

**SUCCESSOR AGENCY OVERSIGHT BOARD**

**RESOLUTION OB 12-09, 2012**

**RESOLUTION OF THE OVERSIGHT BOARD OF THE SAND CITY  
SUCCESSOR AGENCY APPROVING THE RECOGNIZED OBLIGATION  
PAYMENT SCHEDULE (ROPS) FOR JANUARY 2013 THROUGH JUNE 2013**

**WHEREAS**, the Redevelopment Dissolution Act (AB xl 26 and AB 1484) requires Successor Agencies and their oversight boards to prepare and approve Recognized Obligation Payment Schedules (ROPS); and

**WHEREAS**, the Sand City Successor Agency, on July 17, 2012, approved the ROPS, also known as ROPS 3, attached hereto and incorporated herein by this reference as Exhibit A; and

**WHEREAS**, on August 27, 2012, the Oversight Board of the Successor Agency reviewed and approved ROPS 3, based in part on a recalculated debt of the former agency to the City based on the average Local Agency Investment Fund (LAIF) rate of return, as directed by the Oversight Board and consistent with the requirements of Assembly Bill 1484 (AB 1484); and


**WHEREAS**, the Oversight Board recognizes that the partial repayment of the former redevelopment agency debt to the City of Sand City is in dispute and may require a further adjustment of the ROPS, following a meet and confer process with the Department of Finance (DOF).

**NOW, THEREFORE, BE IT RESOLVED** that the Oversight Board to the Sand City Successor Agency hereby approves ROPS 3 and directs staff to forward ROPS 3 to the Department of Finance for final approval, and to also transmit ROPS 3 to the County Administrative Officer and the County Auditor-Controller as required by AB 1484.

**PASSED AND ADOPTED** by the Oversight Board to the Sand City Successor Agency on this 27<sup>th</sup> day of August, 2012 by the following vote:

AYES: Board Members McPherson, Parker, Ma, Scholink, Matarazzo, Addleman  
NOES: None  
ABSENT: Board Member Lomax  
ABSTAIN: None

APPROVED:

  
\_\_\_\_\_  
Stephen Ma, Chair

ATTEST:

  
\_\_\_\_\_  
Connie Horca, Board Secretary


## Successor Agency Contact Information

|                                   |  |
|-----------------------------------|--|
| Name of Successor Agency:         | <u>Successor Agency to the Former Sand<br/>City Redevelopment Agency</u> |
| County:                           | <u>Monterey</u>  |
| Primary Contact Name:             | Steve Matarazzo  |
| Primary Contact Title:            | City Administrator   |
| Address                           | # 1 Sylvan Park, Sand City , Ca 93955                                    |
| Contact Phone Number:             | <u>831-394-3054 ext. 12</u>  |
| Contact E-Mail Address:           | <u><a href="mailto:steve@sandcity.org">steve@sandcity.org</a></u>        |
| Secondary Contact Name:           | <u>Linda Scholink</u>  |
| Secondary Contact Title:          | <u>Director of Administrative Services</u>                               |
| Secondary Contact Phone Number:   | <u>831-394-3054 ext. 20</u>  |
| Secondary Contact E-Mail Address: | <u><a href="mailto:linda@sandcity.org">linda@sandcity.org</a></u>        |

**SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE**  
 Filed for the January 1, 2013 to June 30, 2013 Period

**Name of Successor Agency:** Successor Agency to the former Sand City Redevelopment Agency

|   |   | Total Outstanding<br>Debt or Obligation |
|---|---|---|
| <b>Outstanding Debt or Obligation</b>   |   | \$ 24,547,382                           |
| <b>Current Period Outstanding Debt or Obligation</b>  |   | Six-Month Total                         |
| A   | Available Revenues Other Than Anticipated RPTTF Funding   | -                                       |
| B   | Anticipated Enforceable Obligations Funded with RPTTF   | 772,731                                 |
| C   | Anticipated Administrative Allowance Funded with RPTTF  | 125,000                                 |
| D   | Total RPTTF Requested (B + C = D)   | 897,731                                 |
| Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be the same amount as ROPS form six-month total</i> |   | \$ 897,731                              |
| E   | Enter Total Six-Month Anticipated RPTTF Funding <i>(Obtain from county auditor-controller)</i>  | 600,000                                 |
| F   | Variance (E - D = F) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>   | \$(297,731)                             |
| <b>Prior Period (January 1, 2012 through June 30, 2012) Estimated vs. Actual Payments</b> (as required in HSC section 34186 (a))  |   |   |
| G   | Enter Estimated Obligations Funded by RPTTF <i>(Should be the lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)</i> | 664,844                                 |
| H   | Enter Actual Obligations Paid with RPTTF  | 664,844                                 |
| I   | Enter Actual Administrative Expenses Paid with RPTTF  | -                                       |
| J   | Adjustment to Redevelopment Obligation Retirement Fund (G - (H + I) = J)  | 664,844                                 |
| K   | <b>Adjusted RPTTF</b> <i>(The total RPTTF requested shall be adjusted if actual obligations paid with RPTTF are less than the estimated obligation amount.)</i>         | \$ 232,887                              |

Name: Stephen G. Ma Title: OB Chair  
 Signature:  Date: 8/30/12

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177(m) of the Health and Safety code,  
 I hereby certify that the above is a true and accurate Recognized  
 Obligation Payment Schedule for the above named agency.



RECOGNIZED OBLIGATION ACCOUNT SCHEDULE (ROPS III)  
January 1, 2013 through June 30, 2013

| Item # | Project Name / Debt Obligation    | Contract/Agreement Execution Date | Contract/Agreement Termination Date | Payee                           | Description/Project Scope                        | Project Area | Total Outstanding Debt or Obligation | Total Due During Fiscal Year 2012-13 | Funding Source |               |                 |                 |         |         |                 |
|--------|-----------------------------------|-----------------------------------|-------------------------------------|---------------------------------|--|--------------|--------------------------------------|--------------------------------------|----------------|---------------|-----------------|-----------------|---------|---------|-----------------|
|        |                                   |                                   |                                     |                                 |  |              |                                      |                                      | LMHF           | Bond Proceeds | Reserve Balance | Admin Allowance | RPTTF   | Other   | Six-Month Total |
| 1      | 2008A Exempt Tax Allocation Bonds | 1/18/2008                         | 2027                                | US Bank                         | Finance and Reference RDA Activities             | Sand City    | 9,228,910.00                         | 1,175,463                            | 480,390.00     | -             | -               | 125,000         | 772,731 | 387,650 | 897,731         |
| 2      | 2008B Tax Allocation Bonds        | 1/18/2008                         | 2023                                | US Bank                         | Finance Redevelopment Activities                 | Sand City    | 2,633,768.26                         | 225,192.50                           | -              | -             | -               | -               | 175,081 | -       | 175,081         |
| 3      | Sand City                         | 2/1/2012                          |                                     | City acting as Successor Agency | Administrative Cost Allowance                    | Sand City    | -                                    | 250,000.00                           | -              | -             | -               | 125,000         | -       | -       | 125,000         |
| 4      | Sand City                         | 8/1/2012                          |                                     | City acting as Successor Agency | Oversight Board Counsel                          | Sand City    | -                                    | 20,000                               | -              | -             | -               | -               | 10,000  | -       | 10,000          |
| 5      | City of Sand City                 | 4/1/1995                          |                                     | City of Sand City               | CCP Reimbursement                                | Sand City    | 1,454,769.00                         | -                                    | -              | -             | -               | -               | -       | -       | -               |
| 6      | SERAF Payment                     | 5/10/2010                         | 6/30/2015                           | County Auditor 34177 (d)        | Repay loan from LMHF                             | Sand City    | 588,092.00                           | -                                    | -              | -             | -               | -               | -       | -       | -               |
| 7      | SERAF Payment                     | 5/4/2011                          | 6/30/2010                           | County Auditor 34177 (d)        | Repay loan from LMHF                             | Sand City    | 116,090.00                           | -                                    | -              | -             | -               | -               | -       | -       | -               |
| 8      | RDA LMHF                          | 6/30/2010                         |                                     | County Auditor 34177 (d)        | Trustee payment to Housing Account from FY 09-10 | Sand City    | 133,390.35                           | -                                    | -              | -             | -               | -               | -       | -       | -               |
| 9      | RDA LMHF                          | 6/30/2011                         |                                     | County Auditor 34177 (d)        | Trustee payment to Housing Account from FY 10-11 | Sand City    | 108,450.05                           | -                                    | -              | -             | -               | -               | -       | -       | -               |
| 10     | McDonald Coastal Project          | 6/20/2001                         |                                     | John King DDA                   | Contingency Reimbursement                        | Sand City    | 1,455,000.00                         | -                                    | -              | -             | -               | -               | -       | -       | -               |
| 11     | Tax Sharing Agreement             | 5/16/1999                         | 1/31/2012                           | City of Seaside                 | 1999 tax sharing agreement contingent            | Sand City    | -                                    | 200,000                              | -              | -             | -               | -               | 200,000 | -       | 200,000         |
| 12     | Sand City Redevelopment Project   | 1/20/1987                         | 1/31/2012                           | City of Sand City               | Repay loans for Staff and Facilities ***         | Sand City    | 3,020,057.91                         | -                                    | -              | -             | -               | -               | -       | -       | -               |
| 13     | Sand City Redevelopment Project   | 1/20/1987                         | 1/31/2012                           | City of Sand City               | Repay for Monetary Loans (Seaside) ***           | Sand City    | 4,950,000.00                         | -                                    | -              | -             | -               | -               | -       | -       | -               |
| 14     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 15     | Pass Through Payment              |                                   |                                     | MP/USD                          | Pass Through Payment ****                        | Sand City    | 474,816.00                           | -                                    | -              | -             | -               | -               | -       | -       | -               |
| 16     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 17     | Pass Through Payment              |                                   |                                     | MP/CCD                          | Pass Through Payment ****                        | Sand City    | 51,277.00                            | -                                    | -              | -             | -               | -               | -       | -       | -               |
| 18     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 19     | Pass Through Payment              |                                   |                                     | MCOE                            | Pass Through Payment ****                        | Sand City    | 48,185.00                            | -                                    | -              | -             | -               | -               | -       | -       | -               |
| 20     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 21     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 22     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 23     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 24     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 25     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 26     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 27     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 28     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 29     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 30     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 31     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 32     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 33     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 34     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 35     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 36     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 37     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 38     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 39     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 40     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 41     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 42     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 43     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 44     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 45     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 46     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 47     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 48     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 49     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |
| 50     |                                   |                                   |                                     |                                 |  |              |                                      |                                      |                |               |                 |                 |         |         |                 |

\*\*\* The Board has reservations about the enforceability of this obligation, and is placing this item on the ROPS as a contingent obligation subject to determination of issues of enforceability and amounts between the City and the Department of Finance.  
\*\*\*\* Waiting for further clarification from the County Auditor as to the resolution of past obligations.

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III) -- Notes (Optional)**  
**January 1, 2013 through June 30, 2013**

| Item # | Notes/Comments  |
|--------|---|
| 11     | Sand City claims the agreement is no longer effective. Seaside claims the agreement is still effective. If the agreement is determined to be effective, it would qualify as an enforceable obligation.<br><br>By listing this contingent liability, Sand City does not admit the continued effectiveness of the agreement.  |
| 12     | The Sand City Redevelopment Agency was created by Ordinance No. 86-12 of the City of Sand City ("City") passed on October 16, 1986 which became effective on November 15, 1986. On January 20, 1987, the City entered into a written agreement (the "1987 Cooperative Agreement") with the Sand City Redevelopment Agency ("Agency") which provided in part: "The City, its officers, and employees shall perform services for the Agency in carrying out its work of redevelopment. The Agency shall also have access to the facilities of the departments and offices of the City." The 1987 Cooperative Agreement also provides: "The Agency shall reimburse the City for all costs incurred by City officers and employees in rendering services to the Agency commencing October 16, 1986. The Agency shall reimburse the City for all personnel services performed on an hourly basis at rates, including overhead established by the City Manager, plus interest thereon at the average annual rate which the City earns on its invested reserves, but not to exceed a rate of 12% per annum." \$3,626,057.91 represents the total outstanding principal value of the City's loan of staff and facilities to the Agency, plus interest calculated at the average annual LAIF rate. The 1987 Cooperative Agreement to make such loans of staff and services was made within 3 months following the creation of the Agency and therefore qualifies as an 'enforceable obligation' under the last sentence of section 34171 (d)(2) of the California Health and Safety Code.  |
| 13     | The 1987 Cooperative Agreement between the City and the Agency referred to in the Item No. 12, supra also provides: "The City may advance funds to the Agency and the Agency may advance funds to the City to effectuate the redevelopment program. Any and all fund advances and/or loans by the City to the Agency, or by the Agency to the City, shall be formalized by the approval and adoption of a Fund Advance Agreement by both the Agency and the City. The Fund Advance Agreement shall contain terms and conditions agreed upon by the Agency and the City, as appropriate to indicate the purpose of the advance and/or loan, and repayment requirements, if necessary, to effectuate the redevelopment program."<br><br>On January 20, 1987, the City and the Agency entered a Fund Advance Agreement in furtherance of the 1987 Cooperative Agreement, under which the City loaned the sum of \$60,000 to the Agency. The January 1987 Fund Advance Agreement provides that any outstanding principal balance of the loan will bear interest at the rate of 12% per annum.<br><br>On September 10, 1987, the City and the Agency entered into a second Fund Advance Agreement in furtherance of the 1987 Cooperative Agreement, under which the City loaned an additional \$30,000 to the Agency for the same purposes and on the same terms as the first Fund Advance Agreement.<br><br>On July 18, 1989, the City and Agency entered into a third Agreement in furtherance of the 1987 Cooperative Agreement, under which the City agreed to make continuing loans to the Agency in amounts equal to a proportion of sales tax generated within the Sand City Project Area. The purpose of these loans were to fund obligations undertaken by the Agency necessary to implement the Sand City Redevelopment Plan. The amount shown as Item 13 on ROPS III represents the outstanding principal balance of all these monetary loans, plus interest calculated at the average LAIF rate. |
|        | The 1987 Cooperative Agreement was made within three months following the creation of the Agency. Monetary loans made by the City in January of 1987, September of 1987, and under the 1989 Agreement were all made in fulfillment of the obligations undertaken by the City in the 1987 Cooperative Agreement. The Agency's obligation to repay these monetary loans qualifies as an 'enforceable obligation' under the last sentence of section 34171 (d)(2) of the California Health and Safety Code.  |



