



## OVERSIGHT BOARD MEETING AGENDA

Monday, September 21, 2015    Douglas Fir Room  
4:00 P.M.                            2120 Milvia Street, 1<sup>st</sup> Floor  
Berkeley, CA

**All agenda items are for Discussion and Possible Action. Public Comment Policy:** Members of the public may speak on any items on the Agenda and items not on the Agenda during the initial Public Comment period. Members of the public may also comment on any item listed on the agenda as the item is taken up. Members of the public may not speak more than once on any given item. The Chair may limit public comments to 3 minutes or less.

1. Roll Call
2. Public Comment
3. Agenda Approval
4. Approval of Minutes of September 14, 2015 Meeting [Action Item, Attachment 1]
5. Review and Approve the Administrative Budget [Attachment 2]
6. Review and Approve the Recognized Obligations Payment Schedule 15-16B (for the period of January 1, 2016 through June 30, 2016) [Attachment 3]
7. Announcements
  - The next regularly scheduled meeting is January 25, 2016 for ROPS 16-17A, for the period July-December 31, 2016. The OB Resolution must be submitted to the Department of Finance (DOF) no later than February 1, 2016. We recommend rescheduling to January 18, 2016 to allow sufficient reporting time.
8. Adjourn

### ATTACHMENTS:

1. Draft Minutes of September 14, 2015, Oversight Board Meeting
2. Administrative Budget Update
  - a. Resolution 2015-02-N.S.
  - b. Successor Agency Semi-Annual Budget, January 1, 2016 - June 30, 2016, Options
3. Staff Report, Administrative Budget
  - Exhibit A: Administrative Budget, January 1, 2016 – June 30, 2016
4. Staff Report, Recognized Obligations Payment Schedule (ROPS) 15-16B
  - Exhibit B: ROPS 15-16B



**Time: 4:08 p.m.**

**Douglas Fir Room  
Permit Service Center  
2120 Milvia Street – Berkeley, CA  
Secretary – Amy Davidson, (510) 981-5406**

## Draft Minutes of the September 14, 2015 Oversight Board Meeting

1. Attendance: Present: Arreguin, Hardaway, Harper and Riddle. Absent: Carson, Decredico, and Rinne. Staff: Davidson. Members of the Public: 0

2. Public Comment.

None.

3. Agenda Approval

A motion to approve the agenda was passed. [M/S/C: Riddle/Harper. Ayes: Arreguin, Hardaway, Harper and Riddle. Noes: None. Abstentions: None.]

4. Approval of Minutes of February 23, 2015 Meeting

A motion to approve the minutes of the February 23, 2015 meeting was passed. [M/S/C: Harper/Riddle. Ayes: Arreguin, Hardaway, Harper and Riddle. Noes: None. Abstentions: None.]

5. Review and Approve the Administrative Budget

A motion to table this item and item #6 Review and Approve the Recognized Obligations Payment Schedule 15-16B (for the period of January 1, 2016 through June 30, 2016) and take them up at a special meeting to be scheduled for September 21, 2015 was passed unanimously. [M/S/C: Harper/Riddle. Ayes: Arreguin, Hardaway, Harper and Riddle. Noes: None. Abstentions: None.]

Oversight Board  
Draft Minutes of February 23, 2015 Meeting

6. Review and Approve the Recognized Obligations Payment Schedule 15-16B (for the period of January 1, 2016 through June 30, 2016)

To be considered at special September 21 meeting per action taken on #5 above.

7. Announcements

8. Adjourn.

The meeting was adjourned at 4:47 p.m. [M/S/C: Riddle/Harper. Ayes: Arreguin, Hardaway, Harper and Riddle. Noes: None. Abstentions: None.]

Approved on September 21, 2015

\_\_\_\_\_, Amy Davidson, Secretary



**Berkeley  
Redevelopment  
Successor**

September 21, 2015

Update: Administrative Budget

Oversight Board Member Riddle wanted to confirm if 1629 Fifth Street should have been included on the final list of assets to be transferred to the Housing Successor. The answer is yes. The attached resolution is proof that 1629 was included on the list of properties transferred to the Successor Agency for Housing.

The Oversight Board requested clarification on the administrative cost allowance and use of the administrative budget. The following was confirmed by the Department of Finance (Finance).

- The administrative cost allowance shall not be less than \$250K in any fiscal year, unless the oversight board reduces this amount, for any fiscal year or such lesser amount as agreed to by the successor agency.
- The administrative budget can be reduced even though Assembly Bill 113 has not been enacted.
- Activities associated with the Successor Agency for Housing cannot be expended from the administrative cost allowance.

Attached are various options of the administrative budget for ROPS 15-16B for the period January – June 30, 2016 for consideration.

Successor Agency administrative costs include:

- Prepare the Recognized Obligation Payment Schedule (ROPS),
- Prepare Administrative Budget;
- Draft staff reports to the Successor Agency & Oversight Board
- Provide documentation to the outside auditors/respond to inquiries
- Monitor maintenance of 1654 5<sup>th</sup> Street
- Monitor expenditures of excess bond proceeds transferred to the City
- Working w/legal to correct encroachment onto the shared non-exclusive easement between 1650 & 1654 Fifth Street
- Transfer remaining properties to the City after recording amendment to the easement

Finance administrative costs include

- Prepare Year-end Financial Statement.
- Prepare cash balance reconciliation for the ROPS and generate actual expense reports.
- Make debt payment per schedule and DOF instruction. Prepare the resulting adjusting journal entries.
- Receive, deposit and account for County Auditor remittance.
- Respond to DOF financial inquiries.

Housing Staff – Secretary to the Oversight Board

- Draft Meeting Agenda in collaboration with Oversight Board Chair and Successor Agency Staff
- Distribute agenda/meeting packets to Oversight Board members and Post/Publish Notice of Meetings
- Maintain files of Oversight Board actions, including agenda/meeting packets, approved minutes and resolutions
- Ensuring that accurate minutes of meetings are taken and approved
- Signs a copy of the final, approved minutes and resolutions and ensure copies are maintained.

RESOLUTION NO. 2015-02-N.S.

RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF BERKELEY APPROVING TO TRANSFER 1631 FIFTH STREET; 1654 FIFTH STREET; THE D&E RESIDENTIAL OWNER-OCCUPIED DEED RESTRICTED PROPERTIES AND THE DELAWARE STREET HISTORICAL DEVELOPMENT RESIDENTIAL OWNER-OCCUPIED AND COMMERCIAL CONDOMINIUM PROPERTIES FROM THE SUCCESSOR AGENCY TO THE CITY OF BERKELEY, ACTING AS SUCCESSOR AGENCY FOR HOUSING

WHEREAS, Assembly Bill 1X 26 (the "Dissolution Act") and Assembly Bill 1X 27 (the "Alternative Redevelopment Program Act") were enacted on June 28, 2011, to significantly modify the Community Redevelopment Law (Health & Safety Code §33000, et seq.; the "Redevelopment Law"); and

WHEREAS, on August 11, 2011, the California Supreme Court agreed to review the California Redevelopment Association and League of California Cities' petition challenging the constitutionality of the Redevelopment Restructuring Acts; and

WHEREAS, on December 29, 2011, the California Supreme Court ruled that the Dissolution Act is largely constitutional and the Alternative Redevelopment Program Act is unconstitutional; and

WHEREAS, the Court's decision resulted in the dissolution of that all California redevelopment agencies on February 1, 2012; and

WHEREAS, on January 17, 2012, the City Council adopted a Resolution indicating its intent to become the Successor Agency as well as its election to become the Successor Agency for Housing; and

WHEREAS, the Successor Agency failed to list these properties on the Housing Asset Transfer Form because the properties were not housing assets as defined in the statute; in particular the properties' original acquisition was not strictly limited to low and moderate income housing; and

WHEREAS, the properties are now assets of the Successor Agency; and

WHEREAS, on January 20, 2015, the Agency adopted Resolution No. 13, authorizing the Executive Officer to transfer title of the D&E properties and the Delaware Street Historical Development properties to the City of Berkeley acting as the Successor Agency for Housing; and

APPROVAL OF TRANSFER OF HOUSING ASSETS TO HOUSING SUCCESSOR AGENCY  
 RESOLUTION NO. 2015-02-N.S.

WHEREAS, the Successor Agency submitted a Long Range Property Management Plan (LRPMP) Plan to the California Department of Finance (DOF) of its December 1, 2014 Oversight Board (OB) Resolution 2014-08 on December 5, 2014 that addressed the disposition and use of 1631 Fifth Street and 1654 Fifth Street and based on DOF's review, they advised the Successor Agency remove them from the LRPMP and treat these properties as housing assets subject to transfer from the Successor Agency to the City of Berkeley in its role as the Successor Agency for Housing via resolution for approval through Oversight Board action; and

WHEREAS, the Dissolution Act allows the Oversight Board to direct the Successor Agency to transfer housing assets in accordance with Health and Safety Code Section 34176; and

WHEREAS, public notice of the proposed action by the Oversight Board was provided as required by Health and Safety Code Section 34181(f).

NOW THEREFORE, BE IT RESOLVED by the Berkeley Redevelopment Successor Agency Oversight Board, that it hereby approves to transfer the following Agency-owned real property and the D&E residential owner-occupied Deed restricted properties; and the Delaware Street Historical Development residential owner-occupied and commercial condominium from the Successor Agency to the City of Berkeley in its role as the Successor Agency for Housing.

1654 Fifth Street	057-2116-023	Residential	Vacant - SFD
1631 Fifth Street	057-2117-011	Undeveloped Site	Vacant - Lot
1607 Fifth - D&E	057-2117-016	Residential	Owner-Occupied Deed Restricted
1609 Fifth - D&E	057-2117-015	Residential	Owner-Occupied Deed Restricted
1613 Fifth - D&E	057-2117-017	Residential	Owner-Occupied Deed Restricted
1615 Fifth - D&E	057-2117-018	Residential	Owner-Occupied Deed Restricted
1625 Fifth - D&E	057-2117-013	Residential	Owner-Occupied Deed Restricted
1629 Fifth - D&E	057-2117-012	Residential	Owner-Occupied Deed Restricted
1645 Fourth/725 Virginia - D&E	057-2116-015	Residential	Owner-Occupied Deed Restricted
1646 Fifth D&E	057-2116-021	Residential	Owner-Occupied Deed Restricted
1650 Fifth D&E	057-2116-022	Residential	Owner-Occupied Deed Restricted
1828/30 Fifth - D&E	057-2099-019	Residential	Owner-Occupied Deed Restricted
729/31 Virginia - Perpetual	057-2116-024	Residential	Owner-Occupied Deed Restricted
822 Delaware - DHDC	057-2098-032	Commercial	Owner-Occupied Deed Restricted
814 Delaware - DHDC	057-2098-037	Residential	Owner-Occupied Deed Restricted
816 Delaware - DHDC	057-2098-035	Residential	Owner-Occupied Deed Restricted

APPROVAL OF TRANSFER OF HOUSING ASSETS TO HOUSING SUCCESSOR AGENCY  
RESOLUTION NO. 2015-02-N.S.

AYES:

NOES:

ABSTAINED:

ABSENT:

Signed by:

Jesse Arrequin

Jesse Arrequin Oversight Board Chair

ATTEST:

MP Chang

Lourdes P. Chang, Oversight Board Secretary



**Successor Agency Semi-Annual Budget  
January 1, 2016 - June 30, 2016**

Option 1

	Position	Description	Staff	FTE%	Annual Salary & Benefits	Allocation	ROPS-15-16B Jan-June 2016
	Associate Management Analyst	Admin Direct Labor	S. Agency	70%	\$ 170,245.54	\$ 119,171.88	59,585.94
	Associate Management Analyst	Admin Direct Labor	Housing	3%	\$ 168,790.32	\$ 5,063.71	2,531.86
	Comm Dev Proj Coord	Admin Direct Labor	Housing	13%	\$ 160,859.86	\$ 20,911.78	10,455.89
	Comm Svs & Admin Manager	Admin Direct Labor	Housing	2%	\$ 187,731.50	\$ 3,754.63	1,877.32
	Accountant II	Admin Direct Labor	Finance	25%	\$ 142,914.14	\$ 35,728.54	17,864.27
	Goldfarb & Lipman	Legal Assistance				\$ 2,000.00	1,000.00
	Sedgwick LLP	Oversight Board Legal Council				\$ 1,000.00	500.00
	Audit	Outside Audit				\$ 10,000.00	10,000.00
				1.13	\$ 830,541.36	\$ 197,630.54	\$ 103,815.28

Option 2

	Position	Description	Staff	FTE%	Annual Salary & Benefits	Allocation	ROPS-15-16B Jan-June 2016
	Associate Management Analyst	Admin Direct Labor	S. Agency	35%	\$ 170,245.54	\$ 59,585.94	29,792.97
	Associate Management Analyst	Admin Direct Labor	Housing	0%	\$ 168,790.32	\$ -	0.00
	Comm Dev Proj Coord	Admin Direct Labor	Housing	8%	\$ 160,859.86	\$ 12,868.79	6,434.40
	Comm Svs & Admin Manager	Admin Direct Labor	Housing	0%	\$ 187,731.50	\$ -	0.00
	Accountant II	Admin Direct Labor	Finance	12%	\$ 142,914.14	\$ 17,149.70	8,574.85
	Goldfarb & Lipman	Legal Assistance				\$ 2,000.00	1,000.00
	Sedgwick LLP	Oversight Board Legal Council				\$ 1,000.00	500.00
	Audit	Outside Audit					
				0.55	\$ 830,541.36	\$ 92,604.43	\$ 46,302.22

Option 3

	Position	Description	Staff	FTE%	Annual Salary & Benefits	Allocation	ROPS-15-16B Jan-June 2016
	Associate Management Analyst	Admin Direct Labor	S. Agency	25%	\$ 170,245.54	\$ 42,561.39	21,280.70
	Associate Management Analyst	Admin Direct Labor	Housing	0%	\$ 168,790.32	\$ -	0.00
	Comm Dev Proj Coord	Admin Direct Labor	Housing	5%	\$ 160,859.86	\$ 8,042.99	4,021.50
	Comm Svs & Admin Manager	Admin Direct Labor	Housing	0%	\$ 187,731.50	\$ -	0.00
	Accountant II	Admin Direct Labor	Finance	8%	\$ 142,914.14	\$ 11,433.13	5,716.57
	Goldfarb & Lipman	Legal Assistance				\$ 2,000.00	1,000.00
	Sedgwick LLP	Oversight Board Legal Council				\$ 1,000.00	500.00
	Audit	Outside Audit					
				0.38	\$ 830,541.36	\$ 65,037.51	\$ 32,518.77

Option 4

	Position	Description	Staff	FTE%	Annual Salary & Benefits	Allocation	ROPS-15-16B Jan-June 2016
	Associate Management Analyst	Admin Direct Labor	S. Agency	15%	\$ 170,245.54	\$ 25,536.83	12,768.42
	Associate Management Analyst	Admin Direct Labor	Housing	0%	\$ 168,790.32	\$ -	0.00
	Comm Dev Proj Coord	Admin Direct Labor	Housing	3%	\$ 160,859.86	\$ 4,825.80	2,412.90
	Comm Svs & Admin Manager	Admin Direct Labor	Housing	0%	\$ 187,731.50	\$ -	0.00
	Accountant II	Admin Direct Labor	Finance	5%	\$ 142,914.14	\$ 7,145.71	3,572.86
	Goldfarb & Lipman	Legal Assistance				\$ 2,000.00	1,000.00
	Sedgwick LLP	Oversight Board Legal Council				\$ 1,000.00	500.00
	Audit	Outside Audit					
				0.23	\$ 830,541.36	\$ 40,508.34	\$ 20,254.18

*Berkeley  
Redevelopment  
Successor Agency*

STAFF REPORT  
September 14, 2015

To: Berkeley Redevelopment Successor Agency Oversight Board  
From: Eric Angstadt, Director, Planning and Development  
Subject: Semi Annual Administrative Budget for January 1, 2016-June 30, 2016

RECOMMENDATION

Adopt a Resolution approving the semi-annual Successor Agency budget for the six month fiscal period commencing January 1, 2016 through June 30, 2016 for administrative costs.

FISCAL IMPACTS OF RECOMMENDATION

ABx1 26 specifically dictates the amount of funds to be used for administration of the Successor Agency. Per ABx1 26, the Successor Agency's annual administrative costs will be an amount up to five percent of the property tax allocated to the Successor Agency for Fiscal Year (FY) 2015-16 and up to three percent of the property tax allocated to the Successor Agency each succeeding fiscal year, provided however that the annual amount shall not be less than \$250,000 for any fiscal year, or such lesser amount as agreed to by the Successor Agency.

CURRENT SITUATION AND ITS EFFECTS

On August 3, 2015, the Successor Agency was notified by the California State Department of Finance (Finance) that Assembly Bill 113 related to the reduction of the administrative costs allowance to continue winding down the Agency is still pending in the legislature; and until Assembly Bill 113 is enacted, the Successor Agency is unable to take advantage of the bill's administrative benefits. Finance will notify successor agencies when they can utilize the benefits provided by that measure. Until then, existing law governs.

Administrative costs include salaries for Successor Agency staff carrying out the necessary actions to wind down the Agency's affairs such as, preparing the Recognized Obligation Payment Schedule (ROPS), and Administrative Budget; making scheduled payments per the ROPS; scheduling and carrying out Oversight Board meetings; and operational costs associated with these actions.

The Budget is required to include all of the following:

1. Estimated amounts for RDA Successor Agency administrative costs for the upcoming six-month fiscal period.

2. Proposed sources of payment for the costs identified in 1 above.

The proposed source of payment for the administrative costs identified in Part 1 above is the Redevelopment Tax Trust Fund established and maintained by the County Auditor-Controller.

3. Proposals for arrangements for administrative and operations services provided by the City of Berkeley.

The Successor Agency does not have a cooperative agreement with the City of Berkeley; therefore, the City of Berkeley does not advance funds to the Successor Agency for reimbursement of incurred costs associated with administering the responsibilities and carrying out the functions of the Successor Agency.

**BACKGROUND**

On February 1, 2012, all redevelopment agencies were dissolved and successor agencies assumed the responsibilities of winding down the agencies. On February 28, 2012, the City of Berkeley Successor Agency took its first action, approving the Recognized Obligation Payment Schedule, which outlines the former Redevelopment Agency's enforceable obligations. The successor agency, created by the City of Berkeley to repay debts and dispose of assets, now needs budget authority to operate.

Upon adoption by the Successor Agency, the administrative budget is subject to review and approval by the Oversight Board. Preparation of the administrative budget will be completed annually by the Successor Agency until all matters of the former Redevelopment Agency are resolved

**RATIONALE FOR RECOMMENDATION**

Adoption of an administrative budget will allow the City, acting as Successor Agency, to comply with state law and will allow receipt of payment from the Redevelopment Property Tax Trust Fund (former tax increment revenue) for our administrative costs allowance.

**ALTERNATIVE ACTIONS CONSIDERED**

None.

**CONTACT PERSON**

Eric Angstadt, Director, Planning and Development, 510-981-7401

Attachments:

1: Resolution

Exhibit A: Administrative Budget

RESOLUTION NO. ##,###-N.S.

RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF BERKELEY APPROVING THE SEMI-ANNUAL ADMINISTRATIVE BUDGET FOR THE PERIOD JANUARY 1, 2016 THROUGH JUNE 30, 2016

WHEREAS, the successor agency is required to submit a semi-annual administrative budget and submit it to the Oversight Board for its approval; and

WHEREAS, the amount of funds to be used for administration of the Successor Agency's annual administrative costs; shall not be less than \$250,000 for any fiscal year, or such lesser amount as agreed to by the Successor Agency; and

WHEREAS, On August 3, 2015, the Successor Agency was notified by the California State Department of Finance (Finance) that Assembly Bill 113 related to the reduction of the administrative costs allowance to continue winding down the Agency is still pending in the legislature; and

WHEREAS, until Assembly Bill 113 is enacted, the Successor Agency is unable to take advantage of the bill's administrative benefits; and

WHEREAS, Finance will notify successor agencies when they can utilize the benefits provided by that measure; and

WHEREAS, administrative costs include salaries for Successor Agency staff carrying out the necessary actions to wind down the Agency's affairs; and

WHEREAS, the proposed administrative budget is to include; estimated amounts for administrative costs; proposed sources of payment and proposals for arrangements for administrative and operations services provided by the city.

NOW THEREFORE, BE IT RESOLVED by the Berkeley Redevelopment Successor Agency Oversight Board, that it hereby approves the attached semi-annual administrative budget as hereby approved.

Exhibits

- A. Administrative Budget

Berkeley Successor Agency

ABx1 26 specifically dictates the amount of funds to be used for administration of the Successor Agency. Per ABx1 26, the Successor Agency's annual administrative costs will be an amount up to five percent of the property tax allocated to the Successor Agency for Fiscal Year (FY) 2015-16 and up to three percent of the property tax allocated to the Successor Agency each succeeding fiscal year, provided however that the annual amount shall not be less than \$250,000 for any fiscal year, or such lesser amount as agreed to by the Successor Agency.

**Successor Agency Annual Budget  
January 1, 2016 - June 30, 2016**

	Position	Description	FTE	Total Budget	ROPS-15-16B Jan-June 2016
	Admin/Operations	Admin Direct Labor	1.13	\$ 184,630.54	92,315.27
	Goldfarb & Lipman	Legal Assistance		\$ 2,000.00	1,000.00
	Sedgwick LLP	Oversight Board Legal Council		\$ 1,000.00	500.00
	Audit	Outside Audit		\$ 10,000.00	10,000.00
			1.13	\$ 197,630.54	\$ 103,815.27

Proposed source of payment - Redevelopment Property Tax Trust Fund (RPTTF)

*Berkeley  
Redevelopment  
Successor Agency*

STAFF REPORT  
September 14, 2015

To: Berkeley Redevelopment Successor Agency Oversight Board  
From: Eric Angstadt, Director, Planning and Development  
Subject: Recognized Obligation Payment Schedule (ROPS 15-16B): January 1, 2016  
– June 30, 2016

RECOMMENDATION

Adopt a Resolution approving a Recognized Obligation Payment Schedule (ROPS 15-16B) for the six month fiscal period commencing on January 1, 2016 and ending June 30, 2016.

FISCAL IMPACTS OF RECOMMENDATION

Preparation of the ROPS is in furtherance of allowing the Successor Agency to pay enforceable obligations of the former redevelopment agency. Adopting the ROPS does not create any new unfunded fiscal obligations for the City.

CURRENT SITUATION AND ITS EFFECTS

Successor agencies are required to prepare Recognized Obligation Payment Schedules ("ROPS") prior to each six-month fiscal period. The ROPS includes Successor Agency legally binding and enforceable obligations. The ROPS for the period commencing on January 1, 2016 and ending June 30, 2016 is due to the State Department of Finance (DOF) by October 5, 2015. Oversight Board approval by certification is required prior to submittal to the County Auditor-Controller, the State Controller's Office and the State Department of Finance and posted on the Successor Agency's website. Staff has the ability to make changes as necessary prior to submitting to the DOF.

The payments as listed below and in the ROPS 15-16B are anticipated to be made from Successor Agency funds between January 1, 2016 and June 30, 2016.

Description	Non- Administrative	Administrative
Savo Island Loan Payable - 2001 Loan from the COB Retiree Health Benefits Trust	\$15,680.00	
\$1M Bond - Issued in 1997 for affordable housing purposes	\$699,054.00	
Administrative Costs		\$103,815.00

1. Savo Island Loan Payable – This item is a 2001 loan from the City of Berkeley Retiree Health Benefits Trust to the former RDA that was used for affordable housing purposes.
2. \$1 Million Bond – These bonds, were issued in 1997 for affordable housing purposes. This distribution is for final payment. The RPTTF was increased significantly because the Successor Agency completed repayment of the 2005 Tax allocation revenue bonds in FY15.
3. Administrative Costs – For staff expenses; Goldfarb and Lipman LLP to provide legal assistance to the Agency; Sedgwick LLP as independent legal counsel for the Oversight Board, and the annual audit.

### BACKGROUND

Upon dissolution of the Berkeley Redevelopment Agency on February 1, 2012 pursuant to AB X1 26, the Successor Agency to the Berkeley Redevelopment Agency was constituted and is governed by the members of the City Council. Successor agencies are required to prepare Recognized Obligation Payment Schedules prior to each six-month fiscal period. The purpose of the ROPS is to designate all enforceable obligations of the former redevelopment agency. The City Council, acting as the Successor Agency for the Redevelopment Agency, approved all prior ROPS which were subsequently approved by the Oversight Board and the Department of Finance.

### RATIONALE FOR RECOMMENDATION

Adoption of a recognized obligation payment schedule will allow the City, acting as Successor Agency, to comply with state law and will allow required payments to be made.

### ALTERNATIVE ACTIONS CONSIDERED

None.

### CONTACT PERSON

Eric Angstadt, Director, Planning and Development, 510-981-7401

### Attachments:

1: Resolution

Exhibit A: ROPS 15-16B



RESOLUTION NO. ##,###-N.S.

RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF BERKELEY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS15-16B) FOR THE PERIOD JANUARY 1, 2016 THROUGH JUNE 30, 2016

WHEREAS, Assembly Bill 1X 26 (the "Dissolution Act") and Assembly Bill 1X 27 (the "Alternative Redevelopment Program Act") were enacted on June 28, 2011, to significantly modify the Community Redevelopment Law (Health & Safety Code §33000, et seq.; the "Redevelopment Law"); and

WHEREAS, on August 11, 2011, the California Supreme Court agreed to review the California Redevelopment Association and League of California Cities' petition challenging the constitutionality of the Redevelopment Restructuring Acts; and

WHEREAS, on December 29, 2011, the California Supreme Court ruled that the Dissolution Act is largely constitutional and the Alternative Redevelopment Program Act is unconstitutional; and

WHEREAS, the Court's decision resulted in the dissolution of all California redevelopment agencies on February 1, 2012; and

WHEREAS, Section 34177(a)(1) of the Redevelopment Law, as reformed by the California Supreme Court in *Matosantos*, provides that on or after February 1, 2012, and until a Recognized Obligation Payment Schedule becomes operative, only payments required pursuant to an enforceable obligations payment schedule shall be made; and

WHEREAS, the City of Berkeley is the designated Successor Agency of the Redevelopment Agency of the City of Berkeley, within the meaning of AB 26; and

WHEREAS, Section 34177(a)(3) of the Redevelopment Law, as reformed by the California Supreme Court in *Matosantos*, provides that commencing on May 1, 2012, only those payments listed in a Recognized Obligation Payment Schedule may be made by the Successor Agency from the funds specified in the Recognized Obligation Payment Schedule; and

WHEREAS, the California Legislature adopted, and the Governor signed, Assembly Bill No. 1484 enacted as Stats. 2012, ch. 25 (hereinafter AB 1484) into law; and

WHEREAS, AB 1484, requires the Berkeley Redevelopment Successor Agency to prepare a Recognized Obligation Payment Schedule (ROPS) for the six month fiscal period commencing on January 1, 2016 and ending June 30, 2016; and

WHEREAS, the ROPS is subject to review by the State Controller and State Department of Finance, and approval by the Oversight Board; and

WHEREAS, staff will submit the ROPS to the State of California, Department of Finance, no later than October 5, 2015.

NOW THEREFORE, BE IT RESOLVED by the Berkeley Redevelopment Successor Agency Oversight Board, that it hereby approves Exhibit A, the attached Recognized Obligation Payment Schedule (ROPS 15-16B) and authorizes the Successor Agency to make such changes and revisions to the ROPS as deemed necessary based on the review and approval of the ROPS by the Department of Finance.

## Recognized Obligation Payment Schedule (ROPS 15-16B) - Summary

Filed for the January 1, 2016 through June 30, 2016 Period

**Name of Successor Agency:** Berkeley  
**Name of County:** Alameda

<b>Current Period Requested Funding for Outstanding Debt or Obligation</b>	<b>Six-Month Total</b>
<b>Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding</b>	
<b>A Sources (B+C+D):</b>	<b>\$ -</b>
B Bond Proceeds Funding (ROPS Detail)	-
C Reserve Balance Funding (ROPS Detail)	-
D Other Funding (ROPS Detail)	-
<b>E Enforceable Obligations Funded with RPTTF Funding (F+G):</b>	<b>\$ 818,549</b>
F Non-Administrative Costs (ROPS Detail)	714,734
G Administrative Costs (ROPS Detail)	103,815
<b>H Total Current Period Enforceable Obligations (A+E):</b>	<b>\$ 818,549</b>

<b>Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding</b>	
I Enforceable Obligations funded with RPTTF (E):	818,549
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(51,175)
<b>K Adjusted Current Period RPTTF Requested Funding (I-J)</b>	<b>\$ 767,374</b>

<b>County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding</b>	
L Enforceable Obligations funded with RPTTF (E):	818,549
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
<b>N Adjusted Current Period RPTTF Requested Funding (L-M)</b>	<b>818,549</b>

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

Name	Title
/s/ _____	
Signature	Date

Berkeley Recognized Obligation Payment Schedule (ROPS 15-16B) - ROPS Detail  
 January 1, 2016 through June 30, 2016  
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
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	Funding Source					Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
								\$ 1,386,949		\$ -	\$ -	\$ -	\$ 714,734	\$ 103,815	\$ 818,549
2	Savo Island Loan Payable	Third-Party Loans	4/4/2003	9/1/2025	City Retiree Medical Trust	HTF - Affordable Housing		584,080	N				15,680		\$ 15,680
3	\$1Million Bond - City Loan	Bonds Issued On or Before 12/31/10	12/1/1997	12/15/2016	City of Berkeley	Housing Activities		699,054	N				699,054		\$ 699,054
4	Delaware Street Historical Project	City/County Loans On or Before 6/27/11	1/1/1998	12/31/2019	Successor Agency to CDBG	Land Assets & Loans Payable			Y						\$ -
6	Administration Costs	Admin Costs	7/1/2015	6/30/2016	City of Berkeley	Admin/Operations Plus Goldfarb & Lipman, Sedgwick LLP, Annual Audit & Fiscal Agent Fees		103,815	N					103,815	\$ 103,815
7	Financial Services	Fees	7/1/2015	6/30/2016	Bank of New York	Fiscal Agent Fee			Y						\$ -
21	Capital Projects/ Bicycle Crossing	Improvement/Infrastructure	7/1/2015	6/30/2018	City of Berkeley & Various Contractors	Bicycle X-ing Imprvmnts			Y						\$ -
25	Capital Projects/Pave Sidewalks NW Berk	Improvement/Infrastructure	7/1/2015	6/30/2018	City of Berkeley & Various Contractors	Pave Sidewalks NW Berk			Y						\$ -
29	Contract for Consulting Svcs or Purchase Order	Property Dispositions	1/1/2016	6/30/2016	Unknown	Title Reports & Appraisals			Y						\$ -
30	Purchase Order	Property Maintenance	1/1/2015	6/30/2016	Unknown	Property Repair & Maintenance			Y						\$ -
31	Real Estate Agent	Property Dispositions	7/1/2015	6/30/2016	Unknown	Assist with the sell of Agency owned properties			Y						\$ -
32	Capital Projects/Gilman Overcrossing Preliminary Study	Professional Services	7/1/2015	6/30/2016	City of Berkeley & Various Contractors	Gilman Overcrossing Preliminary Study			Y						\$ -

**Berkeley Recognized Obligation Payment Schedule (ROPS 15-16B) - Report of Cash Balances  
(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [\[ INSERT URL LINK TO CASH BALANCE TIPS SHEET \]](#)

A	B	C	D	E	F	G	H	I	
		<b>Fund Sources</b>							
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>		
	<b>Cash Balance Information by ROPS Period</b>	Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, Grants, Interest, Etc.	Non-Admin and Admin	<b>Comments</b>	
<b>ROPS 14-15B Actuals (01/01/15 - 06/30/15)</b>									
1	<b>Beginning Available Cash Balance (Actual 01/01/15)</b>	1,367,488	-	-	452,500	286,551	139,553	1/1/2015 Cash Balance \$2,246,092.6	
2	<b>Revenue/Income (Actual 06/30/15)</b> RPTTF amounts should tie to the ROPS 14-15B distribution from the County Auditor-Controller during January 2015	116					88,807	January Receipts \$88,807, June Receipts \$68.080	
3	<b>Expenditures for ROPS 14-15B Enforceable Obligations (Actual 06/30/15)</b> RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q	1,367,604			452,500	161,965	108,263		
4	<b>Retention of Available Cash Balance (Actual 06/30/15)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)								
5	<b>ROPS 14-15B RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the self-reported ROPS 14-15B PPA in the Report of PPA, Column S	No entry required						51,175	
6	<b>Ending Actual Available Cash Balance</b> C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 124,586	\$ 68,922	<b>6/30/15 Ending balance \$312,763</b> (51,175+124,586+68,922+68,080)	
<b>ROPS 15-16A Estimate (07/01/15 - 12/31/15)</b>									
7	<b>Beginning Available Cash Balance (Actual 07/01/15)</b> (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ -	\$ -	\$ -	\$ -	\$ 124,586	\$ 120,097	124,586+,120,098+68,080=312,763	
8	<b>Revenue/Income (Estimate 12/31/15)</b> RPTTF amounts should tie to the ROPS 14-15B distribution from the County Auditor-Controller during June 2015						68,080	June 2015 Receipt here	
9	<b>Expenditures for ROPS 14-15B Enforceable Obligations (Estimate 12/31/15)</b>					72,648	125,000	Savo Loan of \$41,680 due 9/1/15; \$1M Bond Payment approved in ROPS 14-15B \$30,968	
10	<b>Retention of Available Cash Balance (Estimate 12/31/15)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)								
11	<b>Ending Estimated Available Cash Balance (7 + 8 - 9 -10)</b>	\$ -	\$ -	\$ -	\$ -	\$ 51,938	\$ 63,177		

Berkeley Recognized Obligation Payment Schedule (ROPS 15-16B) - Report of Prior Period Adjustments  
 Reported for the ROPS 14-15B (January 1, 2015 through June 30, 2015) Period Pursuant to Health and Safety Code (HSC) section 34186 (c)  
 (Report Amounts in Whole Dollars)

**ROPS 14-15B Successor Agency (SA) Self-reported Prior Period Adjustments (PPA):** Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 14-15B (January through June 2015) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 15-16B (January through June 2016) period will be offset by the SA's self-reported ROPS 14-15B prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures											Net SA Non-Admin and Admin PPA (Amount Used to Offset ROPS 15-16B Requested RPTTF)
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin						
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 14-15B distributed + all other available as of 01/1/15)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 14-15B distributed + all other available as of 01/1/15)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)	
		\$ 987,992	\$ 788,000	\$ 138,502	\$ 138,494	\$ 142,370	\$ 476,011	\$ 34,438	\$ 34,438	\$ 34,438	\$ 3,153	\$ 31,285	\$ 125,000	\$ 125,000	\$ 125,000	\$ 105,110	\$ 19,890	\$ 51,175	
1	2005 Tax Allocation	787,992	788,000	138,502	138,494	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	
2	Savo Island Loan	-	-	-	-	133,840	133,840	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	
3	\$1Million Bond - City Loan	-	-	-	-	8,530	342,171	22,438	22,438	\$ 22,438	-	\$ 22,438	-	-	-	-	-	\$ 22,438	
4	Delaware Street Historical Project	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	
6	Administration Costs	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	125,000	125,000	-	105,110	-	\$ -	
7	Financial Services	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	
8	Labor Agreement Obligations: Compensated Absence for Employees	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	
11	Contract for Consulting Svcs	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	
15	Contract for Consulting Svcs	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	
16	Contract for Consulting Svcs	-	-	-	-	-	-	10,000	10,000	\$ 10,000	1,228	\$ 8,772	-	-	-	-	-	\$ 8,772	
17	Contract for Consulting Svcs	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	
20	Capital Projects/ Vehicle Turning	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	
21	Capital Projects/ Bicycle Crossing	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	
22	Capital Projects/ Univ Ave Ped	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	
23	Capital Projects/ San Pablo Ped Improv	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	
24	Capital Projects/ Ped X-ing Gilman/5th&10th	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	
25	Capital Projects/Pave Sidewalks NW Berk	200,000	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	
26	Capital Projects/ Install Audible Signals	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	
27	Capital Projects/ ACT Stop @ Univ/SPA & 4th	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	-	-	\$ -	

Berkeley Recognized Obligation Payment Schedule (ROPS 15-16B) - Report of Prior Period Adjustments  
 Reported for the ROPS 14-15B (January 1, 2015 through June 30, 2015) Period Pursuant to Health and Safety Code (HSC) section 34186 (c)  
 (Report Amounts in Whole Dollars)

**ROPS 14-15B Successor Agency (SA) Self-reported Prior Period Adjustments (PPA):** Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 14-15B (January through June 2015) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 15-16B (January through June 2016) period will be offset by the SA's self-reported ROPS 14-15B prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures											Net SA Non-Admin and Admin PPA (Amount Used to Offset ROPS 15-16B Requested RPTTF)
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin						
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 14-15B distributed + all other available as of 01/1/15)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 14-15B distributed + all other available as of 01/1/15)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)	
		\$ 987,992	\$ 788,000	\$ 138,502	\$ 138,494	\$ 142,370	\$ 476,011	\$ 34,438	\$ 34,438	\$ 34,438	\$ 3,153	\$ 31,285	\$ 125,000	\$ 125,000	\$ 125,000	\$ 105,110	\$ 19,890	\$ 51,175	
28	Capital Projects/ ACT Stop @ SP/Cedar & Delaware	-		-		-		-		\$ -		\$ -						\$ -	
29	Contract for Consulting Svcs or Purchase Order	-		-		-		-		\$ -		\$ -						\$ -	
30	Purchase Order	-		-		-		2,000	2,000	\$ 2,000	1,925	\$ 75						\$ 75	