

# M(a)

## REDEVELOPMENT AGENCY MEMO

City Clerk Use Only

DATE:

August 19, 2011

TITLE:

Redevelopment Agency- Enforceable Obligation Payment Schedule

CONTACT: Kevin Payne, Assistant Planning and Redevelopment Director,

774-5256 or kpayne@roseville.ca.us

Meeting Date: August 25, 2011

SUMMARY RECOMMENDATION

It is recommended that the Redevelopment Agency approve the attached Enforceable Obligation Payment Schedule in compliance with Assembly Bill 1X-26.

### BACKGROUND

On June 29, the Governor signed the State Budget, including AB1X -26 and -27. AB1X 26 dissolves Redevelopment Agencies in California. AB1X 27 provides an alternative to dissolution through payment from a City/Agency to school districts and special districts. In response to this action the California League of Cities and the California Redevelopment Association (CRA) filed suit against the State. This lawsuit was filed in the California Supreme Court and on August 11, 2011 the Court issued a stay on AB1X-27 in its entirety and portions of AB1X-26. This original action enforced the provisions within AB1X-26 that restricted agencies to only be able to act on "enforceable obligations" until the court rendered a final judgment in January of 2012. On August 17, 2011 the Court issued an order modifying its stay, specifically with regards to adoption of an "Enforceable Obligation Payment Schedule" (EOPS).

DISCUSSION

Under AB1X-26 agencies are required to adopt an EOPS within 60 days of the effective date of the bill (i.e., August 29, 2011). Under the original action by the court this action was stayed. The recent clarifying action made by the court lifts this component of the stay. This means that all agencies should adopt an EOPS before August 29th. This action would not have been necessary if AB1X-27 had not been stayed and the "Remittance Ordinance" that the City Council has approved was viable. Based on the current action of the court and recommendations from the CRA, staff has prepared the attached EOPS for the Agency's approval.

FISCAL IMPACT The adoption of this schedule does not create a fiscal impact to the Redevelopment Agency. It does provide the basis for future revenue generation from the State depending on the actions taken by the Supreme Court, in the future. Should AB1X-26 be upheld, then this document will be the baseline for the receipt of future funding allocated by the State to pay the Agency's "Enforceable Obligations". This action does not have an impact on the General Fund, as it is related to the Redevelopment Agency's financing.

8/25/11 adopted Reso 18-1

AGENDA ITEM

#### **ECONOMIC DEVELOPMENT/JOBS CREATED**

This action is in response to a legislative bill and does not promote economic development or jobs. If AB1X-26 is effectuated and redevelopment agencies are discontinued the legislative bill will eliminate existing and future jobs.

#### **ENVIRONMENTAL REVIEW**

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment (CEQA Guidelines §15061(b) (3). The approval of the attached EOPS does not include the potential for a significant environmental effect, and therefore is not subject to CEQA.

Respectfully submitted,

Kevin Payne

Redevelopment Manager

John Sprague

Assistant City Manager/Assistant Directo

**APPROVED:** 

Ray Kerridge

City Manager/Executive Director

#### Attachments:

1. Enforceable Obligation Payment Schedule

#### RESOLUTION NO. 18-11

## A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE APPROVING THE ENFORCEABLE OBLIGATION PAYMENT SCHEDULE

WHEREAS, on June 29, 2011 the Governor signed the State Budget, including Assembly Bill 1X-26; and

WHEREAS, under AB1X-26, agencies are required to adopt an "Enforceable Obligation Payment Schedule" (EOPS) within 60 days; and

WHEREAS, the City Council has reviewed the Enforceable Obligation Payment Schedule;

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Roseville that the Enforceable Obligation Payment Schedule is hereby approved.

PASSED AND ADOPTED by the Redevelopment Agency of the City of Roseville this 25 day of <u>August</u>, 2011 by the following vote on roll call:

AYES AGENCY MEMBERS: Allard, Garcia, Rohan

NOES AGENCY MEMBERS: None

ABSENT AGENCY MEMBERS: Roccucci, Herman

VICE- CHAIR

ATTEST:

Secretary

Project Area(s) All

#### ENFORCEABLE OBLIGATION PAYMENT SCHEDULE Per AB 26 - Section 34167 and 34169 (\*)

				Total Outstanding	Total Due		Down and the Marth					
				Debt or	During Fiscal	Payments by Month						
	Project Name / Debt Obligation	Payee	Description	Obligation	Year	Aug**	Sept	Oct	Nov	Dec	Total	
	City Loan-969201	City of Roseville	Loan for Formation of Redevelopment Agency	944,606	0						0	
	City Loan-170000	City of Roseville	Acquisition of Property (120 Grant Street)	259,332	0						0	
3	City Loan-1500000	City of Roseville	Vernon Street Streetscape Project	1,600,669	50,000					50,000	50,000	
4	City Loan-1000000	City of Roseville	Acquisition of Property (238 Vernon St)	1,991,207	37,238					37,238	37,238	
5	City Loan-100000	City of Roseville	Tower Theater Improvements	145,250	0						0	
6	City Loan-85671	City of Roseville	Underpayment of Passthroughs	120,453	0						0	
7	City Loan-3000000	City of Roseville	Automall Façade Improvements	4,071,000	0						0	
8	City Loan-3747668	City of Roseville	Acquisition of Property (8051 Washington Blvd	5,486,586	0						0	
9	City Loan-4000000	City of Roseville	Riverside Avenue Streetscape Project	5,740,000	0						0	
10	City Loan-2023679	City of Roseville	Acquisition of Property (320 Vernon St)	2,878,898	0						0	
11	Tax Allocation Bonds - 2002	Bank of New York	Bonds for Capital Improvement Projects	21,138,605	923,150		625,400				625,400	
12	Tax Allocation Bonds - 2006	Bank of New York	Bonds for Capital Improvement Projects	30,414,188	643,575		320,313				320,313	
13	Tax Allocation Bonds - 2006AT	Bank of New York	Bonds for Acquisition of Property & Loans	4,674,972	262,457		181,080				181,080	
14	Tax Alllocation Bonds - 2006HT	Bank of New York	Bonds for Housing Projects	13,078,347	448,538		263,856				263,856	
15	Low Mod Loan	Low Mod Fund	Loan from Low Mod Fund for FY10 SERAF	816,646	163,367					163,367	163,367	
16	City Loan-59700	City of Roseville	Formation Consultant	7,358	0						0	
17	City Loan-552217	City of Roseville	Flood Repair	25,898	0						0	
18	City Loan-7747948	City of Roseville	Flood Repair	5,307,391	380,000					380,000	380,000	
19	City Loan-3900000	City of Roseville	Flood Repair	3,900,000	0						0	
20	20% Set Aside	Low Mod Fund	20% Tax Increment Transfer to Low Mod	26,002,666	1,000,209					1,000,209	1,000,209	
21	Passthrough Payments	Placer County/School Dist	Statutory Payments to County and School Dist	73,042,690	1,587,002			421,482		1,165,520	1,587,002	
22	Administrative Expenses	Employees of Agency	Payroll / Admin Costs	29,281,344	893,415					446,708	446,708	
25	Façade Rebates	Various Business Owners	Various	75,000	75,000					75,000	75,000	
26	Ongoing Property Maintenance	Maintenance/LLDs	RDA Owned/Lease Properties	160,000	15,573					15,573	15,573	
											0	
	Totals - This Page				\$ 6,479,524	\$ -	\$ 1,390,649	\$ 421,482	\$ -	\$ 3,333,615	\$ 5,145,746	

COR\_EOPS Schedule\_AUG\_2011.xlsx 4/3/2012