 combined shall be equal to one-half of the increase between the amount distributed to the taxing entities pursuant to paragraph (4) of subdivision (a) of Section 34183 in that fiscal year and the amount distributed to taxing entities pursuant to that paragraph in the 2012–13 base year, provided, however, that calculation of the amount distributed to taxing entities during the 2012–13 base year shall not include any amounts distributed to taxing entities pursuant to the due diligence review process established in Sections 34179.5 to 34179.8, inclusive. Loan or deferral repayments made pursuant to this subdivision shall be second in priority to amounts to be repaid pursuant to paragraph (7) of subdivision (e) of Section 34176.

(B) Repayments received by the city, county, or city and county that formed the redevelopment agency shall first be used to retire any outstanding amounts borrowed and owed to the Low and Moderate Income Housing Fund of the former redevelopment agency for purposes of the Supplemental Educational Revenue Augmentation Fund and shall be distributed to the Low and Moderate Income Housing Asset Fund established by subdivision (d) of Section 34176. Distributions to the Low and Moderate Income Housing Asset Fund are subject to the reporting requirements of subdivision (f) of Section 34176.1.

(C) Twenty percent of any loan repayment shall be deducted from the loan repayment amount and shall be transferred to the Low and Moderate Income Housing Asset Fund, after all outstanding loans from the Low and Moderate Income Housing Fund for purposes of the Supplemental Educational Revenue Augmentation Fund have been paid. Transfers to the Low and Moderate Income Housing Asset Fund are subject to the reporting requirements of subdivision (f) of Section 34176.1.

(c) (1) (A) Notwithstanding Section 34177.3 or any other conflicting provision of law, bond proceeds derived from bonds issued on or before December 31, 2010, in excess of the amounts needed to satisfy approved enforceable obligations shall

thereafter be expended in a manner consistent with the original bond covenants. Enforceable obligations may be satisfied by the creation of reserves for projects that are the subject of the enforceable obligation and that are consistent with the contractual obligations for those projects, or by expending funds to complete the projects. An expenditure made pursuant to this paragraph shall constitute the creation of excess bond proceeds obligations to be paid from the excess proceeds. Excess bond proceeds obligations shall be listed separately on the Recognized Obligation Payment Schedule submitted by the successor agency. The expenditure of bond proceeds described in this subparagraph pursuant to an excess bond proceeds obligation shall only require the approval by the oversight board of the successor agency.

(B) If remaining bond proceeds derived from bonds issued on or before December 31, 2010, cannot be spent in a manner consistent with the bond covenants pursuant to subparagraph (A), the proceeds shall be used at the earliest date permissible under the applicable bond covenants to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation.

(2) Bond proceeds derived from bonds issued on or after January 1, 2011, in excess of the amounts needed to satisfy approved enforceable obligations, shall be used in a manner consistent with the original bond covenants, subject to the following provisions:

(A) No more than 5 percent of the proceeds derived from the bonds may be expended, unless the successor agency meets the criteria specified in subparagraph (B).

(B) If the successor agency has an approved Last and Final Recognized Obligation Payment Schedule pursuant to Section 34191.6, the agency may expend no more than 20 percent of the proceeds derived from the bonds, subject to the following adjustments:

(i) If the bonds were issued during the period of January 1, 2011, to January 31, 2011, inclusive, the successor agency may expend an additional 25 percent of the proceeds derived from the bonds, for a total authorized expenditure of no more than 45 percent.

(ii) If the bonds were issued during the period of February 1, 2011, to February 28, 2011, inclusive, the successor agency may expend an additional 20 percent of the proceeds derived from the bonds, for a total authorized expenditure of no more than 40 percent.

(iii) If the bonds were issued during the period of March 1, 2011, to March 31, 2011, inclusive, the successor agency may expend an additional 15 percent of the proceeds derived from the bonds, for a total authorized expenditure of no more than 35 percent.

(iv) If the bonds were issued during the period of April 1, 2011, to April 30, 2011, inclusive, the successor agency may expend an additional 10 percent of the proceeds derived from the bonds, for a total authorized expenditure of no more than 30 percent.

(v) If the bonds were issued during the period of May 1, 2011, to May 31, 2011, inclusive, the successor agency may expend an additional 5 percent of the proceeds derived from the bonds, for a total authorized expenditure of no more than 25 percent.

(C) Remaining bond proceeds that cannot be spent pursuant to subparagraphs (A) and (B) shall be used at the at the earliest date permissible under the applicable bond covenants to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation.

(D) The expenditure of bond proceeds described in this paragraph shall only require the approval by the oversight board of the successor agency.

(3) If a successor agency provides the oversight board and the department with documentation that proves, to the satisfaction of both entities, that bonds were approved by the former redevelopment agency prior to January 31, 2011, but the issuance of the bonds was delayed by the actions of a third-party metropolitan regional transportation authority beyond January 31, 2011, the successor agency may expend the associated bond proceeds in accordance with clause (i) of subparagraph (B) of paragraph (2) of this section.

(4) Any proceeds derived from bonds issued by a former redevelopment agency after December 31, 2010, that were issued, in part, to refund or refinance tax-exempt bonds issued by the former redevelopment agency on or before December 31, 2010, and which are in excess of the amount needed to refund or refinance the bonds issued on or before December 31, 2010, may be expended by the successor agency in accordance with clause (i) of subparagraph (B) of paragraph (2) of this section. The authority provided in this paragraph is conditioned on the successor agency providing to its oversight board and the department the resolution by the former redevelopment agency approving the issuance of the bonds issued after December 31, 2010.

(d) This section shall apply retroactively to actions occurring on or after June 28, 2011. The amendment of this section by the act adding this subdivision shall not result in the denial of a loan under subdivision (b) that has been previously approved by the department prior to the effective date of the act adding this subdivision. Additionally, the amendment of this section by the act adding this subdivision shall not impact the judgments, writs of mandate, and orders entered by the Sacramento Superior Court in the following lawsuits: (1) City of Watsonville v. California Department of Finance, et al. (Sac. Superior Ct. Case No. 34-2014-80001910); (2) City of Glendale v. California Department of Finance, et al. (Sac. Superior Ct. Case No. 34-2014-80001924).

(Amended by Stats. 2015, Ch. 325, Sec. 21. (SB 107) Effective September 22, 2015.)

RESOLUTION NO. 05-18-02

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CALIFORNIA CITY REDEVELOPMENT AGENCY APPROVING DISTRIBUTION OF FUNDS FROM PROPERTY DETAILED IN THE LONG-RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5 FOR THE DISPOSITION OF REAL PROPERTY ASSETS OF THE FORMER CALIFORNIA CITY REDEVELOPMENT AGENCY

RECITALS:

WHEREAS, pursuant to Health and Safety Code Section 34173(d), the City of California City elected to become the Successor Agency to the former California City Redevelopment Agency ("Successor Agency") by Resolution No. 01-12-2449 on January 11, 2012; and

WHEREAS, pursuant to Health and safety Code Section 34173(g), the Successor Agency is now a separate legal entity from the City; and

WHEREAS, Health and Safety Code Section 34191.5(b) requires the Successor Agency to prepare a Long-Range Property Management Plan ("Property Management Plan") that addresses the disposition and use of the real properties of the former redevelopment agency; and

WHEREAS, the staff of the Successor Agency to the former California City Redevelopment Agency prepared a Long-Range Property Management Plan (LRPMP), which fully complies with the requirements for such plans set forth in Health & Safety Code, Section 34191.5 and identifies each of the real property assets of the California City Successor Agency (former California City Redevelopment Agency), including the Agency's preferred methods of disposing of those assets with the sale proceeds being applied to enforceable obligations; and

WHEREAS, the Successor Agency has received revenues from property sales listed in the LRPMP, through May 2018, as follows;

- November 8, 2016; K&D Estates purchased 8.58 acres. APN 205-330-26, for \$64,856.40.
Proceeds to be distributed to the city for reimbursement of Administrative fees and charges through April 30, 2018.
- December 1, 2016; Meister & Meister purchased 3.96 acres. APNs 302-510-05, 302-510-06, 302-510-07, 302-510-08, 302-510-09, 302-510-10, for \$333,216.40.

- Proceeds to be distributed to the city for reimbursement of Administrative fees and charges through April 30, 2018, and Administrative fees associated with legal costs of property disposition.
- June 28, 2017; Canna Pharmaceuticals purchased 29.27 acres. APN 216-010-02, for \$585,000.00.
Proceeds received as follows: \$15,000.00 09/21/17
Balance of proceeds received: \$570,000.00 02/27/18
Proceeds to be distributed to the Van Pray Land Note, dated November 6, 2007.

NOW, THEREFORE BE IT RESOLVED by the Oversight Board to the former dissolved California City Redevelopment Agency as follows:

SECTION 1. Distribution of funds as follows:

- K&D Estates \$64,856.40.
Proceeds to be distributed to the city for reimbursement of Administrative fees and charges through April 30, 2018.
- Meister & Meister \$333,216.40.
Proceeds to be distributed to the city for reimbursement of Administrative fees and charges through April 30, 2018, and Administrative fees associated with legal costs of property disposition.
- Canna Pharmaceuticals \$585,000.00.
Proceeds to be distributed to the Van Pray Land Note, dated November 6, 2007.

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the Oversight Board for the California City Successor Agency to the California City Redevelopment Agency at a Special Meeting held on the 9th day of May 2018.

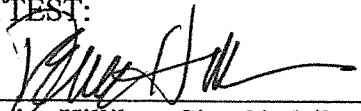
PASSED AND ADOPTED by the *Oversight Board*

PASSED AND ADOPTED this 9th day of May, 2018, by the following vote:

AYES: *Bray, Caudle, Couch, Heathman, Stockwell*
NOES: *none*
ABSENT: *Wuebe*
ABSTAIN: *none*


Chairman – Oversight Board

ATTEST:


Denise Hilliker, City Clerk/Secretary

I hereby certify that the foregoing resolution was duly and regularly adopted by the Oversight Board of the Successor Agency at the special meeting thereof held on May 9, 2018.


Denise Hilliker, City Clerk/Secretary

OVERSIGHT BOARD

May 9, 2018

City of California City

TO: Members of the Oversight Board of the Successor Agency of the former California City Redevelopment Agency

FROM: Bob Stockwell, Executive Director

SUBJECT: Distribution of funds from the sale of Successor Agency Properties

Background

Pursuant to Health and Safety Code Section 34173(d), the City of California City elected to become the Successor Agency to the former California City Redevelopment Agency ("Successor Agency") by Resolution No. 01-12-2449 on January 11, 2012; and pursuant to Health and safety Code Section 34173(g), the Successor Agency is now a separate legal entity from the City.

Health and Safety Code Section 34191.5(b) requires the Successor Agency to prepare a Long-Range Property Management Plan ("Property Management Plan") that addresses the disposition and use of the real properties of the former redevelopment agency. The staff of the Successor Agency to the former California City Redevelopment Agency prepared a Long-Range Property Management Plan (LRPMP), which fully complies with the requirements for such plans set forth in Health & Safety Code, Section 34191.5 and identifies each of the real property assets of the California City Successor Agency (former California City Redevelopment Agency), including the Agency's preferred methods of disposing of those assets with the sale proceeds being applied to enforceable obligations.

On December 30, 2015, at a noticed public meeting the Oversight Board reviewed and approved the proposed Long-Range Property Management Plan for submittal to the Department of Finance.

To date, the Successor Agency has entered into property sale agreements as follows:

- November 8, 2016; K&D Estates purchased 8.58 acres. APN 205-330-26, for \$64,856.40.
Proceeds received 06/23/17.
- December 1, 2016; Meister & Meister purchased 3.96 acres. APNs 302-510-05, 302-510-06, 302-510-07, 302-510-08, 302-510-09, 302-510-10, for \$333,216.40.
Proceeds received 06/28/17.
- June 28, 2017; Canna Pharmaceuticals purchased 29.27 acres. APN 216-010-02, for \$585,000.00.
Proceeds received as follows: \$15,000.00 (Deposit) 09/21/17
Balance of proceeds received: \$570,000.00 02/27/18

Recommendation

Staff recommends the following, and upon completion of review, direct staff to forward to the Oversight Board for their review and approval.

Proceeds received from K&D Estates in the amount of \$64,856.40, and Meister & Meister in the amount of \$333,216.40, as these properties are a portion of the "317" Project area of which the agency had borrowed funds from the SDI to purchase the approximate 317 acres of land for a Master Planned Community Development Project, which we refer to as "The Villages Specific Plan". The Department of Finance has denied the repayment of the SDI notes on the Recognized Obligation Payment Schedule (ROPS), since 2012. Therefore, these funds cannot be used to pay down the SDI note as it is not an enforceable obligation. With this in mind, staff recognizes that the City of California City has been covering most, if not all of the administrative costs associated with the Administration of the Successor Agency. To date the Successor Agency is in arrears for Administrative costs in the amount of \$120,902.72. Staff recommends reimbursing the City in the amount of \$120,902.72

Proceeds received from Canna Pharmaceuticals in the amount of \$585,000.00 be dispersed to the Van Pray Land Note. Current balance of note: \$1,377,258.90 (as of May 31, 2018). This property is a portion of the property that the Redevelopment Agency purchased from Van Pray, (approx. 152 acres), in November 2007. This payment would be applied to the principal balance thus significantly reducing the obligation by 2.5 years. The Van Pray Note is an enforceable obligation per the approved ROPS 17/18. New Amortization schedule reflecting this payment if approved, is attached for reference.

Attachment:

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CALIFORNIA CITY REDEVELOPMENT AGENCY APPROVING DISTRIBUTION OF FUNDS FROM PROPERTY DETAILED IN THE LONG-RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5 FOR THE DISPOSITION OF REAL PROPERTY ASSETS OF THE FORMER CALIFORNIA CITY REDEVELOPMENT AGENCY

5/2/2018

DRAFT w/ lump sum pmt of

585,000.00

Payment Date	Payment	Principal	Interest	Total Interest	Balance
Jun 2018	\$27,395.44	\$25,507.22	\$1,888.22	\$1,888.22	\$766,751.78
Jul 2018	\$27,395.44	\$25,568.01	\$1,827.43	\$3,715.64	\$741,183.77
Aug 2018	\$27,395.44	\$25,628.95	\$1,766.49	\$5,482.13	\$715,554.82
Sep 2018	\$27,395.44	\$25,690.03	\$1,705.41	\$7,187.54	\$689,864.79
Oct 2018	\$27,395.44	\$25,751.26	\$1,644.18	\$8,831.71	\$664,113.53
Nov 2018	\$27,395.44	\$25,812.63	\$1,582.80	\$10,414.52	\$638,300.90
Dec 2018	\$27,395.44	\$25,874.15	\$1,521.28	\$11,935.80	\$612,426.75
Jan 2019	\$27,395.44	\$25,935.82	\$1,459.62	\$13,395.42	\$586,490.93
Feb 2019	\$27,395.44	\$25,997.63	\$1,397.80	\$14,793.22	\$560,493.30
Mar 2019	\$27,395.44	\$26,059.59	\$1,335.84	\$16,129.06	\$534,433.70
Apr 2019	\$27,395.44	\$26,121.70	\$1,273.73	\$17,402.80	\$508,312.00
May 2019	\$27,395.44	\$26,183.96	\$1,211.48	\$18,614.27	\$482,128.04
Jun 2019	\$27,395.44	\$26,246.36	\$1,149.07	\$19,763.35	\$455,881.68
Jul 2019	\$27,395.44	\$26,308.92	\$1,086.52	\$20,849.86	\$429,572.76
Aug 2019	\$27,395.44	\$26,371.62	\$1,023.82	\$21,873.68	\$403,201.14
Sep 2019	\$27,395.44	\$26,434.47	\$960.96	\$22,834.64	\$376,766.67
Oct 2019	\$27,395.44	\$26,497.48	\$897.96	\$23,732.60	\$350,269.19
Nov 2019	\$27,395.44	\$26,560.63	\$834.81	\$24,567.41	\$323,708.56
Dec 2019	\$27,395.44	\$26,623.93	\$771.51	\$25,338.92	\$297,084.63
Jan 2020	\$27,395.44	\$26,687.38	\$708.05	\$26,046.97	\$270,397.25
Feb 2020	\$27,395.44	\$26,750.99	\$644.45	\$26,691.42	\$243,646.26
Mar 2020	\$27,395.44	\$26,814.75	\$580.69	\$27,272.11	\$216,831.51
Apr 2020	\$27,395.44	\$26,878.65	\$516.78	\$27,788.89	\$189,952.86
May 2020	\$27,395.44	\$26,942.72	\$452.72	\$28,241.61	\$163,010.14
Jun 2020	\$27,395.44	\$27,006.93	\$388.51	\$28,630.12	\$136,003.21
Jul 2020	\$27,395.44	\$27,071.30	\$324.14	\$28,954.26	\$108,931.92
Aug 2020	\$27,395.44	\$27,135.81	\$259.62	\$29,213.88	\$81,796.10
Sep 2020	\$27,395.44	\$27,200.49	\$194.95	\$29,408.83	\$54,595.62
Oct 2020	\$27,395.44	\$27,265.32	\$130.12	\$29,538.94	\$27,330.30
Nov 2020	\$27,395.44	\$27,330.30	\$65.14	\$29,604.08	\$0.00

Van Praay Land
Purchase Agmt.

Current Balance of Loan 1,377,258.90 (May 31, 2018)
 Less \$ 585,000.00 = \$ 792,258.90

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Mortgage Calculator

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i Calculator information

Home price

i

\$ 792,259

Down payment

i

\$ 0.00

0

%

Mortgage term

i

2.5

years

30

months

Annual interest rate

i

2.86

%

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Beverly Hills, CA 90210

Value Forecast

Neighborhood

Property Details

Similar Homes

A

Your estimated monthly payment:

i

\$ 27,395.44

Total principal paid

\$792,259.00

Total interest paid

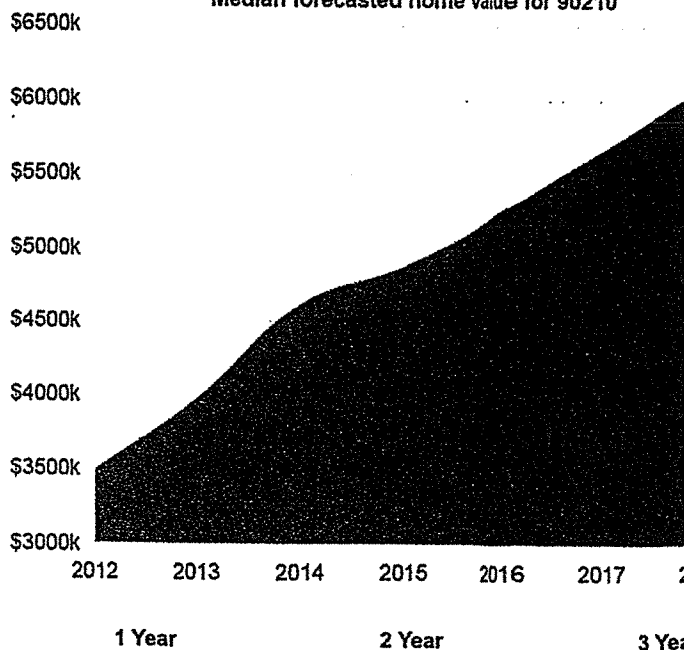
\$29,604.08

TODAY'S RATES

Show amortization / payment schedule

i

Median forecasted home value for 90210



ORIGINAL

RESOLUTION NO. 05-18-01

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CALIFORNIA CITY REDEVELOPMENT AGENCY APPROVING CERTAIN PAYMENTS AS ENFORCEABLE OBLIGATIONS OF THE SUCCESSOR AGENCY OF THE CALIFORNIA CITY REDEVELOPMENT AGENCY PURSUANT TO HEALTH AND SAFETY CODE SECTIONS 34179(h)(1) & 34171(d)(1)(G)

RECITALS:

A. The City Council of the City of California City (the "City") adopted Resolution No. 01-12-2449 on January 11, 2012, pursuant to Part 1.85 of the California Health and Safety Code electing for the City to serve as the successor agency for the City of California City Redevelopment Agency (the "Successor Agency") upon the dissolution of the California City Redevelopment Agency.

B. The Oversight Board of the Successor Agency (the "Oversight Board") has been duly appointed and constituted pursuant to Section 34179 of part 1.85 of the California Health and Safety Code; and

C. Health and Safety Code section 34179(h)(1) requires the Oversight Board to approve a repayment schedule of amounts borrowed from the Low and Moderate Income Housing Fund; and

D. Health and Safety Code section 34171(d)(1)(G) requires the Oversight Board to provide the Department of Finance a resolution approving enforceable obligations to be included on the Recognized Obligation Payment Schedule.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CALIFORNIA CITY REDEVELOPMENT AGENCY HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. This Resolution is adopted pursuant to Health and Safety Code Sections 34179(h)(1) and 34171(d)(1)(G).

Section 3. The Oversight Board hereby approves pass through payments to the Kern County Superintendent of Schools in the amount of \$22,181.00 and to the Mojave Unified School District in the amount of \$102,839.00 as shown in Exhibit "A" pursuant to Health and Safety Code Section 34179(h)(1).

Section 4. The Oversight Board hereby approves the payment schedule to the Low and Moderate Income Housing Fund totaling \$985,000 as shown in Exhibit "B" pursuant to Health and Safety Code Section 34171(d)(1)(G).

Section 5. The Secretary is hereby authorized and directed to file a certified copy of this Resolution with the County Auditor-Controller and the State Department of Finance.

Section 6. Pursuant to Health and Safety Code Section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and therefore, this Resolution shall not be effective for three (3) business days, pending a requires for review by the State of California Department of Finance

PASSED AND ADOPTED this 9 day of May, 2018, by the following vote:

AYES: Bray, Caudle, Couch, Heathman, Stockwell

NOES: none

ABSENT: Wiebe

ABSTAIN: none

Shirley Heathman
Chairman – Oversight Board

ATTEST:

Denise Hilliker
Denise Hilliker, Secretary / City Clerk

I hereby certify that the foregoing resolution was duly and regularly adopted by the Oversight Board of the Successor Agency at the regular meeting thereof held on _____, 2018.

Denise Hilliker
Denise Hilliker, Secretary / City Clerk

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release ("Settlement Agreement") is dated as of the ____ day of November, 2017, by and between the following parties:

1. Kern County Superintendent of Schools, a California public education entity ("KCSOS"); and
2. Mojave Unified School District, a California public school district ("MUSD"); and
3. California City Successor Agency ("Cal-City SA") to the former California City Redevelopment Agency ("Cal-City RDA").

KCSOS and MUSD may be referred to herein as the local educational agencies ("LEA's"). KCSOS, MUSD and Cal-City SA may be referred to herein individually as a "Party" or collectively as the "Parties."

RECITALS

A. WHEREAS, the LEA's have asserted that provisions of the Health and Safety Code required the former Cal-City RDA to make pass-through payments pursuant to AB 1290 ("Pass-through Payments") to the LEA's as local taxing entities within the former Cal-City RDA project areas; and

B. WHEREAS, KCSOS has asserted that under the provisions of that certain Tax Sharing Agreement dated July 10, 1989 by and between the Cal-City RDA and KCSOS, the former Cal-City RDA was required to make agreement payments equal to fifty percent (50%) of KCSOS's share of the tax increment that the Cal-City RDA received from its original project area ("Agreement Pass-through Payments") to KCSOS from and after fiscal year 1994-95, for each fiscal year thereafter during the term of the redevelopment plan; and

C. WHEREAS, KCSOS has further asserted that such Agreement Pass-through Payments were underpaid or not paid by the former Cal-City RDA to KCSOS and that AB 1290 Pass-through Payments due from the former Cal-City RDA to the LEAs have either been unpaid or underpaid; and

D. WHEREAS, in accordance with Health and Safety Code Section 34173(g), the Successor Agency is a separate legal entity from the City of California City and the liabilities and/or assets of the RDA and Successor Agency do not transfer to the City of California City.

E. WHEREAS, pursuant to ABX1 26, on February 1, 2012, the Cal-City RDA was dissolved, and the Cal-City SA was created by law to wind-down the operations and business of the former Cal-City RDA; and

F. WHEREAS, in June, 2013, KCSOS, through its consultant Public Economics, Inc. made, on behalf of itself and MUSD, an initial request to the Cal-City SA for unpaid Agreement Pass-through Payments for Fiscal Years 2008-09 through 2010-11, and unpaid or underpaid AB 1290 Pass-through Payments for fiscal years 2008-09 through 2010-11 ("Pre-Dissolution Pass-through Payments"); and

G. WHEREAS, KCSOS and MUSD filed in Kern County Superior Court a Verified Petition for Writ of Mandate and Complaint for Declaratory Relief and Breach of Contract against Cal-City SA on or about June 29, 2015 (Case No. BCV 15-100357 NFT) (the "Writ Action"); and

H. WHEREAS, California Health and Safety Code § 34180 provides the following:

All of the following successor agency actions shall first be approved by the oversight board:

(a) The establishment of new repayment terms for outstanding loans where the terms have not been specified prior to the date of this part. An oversight board shall not have the authority to reestablish loan agreements between the successor agency and the city, county, or city and county that formed the redevelopment agency except as provided in Chapter 9 (commencing with Section 34191.1).

(b) The issuance of bonds or other indebtedness or the pledge or agreement for the pledge of property tax revenues (formerly tax increment prior to the effective date of this part) pursuant to subdivision (a) of Section 34177.5.

(c) Setting aside of amounts in reserves as required by indentures, trust indentures, or similar documents governing the issuance of outstanding redevelopment agency bonds.

(d) Merging of project areas.

(e) Continuing the acceptance of federal or state grants, or other forms of financial assistance from either public or private sources, if that assistance is conditioned upon the provision of matching funds, by the successor entity as successor to the former redevelopment agency, in an amount greater than 5 percent.

(f) (1) If a city, county, or city and county wishes to retain any properties or other assets for future redevelopment activities, funded from its own funds and under its own auspices, it must reach a compensation agreement with the other taxing entities to provide payments to them in proportion to their shares of the base property tax, as determined pursuant to Section 34188, for the value of the property retained.

(2) If no other agreement is reached on valuation of the retained

assets, the value will be the fair market value as of the 2011 property tax lien date as determined by an independent appraiser approved by the oversight board.

(g) Establishment of the Recognized Obligation Payment Schedule.

(h) A request by the successor agency to enter or reenter into an agreement with the city, county, or city and county that formed the redevelopment agency that it is succeeding pursuant to Section 34178. An oversight board shall not have the authority to reestablish loan agreements between the successor agency and the city, county, or city and county that formed the redevelopment agency except as provided in Chapter 9 (commencing with Section 34191.1). Any actions to establish or reestablish any other agreements that are authorized under this part, with the city, county, or city and county that formed the redevelopment agency are invalid until they are included in an approved and valid Recognized Obligation Payment Schedule.

(i) A request by a successor agency or taxing entity to pledge, or to enter into an agreement for the pledge of, property tax revenues pursuant to subdivision (b) of Section 34178.

(j) Any document submitted by a successor agency to an oversight board for approval by any provision of this part shall also be submitted to the county administrative officer, the county auditor-controller, and the Department of Finance at the same time that the successor agency submits the document to the oversight board.

(Amended by Stats. 2015, Ch. 325, Sec. 14. Effective September 22, 2015.)

H. WHEREAS, California Health and Safety Code § 34181 provides the following:

The oversight board shall direct the successor agency to do all of the following:

(a) (1) Dispose of all assets and properties of the former 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 governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, parking facilities and lots dedicated solely to public parking, and local agency administrative buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset. Any compensation to be provided to the successor agency for the transfer of the asset shall be governed by the agreements relating to the construction or use of that

asset. Disposal shall be done expeditiously and in a manner aimed at maximizing value. Asset disposition may be accomplished by a distribution of income to taxing entities proportionate to their property tax share from one or more properties that may be transferred to a public or private agency for management pursuant to the direction of the oversight board.

(2) "Parking facilities and lots dedicated solely to public parking" do not include properties that generate revenues in excess of reasonable maintenance costs of the properties.

(b) Cease performance in connection with and terminate all existing agreements that do not qualify as enforceable obligations.

(c) Transfer housing assets pursuant to Section 34176.

(d) Terminate any agreement, between the dissolved redevelopment agency and any public entity located in the same county, obligating the redevelopment agency to provide funding for any debt service obligations of the public entity or for the construction, or operation of facilities owned or operated by such public entity, in any instance where the oversight board has found that early termination would be in the best interests of the taxing entities.

(e) Determine whether any contracts, agreements, or other arrangements between the dissolved redevelopment agency and any private parties should be terminated or renegotiated to reduce liabilities and increase net revenues to the taxing entities, and present proposed termination or amendment agreements to the oversight board for its approval. The board may approve any amendments to or early termination of those agreements if it finds that amendments or early termination would be in the best interests of the taxing entities.

(f) All actions taken pursuant to subdivisions (a) and (c) shall be approved by resolution of the oversight board at a public meeting after at least 10 days' notice to the public of the specific proposed actions. The actions shall be subject to review by the department pursuant to Section 34179 except that the department may extend its review period by up to 60 days. If the department does not object to an action subject to this section, and if no action challenging an action is commenced within 60 days of the approval of the action by the oversight board, the action of the oversight board shall be considered final and can be relied upon as conclusive by any person. If an action is brought to challenge an action involving title to or an interest in real property, a notice of pendency of action shall be recorded by the claimant as provided in Title 4.5 (commencing with Section 405) of Part 2 of the Code of Civil Procedure within a 60-day period.

I. WHEREAS, to avoid protracted and costly litigation, the Parties have now reached a full and final settlement of the Writ Action relating to the amount of these Pre-Dissolution Pass-through Payments that have been alleged to remain due and owing to the LEA's, which the Parties recognize and acknowledge are subject to approval by the Oversight Board and California Department of Finance.

J. WHEREAS, the Parties maintain that these Pre-Dissolution Pass-through Payments constitute enforceable obligations of the Cal-City SA per Health and Safety Code Section 34171(d)(1)(C), since (i) they are "obligations imposed by State law" for years prior to dissolution of the Cal-City RDA, and (ii) the Agreement Pass-through Payments are required by a "legally binding and enforceable agreement that is not otherwise void as violating the debt limit or public policy," and (iii) they are not "pass-through payments that are made by the county auditor-controller pursuant to Health and Safety Code Section 34183," which payments are exclusively for years after dissolution of the Cal-City RDA, and (iv) per Health and Safety Code Section 34171(d)(1)(D), they are obligations pursuant to a settlement in order to avoid a potential judgment entered by a competent court of law that may involve a larger amount of both Pre-Dissolution Pass-Through Payments and legal costs, and (v) per Health and Safety Code Section 34171(d)(1)(F), they represent an agreement concerning litigation expenses related to settlements.

TERMS OF SETTLEMENT

NOW, THEREFORE, in consideration of the promises and covenants contained herein, the Parties agree as follows:

1. **Contingencies:** Except as otherwise set forth herein, the parties acknowledge and agree that no term of this Settlement Agreement shall be binding on any Party to the Agreement unless and until all of the following contingencies are met: (a) each Party's governing board duly approves this Settlement Agreement, (b) the Oversight Board to the Cal-City SA ("Cal-City OB") duly approves this Settlement Agreement as a part of the Successor Agency's Recognized Obligation Payment Schedule ("ROPS") by resolution and submits such resolution to the State Department of Finance ("DOF"), and (c) DOF has not requested review or reconsideration of approval by the Cal-City OB of the foregoing action, or if the DOF has requested review or reconsideration of approval by the Cal-City OB of the foregoing action, such reviewed or reconsidered approval by the Cal-City OB has been finally approved by the DOF. If DOF issues a final decision disapproving the Settlement Agreement, the Cal-City Successor Agency shall not have any further duty with respect to this Settlement Agreement, and this Settlement Agreement shall be null and void.
2. **Settlement of Claims:** The Parties hereby agree to resolve all disputes related to Writ Action and the amount of Pre-Dissolution Pass-through Payments due to the LEA's in the total amount of One Hundred Twenty-Five Thousand Dollars and 00/100 Cents (\$125,000.00) paid as follows:

- a) KCSOS Obligation. The Cal-City SA shall pay solely from funds it receives from the Real Property Tax Trust Fund ("RPTTF") in accordance with Subsection c) of this Section 2, the sum of Twenty Two Thousand One Hundred Sixty-One Dollars and 00/100 Cents **(\$22,161.00)** in full satisfaction of the Pre-Dissolution Pass-through Payments owed to KCSOS (the "KCSOS Obligation").
- b) MUSD Obligation. The Cal-City SA shall pay solely from funds it receives from the RPTTF in accordance with Subsection c) of this Section 2, the sum of One Hundred Two Thousand Eight Hundred Thirty-Nine Dollars and 00/100 Cents **(\$102,839.00)** in full satisfaction of the Pre-Dissolution Pass-through Payments owed to MUSD (the "MUSD Obligation") and together with the KCSOS Obligation, the ("LEA Obligations"). MUSD covenants to use the majority of the MUSD Obligation on capital expenditures benefitting schools located within the city limits of California City, and to remit to the Cal-City SA an accounting of its expenditures demonstrating compliance with this section.
- c) RPTTF. Following the Parties' approval of this Settlement Agreement, the Cal-City SA shall submit the LEA Obligations to the Cal-City OB and the DOF, on the Recognized Obligation Payment Schedule for the 18-19A ROPS period covering payments commencing July 1, 2018 and concluding December 31, 2018 (the "ROPS 18-19A Period"). The Parties acknowledge and agree that payments for the LEA Obligations: (a) shall be limited to RPTTF monies received via ROPS 18-19, as approved by DOF, (or if RPTTF monies received via ROPS 18-19 are insufficient, limited to RPTTF monies received via subsequent ROPS, until the LEA Obligations are paid in full.
- d) Dismissal of Action. No later than five calendar days after the Cal-City SA has submitted documentation to KCSOS and MUSD that ROPS 18-19A, which includes the LEA Obligations, has become valid pursuant to Health and Safety Code section 34177(l)(2), KCSOS and MUSD shall dismiss with prejudice as to the Cal-City SA the Writ Action. Cal-City SA agrees to support and advocate for approval of this Settlement Agreement and ROPS 18-19 (and subsequent ROPS, if necessary) with the Cal-City OB.
- e) If DOF initially disapproves of the LEA Obligations on ROPS 18-19, or on any future ROPS as the case may be, Cal-City SA shall timely request a meet and confer session with DOF. Cal-City SA shall notify KCSOS and MUSD of DOF's initial disapproval, of the meet and confer request, and of the meet and confer date, time, and location, and shall invite KCSOS and MUSD to participate in the meet and confer session. Cal-City SA shall urge DOF in the meet and confer session to approve the LEA Obligations. If, following the meet and confer session, DOF

issues a final decision disapproving the LEA Obligations, Cal-City SA shall not have any further duty with respect to this Settlement Agreement.

3. **Release and Waiver of Claims:**

a) Excepting the obligations arising out of this Settlement Agreement, each Party, on behalf of itself, and all present or former Board members, officers, employees, agents, attorneys and representatives, successors and assigns, and each of them (the "Party Representatives"), does hereby fully and finally settle, release, relieve, acquit and forever discharge all other Parties and their Party Representatives from any and all claims, claims for indemnification or contribution, complaints, causes of action, demands, liabilities, losses, or damages, including attorneys' fees and costs, experts' and consultants' fees and costs, whether asserted, or that could have been asserted, known or unknown, which the Party or Party Representatives may now or hereafter have against any other Party and their Party Representatives, arising out of or in any way related to the matters herein.

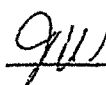
b) Each of the Parties hereto acknowledges that it is familiar with Section 1542 of the California Civil Code which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

c) Except as provided for specifically in this Settlement Agreement, the Parties waive and relinquish any and all rights and benefits which they may have under, or which may be conferred upon them by the provisions of Section 1542 of the California Civil Code, to the fullest extent that they may lawfully waive such rights or benefits pertaining to the subject matter of this Settlement Agreement. In connection with such waiver and relinquishment, the Parties hereby acknowledge that they are aware that they or their attorneys may hereafter discover claims or facts in addition to or different from those which they now know or believe to exist with respect to the subject matter of this Settlement Agreement, but that it is the intention of each of the Parties to this Settlement Agreement to hereby fully, finally and forever waive said claims, whether known or unknown, suspected or unsuspected, which concern, arise out of, or are in any way connected with the matters set forth in this Settlement Agreement.







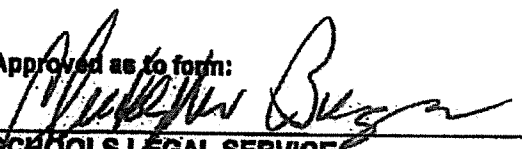
- d) Except for proceedings to enforce the terms of this Settlement Agreement and proceedings related to matters not released by this Settlement Agreement, the Parties covenant and agree that at no time subsequent to the date of their respective executions of this Settlement Agreement will they file or maintain or cause or knowingly permit the filing or maintenance of, in any state, federal or foreign court, or before any local, state, federal or foreign administrative agency, or any other tribunal, any charge, claim, or action of any kind, nature or character whatsoever, known or unknown, which they may now have, or have ever had, or which they may later discover, against another Party or Parties, which is based in whole or in part on any act, omission or event relating to the matters herein. The Parties agree that this Settlement Agreement shall constitute a full and complete defense to, and may be used as a basis for a permanent injunction against, any action, suit, or other proceeding which may be instituted, prosecuted, or attempted by any of them in breach of this Settlement Agreement. Any damages suffered by any of the Parties by reason of any breach of the provisions of this Settlement Agreement by any of the other Parties shall be recoverable including attorneys' fees and costs reasonably incurred in instituting, prosecuting or defending any action, grievance, or proceeding resulting from said breach of this Settlement Agreement.
4. **No Admission of Liability:** This Settlement Agreement embodies a compromise of disputed issues and is made in good faith. The Parties understand that no Party hereto admits any negligence, breach of contract, or any wrongdoing in connection with the matters herein referred to, and that the compromise embodied in this Settlement Agreement is not an admission of any fault, liability, or culpability by any Party.
5. **Attorneys' Fees:** Except in any proceeding to enforce this Settlement Agreement, each Party shall bear its own fees and costs.
6. **Enforcement of Settlement:** In any proceeding to enforce any rights and/or construe any obligations under this Settlement Agreement, the prevailing party in such proceeding shall be entitled to recover its reasonable attorneys' fees and costs incurred, including compensation paid to experts.
7. **Authority:** Subject to the provisions of Paragraph 2. c), above, recognizing the need for approval by the Cal-City OB and DOF, each Party represents and warrants that it has full power and authority to enter into and perform this Settlement Agreement and that the person executing this Settlement Agreement on behalf of that Party has been properly authorized and empowered to enter into this Settlement Agreement and bind that Party hereto.

8. **Interpretation:** This Settlement Agreement shall be interpreted and enforced in accordance with the laws of the State of California, provided that no provision of this Settlement Agreement shall be interpreted for or against a Party because that Party or Parties' legal representative drafted such provision, and that this Settlement Agreement shall be construed as if jointly prepared by the Parties.
9. **Independent Counsel:** Each of the Parties to this Settlement Agreement warrants that it has, through its representatives, carefully read and understood the terms and conditions of this Settlement Agreement, and that it has not relied upon the representations or advice of any other Party or any attorney not its own.
10. **Drafting of Agreement By All The Parties:** This Settlement Agreement shall be deemed to have been prepared by all the Parties to the Agreement.
11. **Amendments:** No modification, waiver, or amendment to this Settlement Agreement shall be valid unless the same is in writing and executed by the Party against which the enforcement of such modification, waiver or amendment is or may be sought.
12. **Counterparts:** This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original. A facsimile or electronic signature shall be deemed to be the equivalent of the actual original signature. All counterparts so executed shall constitute one Settlement Agreement binding all the Parties hereto.
13. **Severability:** The Parties agree that should any provision of this Settlement Agreement, or any portion of any provision, be declared or determined by any court of competent jurisdiction to be illegal, invalid or unenforceable, the remainder of the provision and the Settlement Agreement shall nonetheless remain binding in effect, unless this would result in a substantial failure of consideration.
14. **Waiver:** Except as may be provided expressly in writing by each Party, no action or want of action on the part of any Party hereto at any time to exercise any rights or remedies conferred upon it under this Settlement Agreement shall be, or shall be asserted to be, a waiver on the part of any such Party of any of its rights or remedies hereunder.
15. **Performance of Settlement:** The Parties agree to perform any further acts and execute and deliver any further documents that may reasonably be necessary to carry out the provisions of this Settlement Agreement. The LEA's shall be responsible for all costs, including attorneys' fees incurred by the Cal-City SA related to any meet and confer process with DOF or any litigation, arising out of the inclusion of the LEA Obligations on ROPS 17-18B.

16. **Indemnity and Hold Harmless:** LEAs agree to and shall defend, indemnify and hold harmless the Cal-City SA and the City of Cal-City and each agency's officers, agents and employees, from any and all claims; demands; liabilities; costs and expenses including, but not limited to, attorney's fees; damages; causes of action; and judgments, in any manner arising out of this Settlement Agreement. The LEAs obligations pursuant to this paragraph are joint and several obligations of the LEAs. The Cal-City SA or the City of Cal-City may, in its discretion, participate in the defense of any such legal action.
17. **No Assignment:** The Parties expressly warrant that they have not assigned or transferred any claims to any other individuals or entities.
18. **Binding Effect:** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties and their assigns, agents, brokers, attorneys, representatives, affiliates, successors, predecessors, divisions, employees, or any other related person or entity, known or unknown, acting by, through or in concert with them.
19. **Entire Agreement:** There are no representations, warranties, agreements, arrangements, or undertakings, oral or written, between or among the Parties hereto relating to the subject matter of this Settlement Agreement which are not fully expressed herein. This Settlement Agreement shall be interpreted according to its own terms, as defined in this Settlement Agreement or otherwise according to their ordinary meaning without any parole evidence. This is an integrated Settlement Agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS HEREOF the Parties have caused this Settlement Agreement to be executed on the day and year first written above.

Approved as to form:  SCHOOLS LEGAL SERVICE Christopher P. Burger Attorneys for the LEA's	KERN COUNTY SUPERINTENDENT OF SCHOOLS  Mary C. Barlow, Ed. D. Superintendent of Schools MOJAVE UNIFIED SCHOOL DISTRICT  Aaron Haughton, Superintendent
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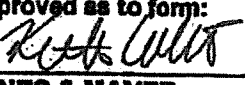
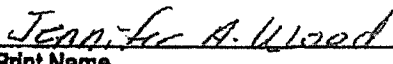
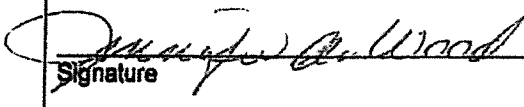
Approved as to form:  JONES & MAYER Keith F. Collins Attorneys for the Cal-City Successor Agency	CAL-CITY SUCCESSOR AGENCY  Print Name  Signature
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EXHIBIT "A"

BREAKDOWN OF PAYMENTS TO LEAs

LEA	AMOUNT DUE
KCSOS	\$ 22,161
MUSD	\$ 102,839
Total	\$ 125,000

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release ("Settlement Agreement") is dated as of the 14th day of November, 2017, by and between the following parties:

1. Kern County Superintendent of Schools, a California public education entity ("KCSOS"); and
2. Mojave Unified School District, a California public school district ("MUSD"); and
3. California City Successor Agency ("Cal-City SA") to the former California City Redevelopment Agency ("Cal-City RDA").

KCSOS and MUSD may be referred to herein as the local educational agencies ("LEA's"). KCSOS, MUSD and Cal-City SA may be referred to herein individually as a "Party" or collectively as the "Parties."

RECITALS

A. WHEREAS, the LEA's have asserted that provisions of the Health and Safety Code required the former Cal-City RDA to make pass-through payments pursuant to AB 1290 ("Pass-through Payments") to the LEA's as local taxing entities within the former Cal-City RDA project areas; and

B. WHEREAS, KCSOS has asserted that under the provisions of that certain Tax Sharing Agreement dated July 10, 1989 by and between the Cal-City RDA and KCSOS, the former Cal-City RDA was required to make agreement payments equal to fifty percent (50%) of KCSOS's share of the tax increment that the Cal-City RDA received from its original project area ("Agreement Pass-through Payments") to KCSOS from and after fiscal year 1994-95, for each fiscal year thereafter during the term of the redevelopment plan; and

C. WHEREAS, KCSOS has further asserted that such Agreement Pass-through Payments were underpaid or not paid by the former Cal-City RDA to KCSOS and that AB 1290 Pass-through Payments due from the former Cal-City RDA to the LEAs have either been unpaid or underpaid; and

D. WHEREAS, in accordance with Health and Safety Code Section 34173(g), the Successor Agency is a separate legal entity from the City of California City and the liabilities and/or assets of the RDA and Successor Agency do not transfer to the City of California City.

E. WHEREAS, pursuant to ABX1 26, on February 1, 2012, the Cal-City RDA was dissolved, and the Cal-City SA was created by law to wind-down the operations and business of the former Cal-City RDA; and

F. WHEREAS, in June, 2013, KCSOS, through its consultant Public Economics, Inc. made, on behalf of itself and MUSD, an initial request to the Cal-City SA for unpaid Agreement Pass-through Payments for Fiscal Years 2008-09 through 2010-11, and unpaid or underpaid AB 1290 Pass-through Payments for fiscal years 2008-09 through 2010-11 ("Pre-Dissolution Pass-through Payments"); and

G. WHEREAS, KCSOS and MUSD filed in Kern County Superior Court a Verified Petition for Writ of Mandate and Complaint for Declaratory Relief and Breach of Contract against Cal-City SA on or about June 29, 2015 (Case No. BCV 15-100357 NFT) (the "Writ Action"); and

H. WHEREAS, California Health and Safety Code § 34180 provides the following:

All of the following successor agency actions shall first be approved by the oversight board:

(a) The establishment of new repayment terms for outstanding loans where the terms have not been specified prior to the date of this part. An oversight board shall not have the authority to reestablish loan agreements between the successor agency and the city, county, or city and county that formed the redevelopment agency except as provided in Chapter 9 (commencing with Section 34191.1).

(b) The issuance of bonds or other indebtedness or the pledge or agreement for the pledge of property tax revenues (formerly tax increment prior to the effective date of this part) pursuant to subdivision (a) of Section 34177.5.

(c) Setting aside of amounts in reserves as required by indentures, trust indentures, or similar documents governing the issuance of outstanding redevelopment agency bonds.

(d) Merging of project areas.

(e) Continuing the acceptance of federal or state grants, or other forms of financial assistance from either public or private sources, if that assistance is conditioned upon the provision of matching funds, by the successor entity as successor to the former redevelopment agency, in an amount greater than 5 percent.

(f) (1) If a city, county, or city and county wishes to retain any properties or other assets for future redevelopment activities, funded from its own funds and under its own auspices, it must reach a compensation agreement with the other taxing entities to provide payments to them in proportion to their shares of the base property tax, as determined pursuant to Section 34188, for the value of the property retained.

(2) If no other agreement is reached on valuation of the retained

assets, the value will be the fair market value as of the 2011 property tax lien date as determined by an independent appraiser approved by the oversight board.

(g) Establishment of the Recognized Obligation Payment Schedule.

(h) A request by the successor agency to enter or reenter into an agreement with the city, county, or city and county that formed the redevelopment agency that it is succeeding pursuant to Section 34178. An oversight board shall not have the authority to reestablish loan agreements between the successor agency and the city, county, or city and county that formed the redevelopment agency except as provided in Chapter 9 (commencing with Section 34191.1). Any actions to establish or reestablish any other agreements that are authorized under this part, with the city, county, or city and county that formed the redevelopment agency are invalid until they are included in an approved and valid Recognized Obligation Payment Schedule.

(i) A request by a successor agency or taxing entity to pledge, or to enter into an agreement for the pledge of, property tax revenues pursuant to subdivision (b) of Section 34178.

(j) Any document submitted by a successor agency to an oversight board for approval by any provision of this part shall also be submitted to the county administrative officer, the county auditor-controller, and the Department of Finance at the same time that the successor agency submits the document to the oversight board.

(Amended by Stats. 2015, Ch. 325, Sec. 14. Effective September 22, 2015.)

H. WHEREAS, California Health and Safety Code § 34181 provides the following:

The oversight board shall direct the successor agency to do all of the following:

(a) (1) Dispose of all assets and properties of the former 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 governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, parking facilities and lots dedicated solely to public parking, and local agency administrative buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset. Any compensation to be provided to the successor agency for the transfer of the asset shall be governed by the agreements relating to the construction or use of that

asset. Disposal shall be done expeditiously and in a manner aimed at maximizing value. Asset disposition may be accomplished by a distribution of income to taxing entities proportionate to their property tax share from one or more properties that may be transferred to a public or private agency for management pursuant to the direction of the oversight board.

(2) "Parking facilities and lots dedicated solely to public parking" do not include properties that generate revenues in excess of reasonable maintenance costs of the properties.

(b) Cease performance in connection with and terminate all existing agreements that do not qualify as enforceable obligations.

(c) Transfer housing assets pursuant to Section 34176.

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(e) Determine whether any contracts, agreements, or other arrangements between the dissolved redevelopment agency and any private parties should be terminated or renegotiated to reduce liabilities and increase net revenues to the taxing entities, and present proposed termination or amendment agreements to the oversight board for its approval. The board may approve any amendments to or early termination of those agreements if it finds that amendments or early termination would be in the best interests of the taxing entities.

(f) All actions taken pursuant to subdivisions (a) and (c) shall be approved by resolution of the oversight board at a public meeting after at least 10 days' notice to the public of the specific proposed actions. The actions shall be subject to review by the department pursuant to Section 34179 except that the department may extend its review period by up to 60 days. If the department does not object to an action subject to this section, and if no action challenging an action is commenced within 60 days of the approval of the action by the oversight board, the action of the oversight board shall be considered final and can be relied upon as conclusive by any person. If an action is brought to challenge an action involving title to or an interest in real property, a notice of pendency of action shall be recorded by the claimant as provided in Title 4.5 (commencing with Section 405) of Part 2 of the Code of Civil Procedure within a 60-day period.

I. WHEREAS, to avoid protracted and costly litigation, the Parties have now reached a full and final settlement of the Writ Action relating to the amount of these Pre-Dissolution Pass-through Payments that have been alleged to remain due and owing to the LEA's, which the Parties recognize and acknowledge are subject to approval by the Oversight Board and California Department of Finance.

J. WHEREAS, the Parties maintain that these Pre-Dissolution Pass-through Payments constitute enforceable obligations of the Cal-City SA per Health and Safety Code Section 34171(d)(1)(C), since (i) they are "obligations imposed by State law" for years prior to dissolution of the Cal-City RDA, and (ii) the Agreement Pass-through Payments are required by a "legally binding and enforceable agreement that is not otherwise void as violating the debt limit or public policy," and (iii) they are not "pass-through payments that are made by the county auditor-controller pursuant to Health and Safety Code Section 34183," which payments are exclusively for years after dissolution of the Cal-City RDA, and (iv) per Health and Safety Code Section 34171(d)(1)(D), they are obligations pursuant to a settlement in order to avoid a potential judgment entered by a competent court of law that may involve a larger amount of both Pre-Dissolution Pass-Through Payments and legal costs, and (v) per Health and Safety Code Section 34171(d)(1)(F), they represent an agreement concerning litigation expenses related to settlements.

TERMS OF SETTLEMENT

NOW, THEREFORE, in consideration of the promises and covenants contained herein, the Parties agree as follows:

1. **Contingencies:** Except as otherwise set forth herein, the parties acknowledge and agree that no term of this Settlement Agreement shall be binding on any Party to the Agreement unless and until all of the following contingencies are met: (a) each Party's governing board duly approves this Settlement Agreement, (b) the Oversight Board to the Cal-City SA ("Cal-City OB") duly approves this Settlement Agreement as a part of the Successor Agency's Recognized Obligation Payment Schedule ("ROPS") by resolution and submits such resolution to the State Department of Finance ("DOF"), and (c) DOF has not requested review or reconsideration of approval by the Cal-City OB of the foregoing action, or if the DOF has requested review or reconsideration of approval by the Cal-City OB of the foregoing action, such reviewed or reconsidered approval by the Cal-City OB has been finally approved by the DOF. If DOF issues a final decision disapproving the Settlement Agreement, the Cal-City Successor Agency shall not have any further duty with respect to this Settlement Agreement, and this Settlement Agreement shall be null and void.
2. **Settlement of Claims:** The Parties hereby agree to resolve all disputes related to Writ Action and the amount of Pre-Dissolution Pass-through Payments due to the LEA's in the total amount of One Hundred Twenty-Five Thousand Dollars and 00/100 Cents (\$125,000.00) paid as follows:

- a) KCSOS Obligation. The Cal-City SA shall pay solely from funds it receives from the Real Property Tax Trust Fund ("RPTTF") in accordance with Subsection c) of this Section 2, the sum of Twenty Two Thousand One Hundred Sixty-One Dollars and 00/100 Cents **(\$22,161.00)** in full satisfaction of the Pre-Dissolution Pass-through Payments owed to KCSOS (the "KCSOS Obligation").
- b) MUSD Obligation. The Cal-City SA shall pay solely from funds it receives from the RPTTF in accordance with Subsection c) of this Section 2, the sum of One Hundred Two Thousand Eight Hundred Thirty-Nine Dollars and 00/100 Cents **(\$102,839.00)** in full satisfaction of the Pre-Dissolution Pass-through Payments owed to MUSD (the "MUSD Obligation") and together with the KCSOS Obligation, the ("LEA Obligations"). MUSD covenants to use the majority of the MUSD Obligation on capital expenditures benefitting schools located within the city limits of California City, and to remit to the Cal-City SA an accounting of its expenditures demonstrating compliance with this section.
- c) RPTTF. Following the Parties' approval of this Settlement Agreement, the Cal-City SA shall submit the LEA Obligations to the Cal-City OB and the DOF, on the Recognized Obligation Payment Schedule for the 18-19A ROPS period covering payments commencing July 1, 2018 and concluding December 31, 2018 (the "ROPS 18-19A Period"). The Parties acknowledge and agree that payments for the LEA Obligations: (a) shall be limited to RPTTF monies received via ROPS 18-19, as approved by DOF, (or if RPTTF monies received via ROPS 18-19 are insufficient, limited to RPTTF monies received via subsequent ROPS, until the LEA Obligations are paid in full.
- d) Dismissal of Action. No later than five calendar days after the Cal-City SA has submitted documentation to KCSOS and MUSD that ROPS 18-19A, which includes the LEA Obligations, has become valid pursuant to Health and Safety Code section 34177(l)(2), KCSOS and MUSD shall dismiss with prejudice as to the Cal-City SA the Writ Action. Cal-City SA agrees to support and advocate for approval of this Settlement Agreement and ROPS 18-19 (and subsequent ROPS, if necessary) with the Cal-City OB.
- e) If DOF initially disapproves of the LEA Obligations on ROPS 18-19, or on any future ROPS as the case may be, Cal-City SA shall timely request a meet and confer session with DOF. Cal-City SA shall notify KCSOS and MUSD of DOF's initial disapproval, of the meet and confer request, and of the meet and confer date, time, and location, and shall invite KCSOS and MUSD to participate in the meet and confer session. Cal-City SA shall urge DOF in the meet and confer session to approve the LEA Obligations. If, following the meet and confer session, DOF

issues a final decision disapproving the LEA Obligations, Cal-City SA shall not have any further duty with respect to this Settlement Agreement.

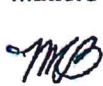
3. **Release and Waiver of Claims:**

a) Excepting the obligations arising out of this Settlement Agreement, each Party, on behalf of itself, and all present or former Board members, officers, employees, agents, attorneys and representatives, successors and assigns, and each of them (the "Party Representatives"), does hereby fully and finally settle, release, relieve, acquit and forever discharge all other Parties and their Party Representatives from any and all claims, claims for indemnification or contribution, complaints, causes of action, demands, liabilities, losses, or damages, including attorneys' fees and costs, experts' and consultants' fees and costs, whether asserted, or that could have been asserted, known or unknown, which the Party or Party Representatives may now or hereafter have against any other Party and their Party Representatives, arising out of or in any way related to the matters herein.

b) Each of the Parties hereto acknowledges that it is familiar with Section 1542 of the California Civil Code which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

c) Except as provided for specifically in this Settlement Agreement, the Parties waive and relinquish any and all rights and benefits which they may have under, or which may be conferred upon them by the provisions of Section 1542 of the California Civil Code, to the fullest extent that they may lawfully waive such rights or benefits pertaining to the subject matter of this Settlement Agreement. In connection with such waiver and relinquishment, the Parties hereby acknowledge that they are aware that they or their attorneys may hereafter discover claims or facts in addition to or different from those which they now know or believe to exist with respect to the subject matter of this Settlement Agreement, but that it is the intention of each of the Parties to this Settlement Agreement to hereby fully, finally and forever waive said claims, whether known or unknown, suspected or unsuspected, which concern, arise out of, or are in any way connected with the matters set forth in this Settlement Agreement.



- d) Except for proceedings to enforce the terms of this Settlement Agreement and proceedings related to matters not released by this Settlement Agreement, the Parties covenant and agree that at no time subsequent to the date of their respective executions of this Settlement Agreement will they file or maintain or cause or knowingly permit the filing or maintenance of, in any state, federal or foreign court, or before any local, state, federal or foreign administrative agency, or any other tribunal, any charge, claim, or action of any kind, nature or character whatsoever, known or unknown, which they may now have, or have ever had, or which they may later discover, against another Party or Parties, which is based in whole or in part on any act, omission or event relating to the matters herein. The Parties agree that this Settlement Agreement shall constitute a full and complete defense to, and may be used as a basis for a permanent injunction against, any action, suit, or other proceeding which may be instituted, prosecuted, or attempted by any of them in breach of this Settlement Agreement. Any damages suffered by any of the Parties by reason of any breach of the provisions of this Settlement Agreement by any of the other Parties shall be recoverable including attorneys' fees and costs reasonably incurred in instituting, prosecuting or defending any action, grievance, or proceeding resulting from said breach of this Settlement Agreement.
4. **No Admission of Liability:** This Settlement Agreement embodies a compromise of disputed issues and is made in good faith. The Parties understand that no Party hereto admits any negligence, breach of contract, or any wrongdoing in connection with the matters herein referred to, and that the compromise embodied in this Settlement Agreement is not an admission of any fault, liability, or culpability by any Party.
5. **Attorneys' Fees:** Except in any proceeding to enforce this Settlement Agreement, each Party shall bear its own fees and costs.
6. **Enforcement of Settlement:** In any proceeding to enforce any rights and/or construe any obligations under this Settlement Agreement, the prevailing party in such proceeding shall be entitled to recover its reasonable attorneys' fees and costs incurred, including compensation paid to experts.
7. **Authority:** Subject to the provisions of Paragraph 2. c), above, recognizing the need for approval by the Cal-City OB and DOF, each Party represents and warrants that it has full power and authority to enter into and perform this Settlement Agreement and that the person executing this Settlement Agreement on behalf of that Party has been properly authorized and empowered to enter into this Settlement Agreement and bind that Party hereto.

8. **Interpretation:** This Settlement Agreement shall be interpreted and enforced in accordance with the laws of the State of California, provided that no provision of this Settlement Agreement shall be interpreted for or against a Party because that Party or Parties' legal representative drafted such provision, and that this Settlement Agreement shall be construed as if jointly prepared by the Parties.
9. **Independent Counsel:** Each of the Parties to this Settlement Agreement warrants that it has, through its representatives, carefully read and understood the terms and conditions of this Settlement Agreement, and that it has not relied upon the representations or advice of any other Party or any attorney not its own.
10. **Drafting of Agreement By All The Parties:** This Settlement Agreement shall be deemed to have been prepared by all the Parties to the Agreement.
11. **Amendments:** No modification, waiver, or amendment to this Settlement Agreement shall be valid unless the same is in writing and executed by the Party against which the enforcement of such modification, waiver or amendment is or may be sought.
12. **Counterparts:** This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original. A facsimile or electronic signature shall be deemed to be the equivalent of the actual original signature. All counterparts so executed shall constitute one Settlement Agreement binding all the Parties hereto.
13. **Severability:** The Parties agree that should any provision of this Settlement Agreement, or any portion of any provision, be declared or determined by any court of competent jurisdiction to be illegal, invalid or unenforceable, the remainder of the provision and the Settlement Agreement shall nonetheless remain binding in effect, unless this would result in a substantial failure of consideration.
14. **Waiver:** Except as may be provided expressly in writing by each Party, no action or want of action on the part of any Party hereto at any time to exercise any rights or remedies conferred upon it under this Settlement Agreement shall be, or shall be asserted to be, a waiver on the part of any such Party of any of its rights or remedies hereunder.
15. **Performance of Settlement:** The Parties agree to perform any further acts and execute and deliver any further documents that may reasonably be necessary to carry out the provisions of this Settlement Agreement. The LEA's shall be responsible for all costs, including attorneys' fees incurred by the Cal-City SA related to any meet and confer process with DOF or any litigation, arising out of the inclusion of the LEA Obligations on ROPS 17-18B.

16. **Indemnity and Hold Harmless:** LEAs agree to and shall defend, indemnify and hold harmless the Cal-City SA and the City of Cal-City and each agency's officers, agents and employees, from any and all claims; demands; liabilities; costs and expenses including, but not limited to, attorney's fees; damages; causes of action; and judgments, in any manner arising out of this Settlement Agreement. The LEAs obligations pursuant to this paragraph are joint and several obligations of the LEAs. The Cal-City SA or the City of Cal-City may, in its discretion, participate in the defense of any such legal action.
17. **No Assignment:** The Parties expressly warrant that they have not assigned or transferred any claims to any other individuals or entities.
18. **Binding Effect:** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties and their assigns, agents, brokers, attorneys, representatives, affiliates, successors, predecessors, divisions, employees, or any other related person or entity, known or unknown, acting by, through or in concert with them.
19. **Entire Agreement:** There are no representations, warranties, agreements, arrangements, or undertakings, oral or written, between or among the Parties hereto relating to the subject matter of this Settlement Agreement which are not fully expressed herein. This Settlement Agreement shall be interpreted according to its own terms, as defined in this Settlement Agreement or otherwise according to their ordinary meaning without any parole evidence. This is an integrated Settlement Agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS HEREOF the Parties have caused this Settlement Agreement to be executed on the day and year first written above.

Approved as to form:  SCHOOLS LEGAL SERVICE Christopher P. Burger Attorneys for the LEA's	KERN COUNTY SUPERINTENDENT OF SCHOOLS  Mary C. Barlow, Ed. D. Superintendent of Schools MOJAVE UNIFIED SCHOOL DISTRICT  Aaron Houghton, Superintendent
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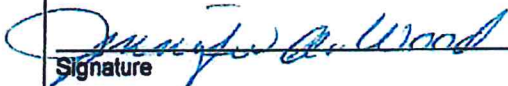
Approved as to form:  JONES & MAYER Keith F. Collins Attorneys for the Cal-City Successor Agency	CAL-CITY SUCCESSOR AGENCY  Jennifer A. Wood Print Name  Signature
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EXHIBIT "A"

BREAKDOWN OF PAYMENTS TO LEAs

LEA	AMOUNT DUE
KCSOS	\$ 22,161
MUSD	\$ 102,839
Total	\$ 125,000

ORIGINAL

RESOLUTION NO. 01-08-19

A RESOLUTION OF THE OF THE SUCCESSOR AGENCY TO THE CALIFORNIA CITY REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2019 TO JUNE 30, 2020 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(I)

RECITALS:

A. The City Council of the City of California City (the "City") adopted Resolution No. 01-12-2449 on January 11, 2012, pursuant to Part 1.85 of the California Health and Safety Code electing for the City to serve as the successor agency for the City of California City Redevelopment Agency (the "Successor Agency") upon the dissolution of the California City Redevelopment Agency.

B. Health and Safety Code section 34177(1)(2) requires the Successor Agency to submit a Recognized Obligation Payment Schedule (ROPS) by February 1, 2019, listing outstanding obligations of the Agency to be performed by the Successor Agency during the time period from July 1, 2019 through June 30, 2020; and

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE CALIFORNIA CITY REDEVELOPMENT AGENCY HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. This Resolution is adopted pursuant to Health and Safety Code Section 34170.5.

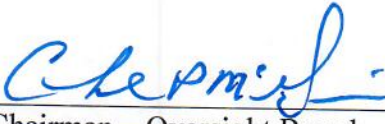
Section 3. The Successor Agency hereby approves and adopts the ROPS 19-20, as shown in Exhibit "A" pursuant to Health and Safety Code Section 34177.

Section 4. The Secretary is hereby authorized and directed to file a certified copy of this Resolution to the Countywide Oversight Board.

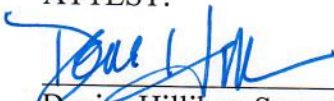
Section 5. Pursuant to Health and Safety Code Section 34179(h), all actions taken by the Successor Agency may be reviewed by the Countywide Oversight Board and the State of California Department of Finance, and therefore, this Resolution shall not be effective for three (3) business days, pending a request for review by the Countywide Oversight Board and the State of California Department of Finance

PASSED AND ADOPTED this 8th day of January 2019, by the following vote:

AYES: Johnson, Lessenevitch, Parris, Stump, McGuire
NOES: None
ABSENT: None
ABSTAIN: None


Chairman – Oversight Board

ATTEST:


Denise Hilliker, Secretary / City Clerk

I hereby certify that the foregoing resolution was duly and regularly adopted by the
Successor Agency Board at their Special Meeting thereof held on January 8, 2019.


Denise Hilliker, Secretary / City Clerk

**OVERSIGHT BOARD
FOR THE SUCCESSOR AGENCY TO THE FORMER
DELANO COMMUNITY REDEVELOPMENT AGENCY**

Meeting Date: January 18, 2019

To: Oversight Board Members

From: Maribel Reyna, Executive Director
Rosa Lara Rios, Director of Finance

Subject: Recognized Obligation Payment Schedule 19-20 A and B

RECOMMENDATION: Adopt the attached resolution approving the Recognized Obligation Payment Schedule ("ROPS") 19-20 A and B for the Successor Agency to the former City of Delano Community Redevelopment Agency ("Successor Agency") for the period of July 2019 through June 2020.

BACKGROUND: Pursuant to Health and Safety Code ("HSC") § 34172 (a)(1), the City of Delano Community Redevelopment Agency was dissolved effective February 1, 2012. Consistent with the provisions of the HSC, the City Council previously elected to serve in the capacity of the Successor Agency to the former City of Delano Community Redevelopment Agency (the "Successor Agency"). The Oversight Board for the Successor Agency to the former City of Delano Community Redevelopment Agency ("Oversight Board") has been established pursuant to HSC § 34179 to assist in the wind-down of the dissolved redevelopment agency.

Per HSC § 34177 (o)(1), the Successor Agency is required to prepare a ROPS before each twelve-month fiscal year period commencing with the period from July 1, 2019 through June 30, 2020. Pursuant to HSC § 34180 (g), Oversight Board approval is required for the establishment of each ROPS. Pursuant to HSC § 34177 (o) (1), an Oversight Board-approved ROPS 19-20 A and B for the period of July 2019 through June 2020 must be submitted to the State Department of Finance and to the County Auditor-Controller not later than February 1, 2019.

FISCAL IMPACT: Pursuant to HSC § 34177, the Successor Agency is legally required to continue to make payments due for enforceable obligations. The Oversight Board's approval of the ROPS 19-20 A and B will ensure that the Successor Agency has the authority to continue to pay its enforceable obligations.

ATTACHMENTS: Resolution.

BEFORE THE KERN COUNTYWIDE OVERSIGHT BOARD

In the matter of:

Resolution No. _____

RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD TO THE FORMER CITY OF DELANO COMMUNITY REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 19-20 A & B FOR THE PERIOD OF JULY 2019 THROUGH JUNE 2020

I, Karmeena Morales, Secretary on behalf of the Oversight Board, do certify that the following resolution, on motion of Director _____, seconded by Director _____, was duly passed and adopted by the Board of Directors at an official meeting this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

Board

Secretary on behalf of the Oversight

Kern Countywide Oversight Board

RESOLUTION

Section 1. WHEREAS:

(a) Pursuant to Health and Safety Code (the "HSC") § 34172 (a)(1), the City of Delano Community Redevelopment Agency was dissolved on February 1, 2012; and

(b) Consistent with the provisions of the HSC, the City Council of the City of Delano previously elected to serve in the capacity of the Successor Agency to the City of Delano Community Redevelopment Agency (the "Successor Agency"); and

(c) The Oversight Board for the Successor Agency (the "Oversight Board") has been established pursuant to HSC § 34179 to assist in the wind-down of the dissolved redevelopment agency; and

(d) Per HSC § 34177 (o) (1), the Successor Agency is required to prepare a Recognized Obligation Payment Schedule (the “ROPS”) before each twelve-month fiscal year period commencing with the period from July 1, 2019 through June 30, 2020; and

(e) Pursuant to HSC § 34180 (g), Oversight Board approval is required for the establishment of each ROPS; and

(f) Pursuant to HSC § 34177 (o) (1), an Oversight Board-approved ROPS 19-20 A and B for the period of July 2019 through June 2020 must be submitted to the State Department of Finance and to the County Auditor-Controller not later than February 1, 2019; and

(g) Pursuant to HSC § 34177, the Successor Agency is legally required to continue to make payments due for enforceable obligations; and

(h) The Oversight Board’s approval of the establishment of ROPS 19-20 A and B will ensure that the Successor Agency has the authority to continue to pay its enforceable obligations; and

(i) It is proposed that the Oversight Board approve the establishment of the Successor Agency’s ROPS 19-20 A and B, which is attached hereto as Exhibit “A”; and

(j) All of the prerequisites with respect to the approval of this Resolution have been met.

Section 2. THEREFORE IT IS RESOLVED by the Board of Directors of the Kern Countywide Oversight Board, as follows:

1. The foregoing recitals are true and correct and are a substantive part of this Resolution.

2. The Successor Agency’s ROPS 19-20 A and B for the period of July 2019 through June 2020, which is attached hereto as Exhibit “A”, is approved, inclusive of each enforceable obligation.

3. The amount requested for enforceable obligation No. 12, the Successor Agency’s Administrative Allowance, is consistent with the provisions of HSC § 34171 (b) and is thus considered fair and reasonable.

4. The City Manager, as the Successor Agency's Executive Director or designee, is authorized to: i) post that ROPS 19-20 A and B on the City's website, ii) transmit the ROPS 19-20 A and B to the State Department of Finance and the County Auditor-Controller for their review within the timeframe and in the manner prescribed by the HSC; and iii) make ministerial revisions to ROPS 19-20 A and B, which may include, but are not limited to restating the information included within ROPS 19-20 A and B in any format that may be requested by the State Department of Finance, take such other actions and execute such other documents as are necessary to effectuate the intent of this Resolution, and to implement ROPS 19-20 A and B on behalf of the Successor Agency, including authorizing and causing such payments.

5. This Resolution shall be effective in accordance with California Health and Safety Code Section 34179(h)..

EXHIBIT A

Recognized Obligation Payment Schedule (ROPS 19-20) - Summary
Filed for the July 1, 2019 through June 30, 2020 Period

Successor Agency:

Delano

County:

Kern

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ -	\$ -	\$ -
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	-	-	-
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 2,407,078	\$ 799,918	\$ 3,206,996
F	RPTTF	2,282,078	656,053	2,938,131
G	Administrative RPTTF	125,000	143,865	268,865
H	Current Period Enforceable Obligations (A+E):	\$ 2,407,078	\$ 799,918	\$ 3,206,996

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) 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 successor agency.

Name

Title

/s/

Signature

Date

Delano Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail

July 1, 2019 through June 30, 2020

(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
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 19-20 Total	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
3	2010A LRBs Reimbursement	Revenue Bonds Issued On or After 6/27/12	11/2/2010	12/1/2030	US Bank NA	Debt Service on 2010A LRBs per RP No. 1		\$ 42,723,449	N	\$ 3,206,996	\$ 0	\$ 0	\$ 0	\$ 2,282,078	\$ 125,000	\$ 2,407,078	\$ 0	\$ 0	\$ 0	\$ 656,053	\$ 143,865	\$ 799,918
4	Securities Servicing	Professional Services	5/28/2003	9/1/2038	US Bank NA	Annual Servicing for 2015 A & B TABs and 2010A LRBs	RP No. 1	22,847,492	N	\$ 2,095,687					1,660,281	\$ 1,660,281					435,406	\$ 435,406
5	Continuing Disclosure	Professional Services	5/28/2003	9/1/2038	Willdan Financial Services	Continuing Disclosure for TABs	RP No. 1	106,185	N	\$ 2,865						\$ -					2,865	\$ 2,865
6	Continuing Disclosure	Professional Services	11/2/2010	9/1/2038	Willdan Financial Services	Continuing Disclosure for LRBs	RP No. 1	85,000	N	\$ 2,500						\$ -					2,500	\$ 2,500
12	Successor Agency Administration	Admin Costs	2/1/2012	9/1/2038	City of Delano	Successor Agency Administration (see Notes form)	RP No. 1	3,125,000	N	\$ 250,000					125,000	\$ 125,000					125,000	\$ 125,000
14	Property Maintenance	Property Maintenance	1/2/2014	6/30/2016	Various	Maintain Properties Until Sold per LRPMP	RP No. 1	10,000	N	\$ 10,000					5,000	\$ 5,000					5,000	\$ 5,000
18	LRPMP Implementation	Fees	6/18/2014	9/1/2038	Selected vendors for appraisals, Legal, costs, fees, etc.	LRPMP Implementation costs that cannot be paid from land sales proceeds, e.g., appraisals, Legal, costs, fees, etc. (See Notes)	RP No. 1	56,000	N	\$ 17,000					8,500	\$ 8,500					8,500	\$ 8,500
19	2015A TABs (Interest Only)	Refunding Bonds Issued After 6/27/12	2/3/2015	9/1/2038	US Bank NA	Refunding for 2003A TABs (Interest Only Payments)	RP No. 1	5,150,322	N	\$ 445,094					224,447	\$ 224,447					220,647	\$ 220,647
20	2015B TABs (Interest Only)	Refunding Bonds Issued After 6/27/12	2/3/2015	9/1/2018	US Bank NA	Refunding for 2003B TABs (Interest Only Payments)	RP No. 1	0	Y	\$ -						\$ -						\$ -
21	2015A TABs (Principal Reduction Only)	Refunding Bonds Issued After 6/27/12	2/3/2015	9/1/2038	US Bank NA	Refunding for 2003A TABs (Principal Reduction Payments)	RP No. 1	11,220,000	N	\$ 380,000					380,000	\$ 380,000						\$ -
22	2015B TABs (Principal Reduction Only)	Refunding Bonds Issued After 6/27/12	2/3/2015	9/1/2018	US Bank NA	Refunding for 2003B TABs (Principal Reduction Payments)	RP No. 1	0	Y	\$ -						\$ -						\$ -
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Delano Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
July 1, 2016 through June 30, 2017
(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. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount		354,934				D-1 represents the DSRF balance for the 2015 Refunding TABs.
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller		3,611			3,154,812	Cell D-1 represent interest earnings on the DSRF balance. Cell H-1 represents the sum of the actual RPTTF received from the CAC for ROPS 16-17 A and B.
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)		120,546			3,154,812	Cell D-1 represents the use of interest earnings from the DSRF balance for current debt service. Cell H-1 represents the use of the sum of the actual RPTTF received from the CAC for ROPS 16-17 A and B.
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						Cell D-4 is the DSRF balance.
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 237,999	\$ 0	\$ 0	\$ 0	

Delano Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020

[illegible]

RESOLUTION NO. 2019-01 (SA)

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DELANO IN ITS CAPACITY AS THE SUCCESSOR AGENCY TO THE FORMER CITY OF DELANO COMMUNITY REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 19-20 A & B FOR THE PERIOD OF JULY 2019 THROUGH JUNE 2020 AND APPROVING CERTAIN RELATED ACTIONS

WHEREAS, pursuant to Health and Safety Code (the “HSC”) § 34172 (a)(1), the City of Delano Community Redevelopment Agency was dissolved on February 1, 2012; and

WHEREAS, consistent with the provisions of the HSC, the City Council of the City of Delano previously elected to serve in the capacity of the Successor Agency to the City of Delano Community Redevelopment Agency (the “Successor Agency”); and

WHEREAS, the Oversight Board for the Successor Agency (the “Oversight Board”) has been established pursuant to HSC § 34179 to assist in the wind-down of the dissolved redevelopment agency; and

WHEREAS, per HSC § 34177 (o) (1), the Successor Agency is required to prepare a Recognized Obligation Payment Schedule (the “ROPS”) before each twelve-month fiscal year period commencing with the period from July 1, 2019 through June 30, 2020; and

WHEREAS, pursuant to HSC § 34180 (g), Oversight Board approval is required for the establishment of each ROPS; and

WHEREAS, pursuant to HSC § 34177 (o) (1), an Oversight Board-approved ROPS 18-19 A and B for the period of July 2019 through June 2020 must be submitted to the State Department of Finance and to the County Auditor-Controller not later than February 1, 2019; and

WHEREAS, pursuant to HSC § 34177, the Successor Agency is legally required to continue to make payments due for enforceable obligations; and

WHEREAS, the Oversight Board will be approving the establishment of ROPS 19-20 A and B, which will ensure that the Successor Agency has the authority to continue to pay its enforceable obligations; and

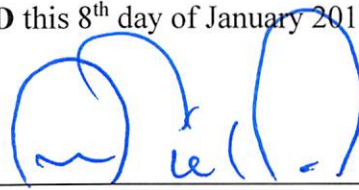
WHEREAS, it is proposed that the Successor Agency approve the establishment of the ROPS 19-20 A and B, which is attached hereto as Exhibit “A”; and

WHEREAS, all of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Successor Agency to the City of Delano Community Redevelopment Agency, as follows:

- Section 1.** The foregoing recitals are true and correct and are a substantive part of this Resolution.
- Section 2.** The Successor Agency's ROPS 19-20 A and B for the period of July 2019 through June 2020, which is attached hereto as Exhibit "A", is approved, inclusive of each enforceable obligation.
- Section 3.** The amount requested for enforceable obligation No. 12, the Successor Agency's Administrative Allowance, is consistent with the provisions of HSC § 34171 (b) and is thus considered fair and reasonable
- Section 4.** The City Manager, as the Successor Agency's Executive Director or designee, is authorized to: i) post that ROPS 19-20 A and B on the City's website, ii) transmit the ROPS 19-20 A and B to the State Department of Finance and the County Auditor-Controller for their review within the timeframe and in the manner prescribed by the HSC; and iii) make ministerial revisions to ROPS 19-20 A and B, which may include, but are not limited to restating the information included within ROPS 19-20 A and B in any format that may be requested by the State Department of Finance, take such other actions and execute such other documents as are necessary to effectuate the intent of this Resolution, and to implement ROPS 19-20 A and B on behalf of the Successor Agency, including authorizing and causing such payments.
- Section 5.** This Resolution shall take effect upon the date of its adoption.

PASSED, APPROVED AND ADOPTED this 8th day of January 2019.



Joe E. Aguirre, Chairman

ATTEST



Ricardo G. Chavez, City Clerk

CERTIFICATION:

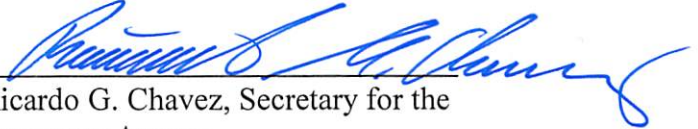
I, Ricardo G. Chavez, Secretary for the Successor Agency to the City of Delano Community Redevelopment Agency, do hereby certify that the foregoing Resolution No. 2019-01 (SA) was duly adopted by the Board of Directors for the Successor Agency to the City of Delano Community Redevelopment Agency, at a meeting thereof held on the 8th day of January 2019, by the following vote:

AYES: Aguirre/Morris /Osorio/Vallejo

NOES: None

ABSENT: Alindajao

ABSTAIN: None



Ricardo G. Chavez, Secretary for the
Successor Agency

EXHIBIT "A"

**SUCCESSOR AGENCY TO THE
CITY OF DELANO COMMUNITY REDEVELOPMENT AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE 18-19 A and B
(JULY 2019 THROUGH JUNE 2020)**

(See Attachment)

Recognized Obligation Payment Schedule (ROPS 19-20) - Summary
Filed for the July 1, 2019 through June 30, 2020 Period

Successor Agency:

Delano

County:

Kern

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ -	\$ -	\$ -
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	-	-	-
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 2,407,078	\$ 799,918	\$ 3,206,996
F	RPTTF	2,282,078	656,053	2,938,131
G	Administrative RPTTF	125,000	143,865	268,865
H	Current Period Enforceable Obligations (A+E):	\$ 2,407,078	\$ 799,918	\$ 3,206,996

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) 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 successor agency.

Name Title

/s/_____
Signature Date

Delano Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail

July 1, 2019 through June 30, 2020

(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	
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 19-20 Total	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total	
											Fund Sources						Fund Sources						
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
3	2010A LRBs Reimbursement	Revenue Bonds Issued On or	11/2/2010	12/1/2030	US Bank NA	Debt Service on 2010A LRBs per	RP No. 1	22,847,492	N	\$ 2,095,687						\$ 2,407,078						\$ 799,918	
4	Securities Servicing	Professional Services	5/28/2003	9/1/2038	US Bank NA	Annual Servicing for 2015 A & B TABs and 2010A LRBs	RP No. 1	123,450	N	\$ 3,850						1,660,281	\$ 3,850					\$ 435,406	
5	Continuing Disclosure	Professional Services	5/28/2003	9/1/2038	Willdan Financial Services	Continuing Disclosure for TABs	RP No. 1	106,185	N	\$ 2,865												2,865	\$ 2,865
6	Continuing Disclosure	Professional Services	11/2/2010	9/1/2038	Willdan Financial Services	Continuing Disclosure for LRBs	RP No. 1	85,000	N	\$ 2,500												2,500	\$ 2,500
12	Successor Agency Administration	Admin Costs	2/1/2012	9/1/2038	City of Delano	Successor Agency Administration (see Notes form)	RP No. 1	3,125,000	N	\$ 250,000						125,000	\$ 125,000					125,000	\$ 125,000
14	Property Maintenance	Property Maintenance	1/2/2014	6/30/2016	Various	Maintain Properties Until Sold per LRPMP	RP No. 1	10,000	N	\$ 10,000						5,000	\$ 5,000					5,000	\$ 5,000
18	LRPMP Implementation	Fees	6/18/2014	9/1/2038	Selected vendors for appraisals, Legal, costs, fees, etc.	LRPMP Implementation costs that cannot be paid from land sales proceeds - e.g., appraisals, Legal, costs, fees, etc. (See Notes)	RP No. 1	56,000	N	\$ 17,000						8,500	\$ 8,500					8,500	\$ 8,500
19	2015A TABs (Interest Only)	Refunding Bonds Issued After 6/27/12	2/3/2015	9/1/2038	US Bank NA	Refunding for 2003A TABs (Interest Only Payments)	RP No. 1	5,150,322	N	\$ 445,094						224,447	\$ 224,447					220,647	\$ 220,647
20	2015B TABs (Interest Only)	Refunding Bonds Issued After 6/27/12	2/3/2015	9/1/2018	US Bank NA	Refunding for 2003B TABs (Interest Only Payments)	RP No. 1	0	Y	\$ -							\$ -						\$ -
21	2015A TABs (Principal Reduction Only)	Refunding Bonds Issued After 6/27/12	2/3/2015	9/1/2038	US Bank NA	Refunding for 2003A TABs (Principal Reduction Payments)	RP No. 1	11,220,000	N	\$ 380,000						380,000	\$ 380,000						\$ -
22	2015B TABs (Principal Reduction Only)	Refunding Bonds Issued After 6/27/12	2/3/2015	9/1/2018	US Bank NA	Refunding for 2003B TABs (Principal Reduction Payments)	RP No. 1	0	Y	\$ -							\$ -						\$ -
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Delano Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
July 1, 2016 through June 30, 2017
(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. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount		354,934				D-1 represents the DSRF balance for the 2015 Refunding TABs.
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller		3,611			3,154,812	Cell D-1 represent interest earnings on the DSRF balance. Cell H-1 represents the sum of the actual RPTTF received from the CAC for ROPS 16-17 A and B.
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)		120,546			3,154,812	Cell D-1 represents the use of interest earnings from the DSRF balance for current debt service. Cell H-1 represents the use of the sum of the actual RPTTF received from the CAC for ROPS 16-17 A and B.
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						Cell D-4 is the DSRF balance.
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 237,999	\$ 0	\$ 0	\$ 0	

Delano Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020

[illegible]

Item 5C

TO: Honorable Chairperson and Board Members of the Oversight Board of the Successor Agency to the Former Shafter Community Development Agency

FROM: Jim Zervis, Administrative Services Director

SUBJECT: Consideration of Resolution No. ____ approving and adopting a proposed administrative budget for the two six-month periods of July 1, 2019 through June 30, 2020, pursuant to Health and Safety Code Section 34177(j)

BACKGROUND

Following dissolution of the Redevelopment Agency of the City of Shafter (“Agency”), the City became the successor agency to the Agency (the “Successor Agency”). Pursuant to Health and Safety Code Section 34173(b), the Successor Agency is now a separate legal entity from the City. One of the responsibilities of the Successor Agency is to prepare a proposed administrative budget covering each 6-month period, and submit it to the Successor Agency’s Oversight Board for approval.

On April 16, 2013, the City of Shafter and the Successor Agency entered into an Administrative Services Agreement. According to that agreement, the City of Shafter conducts all administrative functions of the Successor Agency at the City’s expense in exchange for the Successor Agency remitting the entire Administrative Cost Allowance to the City each year.

DISCUSSION/ANALYSIS

One of the responsibilities of the Successor Agency is to prepare a proposed administrative budget for each 6-month fiscal period. According to Health and Safety Code Section 34177(j), the administrative budget is to include all of the following: (i) estimated amounts for the Successor’ Agency’s administrative costs for the upcoming six-month fiscal period; (ii) proposed sources of payment for the costs identified in (i); and (iii) proposals for arrangements for administrative and operations services provided by a city, county, city and county, or other entity.

This proposed administrative budget is to be submitted to the Successor Agency’s oversight board for approval (“Approved Administrative Budget”). Under Health and Safety Code Section 34177(k), the Successor Agency is to provide administrative cost estimates, from the Approved Administrative Budget, that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the Kern County Auditor-Controller for the upcoming two six-month fiscal periods.

The Administrative Cost Allowance has been computed according to the applicable California Health and Safety Codes, at \$250,000 for fiscal year 2019-2020. In accordance, with the

Administrative Services Agreement, this amount is to be remitted to the City as payment in full for contractual administrative services.

FISCAL IMPACT

No City or Successor Agency funds are involved with the adoption of the proposed administrative budget.

RECOMMENDED ACTION

It is recommended that the Oversight Board of the Successor Agency adopt Resolution No. ____ approving and adopting the proposed administrative budget pursuant to Health and Safety Code Section 34177(j).

ATTACHMENT

1. Resolution No. ____ approving and adopting the proposed administrative budget for the period July 1, 2019 through June 30, 2020, pursuant to Health and Safety Code Section 34177(j).

BEFORE THE KERN COUNTYWIDE OVERSIGHT BOARD

In the matter of:

Resolution No. _____

RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD TO THE DISSOLVED SHAFTER COMMUNITY DEVELOPMENT AGENCY, APPROVING AND ADOPTING A PROPOSED ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j)

I, Karmeena Morales, Secretary on behalf of the Oversight Board, do certify that the following resolution, on motion of Director _____, seconded by Director _____, was duly passed and adopted by the Board of Directors at an official meeting this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

Board

Secretary on behalf of the Oversight

Kern Countywide Oversight Board

RESOLUTION

Section 1. WHEREAS:

(a) Pursuant to Health and Safety Code Section 34173(d), the City of Shafter became the successor agency to the Shafter Community Development Agency ("Successor Agency"); and

(b) Pursuant to Health and Safety Code Section 34173(g), the Successor Agency is now a separate legal entity from the City; and

(c) Pursuant to Health and Safety Code Section 34179(j), on July 1, 2018 a single oversight board, staffed by the county auditor-controller, was created to oversee the actions of all successor agencies within Kern County, including the Successor Agency to the Shafter Community Development Agency, and

(d) Health and Safety Code Section 34177(j) requires the Successor Agency to prepare a proposed administrative budget covering each 6-month period, and submit it to the oversight board for approval; and

(e) Pursuant to Health and Safety Code Section 34177(k), upon approval of the administrative budget by the oversight board, the Successor Agency is required to provide administrative cost estimates, from the approved administrative budget, that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the Kern County Auditor-Controller for each fiscal period covered by the administrative budget; and

(f) All other legal prerequisites to the adoption of this Resolution have occurred.

Section 2. THEREFORE IT IS RESOLVED by the Board of Directors of the Kern Countywide Oversight Board, as follows:

1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

2. The Board of Directors of the Oversight Board of the Successor Agency hereby approves and adopts the proposed administrative budget covering the two six-month periods from July 1, 2019 to June 30, 2020, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code Section 34177.

3. The City Manager and Administrative Services Director are hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the proposed administrative budget, including submitting the proposed administrative budget to the California Department of Finance for review.

4. This Resolution shall be effective in accordance with California Health and Safety Code Section 34179(h)..

EXHIBIT A

ADMINISTRATIVE SERVICES AGREEMENT

This Administrative Services Agreement ("Agreement") is made and entered this 16th day of April, 2013 by and between the CITY OF SHAFTER, a municipal corporation ("City") and the SUCCESSOR AGENCY TO THE DISSOLVED SHAFTER COMMUNITY DEVELOPMENT AGENCY, a public body, acting under the authority of Part 1.85 of the California Health and Safety Code ("Successor Agency").

RECITALS

- A. The City Council of the City of Shafter acting pursuant to the provisions of Part 1.85 of the Health and Safety Code (Part 1.85), is the Successor Agency within the meaning of Part 1.85. Any capitalized terms that are not specifically defined in this Agreement shall have the same meaning as set forth in Part 1.85.
- B. Pursuant to Health and Safety Code Section 34173(g), the Successor Agency is now a separate legal entity from the City.
- C. In accordance with Section 34171 of Part 1.85, the Successor Agency is entitled to an Administrative Cost Allowance that is payable from property tax revenues allocated to the Redevelopment Obligation Retirement Fund (RORF) by the County Auditor-Controller.
- D. In order to ensure the effective implementation of Part 1.85, and in accordance with Section 34177.3(b) of the Health and Safety Code, City and Successor Agency desire to enter into this Agreement to allow the Successor Agency's utilization of City staff, facilities, and administrative resources (collectively, "City Services") to conduct the work of winding down the Successor Agency, in consideration for the Successor Agency's timely payment to City of the Administrative Cost Allowance.
- E. The Successor Agency's payment for City Services shall not include the City's project management or City staff costs associated with specified Enforceable Obligations listed on either the Enforceable Obligation Payment Schedule or Recognized Obligation Payment Schedule (collectively, "Project Costs"), which shall be charged separately to the Successor Agency and reimbursed separately by the Successor Agency from the property taxes deposited in the RORF.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter contained, City and Successor Agency agree as follows:

Section 1. Access to City Services. Effective February 1, 2012, the Successor Agency shall be authorized to use any City Services to implement the Successor Agency's duties under Part 1.85 in accordance with Section 2 below.

Section 2. Payment for City Services. In consideration for the City providing City Services to Successor Agency, Successor Agency shall pay to the City the full amount of the Administrative Cost Allowance allocated to the Successor Agency on each approved Recognized

Obligation Payment Schedule for that time period under Part 1.85. The Administrative Cost Allowance shall be paid to the City no later than ten (10) business days from the deposit of property taxes into the RORF by the County Auditor-Controller. City's receipt of each installment of the Administrative Cost Allowance shall be the sole source and full consideration for City Services.

Section 3. Project Costs. Project Costs shall be charged separately to the Successor Agency and reimbursed separately by the Successor Agency from the property tax deposited into the RORF.

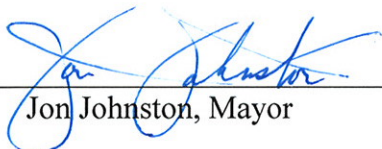
Section 4. City Advances to Successor Agency to Pay Enforceable Obligations. Because of timing issues created by AB 1x 26 and AB 1484, and in order to avoid defaulting on any bond covenants or other agreements, the City may choose to at their sole discretion, but is in no way obligated to, advance funds to the Successor Agency at any time to pay enforceable obligations. Any such advance payment shall be placed as an Enforceable Obligation on the next Recognized Payment Obligation Schedule (ROPS) prepared by the Successor Agency and repaid to the City no later than then (10) business days from the deposit of property taxes into the RORF for that ROPS by the County Auditor-Controller. Amounts advanced under this section shall accrue interest at a rate equal to the average rate earned on the overall City investment portfolio each fiscal year, compounded annually.

Section 5. Notice of Default. If either party defaults with regard to the provisions of this Agreement, the non-defaulting party shall serve written notice of such default upon the defaulting party. If the default is not cured by the defaulting party within ninety (90) days after service of the notice of default, or if the default is not commenced to be cured within thirty (30) days after service of the notice of default and is not cured promptly within a reasonable period of time after commencement, the defaulting party shall be liable to the other party in accordance with applicable law; provided, however, that nothing herein shall obligate the City to make any payments or transfer of any assets from the City's General Fund, except in the form of City Services provided to the Successor Agency, and nothing herein shall obligate the Successor Agency to make any payments or transfer of assets from any source other than the RORF.

IN WITNESS THEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF SHAFTER

By:

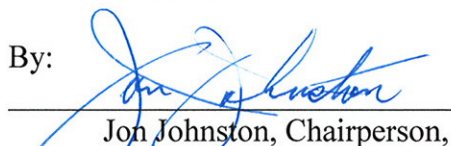

Jon Johnston, Mayor

ATTEST:


Christine Wilson, City Clerk

SUCCESSOR AGENCY TO THE
DISSOLVED SHAFTER COMMUNITY
DEVELOPMENT AGENCY

By:


Jon Johnston, Chairperson,

ATTEST:


Christine Wilson, Secretary

SHAFTER COMMUNITY DEVELOPMENT AGENCY - SUCCESSOR AGENCY
Administrative Budget: 7/1/19 - 6/30/20

EXPENSE CLASSIFICATION	ANNUAL BUDGET	7/1/19 - 12/31/19 BUDGET	1/1/20 - 6/30/20 BUDGET
Administrative Services Agreement Fee to the City of Shafter:	\$ 250,000	\$ 125,000	\$ 125,000
(A) TOTAL BUDGET	\$ 250,000	\$ 125,000	\$ 125,000

** Administrative Budget limited to 3% of property tax distributed to the successor agency by the county auditor-controller in the preceding fiscal year for payment of enforceable obligations less any city loan repayments and administrative cost allowances ("PY Net Property Tax"), but not less than \$250,000 per year, but in no case can exceed 50% of the PY Net Property Tax, per H&S 34171(b),*

Administrative Budget Compliance Test:	
Actual prior year property tax distributed to the successor agency (2018-19):	\$ 1,161,025
Less: city loan repayments:	-
Less: administrative cost allowances:	(250,000)
PY Net Property Tax:	911,025
1. 3% net Property Tax - limit:	\$ 27,331
2. Statutory administrative cost allowance minimum:	\$ 250,000
3. Greater of 1 or 2:	\$ 250,000
4. 50% PY Net Property Tax - hard limit:	\$ 455,513
5. Administrative Budget (A):	\$ 250,000
6. In Compliance?	YES

Item 5D

TO: Honorable Chairperson and Board Members of the Oversight Board of the Successor Agency to the Former Shafter Community Development Agency

FROM: Jim Zervis, Administrative Services Director

SUBJECT: Consideration of Resolution No. ____ approving and adopting a Recognized Obligation Payment Schedule for the period July 1, 2019 through June 30, 2020, pursuant to Health and Safety Code Section 34177(l) and (m).

DISCUSSION/ANALYSIS

Annually the Successor Agency must prepare a Recognized Payment Obligation Schedule (ROPS) listing all enforceable obligations due for the next fiscal year as well as an actual accounting of the prior ROPS period and a reconciliation of all cash held by the Successor Agency. The ROPS must be approved by the Successor Agency Board of Directors, Oversight Board, and ultimately the Department of Finance. Once approved by all parties, the County Auditor Controller will distribute available property tax to the Successor Agency to fund the obligations on the ROPS. The ROPS 19-20 being considered for approval includes the following obligations.

July 1, 2019 – December 31, 2019:

- | | |
|----------------------------------|-----------|
| 1. 2016 Refunding Bonds: | \$912,113 |
| 2. Administrative Budget: | \$125,000 |
| 3. City / Agency Loan Agreement: | \$112,012 |

January 1, 2020 – June 30, 2020:

- | | |
|----------------------------------|-----------|
| 1. Administrative Budget: | \$125,000 |
| 2. City / Agency Loan Agreement: | \$0 |

FISCAL IMPACT

The \$1,274,125 in total expenditures will be paid with property tax allocations from the County Auditor Controller including any unused property tax allocations from prior years.

The Successor Agency stands alone as a private purpose trust fund. Thus, the financial activity of the Successor Agency is accounted for separately and not combined with the City's finances.

RECOMMENDED ACTION

It is recommended that the Board of Directors adopt Resolution No. ____ approving and adopting the Recognized Obligation Payment Schedule covering the period July 1, 2019 through June 30, 2020.

ATTACHMENT

1. Resolution No. ____ approving and adopting the Recognized Obligation Payment Schedule covering the period July 1, 2019 through June 30, 2020.

BEFORE THE KERN COUNTYWIDE OVERSIGHT BOARD

In the matter of:

Resolution No. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED SHAFTER COMMUNITY DEVELOPMENT AGENCY, APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE COVERING THE PERIOD OF JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(l) AND (o).

I, Karmeena Morales, Secretary on behalf of the Oversight Board, do certify that the following resolution, on motion of Director _____, seconded by Director _____, was duly passed and adopted by the Board of Directors at an official meeting this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

Board

Secretary on behalf of the Oversight

Kern Countywide Oversight Board

RESOLUTION

Section 1. WHEREAS:

(a) Pursuant to Health and Safety Code Section 34173(d), the City of Shafter became the successor agency to the Shafter Community Development Agency ("Successor Agency"); and

(b) Pursuant to Health and Safety Code Section 34173(g), the Successor Agency is now a separate legal entity from the City; and

(c) Pursuant to Health and Safety Code Section 34179(j), on July 1, 2018 a single oversight board, staffed by the county auditor-controller, was created to oversee the actions of all successor agencies within Kern County, including the Successor Agency to the Shafter Community Development Agency, and

(d) Health and Safety Code Section 34177(l) requires the Successor Agency to prepare a recognized obligation payment schedule ("ROPS"), by February 1st of each year, forward looking to the next fiscal year; and

(e) Health and Safety Code Section 34177(l)(2) requires the Successor Agency to submit the ROPS to the Successor Agency's oversight board for its approval, and upon such approval, the Successor Agency is required to submit a copy of the approved ROPS ("Approved ROPS") to the Kern County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and post the Approved ROPS on the Successor Agency's website; and

(f) Health and Safety Code Section 34177(o) requires that the Approved ROPS for the period July 1, 2019 through June 30, 2020 ("ROPS 19-20") is required to be submitted to the Department of Finance, California State Controller and the County Auditor-Controller by February 1, 2019; and

(g) All other legal prerequisites to the adoption of this Resolution have occurred.

Section 2. THEREFORE IT IS RESOLVED by the Board of Directors of the Kern Countywide Oversight Board, as follows:

1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

2. The Oversight Board of the Successor Agency hereby approves and adopts the ROPS 19-20, covering the period July 1, 2019 through June 30, 2020, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code Section 34177.

3. The City Manager and Administrative Services Director are hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the ROPS 19-20, including submitting the approved ROPS 19-20 to the Kern County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and posting the Approved ROPS on the Successor Agency's website.

4. This Resolution shall be effective in accordance with California Health and Safety Code Section 34179(h)..

EXHIBIT A

Recognized Obligation Payment Schedule (ROPS 19-20) - Summary
Filed for the July 1, 2019 through June 30, 2020 Period

Successor Agency:

Shafter

County:

Kern

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ -	\$ -	\$ -
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	-	-	-
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 1,149,125	\$ 125,000	\$ 1,274,125
F	RPTTF	1,024,125	-	1,024,125
G	Administrative RPTTF	125,000	125,000	250,000
H	Current Period Enforceable Obligations (A+E):	\$ 1,149,125	\$ 125,000	\$ 1,274,125

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) 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 successor agency.

Name	Title
/s/	
Signature	Date

Shafter Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail

July 1, 2019 through June 30, 2020

(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
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 19-20 Total	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
3	Administrative Budget	Admin Costs	7/1/2013	6/30/2014	City of Shafter	Successor Agency Administrative		\$ 17,835,886	N	\$ 1,274,125	\$ 0	\$ 0	\$ 0	\$ 1,024,125	\$ 125,000	\$ 1,149,125	\$ 0	\$ 0	\$ 0	\$ 0	\$ 125,000	\$ 125,000
4	Loan Agreement	City/County Loan (Prior 06/28/11), Cash exchange	1/18/2011	6/30/2015	City of Shafter	SERAF and operating expense loan agreement		250,000	N	\$ 250,000					125,000	\$ 125,000					125,000	\$ 125,000
								1,305,548	N	\$ 112,012				112,012		\$ 112,012						\$ -
10	Property Tax Increment Allocation Bonds	Bonds Issued After 12/31/10	12/28/2016	11/1/2036	U.S. Bank, N.A.	2016 Series A Refunding Bonds	1&2	16,280,338	N	\$ 912,113				912,113		\$ 912,113						\$ -

Shafter Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
July 1, 2016 through June 30, 2017
(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. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H
		Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)						
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount	1,040,436				3,343	
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller	339	12,530,000		3,591	1,505,262	
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)	1,040,489	12,530,000		3,591	1,331,575	
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required				177,030	
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 286	\$ 0	\$ 0	\$ 0	\$ 0	

Shafter Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020

Item #	Notes/Comments
4	See the Sponsoring Entity Loan Repayment Calculator

Sponsoring Entity Loan Repayment Calculator

Base Year:	ROPS II July through December 2012	ROPS III January through June 2013	Total For Base Year
Total Residual Balance	37,757	720,367	758,124

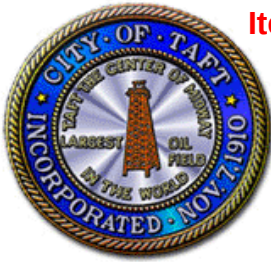
Comparison Year:	ROPS 18-19A July through December 2018	ROPS 18-19B January through June 2019	Total For Comparison Year
Total Residual Balance	36,961	945,187	982,148

A Total Residual Balance for Comparison Year	982,148
B Total Residual Balance for Base Year	758,124
A-B Difference of Residual Balance	224,024
Divide Difference by two	÷2
Maximum Repayment Amount Authorized for the 19-20 Fiscal Year	112,012

Note: This is a tool provided by Finance to assist successor agencies in determining the maximum repayment amount for the fiscal year. Placing this amount on the ROPS does not guarantee approval of the repayment amount.

Input fields (amounts from County Auditor-Controller RPTTF Distribution Report)

Formula fields, no input required.



Item 5E

Successor Agency to the Taft Community Development Agency Staff Report

DATE: JANUARY 30, 2019

TO: KERN COUNTYWIDE OVERSIGHT BOARD

AGENDA MATTER:

APPROVE AND RATIFY THE RESOLUTION OF THE SUCCESSOR AGENCY TO THE TAFT COMMUNITY DEVELOPMENT AGENCY FOR THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 19-20) FOR JULY 2019 THROUGH JUNE 2020

SUMMARY STATEMENT:

The City of Taft prepared and presented the attached Recognized Obligation Payment Schedule 19-20 (ROPS 19-20) for the period of July 2019 through June 2020, along with a resolution approving and adopting the ROPS 19-20 schedule.

RECOMMENDED ACTION

Motion to adopt and ratify the resolution entitled **RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD TO THE FORMER TAFT COMMUNITY DEVELOPEMNT AGENCY OF THE CITY OF TAFT APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO THE PROVISIONS SET FORTH IN HEALTH AND SAFETY CODE SECTION 34177(j)(AB 1X 26)**

ATTACHMENT (Y/N):

Resolution and ROPS 19-20

PREPARED BY:

Teresa Binkley, City of Taft's Finance Director

BEFORE THE KERN COUNTYWIDE OVERSIGHT BOARD

In the matter of:

Resolution No. _____

RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD TO THE FORMER TAFT COMMUNITY DEVELOPEMNT AGENCY OF THE CITY OF TAFT APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO THE PROVISIONS SET FORTH IN HEALTH AND SAFETY CODE SECTION 34180(g)(AB 1X 26)

I, Karmeena Morales, Secretary on behalf of the Oversight Board, do certify that the following resolution, on motion **of Director _____, seconded by Director _____**, was duly passed and adopted by the Board of Directors at an official meeting this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

Secretary on behalf of the Oversight Board
Kern Countywide Oversight Board

RESOLUTION

WHEREAS, on December 29, 2011, the California Supreme Court upheld the validity of AB 1X 26 ("AB 1X 26"), requiring that each redevelopment agency be dissolved; and

WHEREAS, Assembly Bill 1484, Chaptered on June 27, 2012 requires that Successor Agency's to former Redevelopment Agency's review, approve and forward the Recognized Obligation Payment Schedule (ROPS) to the County Oversight Board in order to have the County Oversight Board approval of the ROPS prior to submission date; and

WHEREAS, pursuant to HSC section 34177 (o), commencing with the ROPS covering the period from July 1, 2016 to June 30, 2017 and thereafter, agencies shall submit an Oversight Board approved annual ROPS to Department of Finance and the County Auditor-Controller by February 1, 2016, and each February 1 thereafter; and

WHEREAS, commencing on and after July 1, 2018, in each county where more than one oversight board was created by operation, there shall be only one oversight board, which shall be staffed by the county auditor-controller; and

WHEREAS, the City Council of the City of Taft by operation of law and by action

duly and regularly taken became the successor agency to the dissolved redevelopment agency ("Successor Agency"); and

WHEREAS, pursuant to the requirements of AB 1X 26, the Successor Agency has prepared a Recognized Obligation Payment Schedule for the period July 1, 2019 through June 30, 2020; and

WHEREAS, the Countywide Oversight Board to the Successor Agency has been appointed pursuant to Health and Safety Code Section 34179; and

WHEREAS, the Successor Agency has presented the Recognized Obligation Payment Schedule described above to the Countywide Oversight Board for its approval pursuant to Health and Safety Code Section 34180(g).

NOW, THEREFORE, BE IT RESOLVED that the Countywide Oversight Board finds as follows:

Section 1. The forgoing Recitals are incorporated herein and made a part hereof.

Section 2. The Recognized Obligation Payment Schedule for the period July 1, 2019 through June 30, 2020, attached as "Exhibit A" to this Resolution, is hereby approved and adopted.

Section 3. The Board has authorized and directed Taft Successor Agency staff to (1) post the Recognized Obligation Payment Schedule on the Taft's Successor Agency's website; (2) notify by mail or electronic means, the County Auditor-Controller, the State Department of Finance, and the State Controller of the Countywide Oversight Board's action approving and adopting the Recognized Obligation Payment Schedule; and (3) provide those offices with an address to the City's website where the Recognized Obligation Payment Schedule is posted.

Section 4. This Resolution shall be effective in accordance with California Health and Safety Code Section 34179(h).

Recognized Obligation Payment Schedule (ROPS 19-20) - Summary
Filed for the July 1, 2019 through June 30, 2020 Period

Successor Agency: Taft
County: Kern

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ -	\$ -	\$ -
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	-	-	-
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 247,235	\$ 232,266	\$ 479,501
F	RPTTF	181,775	188,625	370,400
G	Administrative RPTTF	65,460	43,641	109,101
H	Current Period Enforceable Obligations (A+E):	\$ 247,235	\$ 232,266	\$ 479,501

Certification of Oversight Board Chairman:
Pursuant to Section 34177 (o) 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 successor
agency.

Name Title
/s/ _____
Signature Date

Taft Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail

July 1, 2019 through June 30, 2020

(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
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 19-20 Total	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 3,361,481		\$ 479,501	\$ 0	\$ 0	\$ 0	\$ 181,775	\$ 65,460	\$ 247,235	\$ 0	\$ 0	\$ 0	\$ 188,625	\$ 43,641	\$ 232,266
	1 Authority Loan/PFA 1998 Revenue Bond	Bond Reimbursement Agreements	12/1/1998	1/1/2028	TPFA / US Bank ##	Loan Agreement / Revenue Bond	1	2,150,400	N	\$ 240,120				120,060		\$ 120,060				120,060		\$ 120,060
	2 Trustee Fees	Fees	12/1/1998	1/1/2028	TPFA / US Bank ##	Trustee Fees	1	4,600	N	\$ 4,600						\$ -				4,600		\$ 4,600
	3 Loan Agreement	City/County Loan (Prior 06/28/11), Cash exchange	6/30/2009	6/30/2015	City of Taft **vv	SERAF Loan	1		N	\$ -						\$ -						\$ -
	4 Loan Agreement	City/County Loan (Prior 06/28/11), Cash exchange	7/1/2013	6/30/2033	City of Taft **vv	Purchase Property & Operating Expenses	1		N	\$ -						\$ -						\$ -
	9 Administration Expenses	Admin Costs	7/1/2019	6/30/2020	Successor Agency	Admin. Expense of successor Agency	1	109,101	N	\$ 109,101					65,460	\$ 65,460					43,641	\$ 43,641
	12 Authority Loan/PFA 1998 Revenue Bond	Bond Reimbursement Agreements	12/1/1998	1/1/2028	City of Taft	Reimbursement Agreement / Revenue Bond	1	1,095,130	N	\$ 123,430				61,715		\$ 61,715				61,715		\$ 61,715
	13 Authority Loan/PFA 1998 Revenue Bond	Fees	7/1/2019	6/30/2020	BLX Group	Bond Arbitrage Analysis	1	2,250	N	\$ 2,250						\$ -				2,250		\$ 2,250
	14								N	\$ -						\$ -						\$ -
	15								N	\$ -						\$ -						\$ -
	16								N	\$ -						\$ -						\$ -
	17								N	\$ -						\$ -						\$ -
	18								N	\$ -						\$ -						\$ -
	19								N	\$ -						\$ -						\$ -
	20								N	\$ -						\$ -						\$ -
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	26								N	\$ -						\$ -						\$ -
	27								N	\$ -						\$ -						\$ -
	28								N	\$ -						\$ -						\$ -
	29								N	\$ -						\$ -						\$ -
	30								N	\$ -						\$ -						\$ -
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	49								N	\$ -						\$ -						\$ -
	50								N	\$ -						\$ -						\$ -
	51								N	\$ -						\$ -						\$ -
	52								N	\$ -						\$ -						\$ -

Taft Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
July 1, 2016 through June 30, 2017
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), 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. For tips on how to complete the Report of Cash Balances Form, see Cash Balance Tips Sheet.							
A	B	C	D	E	F	G	H
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	Comments
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount			456,903		(5,062)	
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller			355,177	272	447,184	Reserve Balance(US Bank) - \$3,733.23 interest income earned at US Bank, \$321.89 Accrued Interest earned at US Bank, \$351,121.85 was transferred from City of Taft to US Bank to pay Int and Prin payments, Other - \$272.18 was interest earned at the City of Taft Non-Admin & Admin - \$119,740 was the police departments transfer in to pay their portion of the Reimbursement agreement debt and \$327,716.41 of RPTTF (July - Dec 2016 \$150,714.00 & Jan - Jun 2017 \$177,002.41), See Notes Section for comment on RPTTF
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)			357,190	272	413,841	Reserve Balance(US Bank) - 07/01/2016 Interest Payment \$88,595.00 and 01/01/2017 Interest Payment \$88,595.00 and 01/01/2017 Principal Payment \$180,000.00. Other & Non-Admin & Admin - funds transfered to US Bank 12/2016 \$267,746.85 and funds transfered to US Bank 06/2017 \$83,375.00 and Trustee fees of \$4,600 and Admin expenses \$58,390.72.
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			483,171			
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ (28,281)	\$ 0	\$ 28,281	

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE
TEHACHAPI REDEVELOPMENT AGENCY**

**TO: BOARD OF DIRECTORS OF THE OVERSIGHT COMMITTEE OF THE SUCCESSOR AGENCY TO
THE TEHACHAPI REDEVELOPMENT AGENCY**

FROM: HANNAH CHUNG, FINANCE DIRECTOR

DATE: JANUARY 18, 2019

**SUBJECT: APPROVE A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD
FROM JULY 1, 2019 THROUGH JUNE 30, 2020 PURSUANT TO HEALTH AND SAFETY CODE
SECTION 34177**

Executive Summary

Pursuant to Section 34177 of the Health and Safety Code ("HSC"), in order to make payments on enforceable obligations, the Successor Agency must prepare a Recognized Obligation Payment Schedule ("ROPS") for specified fiscal periods. Previously, the Successor Agency was required to prepare a ROPS for each six-month fiscal period (from July 1 through December 31, and from January 1 through June 30, respectively). Due to a change in law in 2015, the Successor Agency is now required to prepare only one ROPS per fiscal year. All ROPS must be approved by the Oversight Board and submitted to the State Department of Finance ("DOF") for review.

Background

Pursuant to HSC Section 34177, the Successor Agency must prepare a ROPS listing the anticipated payments for enforceable obligations to be made during each specified fiscal period. Previously, each ROPS covered a six-month period (commencing January 1 and July 1, respectively). SB 107, which was enacted in September 2015, amended HSC Section 34177, to provide that, beginning with fiscal year 2016-17, the Successor Agency must prepare a ROPS annually (instead of twice a year).

All ROPS must be approved by the Oversight Board. Furthermore, each Oversight Board-approved ROPS must be submitted to the DOF for review. HSC Section 34177 also requires the Successor Agency to submit an Oversight Board-approved ROPS to the DOF and to the County Auditor-Controller no later than February 1, 2019. A copy of the Oversight Board-approved ROPS must be posted on the Successor Agency's website.

The DOF may eliminate or modify any item on the ROPS before approving the ROPS. The DOF must make its determination regarding the enforceable obligations and the amount and funding source for each enforceable obligation listed on ROPS 19-20 no later than April 15, 2019. Within five business days of the DOF's determination, the Successor Agency may request to "meet and confer" with the DOF on disputed items. The meet and confer period may vary, but an untimely submission of ROPS 19-20 may result in a meet and confer period of less than 30 days.

The County Auditor-Controller may object to the inclusion of any item on the ROPS that is not demonstrated to be an enforceable obligation and may object to the funding source proposed for any item. The County Auditor-Controller must provide notice of its objections to the DOF, the Successor Agency and the Oversight Board at least 60 days before disbursements from the Redevelopment Property Tax Trust Fund ("RPTTF") are required to be made.

The County Auditor-Controller is required to make RPTTF disbursements to the Successor Agency pursuant to the DOF-approved ROPS 19-20 on June 1, 2019 (to cover enforceable obligation payments from July 1, 2019 through December 31, 2019) and January 2, 2020 (to cover enforceable obligation payments from January 1, 2020 through June 30, 2020).

Penalties for Failure to Make Timely Submission

If the Successor Agency does not submit an Oversight Board-approved ROPS 19-20 by February 1, 2019, the City of Tehachapi will be subject to a civil penalty of \$10,000 per day for every day that ROPS 19-20 is not submitted to the DOF. The penalty will be paid to the County Auditor-Controller for distribution to the taxing entities. If the Successor Agency does not timely submit ROPS 19-20, creditors of the Successor Agency, the DOF, and affected taxing entities may request a writ of mandate to require the Successor Agency to immediately perform this duty. Additionally, if the Successor Agency does not submit ROPS 19-20 within 10 days of the February 1, 2019 deadline, the Successor Agency's maximum administrative cost for that period will be reduced by 25 percent.

If the Successor Agency fails to submit an Oversight Board-approved ROPS to the DOF within five business days of "the date upon which the ROPS is to be used to determine the amount of property tax allocations," the DOF may order the County Auditor-Controller to withhold a scheduled RPTTF disbursement to the Successor Agency pending the DOF's review of the related ROPS. (It is not clear what is meant by "the date upon which the ROPS is to be used to determine the amount of property tax allocations." Possibly, it is referring to October 1 and April 1, the dates by which the County Auditor-Controller must prepare estimates for the upcoming RPTTF disbursements on January 2 and June 1, respectively, and provide the estimates to the DOF, the Successor Agency and the taxing entities.) In conjunction with such a withholding, the DOF may order the County Auditor-Controller to disburse to the taxing entities money from the RPTTF that the DOF determines to be in excess of the amount needed for enforceable obligations.

Staff recommends that the Oversight Board adopt Resolution No. OB ____ approving ROPS 19-20 and taking certain related actions.

Fiscal Impact

The preparation and submittal of ROPS 19-20 is for the purpose of allowing the Successor Agency to pay its enforceable obligations for the period from July 1, 2019 to June 30, 2020.

Recommendation

That the Oversight Board adopt Resolution No. OB ____ approving the Recognized Obligation Payment Schedule for the annual period from July 1, 2019 through June 30, 2020 ("ROPS 19-20").

BEFORE THE KERN COUNTYWIDE OVERSIGHT BOARD

In the matter of:

Resolution No. _____

RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD TO THE TEHACHAPI REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD FROM JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 AND TAKING CERTAIN RELATED ACTIONS

I, ___ Karmeena Morales ___, Secretary on behalf of the Oversight Board, do certify that the following resolution, on motion of Director ___, seconded by Director ___, was duly passed and adopted by the Board of Directors at an official meeting this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

Board

Secretary on behalf of the Oversight

Kern Countywide Oversight Board

RESOLUTION

Section 1. WHEREAS:

(a) Pursuant to Health and Safety Code Section 34177(o), the Successor Agency to the Tehachapi Redevelopment Agency (the "Successor Agency") must prepare a Recognized Obligation Payment Schedule listing the anticipated payments for enforceable obligations to be made by the Successor Agency during the fiscal period from July 1, 2019 through June 30, 2020 ("ROPS 19-20") and submit ROPS 19-20 to the oversight board of the Successor Agency (the "Oversight Board") for approval.

(b) Pursuant to Health and Safety Code Section 34177(l)(2)(C) and Section 34177(o)(1), the Successor Agency must: (i) submit the Oversight Board-approved ROPS 19-20 to the DOF, the Office of the State Controller, and the County Auditor-

Controller no later than February 1, 2019, and (ii) post a copy of the Oversight Board-approved ROPS 19-20 on the Successor Agency's website.

Section 2. THEREFORE IT IS RESOLVED by the Board of Directors of the Kern Countywide Oversight Board, as follows:

1. The above recitals are true and correct and are a substantive part of this Resolution.

2. The Oversight Board hereby approves the proposed ROPS 19-20, substantially in the form attached hereto as Exhibit A. Staff of the Successor Agency is hereby authorized and directed to: (i) submit a copy of Oversight Board-approved ROPS 19-20 to the DOF, the Office of the State Controller, and the County Auditor-Controller and (ii) post a copy of the Oversight Board-approved 19-20 on the Successor Agency's Internet website (being a page on the Internet website of the City of Tehachapi).

3. The Staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including but not limited to requesting additional review by the DOF and an opportunity to meet and confer on any disputed items, and making adjustments to ROPS 19-20 pursuant to the DOF's instructions, and any such actions previously taken are hereby ratified and confirmed.

EXHIBIT A

Recognized Obligation Payment Schedule (ROPS 19-20) - Summary
Filed for the July 1, 2019 through June 30, 2020 Period

Successor Agency:

Tehachapi

County:

Kern

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ 718,276	\$ 274,973	\$ 993,249
B	Bond Proceeds	-	-	-
C	Reserve Balance	718,276	274,973	993,249
D	Other Funds	-	-	-
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ -	\$ 627,973	\$ 627,973
F	RPTTF	-	627,973	627,973
G	Administrative RPTTF	-	-	-
H	Current Period Enforceable Obligations (A+E):	\$ 718,276	\$ 902,946	\$ 1,621,222

Certification of Oversight Board Chairman:
Pursuant to Section 34177 (o) 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 successor agency.

Name

Title

/s/

Signature

Date

Tehachapi Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail																						
July 1, 2019 through June 30, 2020																						
(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
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 19-20 Total	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 18,936,289		\$ 1,621,222	\$ 0	\$ 718,276	\$ 0	\$ 0	\$ 0	\$ 718,276	\$ 0	\$ 274,973	\$ 0	\$ 627,973	\$ 0	\$ 902,946
5	Administrative Expense	Admin Costs	2/1/2012	6/30/2038	City of Tehachapi	Admin of Successor Agency - RDA	Tehachapi RDA	3,800,000	N	\$ 198,000		99,000				\$ 99,000		99,000				\$ 99,000
20	2017ATax Allocation Refunding Bonds	Refunding Bonds Issued After 6/27/12	6/30/2017	12/1/2035	Bank of New York	2017A Tax Allocation Refunding Bonds Debt Service		6,576,006	N	\$ 385,961		305,834				\$ 305,834		80,127				\$ 80,127
21	2017BTax Allocation Refunding Bonds	Refunding Bonds Issued After 6/27/12	6/30/2017	12/1/2037	Bank of New York	2017B Tax Allocation Refunding Bonds Debt Service		7,521,283	N	\$ 397,288		307,442				\$ 307,442		89,846				\$ 89,846
22	2017 A&B Refunding Bonds Trustee Service	Fees	6/30/2017	6/30/2038	Bank of New York	Trustee Service Fee		152,000	N	\$ 6,000		6,000				\$ 6,000						\$ -
23	SB 1029 Reporting Service	Professional Services	1/11/2018	2/28/2038	Urban Futures	SB 1029 Annual Reporting Service		19,000	N	\$ 1,000						\$ -		1,000				\$ 1,000
24	Annual Disclosure	Professional Services	2/1/2018	2/28/2038	Urban Futures	2017A & 2017B Tax Revenue Refunding Bonds Annual Disclosure Reporting		133,000	N	\$ 5,000						\$ -		5,000				\$ 5,000
25	2017 A&B Refunding Bonds Arbitrage Rebate Services	Professional Services	12/21/2005	2/28/2038	Willdan Financial Services	Arbitrage rebate calculation services for 2017A and 2017B Bonds		35,000	N	\$ -						\$ -						\$ -
26	Parking Lot Maintenance	Property Maintenance	7/1/2018	12/6/2044	City of Tehachapi	Property maintenance			N	\$ -						\$ -						\$ -
27	Contingency for unexpected Expense	Miscellaneous	7/1/2018	12/6/2044	Unknown	Misc. Expenses not listed			N	\$ -						\$ -						\$ -
28	2017 A & B Tax Allocation Refunding Bond Debt Service Reserves-December Payment	Refunding Bonds Issued After 6/27/12	6/30/2017	12/1/1935	Bank of New York	2017 A & B Refunding Bond Debt Service Reserves for Principal		700,000	N	\$ 627,973						\$ -				627,973		\$ 627,973
29									N	\$ -						\$ -						\$ -
30									N	\$ -						\$ -						\$ -
31									N	\$ -						\$ -						\$ -
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Tehachapi Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail																						
July 1, 2019 through June 30, 2020																						
(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
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 19-20 Total	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
96									N	\$ -						\$ -						\$ -
97									N	\$ -						\$ -						\$ -
98									N	\$ -						\$ -						\$ -
99									N	\$ -						\$ -						\$ -

Tehachapi Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
July 1, 2016 through June 30, 2017
(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. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount	3,843,583		984,318			
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller	202,816	11,279,000		1,663	1,410,381	C2: \$94,032 - Replenish 2005 bond reserve; \$94,031 - Replenish 2007 bond reserve; \$14,754 Interest income D2: 2017AB Refunding Bonds Proceeds
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)	4,046,399	10,802,394		1,663	1,354,370	C3: Bond Proceeds balance in 2005 and 2007 bonds were used to defease a portion of 2005 and 2007 outstanding bonds principal and also interest payments. D3: Cash outflow incurred from the refunding of 2005 and 2007 bonds
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)		476,606	984,318		56,011	D4: 2017AB Refunding Bonds Reserves
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	

Tehachapi Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020

[illegible]

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE
TEHACHAPI REDEVELOPMENT AGENCY**

**TO: BOARD OF DIRECTORS OF THE OVERSIGHT COMMITTEE OF THE SUCCESSOR AGENCY TO
THE TEHACHAPI REDEVELOPMENT AGENCY**

FROM: HANNAH CHUNG, FINANCE DIRECTOR

DATE: JANUARY 18, 2019

**SUBJECT: APPROVE PROPOSED ADMINISTRATIVE BUDGETS FOR THE SIX-MONTH FISCAL PERIODS
FROM JULY 1, 2019 THROUGH DECEMBER 31, 2019 AND FROM JANUARY 1, 2020
THROUGH JUNE 30, 2020**

Executive Summary

Pursuant to 34177(j) of the California Health and Safety Code ("HSC"), the Successor Agency is required to prepare a proposed administrative budget for each six-month fiscal period, which must be submitted to the Oversight Board for approval.

Background

The Successor Agency is required to prepare a proposed administrative budget for each six-month fiscal period, which must be submitted to the Oversight Board for approval. Each proposed administrative budget must include all of the following: (1) estimated amounts for Successor Agency administrative costs for the applicable six-month fiscal period; (2) proposed sources of payment for the administrative costs; and (3) proposals for arrangements for administrative and operations services provided by the City of Tehachapi (the "City") or other entity.

HSC Section 34177 is unclear regarding the required timing for the submission of the proposed administrative budgets to the Oversight Board. However, because the Successor's Agency's administrative expenditures also have to be reflected on the Successor Agency's Recognized Obligation Payment Schedules ("ROPS"), the administrative budgets should be consistent.

Previously, the Successor Agency was required to prepare a ROPS for each six-month fiscal period (from July 1 through December 31, and from January 1 through June 30, respectively). SB 107, which was enacted in September 2015, amended HSC Section 34177, to provide that, beginning with fiscal year 2016-17, the Successor Agency must prepare a ROPS annually (instead of twice a year). HSC Section 34177(o) provides that the Successor Agency must submit an Oversight Board-approved ROPS for fiscal year 2019-20 ("ROPS 19-20") to the State Department of Finance ("DOF") and the County Auditor-Controller no later February 1, 2019. The proposed ROPS 19-20 is being presented to the Oversight Board for consideration and approval pursuant to a separate resolution. Staff recommends that the Oversight Board approve Administrative Budget 19-20A and Administrative Budget 19-20B on the same date as the Oversight Board's approval of ROPS 19-20.

Pursuant to HSC Section 34179(h)(1), which was added by SB 107, Oversight Board resolutions approving the Successor Agency's administrative budgets are no longer required to be submitted to the DOF for approval. Therefore, Resolution No. OB ____ will become effective immediately upon adoption.

Fiscal Impact

Under HSC Section 34171(b), the “Administrative Cost Allowance” is the maximum amount of administrative costs that may be paid by the Successor Agency from property tax revenues allocated by the County Auditor-Controller (i.e., disbursements from Redevelopment Property Tax Trust Fund). The Successor Agency’s annual administrative costs (except for administrative costs paid from bond proceeds or grant funds) must not exceed 50 percent of the total RPTTF moneys distributed to pay enforceable obligations in the preceding fiscal year (which latter amount to be reduced by the Successor Agency’s Administrative Cost Allowance and loan repayments made to the City for loans re-established pursuant to HSC Section 34191.4 (the “City Loans”) during the preceding fiscal year). Subject to the foregoing, commencing July 1, 2016, and for each fiscal year thereafter, the Administrative Cost Allowance is the greater of: (i) \$250,000 per fiscal year, or (ii) 3 percent of the actual property tax distributed to the Successor Agency by the County auditor-controller in the preceding fiscal year for payment of approved enforceable obligations, reduced by the Successor Agency’s administrative cost allowance and repayments made to the City Loans during the preceding fiscal year.

Recommendation

That the Oversight Board adopt Resolution No. OB ____ approving the Successor Agency’s Administrative Budgets for the six-month periods from July 1, 2019 through December 31, 2019 (“Administrative Budget 19-20A”) and from January 1, 2020 through June 30, 2020 (“Administrative Budget 19-20B”).

BEFORE THE KERN COUNTYWIDE OVERSIGHT BOARD

In the matter of:

Resolution No. _____

RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD TO THE TEHACHAPI REDEVELOPMENT AGENCY APPROVING PROPOSED ADMINISTRATIVE BUDGETS FOR THE SIX-MONTH FISCAL PERIODS FROM JULY 1, 2019 THROUGH DECEMBER 31, 2019, AND FROM JANUARY 1, 2020 THROUGH JUNE 30, 2020, AND TAKING CERTAIN RELATED ACTIONS

I, Karmeena Morales, Secretary on behalf of the Oversight Board, do certify that the following resolution, on motion of Director _____, seconded by Director _____, was duly passed and adopted by the Board of Directors at an official meeting this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

Board

Secretary on behalf of the Oversight

Kern Countywide Oversight Board

RESOLUTION

Section 1. WHEREAS:

(a) Pursuant to Health and Safety Code Section 34177(j), the Successor Agency to the Tehachapi Redevelopment Agency (the "Successor Agency") must prepare a proposed administrative budget for each six-month fiscal period (commencing each January 1 and July 1) and submit each proposed administrative budget to the oversight board of the Successor Agency (the "Oversight Board") for approval.

(b) The Successor Agency's proposed administrative budgets for the six-month fiscal periods from July 1, 2019 through December 31, 2019 ("Administrative Budget 19-20A") and from January 1, 2020 through June 30, 2020 ("Administrative Budget 19-20B") have been presented to this Oversight Board for approval.

Section 2. THEREFORE IT IS RESOLVED by the Board of Directors of the Kern Countywide Oversight Board, as follows:

1. The above recitals are true and correct and are a substantive part of this Resolution.

2. The Oversight Board hereby approves Administrative Budget 19-20A, substantially in the form attached hereto as Exhibit A.

3. The Oversight Board hereby approves Administrative Budget 19-20B, substantially in the form attached hereto as Exhibit B.

4. The Staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution and the Administrative Budgets, including making any adjustment to the proposed Administrative Budgets to make them consistent with the Successor Agency's Recognized Obligation Payment Schedule for fiscal year 2019-20 (as such Recognized Obligation Payment Schedule is approved by the State Department of Finance).

5. 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 regardless that one or more portion may be determined to be invalid.

EXHIBIT A

SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY

ADMINISTRATIVE BUDGET

for Fiscal Period from July 1, 2019 through December 31, 2019
Presented to Successor Agency Oversight Board on January 18, 2019

Administrative Budget for Six Months:**\$ 99,000**

(Not to Exceed \$125,000)**Administrative Budget Expenditures:**

Employees' wages and benefits	58,836
Education / Training / Conference	1,500
Legal / Consultant fees	3,000
Audit fees	3,000
Office Overheads including insurances	30,000
Parking lot maintenance	2,500
	98,836

Source of Administrative Budget: Redevelopment Property Tax Trust Fund

EXHIBIT B

SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY

ADMINISTRATIVE BUDGET

for Fiscal Period from January 1, 2019 through June 30, 2019
Presented to Successor Agency Oversight Board on January 18, 2019

Administrative Budget for Six Months:**\$ 99,000**

(Not to Exceed \$125,000)

Administrative Budget Expenditures:

Employees' wages and benefits	58,836
Education / Training / Conference	1,500
Legal / Consultant fees	3,000
Audit fees	3,000
Office Overheads including insurances	30,000
Parking lot maintenance	2,500
	<u>98,836</u>

Source of Administrative Budget: Redevelopment Property Tax Trust Fund

Item 5H

KERN COUNTYWIDE OVERSIGHT BOARD AGENDA ITEM

SUBJECT:

Review and Approve Recognized Obligation Payment Schedule (ROPS) 2019-20 And Administrative Budget For Fiscal Year 2019-20 Of The Successor Agency to the Ridgecrest Redevelopment Agency And Approval of Resolution.

PRESENTED BY:

Cheri Freese, Finance Director

SUMMARY:

The City Council at their regular meeting of January 11, 2012 adopted Resolution No 12-02, electing to serve as the Successor Agency to the Ridgecrest Redevelopment Agency ("Successor Agency") and making certain findings in connection therewith.

The Successor Agency is required to prepare a Recognized Obligation Payment Schedule ("ROPS") prior to each 12-month fiscal period, in a manner prescribed by the California Department of Finance ("DOF"), and submit the ROPS to the oversight board, the Kern County Auditor-Controller, the State Controller's Office, and DOF for review and approval. ROPS for July 1, 2019 through June 30, 2020 ("19-20") is due to DOF by February 1, 2019 and the City of Ridgecrest ("City") is subject to a civil penalty equal to \$10,000 per day for every day the ROPS is not submitted to DOF.

On July 1, 2018, local oversight boards established by Health & Safety Code ("HSC") Sections 34179 to 34181 to oversee successor agencies' actions were replaced by countywide oversight boards. All local oversight boards for Kern County successor agencies were consolidated into the Kern Countywide Oversight Board ("Oversight Board").

Oversight boards have broad authority to determine meeting dates at which successor agencies must submit items, to set administrative budgets, to approve enforceable obligations, and otherwise to direct the successor agency to perform activities to wind down the former redevelopment agencies. Therefore, after the ROPS 19-20 and the Administrative Budget have been approved by the Successor Agency, both will be sent to the Oversight Board for approval.

The Successor Agencies 19-20 enforceable obligations include: Bond Debt Service Payments, Fiscal Agent Fees, Continuing Disclosure Reporting Fees, Arbitrage Report Fees, and Administrative Costs Allowance. The material changes from prior ROPS are the reduced debt service costs due to the refunding of the prior bonds with the 2018 bonds. Total requested Redevelopment Property Tax Trust Funds ("RPTTF") for ROPS 2019-20 is \$3,359,595, including \$250,000 for Administrative Allowance Costs as allowed by DOF. Bond Debt Service Payments are the largest enforceable obligation totaling \$2,701,675. The Successor Agency is requesting \$400,000 in RPTTF for Wastewater Loan repayment. Fiscal Agent Fees and Continuing Disclosure combine for the remaining \$7,920 in RPTTF requested on ROPS 2019-20.

Line Items # 39 & 40 on ROPS 2019-20 "Wastewater Loan" are outstanding loans approved by DOF to be repaid to the Ridgecrest Wastewater Fund/City totaling \$3,155,129. By law, these Wastewater Loan payments are subordinate to other enforceable obligations. DOF has a specific formula to calculate the maximum allowable payment per fiscal year for loans to be repaid to a city. Based on the DOF formula and a cash flow analysis, it is estimated that the first year a loan payment will be approved on the ROPS is in Fiscal Year 2020-21 and the loan will be completely repaid by Fiscal Year 2029-30. Although the maximum allowable payment for Fiscal Year 2019-20 is estimated to be \$0, the Successor Agency is requesting \$400,000 in RPTTF on ROPS 2019-20 for these items in case more RPTTF is available than expected. DOF will deny any amount above the maximum allowable payment based on the formula.

The Successor Agency approved Resolution No. 18-82 at its meeting of December 19, 2018, approving the ROPS 19-20 along with the Administrative Budget for 19-20, and is recommending approval by the Oversight Board and then submission to DOF.

FISCAL IMPACT:

Upon approval by the Oversight Board and DOF, ROPS 19-20 would request RPTTF funding needed for the Successor Agency to timely remit payments on enforceable obligations due during Fiscal Year 2019-20. The City and other affected taxing agencies are entitled to receive the balance ("residual") of any RPTTF available after each of the two RPTTF distribution periods based on their respective shares, although no such residual distributions are expected in 2019-20.

Reviewed by Finance Director

ACTION REQUESTED:

Review and approval of ROPS 2019-20 and Fiscal Year 2019-20 Successor Agency Administrative Budget and corresponding resolution.

CITY MANAGER / EXECUTIVE DIRECTOR RECOMMENDATION:

Action as requested.

Submitted by: Cheri Freese

Action Date: January 18, 2019

(Rev. 6/12/09)

BEFORE THE KERN COUNTYWIDE OVERSIGHT BOARD

In the matter of:

Resolution No. _____

RESOLUTION OF THE KERN COUNTYWIDE OVERSIGHT BOARD TO THE FORMER RIDGECREST REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) FOR JULY 1, 2019 THROUGH JUNE 30, 2020 (2019-20) AND APPROVING THE ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2019-20.

I, Karmeena Morales, Secretary on behalf of the Oversight Board, do certify that the following resolution, on motion of Director _____, seconded by Director _____, was duly passed and adopted by the Board of Directors at an official meeting this _____ day of _____, 2019, by the following vote:

AYES:

NOES: None

ABSENT: None

Secretary on behalf of the Oversight Board
Kern Countywide Oversight Board

RESOLUTION

Section 1. WHEREAS:

(a) Pursuant to the dissolution of redevelopment agencies per Assembly Bill ("AB") ABX1 26 (Chapter 5, Statutes of 2011) and ABX1 27 (Chapter 6, Statutes of 2011), and subsequent legislation, AB 1484 (Chapter 26, Statutes of 2012) (altogether, "Dissolution Act"), the City of Ridgecrest ("City") adopted Resolution No. 12-02 on January 11, 2012, electing to serve as Successor Agency to the Ridgecrest Redevelopment Agency ("Successor Agency"); and

(b) Pursuant to Health & Safety Code ("HSC") Section 34177(m), the Successor Agency is required to prepare a Recognized Obligation Payment Schedule ("ROPS") prior to each 12-month fiscal period, in a manner prescribed by the California Department of Finance ("DOF"), and submit the ROPS to the oversight board, the Kern County Auditor-Controller ("A/C"), the State Controller's Office ("SCO"), and DOF for review and approval; and

(c) Pursuant to Section 34179(j) of the Dissolution Act, in every California county there shall be only one oversight board that is staffed by the county's auditor-controller; and

(d) The applicable consolidated oversight board overseeing this Successor Agency is called the Kern Countywide Oversight Board ("Oversight Board"); and

(e) Pursuant to HSC Section 34177(o), the ROPS for the period beginning July 1, 2019 and ending June 30, 2020 ("19-20") shall be submitted to the Oversight Board and DOF no later than February 1, 2019; and

(f) Pursuant to HSC Section 34177(o)(1)(B), if a successor agency does not submit a ROPS by the aforementioned deadline, the city, county, or city and county that created the redevelopment agency shall be subject to a civil penalty equal to ten thousand dollars (\$10,000) per day for every day the schedule is not submitted to DOF; and

(g) Section 34177(j) of the Dissolution Act requires the Successor Agency to prepare a proposed administrative budget and submit it to the Oversight Board for approval; and

(h) Pursuant to Section 34177(j), the Successor Agency's "Administrative Budget" is to include all of the following: (a) estimated amounts of the Successor Agency's administrative costs for the upcoming twelve-month fiscal period; (b) the proposed sources of payment for the costs identified in (a); and (c) proposals for arrangements for administrative and operations services provided by the city serving as Successor Agency; and

(i) Exhibit "A" to this Resolution establishes the ROPS 19-20 and Exhibit "B" to this Resolution establishes the Administrative Budget for 19-20 in a manner consistent with that prescribed by DOF; and

(j) The Successor Agency approved Resolution No. 18-82 at its meeting of December 19, 2018, approving the ROPS 19-20 along with the Administrative Budget for 19-20, and subject to approval by the Oversight Board.

Section 2. THEREFORE IT IS RESOLVED by the Board of Directors of the Kern Countywide Oversight Board, as follows:

1. That based upon staff reports, presentations, public testimony, and other matters presented during consideration of this matter, the Kern Countywide Oversight Board finds and

declares the foregoing recitals to be true and correct, and are expressly incorporated as a material part of this Resolution.

2. The Kern Countywide Oversight Board hereby approves as the Recognized Obligation Payment Schedule for the period July 1, 2019 to June 30, 2020, attached hereto as **Exhibit A**, subject to the approval of the California Department of Finance.

3. The Kern Countywide Oversight Board hereby approves the Administrative Budget, attached hereto as **Exhibit B**, that is included in the ROPS 19-20.

4. Pursuant to Health and Safety Code Section 34177(o), staff of the Successor Agency is hereby authorized and directed to transmit the ROPS 19-20 to DOF, the California State Controller's Office, and the Kern County Auditor-Controller prior to February 1, 2019 as required by law.

5. The Successor Agency is hereby authorized and directed to do any and all things which may be necessary or advisable to effectuate this Resolution and any such actions previously taken are hereby ratified.

6. This Resolution shall be effective in accordance with California Health and Safety Code Section 34179(h).

EXHIBIT A

RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2019
TO JUNE 30, 2019

Recognized Obligation Payment Schedule (ROPS 19-20) - Summary
Filed for the July 1, 2019 through June 30, 2020 Period

Successor Agency:

Ridgecrest

County:

Kern

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ 299,720	\$ -	\$ 299,720
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	299,720	-	299,720
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 1,591,261	\$ 1,468,615	\$ 3,059,876
F	RPTTF	1,466,261	1,343,615	2,809,876
G	Administrative RPTTF	125,000	125,000	250,000
H	Current Period Enforceable Obligations (A+E):	\$ 1,890,981	\$ 1,468,615	\$ 3,359,596

Certification of Oversight Board Chairman:
Pursuant to Section 34177 (o) 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 successor agency.

Name

Title

/s/

Signature

Date

Ridgecrest Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail																						
July 1, 2019 through June 30, 2020																						
(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
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 19-20 Total	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 40,626,250		\$ 3,359,596	\$ 0	\$ 0	\$ 299,720	\$ 1,466,261	\$ 125,000	\$ 1,890,981	\$ 0	\$ 0	\$ 0	\$ 1,343,615	\$ 125,000	\$ 1,468,615
2	2005 COP (Building Lease)	Bonds Issued On or Before	11/1/2005	3/1/2026	U.S. Bank via City of	Building Lease	Ridgecrest RDA		Y	\$ -						\$ -						\$ -
3	2010 Tax Allocation Bonds	Bonds Issued On or Before	6/2/2010	6/30/2037	U.S. Bank	Bonds issued to fund housing/non projects	Ridgecrest RDA		Y	\$ -						\$ -						\$ -
8	2005 COP (Building Lease)	Fees	11/1/2005	3/1/2026	BLX Group LLC	Arbitrage Analysis Report	Ridgecrest RDA		Y	\$ -						\$ -						\$ -
9	Continuing Disclosure Reporting	Fees	11/1/2005	6/30/2037	Rosenow Spevacek Group	Annual Bond Reporting Requirement	Ridgecrest RDA	99,000	N	\$ 5,500				5,500		\$ 5,500						\$ -
10	2005 COP (Building Lease)	Fees	11/1/2005	3/1/2026	U.S. Bank	Bond Administration Fee	Ridgecrest RDA		Y	\$ -						\$ -						\$ -
12	Legal Cost	Legal	1/1/2014	6/30/2019	Stradling Yocca, Carlson	Attorney Bond Assistance	Ridgecrest RDA		N	\$ -						\$ -						\$ -
13	Employee Costs	Admin Costs	1/1/2014	6/30/2019	Various City Employees	Successor Agency & Debt Administration Costs	Ridgecrest RDA	250,000	N	\$ 250,000					125,000	\$ 125,000					125,000	\$ 125,000
18	Wastewater Loan	City/County Loan (Prior 06/28/11), 3rd party agmt- infrastructure	11/3/2010	11/3/2047	Ridgecrest WasteWater Fund / City of Ridgecrest	Loan to Finance Solar Park - Loan balance net of DOF first approval (see item #39 and notes on item 18)	Ridgecrest RDA		N	\$ -						\$ -						\$ -
21	2010 Tax Allocation Bonds	Fees	1/1/2014	6/30/2038	BLX Group LLC	Arbitrage Analysis Report	Ridgecrest RDA		Y	\$ -						\$ -						\$ -
23	2010 Tax Allocation Bonds	Fees	1/1/2014	6/30/2037	U.S. Bank	Fiscal Agent Fees	Ridgecrest RDA		Y	\$ -						\$ -						\$ -
38	Senior Housing Loan	Third-Party Loans	12/12/2011	1/24/2047	City of Ridgecrest/AMG	Loan to Senior Housing Developer			N	\$ -						\$ -						\$ -
39	Wastewater Loan	City/County Loan (Prior 06/28/11), 3rd party agmt- infrastructure	11/3/2010	11/3/2047	Ridgecrest WasteWater Fund / City of Ridgecrest	Loan to Finance Solar Park - As approved by DOF		2,504,615	N	\$ 200,000				200,000		\$ 200,000						\$ -
40	Wastewater Loan	City/County Loan (Prior 06/28/11), 3rd party agmt- infrastructure	11/3/2010	11/3/2047	Ridgecrest WasteWater Fund / City of Ridgecrest	Interest earned on Line#39 from 11/3/2010 to 06/30/2019 at 3%		650,514	N	\$ 200,000				200,000		\$ 200,000						\$ -
42	2018 TARB Bonds- Series A	Refunding Bonds Issued After 6/27/12	5/31/2018	3/1/2026	U.S. Bank	Refunded Bond Debt Service	Ridgecrest RDA	4,218,763	N	\$ 607,664			299,720	6,691		\$ 306,411				301,253		\$ 301,253
43	2018 TARB Bonds- Series B	Refunding Bonds Issued After 6/27/12	5/31/2018	3/1/2037	U.S. Bank	Refunded Bond Debt Service	Ridgecrest RDA	32,851,608	N	\$ 2,094,012				1,051,650		\$ 1,051,650				1,042,362		\$ 1,042,362
44	2018 TARB Bonds- Arbitrage Report	Fees	5/31/2018	3/1/2037	BLX Group LLC	Arbitrage Analysis Report	Ridgecrest RDA	8,100	N	\$ -				0		\$ -				0		\$ -
45	2018 TARB Bonds- Fiscal Agent Fees	Fees	5/31/2018	3/1/2037	U.S. Bank	Fiscal Agent Fees	Ridgecrest RDA	43,650	N	\$ 2,420				2,420		\$ 2,420				0		\$ -

Ridgecrest Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
July 1, 2016 through June 30, 2017
(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. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)						Comments
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount						
		7,539,926			(354,000)	0	Cell F1 is the cash balance due to RPTTF shortfalls in previous ROPS periods
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller						
					653,720	3,921,235	Cell F2 is actual RPTTF available and distributed for previous ROPS RPTTF shortfalls (ROPS item #32 & 36). This does not match PPA sent to CAC, there was less RPTTF available than approved.
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)						
						3,921,205	Cell G2 & G3 are actual RPTTF revenue and expenditures. Does not include ROPS item #32 & 36 (previous ROPS RPTTF shortfalls), since those are shown in column F.
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
					299,720		Cell F4 requested to be spent on ROPS 19-20.
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
						30	As shown on PPA sent to CAC.
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)						
		\$ 7,539,926	\$ 0	\$ 0	\$ 0	\$ 0	

Ridgecrest Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020

[illegible]

RESOLUTION NO. 18-82

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE RIDGECREST REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) FOR JULY 1, 2019 THROUGH JUNE 30, 2020 (2019-20) AND APPROVING THE ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2019-20

WHEREAS, pursuant to the dissolution of redevelopment agencies per Assembly Bill ("AB") ABX1 26 (Chapter 5, Statutes of 2011) and ABX1 27 (Chapter 6, Statutes of 2011), and subsequent legislation, AB 1484 (Chapter 26, Statutes of 2012) (altogether, "Dissolution Act"), the City of Ridgecrest ("City") adopted Resolution No. 12-02 on January 11, 2012, electing to serve as Successor Agency to the Ridgecrest Redevelopment Agency ("Successor Agency"); and,

WHEREAS, pursuant to Health & Safety Code ("HSC") Section 34177(m), the Successor Agency is required to prepare a Recognized Obligation Payment Schedule ("ROPS") prior to each 12-month fiscal period, in a manner prescribed by the California Department of Finance ("DOF"), and submit the ROPS to the oversight board, the Kern County Auditor-Controller, the State Controller's Office, and DOF for review and approval; and,

WHEREAS, pursuant to Section 34179(j) of the Dissolution Act, in every California county there shall be only one oversight board that is staffed by the county's auditor-controller; and,

WHEREAS, the applicable consolidated oversight board overseeing this Successor Agency is called the Kern Countywide Oversight Board ("Oversight Board"); and,

WHEREAS, pursuant to HSC Section 34177(m), the ROPS for the period beginning July 1, 2019 and ending June 30, 2020 ("19-20") shall be submitted to the Oversight Board and DOF no later than February 1, 2019; and,

WHEREAS, pursuant to HSC Section 34177(m)(2), if a successor agency does not submit a ROPS by the aforementioned deadline, the city, county, or city and county that created the redevelopment agency shall be subject to a civil penalty equal to ten thousand dollars (\$10,000) per day for every day the schedule is not submitted to DOF; and,

WHEREAS, Section 34177(j) of the Dissolution Act requires the Successor Agency to prepare a proposed administrative budget and submit it to the Oversight Board for approval; and,

WHEREAS, pursuant to Section 34177(j), the Successor Agency's "Administrative Budget" is to include all of the following: (a) estimated amounts of the Successor Agency's administrative costs for the upcoming twelve-month fiscal period; (b) the proposed sources of payment for the costs identified in (a); and (c) proposals for arrangements for administrative and operations services provided by the city serving as Successor Agency; and,

WHEREAS, Exhibit "A" to this Resolution establishes the ROPS 19-20 and Exhibit "B" to this Resolution establishes the Administrative Budget for 19-20 in a manner consistent with that prescribed by DOF; and,

WHEREAS, the Oversight Board is tentatively scheduled to consider the ROPS 19-20 and the Administrative Budget for 19-20 at their regular meeting to be held in January, 2019; and,

WHEREAS, the Successor Agency desires to approve the ROPS 19-20 along with the Administrative Budget for 19-20 and transmit it to the Oversight Board, the Kern County Auditor-Controller, the State Controller's Office, and DOF as required by HSC Section 34172, et seq.

NOW, THEREFORE, BE IT RESOLVED by the Successor Agency to the Ridgecrest Redevelopment Agency, as follows:

1. The Successor Agency to the Ridgecrest Redevelopment Agency finds and determines that the foregoing recitals are true and correct.
2. The Successor Agency approves as the Recognized Obligation Payment Schedule for the period July 1, 2019 to June 30, 2020, attached hereto as Exhibit A, subject to the approval of the Kern Countywide Oversight Board and the California Department of Finance.
3. The Successor Agency approves the Administrative Budget, attached hereto as Exhibit B, which is included in the ROPS 19-20.
4. Successor Agency staff is directed to transmit the ROPS 19-20 to the Oversight Board and upon the Oversight Board's approval, post the ROPS 19-20 on the City of Ridgecrest's website and submit the ROPS 19-20 to DOF, the California State Controller's Office, and the Kern County Auditor-Controller prior to February 1, 2019 as required by law.

PASSED, APPROVED, AND ADOPTED this 19th day of December 20018 by the following vote:

AYES: Breeden, Stephens, Martin, Mower, Hayman
NOES: None
ABSENT: None
ABSTAIN: None



Peggy Breeden, Mayor

ATTEST:



Ricca Charlon, City Clerk

Ridgcrest Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail

RESOLUTION 18-82

EXHIBIT B**RIDGECREST SUCCESSOR AGENCY
ADMINISTRATIVE BUDGET FY 2019-20
FOR JULY 1, 2019 to JUNE 30, 2020**

Expense Category	Responsibilities	FY 2019-20 Proposed Budget
Salaries and Wages		
Staff salaries, benefits, and payroll taxes	• Process payment of enforceable obligations • Maintain documentation of Agency records • Coordinate with consultant to answer questions and provide documentation as requested by Oversight Board, County Auditor-Controller, and Department of Finance	\$190,000
TOTAL		\$170,000
Maintenance and Operations		
Contract services	• Prepare ROPS, PPA, staff reports, and resolutions • Coordinate with and answer questions for Oversight Board, County Auditor-Controller, and Department of Finance • Monitor and project cash flow to ensure sufficient revenues for obligations and to inform Agency staff of expected revenues • Review staff reports and resolutions • Provide legal services as needed	\$10,000
Insurance and legal services		\$50,000
TOTAL		\$60,000
TOTAL BUDGET		\$250,000

RECOGNIZED OBLIGATION DEBT SERVICE PAYMENT SCHEDULE

Exhibit D

3/1/36	—	—	—	—	52,678.50	738,678.50	686,000	38,164.00	724,164.00
9/1/36	—	—	—	—	34,876.80	706,876.80	672,000	25,267.20	697,267.20
3/1/37	—	—	—	—	17,438.40	689,438.40	672,000	12,633.60	684,633.60



June 4, 2018

Ms. Tess Sloan
Finance Director
City of Ridgecrest
100 W. California Ave.
Ridgecrest, CA 93555

Re: Arbitrage Rebate Compliance Services

Dear Ms. Sloan:

Our records indicate that the City of Ridgecrest (the "City") has closed a transaction which may be subject to the arbitrage rebate requirement. In an effort to provide comprehensive rebate compliance services, enclosed please find an amended Exhibit A to our rebate services contract dated August 5, 2002 between BLX Group LLC (formerly Bond Logistix LLC) and the City. This addendum reflects the addition of the bond issue listed in Exhibit A to be included under the contract. If it meets with your approval, please sign and email the attached Exhibit to sstallings@blxgroup.com at your earliest convenience.

If this amendment does not reflect your wishes or understanding of the services to be provided, please call me at (214) 989-2701. Thank you and we look forward to our next opportunity to be of service.

Sincerely,

A handwritten signature in black ink, reading "Sandra Fuller Stallings".

Sandra Fuller Stallings
Chief Operating Officer / Managing Director
sstallings@blxgroup.com

SFS/A92

Enclosure

cc: Claire Martinez



EXHIBIT A
BONDS TO BE ENGAGED

1. \$4,314,000
Successor Agency to the
Ridgecrest Redevelopment Agency
Tax Allocation Refunding Bonds, Series 2018A

Approved:

CITY OF RIDGECREST, CALIFORNIA

By: *Curfense*

Title: Finance Director

Date: 7/2/18

Email: cfreese@ridgecrest-ca.gov



EXHIBIT B

ARBITRAGE REBATE COMPLIANCE SERVICES FEE SCHEDULE

BASE FEES

<u>Service</u>	<u>Fee</u>
Engagement Fee (one-time fee, per issue)	\$500
Report Fee (per report)	\$2,000
Disbursement Fee (per report, includes communication, postage, other materials)	\$25

ADDITIONAL FEES

Per report, as appropriate

<u>Service</u>	<u>Fee</u>
Variable Rate Issue	\$500 – 1,500
Transferred Proceeds Analysis	\$500 – 1,500
Commingled Funds Analysis	\$500 – 1,500
Yield Restriction Analysis	\$500 – 1,500
Computation Periods in Excess of 12 Months (per additional year or fraction thereof)	\$500

OPTIONAL SERVICES

Evaluating various elections and applications *Negotiated separately*

Tess Sloan

From: Axt, John W <john.axt@usbank.com>
Sent: Monday, June 04, 2018 11:50 AM
To: Tess Sloan
Subject: Ridgecrest 2018 Tax Allocation Refunding Bonds
Attachments: Ltr_FeeSchedules.pdf

Tess,

The attached PDF File contains letter and Fee Schedules for the services.

The annual Trustee Fee amount to be added to the ROP is \$2,420 and will be billed each March, commencing 2019.

Should you have any questions, please do not hesitate to send me an email. Thanks

John W Axt
Vice President – Relationship Manager
p. 213.615.6005 | c. 213.247.1069
john.axt@usbank.com

U.S. Bank
US Bank Tower, Los Angeles
633 W 5th St, Los Angeles, CA 90071

U.S. BANCORP made the following annotations

Electronic Privacy Notice. This e-mail, and any attachments, contains information that is, or may be, covered by electronic communications privacy laws, and is also confidential and proprietary in nature. If you are not the intended recipient, please be advised that you are legally prohibited from retaining, using, copying, distributing, or otherwise disclosing this information in any manner. Instead, please reply to the sender that you have received this communication in error, and then immediately delete it. Thank you in advance for your cooperation.



Corporate Trust Services
633 W. Fifth Street, 24th Floor
Los Angeles, CA 90071

usbank.com

Via Email

June 4, 2018

Tess Sloan
Finance Director
City of Ridgecrest
100 West California Avenue
Ridgecrest, CA 93555

Re: Successor Agency to the Ridgecrest Redevelopment Agency
Tax Allocation Refunding Bonds, Series 2018A and 2018B Taxable

Dear Ms. Sloan:

U.S. Bank pleased to provide Trustee, Registrar, Paying Agent and Refunding Escrow Agent Services for the above referenced issues. Enclosed are the Fee Schedules for the Services.

The Series 2018 Fee Schedule is for bonds issued at a fixed rate, paying interest and principal semi-annual.

The amount of fees and expenses paid at closing May 31, 2018 is \$10,951.51. This amount is comprised of the Acceptance Fee, Legal Expense of Trustee's Counsel, First Year Trustee Fee billed from the closing date to March 1, 2019 and a one-time charge for -Refunding Escrow, -Paying Agent Services 2010 Bonds.

There are no escrow, redemption charges for the 2005 Certificates of Participation as the annual trustee fee billed in advance from the defeasance escrow date to March 1, 2019 compensates U.S. Bank for the services.

The City will be billed fees and expenses of \$2,420 annually each March, commencing March 2019.

The consolidation of the two financings to a single financing has multiple benefits and savings to the City one of which is lower trustee fees as the current annual trustee fees and expenses are \$3,200 and refinancing under a single indenture results in a savings of \$1,000.

We appreciate being of service to the City. Should you have any questions, please do not hesitate to contact me via email at john.axt@usbank.com or phone at (213) 615-6005. Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read "John Axt", written over a light blue circular stamp.

John Axt
Vice President

Encl.

Schedule of Fees for Services as Trustee, Registrar and Paying Agent

For Successor Agency to the Ridgecrest Redevelopment Agency Tax Allocation Refunding Bonds, Series 2018A and Taxable Tax Allocation Refunding Bonds, Series 2018B

CTS01010A	Acceptance Fee The acceptance fee includes the administrative review of documents, initial set-up of the account, and other reasonably required services up to and including the closing. This is a one-time, non-refundable fee, payable at closing.	\$1,200.00
CTS16156B	Legal Expenses Includes fees and expenses of legal counsel as well as the rendering of a standard legal opinion if required.	\$2,500.00
CTS04121	Cost of Issuance , Onetime fee for the set-up of the account and payment of issuance costs. This is a one-time fee payable at closing.	\$300.00
CTS04200	Trustee Annual fee for the standard trustee services associated with the administration of the account. Administration fees are payable in advance.	\$2,200.00
Out of Pocket	Incidental Expense Charge for miscellaneous expenses such as; fax, messenger service, overnight mail, telephone, stationery and postage. This charge is a percent of total Administration Fees, charged in advance.	10%
	Direct Out of Pocket Expenses Reimbursement of expenses associated with the performance of our duties, including but not limited to publications, legal counsel after the initial close, travel expenses and filing fees.	At Cost
	Extraordinary Services Extraordinary Services are duties or responsibilities of an unusual nature, including termination, but not provided for in the governing documents or otherwise set forth in this schedule. A reasonable charge will be assessed based on the nature of the services and the responsibility involved. At our option, these charges will be billed at a flat fee or at our hourly rate then in effect.	

Account approval is subject to review and qualification. Fees are subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement. Finalization of the transaction constitutes agreement to the above fee schedule, including agreement to any subsequent changes upon proper written notice. In the event your transaction is not finalized, any related out-of-pocket expenses will be billed to you directly. Absent your written instructions to sweep or otherwise invest, all sums in your account will remain uninvested and no accrued interest or other compensation will be credited to the account. Payment of fees constitutes acceptance of the terms and conditions set forth.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

Schedule of Fees for Services as Refunding Escrow and Paying Agent

For Ridgecrest Redevelopment Agency Ridgecrest Redevelopment Project Tax Allocation Refunding Bonds, Series 2010

CTS01010A	Acceptance Fee The acceptance fee includes the administrative review of documents, initial set-up of the account, and other reasonably required services up to and including the closing. This is a one-time, non-refundable fee, payable at closing.	\$600.00
CTS04160	Refunding Escrow Agent, Onetime fee for the standard agent services in administration of the defeasance escrow. Administration fees are payable in advance	\$2,500.00
CTS04125	Paying Agent Onetime fee for the standard paying agent services associated with the administration of the account. Administration fees are payable in advance.	\$1,400.00
CTS19189	Redemptions Fee charged for mandatory and optional redemptions.	\$300.00
CTS19190	Other Fee for updating systems, holders including EMMA of defeasance.	\$200.00
CTS04290	Administration, Onetime fee for subscription, settlement of SLGS. Administration fees are payable in advance.	\$300.00
	Direct Out of Pocket Expenses Reimbursement of expenses associated with the performance of our duties, including but not limited to publications, legal counsel after the initial close, travel expenses and filing fees.	At Cost
	Extraordinary Services Extraordinary Services are duties or responsibilities of an unusual nature, including termination, but not provided for in the governing documents or otherwise set forth in this schedule. A reasonable charge will be assessed based on the nature of the services and the responsibility involved. At our option, these charges will be billed at a flat fee or at our hourly rate then in effect.	

Account approval is subject to review and qualification. Fees are subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement. Finalization of the transaction constitutes agreement to the above fee schedule, including agreement to any subsequent changes upon proper written notice. In the event your transaction is not finalized, any related out-of-pocket expenses will be billed to you directly. Absent your written instructions to sweep or otherwise invest, all sums in your account will remain uninvested and no accrued interest or other compensation will be credited to the account. Payment of fees constitutes acceptance of the terms and conditions set forth.

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For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.



17872 GILLETTE AVE.
SUITE 350
IRVINE, CA 92614

714 5414585
INFO@WEBRSG.COM
WEBRSG.COM

Via Electronic Mail

September 7, 2018

Tess Sloan, Assistant Finance Director
CITY OF RIDGECREST
RIDGECREST SUCCESSOR AGENCY
100 W California Avenue
Ridgecrest, CA 93555

PROPOSAL FOR CONTINUING DISCLOSURE AND DISSEMINATION AGENT SERVICES

Dear Ms. Sloan:

RSG, Inc. ("RSG") is pleased to present this proposal to the Successor Agency to the Ridgecrest Redevelopment Agency ("Successor Agency") to continue to implement the requirements of the Form of Continuing Disclosure Certificate ("Disclosure Certificate") for the 2018 Tax Allocation Refunding Bonds ("2018 TARB").

RSG's primary role would be to prepare the Annual Continuing Disclosure Report and assist the Successor Agency with reporting significant events relating to the bonds. RSG would also act as Dissemination Agent and post the Annual Report and significant event notices, as required by the Disclosure Certificate.

SCOPE OF SERVICES

Annual Continuing Disclosure Report

RSG will prepare an Annual Report that meets the requirements of the Disclosure Certificate approved with the 2018 TARB closing. Since a Fiscal Consultant Report ("FCR") was recently submitted by RSG to the Successor Agency in May 2018 to substantiate the proposed Tax Allocation Refunding Bonds, aspects such as assessed values of taxable property in the project area, top ten taxpayers and gross increment tax revenues have already been analyzed and reported. The first report will submit all required information but only analysis and data collection that is not covered in the FCR will be charged. These analyses include:

- The ratio of tax revenues to scheduled debt service, outstanding parity bonds and subordinate obligations
- The status of assessment appeals through March 28, 2018 (270 days after the fiscal year).

- Remaining Tax Increment Distributions to Taxing Entities

The Annual Report thereafter will include, or incorporate by reference:

- Comprehensive Annual Financial Report of the City and Successor Agency for each Fiscal Year
- Updated financial and operating data substantially in the format presented in the Official Statement for the 2018 TARB relating to:
 - Project Area Land Use
 - Top Ten Taxpayers
 - Five-Year Historical Assessed Valuation and Property Tax / RPTTF Revenues, including details on pass-throughs
 - Status of Assessed Value Appeals
- A debt service coverage table updated with the most recent fiscal year
- Redevelopment Property Tax Trust Fund ("RPTTF") distributions received by the Successor Agency and the remaining tax increment distributed to public agencies for each ROPS period in the most recent fiscal year

As Dissemination Agent, RSG will post the Annual Report to the Electronic Municipal Market Access ("EMMA") database or distribute the Annual Report directly to the bondholder by the due date in the spring of each year. RSG will send the Successor Agency proof of the submission, including the submission date.

The next Annual Report will report on Fiscal Year 2017-18 activities and will be posted on EMMA or submitted directly to the bondholder in spring of 2019. RSG will prepare subsequent Annual Reports upon mutual agreement by RSG and the Successor Agency to continue having RSG serve in the same capacity.

Reporting of Significant Events

RSG will assist the Successor Agency with reporting the following significant events as identified in the Disclosure Certificate:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

7. Modifications to rights of Bond owners, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;
13. The consummation of a merger, consolidation, or acquisition involving the Agency or the sale of all or substantially all of the assets of the Agency, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

By execution of this letter, RSG hereby requests Successor Agency staff to notify us of Significant Events in a timely manner as identified in the final Disclosure Certificate (within one business day of the event, if possible). We are available to advise on identifying whether a Significant Event has occurred, such as if there is an unscheduled draw on debt service. As Dissemination Agent, RSG will file a notice of significant events on EMMA within ten business days after the occurrence of the event, to the extent possible. RSG shall not be liable for failing to file notices of significant events that it was not informed of by the Successor Agency. The Disclosure Certificate describes additional "Duties, Immunities and Liabilities of the Dissemination Agent".

FEE QUOTE & STAFFING

RSG is proposing a five-year commitment to the Successor Agency so that we may have the ability to revisit our total budget periodically to ensure that it is fair and reasonable. At this time, RSG estimates a budget of \$2,800 for the first fiscal year report (2017-18) to discount the analysis that was already accomplished for the 2018 FCR, and an annual budget of \$5,500 per Annual Report starting with fiscal year 2018-19, with a slight increase for inflation of \$100 every two years, to be billed on a time and materials basis **for a total budget of \$25,000.**

- FY 2017-18: \$2,800
- FY 2018-19 and 2019-20: \$5,500 each year
- FY 2020-21 and 2021-22: \$5,600 each year

This includes reimbursable fees for third party data, including the equalized assessment roll, up to the contract amount. If the cost of third party data plus RSG's fees billed on a time and materials basis causes RSG to exceed the contract amount upon project completion, the City will be charged for third party data. We will bill only those hours actually worked and will not undertake any work outside the scope without a direct request

and authorization from City staff. Invoices will be billed at the following hourly rates, subject to inflation:

Principal/Director	\$210
Senior Associate	\$165
Associate	\$150
Senior Analyst	\$125
Analyst	\$115
Research Assistant	\$100
Technician	\$ 75
Clerical	\$ 60

Reimbursable Expenses Cost plus 10%

RSG does not charge clients for travel or mileage (except direct costs related to field work/surveys), parking, standard telephone/fax expenses, general postage or incidental copies. However, we do charge for messenger services, overnight shipping/express mail costs and teleconferencing services. Any third-party data required in excess of RSG's annual contract amount may also be charged to the client, such as the equalized assessment roll and other County data fees. We also charge for copies of reports, documents, notices, and support material in excess of five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

This engagement will be completed by Jim Simon, Principal and Ya-yin Isle, Associate. Other staff may be assigned as needed.

RSG's continuing disclosure fees should be listed on the Successor Agency's Recognized Obligation Payment Schedule ("ROPS") to be paid as a separate enforceable obligation (not as an administrative cost). RSG's fees for preparing the Annual Reports are to be paid in the ROPS B periods covering January through June. As noted in the Disclosure Certificate, the Successor Agency may replace the Dissemination Agent with or without cause, and RSG may resign as Dissemination Agent by providing 30 days written notice to the Successor Agency and the Trustee.

Should you have any questions or concerns please do not hesitate to contact Ya-yin Isle at 916-284-6275. A signature line is included to sign and return via email (yisle@webrsg.com). RSG can also execute a contract in a format provided by the City if desired.

Sincerely,
ROSENOW SPEVACEK GROUP, INC.



Jim Simon
Principal

Authorized to Proceed by:



Signature

9/10/18
Date

Cheri Freese – Finance Director
Name & Title



**DEPARTMENT OF
FINANCE**

EDMUND G. BROWN JR. ■ GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

April 6, 2018

Ms. Phenvana Panpradith, Community and Economic Development Manager
City of Ridgecrest
100 West California Avenue
Ridgecrest, CA 93555

Dear Ms. Panpradith:

Subject: 2018-19 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Ridgecrest Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period of July 1, 2018 through June 30, 2019 (ROPS 18-19) to the California Department of Finance (Finance) on January 29, 2018. Finance has completed its review of the ROPS 18-19.

Based on a sample of line items reviewed and application of the law, Finance made the following determination:

Item Nos. 18, 39, and 40 – Wastewater Loan repayment totaling \$750,514 is not allowed. This obligation relates to the reimbursement of project costs incurred by the City of Ridgecrest (City) for construction of the Photovoltaic Solar Energy Production Field through a third party contract between the City and Trane U.S., Inc.

A Settlement Agreement was entered into between the Agency and Finance to approve the remaining loan balance of \$668,017 for Item No. 18. However, no funding was requested for Item No. 18. Instead, the Agency moved the outstanding balance from Item No. 18 to Item No. 39. As a result, the outstanding balance for Item No. 39 increased accordingly to \$2,504,615 (\$1,836,598 + \$668,017).

For the ROPS 18-19 period, the Agency is requesting \$100,000 for Item No. 39 and \$650,514 for Item No. 40 related to the Wastewater Loan. However, HSC section 34191.4 (b) (3) (A) allows repayment to be equal to one-half of the increase between the ROPS residual pass-through distributed to the taxing entities in the preceding fiscal year and the ROPS residual pass-through distributed to the taxing entities in the fiscal year 2012-13 base year.

According to the Kern County Auditor-Controller's (CAC) report, the ROPS residual pass-through amounts distributed to the taxing entities for fiscal year 2012-13 and 2017-18 are \$2,927,831 and \$1,724,148, respectively. Pursuant to the repayment formula, the maximum repayment amount authorized for the ROPS 18-19 period is zero. Therefore of the \$750,514 requested, \$750,514 (\$750,514 – \$0) is ineligible for Redevelopment Property Tax Trust Fund (RPTTF) funding. The Agency may be eligible for additional funding on a subsequent ROPS.

Except for the items adjusted, Finance is not objecting to the remaining items listed on the ROPS 18-19. If the Agency disagrees with our determination with respect to any items on the ROPS 18-19, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days of the date of this letter. The Meet and Confer process and guidelines are available on our website:

[http://dof.ca.gov/Programs/Redevelopment/Meet And Confer/](http://dof.ca.gov/Programs/Redevelopment/Meet_And_Confer/)

The Agency's maximum approved RPTTF distribution for the reporting period is \$3,608,075 as summarized in the Approved RPTTF Distribution table on Page 4 (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2018 through December 31, 2018 period (ROPS A period) and one distribution for the January 1, 2019 through June 30, 2019 period (ROPS B period) based on Finance's approved amounts. Since this determination is for the entire ROPS 18-19 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

Pursuant to HSC section 34186 (c), beginning October 1, 2018, the Agency will be required to report the estimated obligations versus actual payments (prior period adjustment) associated with the July 1, 2016 through June 30, 2017 period (ROPS 16-17) to the CAC for review. The Agency will report actual payments for ROPS 16-17 on ROPS 19-20. A prior period adjustment may be applied to the Agency's ROPS 19-20 RPTTF distribution. Therefore, the Agency should retain any unexpended RPTTF from the ROPS 16-17 period.

Absent a Meet and Confer, this is our final determination regarding the obligations listed on the ROPS 18-19. This determination only applies to items when funding was requested for the 12-month period. If a denial by Finance in a previous ROPS is currently the subject of litigation, the item will continue to be deemed denied until the matter is resolved.

The ROPS 18-19 form submitted by the Agency and this determination letter will be posted on our website:

<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

This determination is effective for the ROPS 18-19 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.

Ms. Phenvana Panpradith

April 6, 2018

Page 3

Please direct inquiries to Kylie Oltmann, Supervisor, or Daisy Rose, Lead Analyst, at (916) 322-2985.

Sincerely,



ERIKA LI
Program Budget Manager

cc: Ms. Tess Sloan, Finance Director, City of Ridgecrest
Ms. Mary B. Bedard, Auditor-Controller, Kern County

Attachment

Approved RPTTF Distribution For the period of July 2018 through June 2019			
	ROPS A Period	ROPS B Period	ROPS 18-19 Total
RPTTF Requested	\$ 1,639,402	\$ 2,469,187	\$ 4,108,589
Administrative RPTTF Requested	125,000	125,000	250,000
Total RPTTF Requested	1,764,402	2,594,187	4,358,589
RPTTF Requested	1,639,402	2,469,187	4,108,589
<u>Adjustments</u>			
Item No. 18	0	0	0
Item No. 39	(100,000)	0	(100,000)
Item No. 40	(650,514)	0	(650,514)
	(750,514)	0	(750,514)
RPTTF Authorized	888,888	2,469,187	3,358,075
Administrative RPTTF Authorized	125,000	125,000	250,000
Total RPTTF Approved for Distribution	\$ 1,013,888	\$ 2,594,187	\$ 3,608,075

EXHIBIT B

SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2019 TO
JUNE 30, 2020

EXHIBIT B

**RIDGECREST SUCCESSOR AGENCY
ADMINISTRATIVE BUDGET FY 2019-20
FOR JULY 1, 2019 to JUNE 30, 2020**

Expense Category	Responsibilities	FY 2019-20 Proposed Budget
Salaries and Wages		
Staff salaries, benefits, and payroll taxes	• Process payment of enforceable obligations • Maintain documentation of Agency records • Coordinate with consultant to answer questions and provide documentation as requested by Oversight Board, County Auditor-Controller, and Department of Finance	\$190,000
TOTAL		\$190,000
Maintenance and Operations		
Contract services	• Prepare ROPS, PPA, staff reports, and resolutions • Coordinate with and answer questions for Oversight Board, County Auditor-Controller, and Department of Finance • Monitor and project cash flow to ensure sufficient revenues for obligations and to inform Agency staff of expected revenues	\$10,000
Insurance and legal services	• Review staff reports and resolutions • Provide legal services as needed	\$50,000
TOTAL		\$60,000
TOTAL BUDGET		\$250,000



CITY OF ARVIN
Staff Report

Meeting Date: January 22, 2019

TO: Members of the Kern County Oversight Board

FROM: Jeff Jones, Finance Director, City of Arvin

SUBJECT: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OVERSIGHT BOARD TO THE DISSOLVED ARVIN COMMUNITY REDEVELOPMENT AGENCY, APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE COVERING THE PERIOD OF JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(r) AND (m).

BACKGROUND:

As part of the RDA wind down process, each successor agency is responsible for drafting a Recognized Obligations Payment Schedule (ROPS) delineating the enforceable obligations of the former RDA and their source of payment every year. ROPS are subject to the approval of the local oversight board.

In the past, the ROPS were presented every six months. The State of California has changed the reporting period to be an annual report. In compliance with this requirement, Staff has prepared ROPS 19-20 for the Period July 01, 2019 to June 30, 2020 which is due to the Department of Finance (DOF) by February 1, 2019. Attached is the ROPS that Staff is recommending for submittal. This list includes all obligations that have been identified and the amounts requested for payment in this cycle. Items are listed under the RPTTF column for Admin or Non Admin obligations. "RPTTF" stands for Redevelopment Property Tax Trust Fund. These are the revenues collected through the property taxes. These funds must be used first to meet debt obligations and any remaining obligations may be funded with the RPTTF.

The rows highlighted in red on the "Obligation Payment Schedule" are items that have been denied in previous ROPS requests. Staff has kept them on the ROPS schedule in order to keep them active and give the City an opportunity to revisit these requests in future submissions. The main item identified for payment during this cycle will be the funds to meet bond obligations for a principal and interest payment in March and September. In addition to the bond principal and

interest payments, a modest amount for general maintenance expenditures for the properties currently owned by the Successor Agency. The allowable amount for Administrative Costs is estimated to be \$150,000 and will be included on this schedule.

The total available RPTTF through property taxes may be less than the amounts being requested on the ROPS. When this occurs the obligations that cannot be funded in this cycle will be carried over into the next ROPS cycle.

Once the ROPS is approved by the Successor Agency, it will be submitted to the Kern County Oversight Board for approval and then to the DOF, Kern County Auditor Controller and the State Controller's Office for review and approval.

RECOMMENDATION:

Staff recommends that the Kern County Oversight Board approve the City of Arvin's ROPS 19-20 for the period of July 01, 2019 to June 30, 2020 and authorize staff to submit this also to the Kern County Auditor Controller, State Controller's Office, and Department of Finance for approval.

FISCAL IMPACT:

None to the City of Arvin. There is cost recovery for staff time which City staff spends on Successor Agency business. Such cost recovery is paid via an administrative allowance that the City requests on the ROPS.

BEFORE THE KERN COUNTYWIDE OVERSIGHT BOARD

In the matter of:

Resolution No. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED ARVIN COMMUNITY DEVELOPMENT AGENCY, APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE COVERING THE PERIOD OF JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(l) AND (o).

I, Karmeena Morales, Secretary on behalf of the Oversight Board, do certify that the following resolution, on motion of Director _____, seconded by Director _____, was duly passed and adopted by the Board of Directors at an official meeting this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

Board

Secretary on behalf of the Oversight

Kern Countywide Oversight Board

RESOLUTION

Section 1. WHEREAS:

(a) Pursuant to Health and Safety Code Section 34173(d), the City of Arvin became the successor agency to the Arvin Community Development Agency ("Successor Agency"); and

(b) Pursuant to Health and Safety Code Section 34173(g), the Successor Agency is now a separate legal entity from the City; and

(c) Pursuant to Health and Safety Code Section 34179(j), on July 1, 2018 a single oversight board, staffed by the county auditor-controller, was created to oversee the actions of all successor agencies within Kern County, including the Successor Agency to the Arvin Community Development Agency, and

(d) Health and Safety Code Section 34177(l) requires the Successor Agency to prepare a recognized obligation payment schedule ("ROPS"), by February 1st of each year, forward looking to the next fiscal year; and

(e) Health and Safety Code Section 34177(l)(2) requires the Successor Agency to submit the ROPS to the Successor Agency's oversight board for its approval, and upon such approval, the Successor Agency is required to submit a copy of the approved ROPS ("Approved ROPS") to the Kern County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and post the Approved ROPS on the Successor Agency's website; and

(f) Health and Safety Code Section 34177(o) requires that the Approved ROPS for the period July 1, 2019 through June 30, 2020 ("ROPS 19-20") is required to be submitted to the Department of Finance, California State Controller and the County Auditor-Controller by February 1, 2019; and

(g) All other legal prerequisites to the adoption of this Resolution have occurred.

Section 2. THEREFORE IT IS RESOLVED by the Board of Directors of the Kern Countywide Oversight Board, as follows:

1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

2. The Kern Countywide Oversight Board of the Successor Agency hereby approves and adopts the ROPS 19-20, covering the period July 1, 2019 through June 30, 2020, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code Section 34177.

3. The Director is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the ROPS 19-20, including submitting the approved ROPS 19-20 to the Kern County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and posting the Approved ROPS on the Successor Agency's website.

4. This Resolution shall be effective in accordance with California Health and Safety Code Section 34179(h).

EXHIBIT A

Recognized Obligation Payment Schedule (ROPS 19-20) - Summary
Filed for the July 1, 2019 through June 30, 2020 Period

Successor Agency:

Arvin

County:

Kern

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ 644,752	\$ 10,000	\$ 654,752
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	644,752	10,000	654,752
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 517,688	\$ 287,199	\$ 804,887
F	RPTTF	442,688	212,199	654,887
G	Administrative RPTTF	75,000	75,000	150,000
H	Current Period Enforceable Obligations (A+E):	\$ 1,162,440	\$ 297,199	\$ 1,459,639

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) 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 successor agency.

Name	Title
/s/	
Signature	Date

Arvin Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail

July 1, 2019 through June 30, 2020

(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
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 19-20 Total	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
1	2005 Tax Allocation Bonds	Bonds Issued On or Before	10/6/2005	9/1/2035	Wells Fargo Bank, Trustee	Bonds issued to fund RDA Projects	City of Arvin	\$ 7,710,000	N	\$ 1,459,639						\$ 1,162,440	\$ 0	\$ 0	\$ 10,000			\$ 207,199
2	2008 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	8/27/2008	9/1/2038	Wells Fargo Bank, Trustee	Bonds issued to fund RDA Projects	City of Arvin	4,545,000	N	\$ 401,937						\$ 290,075						\$ 110,962
								3,165,000	N	\$ 253,850						\$ 152,613						\$ 101,237
11	Advance from City	City/County Loan (Prior 06/28/11), Other	8/17/1999	9/1/2038	City of Arvin	Advance to RDA to Fund Initial Activity	City of Arvin		N	\$ 99,698			99,698			\$ 99,698						\$ -
12	Note Payable to City	City/County Loan (Prior 06/28/11), Other	9/1/2003	9/1/2038	City of Arvin	Advance to RDA - Bond Pay Off and Construction	City of Arvin		N	\$ 535,054			535,054			\$ 535,054						\$ -
17	Administrative Services	Admin Costs	7/1/2014	6/30/2018	City of Arvin	Administrative Service	City of Arvin	N	\$ 150,000						75,000	\$ 75,000					75,000	\$ 75,000
46	Maintenance of SA properties to prevent blight	Property Maintenance	7/1/2019	6/30/2020	City of Arvin	Force Account Labor for maintenance	City of Arvin		N	\$ 20,000			10,000			\$ 10,000			10,000			\$ 10,000
47									N	\$ -						\$ -						\$ -
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Arvin Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
July 1, 2016 through June 30, 2017
(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. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H
		Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)						
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount			755,375	19,362	58,201	From 6/30/16 ROPS report
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller				100,836	805,426	98,224 sale of property 2,612 allocated interest
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)					693,353	
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)				120,198	170,274	Amount will be used towards paying down loan \$569,076 to City for bond payments on ROPS 15/16 A - line #38 (approved by DOF)
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)						
		\$ 0	\$ 0	\$ 755,375	\$ 0	\$ 0	

Arvin Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020

[illegible]

Arvin Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020

Item #	Notes/Comments

RESOLUTION NO. 2019-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE DISSOLVED ARVIN COMMUNITY REDEVELOPMENT AGENCY, APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE COVERING THE PERIOD OF JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(r) AND (m).

WHEREAS, pursuant to Health and Safety Code Section 34173(d), the City of Arvin became the successor agency to the Arvin Community Redevelopment Agency ("Successor Agency"); and

WHEREAS, pursuant to Health and Safety Code Section 34173(g), the Successor Agency is now a separate legal entity from the City; and

WHEREAS, pursuant to Health and Safety Code Section 34179(j), on July 1, 2018 a single oversight board, staffed by the county auditor-controller, was created to oversee the actions of all successor agencies within Kern County, including the Successor Agency to the Arvin Community Redevelopment Agency, and

WHEREAS, Health and Safety Code Section 34177(l) requires the Successor Agency to prepare a recognized obligation payment schedule ("ROPS"), by February 1st of each year, forward looking to the next fiscal year; and

WHEREAS, Health and Safety Code Section 34177(l)(2) requires the Successor Agency to submit the ROPS to the Successor Agency's oversight board for its approval, and upon such approval, the Successor Agency is required to submit a copy of the approved ROPS ("Approved ROPS") to the Kern County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and post the Approved ROPS on the Successor Agency's website; and

WHEREAS, Health and Safety Code Section 34177(m) requires that the Approved ROPS for the period July 1, 2019 through June 30, 2020 ("ROPS 19-20") is required to be submitted to the Department of Finance, California State Controller and the Kern County Auditor Controller by February 1, 2019; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW THEREFORE BE IT RESOLVED BY, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE FORMER ARVIN COMMUNITY REDEVELOPMENT AGENCY AS FOLLOWS:

Section 1. **Recitals**. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. **Approval of ROPS**. The Successor Agency hereby approves and adopts the ROPS 19-20, covering the period July 1, 2019 through June 30, 2020, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code Section 34177.

Section 3. **Transmittal of ROPS**. The City Manager and Finance Director are hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with

applicable law regarding the ROPS 19-20, including submitting the ROPS 19-20 to the Successor Agency's oversight board for approval, and submission of the Approved ROPS to the Kern County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and posting the Approved ROPS on the Successor Agency's website.

Section 4. **Effectiveness**. This Resolution shall take effect immediately upon its adoption.

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the Successor Agency to the Arvin Community Redevelopment Agency at a regular meeting thereof held on the 22nd day of February 2019 by the following vote:

AYES: AM Robles, AM Trujillo, AM Franetovich, Chair Gurrola

NOES: _____

ABSTAIN: _____

ABSENT: AM Martinez

ATTEST



CECILIA VELA, Agency Secretary

**SUCCESSOR AGENCY TO THE ARVIN
COMMUNITY REDEVELOPMENT AGENCY**

By: 

JOSE GURROLA, Chair

APPROVED AS TO FORM:

By: _____
SHANNON L. CHAFFIN, Successor Agency Counsel
Aleshire & Wynder, LLP

I, _____, Secretary to the Successor Agency to the Arvin Community Redevelopment Agency of Arvin, California, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Resolution passed and adopted by the Successor Agency to the Arvin Community Redevelopment Agency on the date and by the vote indicated herein.

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the Successor Agency to the Arvin Community Redevelopment Agency at a regular meeting thereof held on the 22nd day of February 2019 by the following vote:

AYES: AM Robles, AM Trujillo, AM Franctovich, Chair Gurrola

NOES: _____

ABSTAIN: _____

ABSENT: AM Martinez

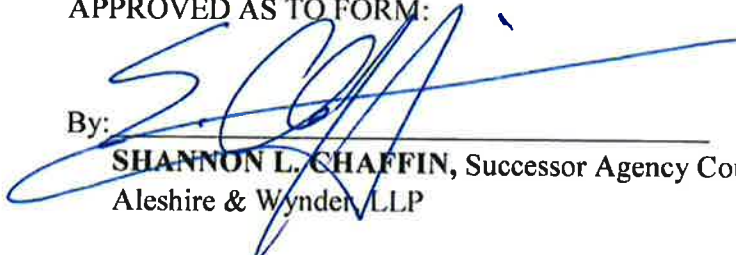
ATTEST

CECILIA VELA, Agency Secretary

**SUCCESSOR AGENCY TO THE ARVIN
COMMUNITY REDEVELOPMENT AGENCY**

By: _____
JOSE GURROLA, Chair

APPROVED AS TO FORM:

By:  _____
SHANNON L. CHAFFIN, Successor Agency Counsel
Aleshire & Wynder, LLP

I, _____, Secretary to the Successor Agency to the Arvin Community Redevelopment Agency of Arvin, California, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Resolution passed and adopted by the Successor Agency to the Arvin Community Redevelopment Agency on the date and by the vote indicated herein.

Recognized Obligation Payment Schedule (ROPS 19-20) - Summary
Filed for the July 1, 2019 through June 30, 2020 Period

Successor Agency: Arvin
County: Kern

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ 644,752 \$	10,000 \$	654,752
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	644,752	10,000	654,752
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 517,688 \$	287,199 \$	804,887
F	RPTTF	442,688	212,199	654,887
G	Administrative RPTTF	75,000	75,000	150,000
H	Current Period Enforceable Obligations (A+E):	\$ 1,162,440 \$	297,199 \$	1,459,639

Certification of Oversight Board Chairman:
Pursuant to Section 34177 (o) 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 successor
agency.

Name Title
/s/ _____
Signature Date

(Report Amounts in Whole Dollars)

Arvin Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances

July 1, 2016 through June 30, 2017

(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. For tips on how to complete the Report of Cash Balances Form, see Cash Balance Tips Sheet.

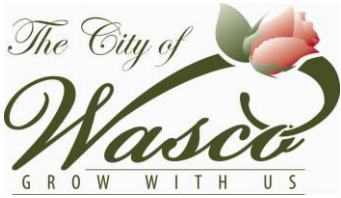
A	B	C	D	E	F	G	H
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	Comments
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount			755,375	19,362	58,201	From 6/30/16 ROPS report
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller				100,836	805,426	98,224 sale of property 2,612 allocated interest
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)					693,353	
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)				120,198	170,274	Amount will be used towards paying down loan \$569,076 to City for bond payments on ROPS 15/16 A - line #38 (approved by DOF)
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$	0 \$	0 \$	755,375 \$	0 \$	0

Arvin Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020

[illegible]

Arvin Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020

Item #	Notes/Comments



STAFF REPORT

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

TO: Members of the Oversight Board

FROM: Satwant S. Takhar, Interim Finance Director

DATE: January 16, 2019

SUBJECT: Report and Possible Approval, RE: A Resolution of the Oversight Board to the Successor Agency of the Former Wasco Redevelopment Agency Approving a Recognized Obligation Payment Schedule for the Annual Fiscal period from July 1, 2019 through June 30, 2020.

Recommendation:

Staff recommends the Oversight Board Approve a Resolution of the Board of Directors of the Oversight Board of the Successor Agency to the Former Wasco Redevelopment Agency Approving and Adopting a Recognized Obligation Payment Schedule for the Annual Fiscal Period from July 1, 2019 through June 30, 2020.

Background:

Pursuant to Part 1.85 of Division 24 of the California Health and Safety Code (the “Redevelopment Dissolution Law”), the Successor Agency must prepare a Recognized Obligation Payment Schedule (“ROPS”) for the 12-month fiscal period (commencing July 1), listing the payments to be made by the Successor Agency during such period. All ROPS must be approved by the Oversight Board. Furthermore, each Oversight Board-approved ROPS must be submitted to the State Department of Finance (“DOF”) for review.

Deadlines for ROPS Submission and Review:

The Redevelopment Dissolution Law does not specify a deadline for the Successor Agency to submit the ROPS for July 1, 2019 through June 30, 2020 (“ROPS 18-19”) to the Oversight Board for approval. However, the Successor Agency must submit an Oversight Board-approved ROPS 19-20 to the DOF, the Office of the State Controller and the County Auditor-Controller no later than February 1, 2019. The Successor Agency must submit the ROPS to the DOF electronically in the manner of DOF’s choosing. A copy of the Oversight Board-approved ROPS must be posted on the Successor Agency’s website.

The DOF may eliminate or modify any items on the ROPS before approving the ROPS. The DOF must make its determination regarding the enforceable obligations and the amount and funding source for each enforceable obligation listed on a ROPS no later than 45 days after the ROPS is submitted. Within five business days of the DOF’s determination, the Successor Agency may request to “meet and confer” with

the DOF on disputed items. The meet and confer period may vary, but an untimely submission of ROPS 19-20 may result in a meet and confer period of less than 30 days.

The County Auditor-Controller may object to the inclusion of any item on the ROPS that is not demonstrated to be an enforceable obligation and may object to the funding source proposed for any item. The County Auditor-Controller must provide notice of its objections to the DOF, the Successor Agency and the Oversight Board by April 1, 2019.

Penalties for Failure to Make Timely Submission:

If the Successor Agency does not submit an Oversight Board-approved ROPS by February 1, 2019, the City of Wasco will be subject to a civil penalty of \$10,000 per day for every day 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. If the Successor Agency does not timely submit a ROPS, creditors of the successor agency, the DOF, and affected taxing entities may request a writ of mandate to require the Successor Agency to immediately perform this duty. Additionally, if the Successor Agency does not submit a ROPS within 10 days of February 1, the Successor Agency's administrative cost allowance for that period will be reduced by 25 percent.

If the Successor Agency fails to submit an Oversight Board-approved ROPS to the DOF within five business days of "the date upon which the ROPS is to be used to determine the amount of property tax allocations", the DOF may determine whether the County Auditor-Controller should distribute any of the property tax revenues to the taxing entities, or whether any amount should be withheld for enforceable obligations pending approval of the ROPS. It is not clear what is "the date upon which the ROPS is to be used to determine the amount of property tax allocations."

Fiscal Impact:

The preparation and submittal of ROPS 19-20 is for the purpose of allowing the Successor Agency to pay its enforceable obligations for the period from July 1, 2019 to June 30, 2020.

BEFORE THE KERN COUNTYWIDE OVERSIGHT BOARD

In the matter of:

Resolution No. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED WASCO COMMUNITY DEVELOPMENT AGENCY, APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE COVERING THE PERIOD OF JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(l) AND (m).

I, Karmeena Morales, Secretary on behalf of the Oversight Board, do certify that the following resolution, on motion of Director _____, seconded by Director _____, was duly passed and adopted by the Board of Directors at an official meeting this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

Board

Secretary on behalf of the Oversight

Kern Countywide Oversight Board

RESOLUTION

Section 1. WHEREAS:

(a) Pursuant to Health and Safety Code Section 34173(d), the City of Wasco became the successor agency to the Wasco Community Development Agency ("Successor Agency"); and

(b) Pursuant to Health and Safety Code Section 34173(g), the Successor Agency is now a separate legal entity from the City; and

(c) Pursuant to Health and Safety Code Section 34179(j), on July 1, 2018 a single oversight board, staffed by the county auditor-controller, was created to oversee the actions of all successor agencies within Kern County, including the Successor Agency to the Wasco Community Development Agency, and

(d) Health and Safety Code Section 34177(l) requires the Successor Agency to prepare a recognized obligation payment schedule ("ROPS"), by February 1st of each year, forward looking to the next fiscal year; and

(e) Health and Safety Code Section 34177(l)(2) requires the Successor Agency to submit the ROPS to the Successor Agency's oversight board for its approval, and upon such approval, the Successor Agency is required to submit a copy of the approved ROPS ("Approved ROPS") to the Kern County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and post the Approved ROPS on the Successor Agency's website; and

(f) Health and Safety Code Section 34177(o) requires that the Approved ROPS for the period July 1, 2019 through June 30, 2020 ("ROPS 19-20") is required to be submitted to the Department of Finance, California State Controller and the County Auditor-Controller by February 1, 2019; and

(g) All other legal prerequisites to the adoption of this Resolution have occurred.

Section 2. THEREFORE IT IS RESOLVED by the Board of Directors of the Kern Countywide Oversight Board, as follows:

1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

2. The Oversight Board of the Successor Agency hereby approves and adopts the ROPS 19-20, covering the period July 1, 2019 through June 30, 2020, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code Section 34177.

3. The City Manager and Finance Director are hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the ROPS 19-20, including submitting the approved ROPS 19-20 to the Kern County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and posting the Approved ROPS on the Successor Agency's website.

4. This Resolution shall be effective in accordance with California Health and Safety Code Section 34179(h).

EXHIBIT A

Wasco Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
July 1, 2016 through June 30, 2017
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), 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. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H
	ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount					661,343	Balance per bank
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller				1,367	147,575	
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)				1,125	635,648	
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 242	\$ 173,270	

Wasco Recognized Obligation Payment Schedule (ROPS 19-20) - Notes July 1, 2019 through June 30, 2020

[illegible]

Recognized Obligation Payment Schedule (ROPS 19-20) - Summary
Filed for the July 1, 2019 through June 30, 2020 Period

Successor Agency:

Wasco

County:

Kern

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)		19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A	Enforceable Obligations Funded as Follows (B+C+D):	\$ -	\$ -	\$ -
B	Bond Proceeds	-	-	-
C	Reserve Balance	-	-	-
D	Other Funds	-	-	-
E	Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 210,000	\$ 125,000	\$ 335,000
F	RPTTF	85,000	-	85,000
G	Administrative RPTTF	125,000	125,000	250,000
H	Current Period Enforceable Obligations (A+E):	\$ 210,000	\$ 125,000	\$ 335,000

Certification of Oversight Board Chairman:
Pursuant to Section 34177 (o) 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 successor agency.

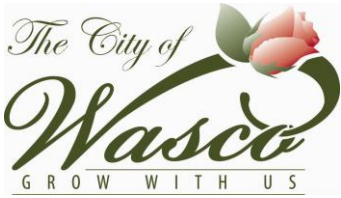
Chairperson

NameTitle

/s/

SignatureDate

Wasco Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail																						
July 1, 2019 through June 30, 2020																						
(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
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 19-20 Total	19-20A (July - December)					19-20A Total	19-20B (January - June)					19-20B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$ 335,000		\$ 335,000	\$ 0	\$ 0	\$ 0	\$ 85,000	\$ 125,000	\$ 210,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 125,000	\$ 125,000
2	Southside Infrastructure	Bond Reimbursement	3/5/1994	9/15/2018	US Bank	Construct. Southside Infrastructure	Wasco RDA I		Y	\$ -						\$ -						\$ -
3	Administrative Costs	Admin Costs	2/1/2012	6/30/2020	City of Wasco	Administrative Costs	Wasco RDA I	250,000	N	\$ 250,000					125,000	\$ 125,000					125,000	\$ 125,000
9	Registrar/Transfer Agent	Professional Services	5/25/2017	9/15/2018	US Bank	Admin Fees for Bonds	Wasco RDA I	5,000	Y	\$ 5,000				5,000		\$ 5,000						\$ -
10	Legal Fees for Sale of RDA Land	Professional Services	2/1/2012	6/30/2020	City of Wasco	Mineral Rights Issue	Wasco RDA I	20,000	N	\$ 20,000				20,000		\$ 20,000						\$ -
11	Land Sale Broker Costs	Professional Services	2/1/2012	6/30/2020	City of Wasco	Broker Fees	Wasco RDA I	60,000	N	\$ 60,000				60,000		\$ 60,000						\$ -
12									N	\$ -						\$ -						\$ -
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Item 5K

STAFF REPORT

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

TO: Members of the Oversight Board

FROM: Satwant S. Takhar, Interim Finance Director

DATE: January 16, 2019

SUBJECT: Report and Possible Approval, RE: A Resolution of the Oversight Board to the Successor Agency of the Former Wasco Redevelopment Agency Approving a Proposed Administrative Budget for the Annual Fiscal period from July 1, 2019 through June 30, 2020.

Recommendation:

Staff recommends the Oversight Board Approve a Resolution of the Board of Directors of the Oversight Board of the Successor Agency to the Former Wasco Redevelopment Agency Approving and Adopting a Proposed Administrative Budget for the Annual Fiscal Period from July 1, 2019 through June 30, 2020.

Background:

Pursuant to Part 1.85 of Division 24 of the California Health and Safety Code (the “Redevelopment Dissolution Law”), the Successor Agency must prepare a proposed administrative budget and a Recognized Obligation Payment Schedule (“ROPS”) for the 12-month fiscal period which must be submitted to the Oversight Board for approval. The proposed administrative budget must include all of the following: 1) estimated amounts for Successor Agency administrative costs for the applicable 12-month fiscal period; 2) proposed sources of payment for the administrative costs; and 3) proposals for arrangements for administrative and operations services provided by the City or other entity.

The Redevelopment Dissolution Law is unclear regarding the required timing for the submission of the proposed administrative budget for the period July 1, 2019 through June 30, 2020 (“Administrative Budget 19-20”) to the Oversight Board for approval. However, because the Successor Agency’s administrative expenditures also have to be reflected on the ROPS, the Administrative Budget 19-20 and the ROPS for the same period (“ROPS 19-20”) should be consistent.

Fiscal Impact:

Under the Redevelopment Dissolution Law, an “Administrative Cost Allowance” is paid to the Successor Agency from property tax revenues allocated by the County Auditor-Controller. The Administrative Cost Allowance is defined as an amount, subject to the approval of the Oversight Board, which is up to 3% of the property tax allocated for enforceable obligations from the Redevelopment Property Tax Trust Fund by the County Auditor-Controller. The amount shall not be less than \$250,000 for any fiscal year unless the Oversight Board reduces this amount. The Administrative Cost Allowance is subject to reduction if there are insufficient funds to pay the enforceable obligations as listed on the ROPS.

BEFORE THE KERN COUNTYWIDE OVERSIGHT BOARD

In the matter of:

Resolution No. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED WASCO COMMUNITY DEVELOPMENT AGENCY, APPROVING AND ADOPTING A PROPOSED ADMINISTRATIVE BUDGET COVERING THE PERIOD OF JULY 1, 2019 THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(l) AND (m).

I, Karmeena Morales , Secretary on behalf of the Oversight Board, do certify that the following resolution, on motion of Director , seconded by Director , was duly passed and adopted by the Board of Directors at an official meeting this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

Board

Secretary on behalf of the Oversight
Kern Countywide Oversight Board

RESOLUTION

Section 1. WHEREAS:

(a) Pursuant to Health and Safety Code Section 34177(i), the City of Wasco became the successor agency to the Wasco Community Development Agency ("Successor Agency"); and

(b) Pursuant to Health and Safety Code Section 34173(g), the Successor Agency is now a separate legal entity from the City; and

(c) Pursuant to Health and Safety Code Section 34179(j), on July 1, 2018 a single oversight board, staffed by the county auditor-controller, was created to oversee the actions of all successor agencies within Kern County, including the Successor Agency to the Wasco Community Development Agency, and

(d) Health and Safety Code Section 34177(l) requires the Successor Agency to prepare a proposed administrative budget and submit to the Successor Agency's oversight board for its approval each year, forward looking to the next fiscal year; and

(e) All other legal prerequisites to the adoption of this Resolution have occurred.

Section 2. THEREFORE IT IS RESOLVED by the Board of Directors of the Kern Countywide Oversight Board, as follows:

1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

2. The Oversight Board of the Successor Agency hereby approves and adopts the Proposed Administrative Budget 19-20, covering the period July 1, 2019 through June 30, 2020, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code Section 34177.

3. The City Manager and Finance Director are hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the ROPS 19-20, including submitting the approved ROPS 19-20 to the Kern County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and posting the Approved ROPS on the Successor Agency's website.

4. This Resolution shall be effective in accordance with California Health and Safety Code Section 34179(h)..

EXHIBIT A

The City of Wasco as the Successor Agency of the former Wasco Redevelopment Agency Administrative Budget for July 1, 2019 through June 30, 2020.

Pursuant to Health and Safety code Section 34177(j); the Successor Agency is to:

Prepare a proposed administrative budget and submit it to the oversight board for its approval. The proposed administrative budget shall include all of the following:

- 1) Estimated amounts for successor agency administrative costs for the upcoming six-month fiscal period.
- 2) Proposed sources of payment for the costs identified in paragraph 1.
- 3) Proposals for arrangements for administrative and operations services provided by a city, county, city and county or other entity.

In accordance with Section 34171 (b) the City proposes to request the full minimum \$250,000 Administrative Cost Allocation for fiscal year 2019-2020

- 1) Estimated amount for the 12-months of FY 2020 (July 2019 – June 2020) would be \$250,000.
- 2) Proposed source of payment for these costs is tax revenue collected and to be distributed by the Kern County Auditor Controller's office from their newly established Redevelopment Property Trust Fund.
- 3) The City proposes to arrange for administrative and operational services of the Successor Agency business by using City staff, facilities, materials, supplies, equipment and outside legal and professional services to accomplish the required administrative activities of the City Council and the Oversight Board. Budget estimates for the period of July 1 2019 through June 30, 2020 are as follows"

Salaries & benefits of City Staff	\$170,000
Professional services	50,000
Indirect Cost Allocation	<u>30,000</u>
Total	<u>\$250,000</u>

City Staff: Consist of all full time City employees involved in the preparation and processing of the successor agency business activities including the coordination of the Oversight Board meetings, payment of invoices and the full administration of the disillution of the former redevelopment agency.

Professional services: Includes all legal services, escrow fees, appraisals and miscellaneous professional services.

Indirect Cost Allocation: Include all overhead costs associate with the administration of the successor agency; such as printing, postage, support staff, utilities, advertising,

office supplies and miscellaneous costs.