

RESOLUTION NO. SA-4

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY OF THE SCOTTS VALLEY REDEVELOPMENT AGENCY APPROVING A DRAFT INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

RECITALS:

A. AB X1 26 and AB X1 27 were signed by the Governor of California on June 29, 2011, making certain changes to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (the "Redevelopment Law"), including adding Part 1.8 (commencing with Section 34161) ("Part 1.8") and Part 1.85 (commencing with Section 34170) ("Part 1.85").

B. The California Redevelopment Association and League of California Cities filed a lawsuit in the Supreme Court of California (*California Redevelopment Association, et al. v. Matosantos, et al.* (Case No. S194861)) alleging that AB X1 26 and AB X1 27 are unconstitutional. On December 29, 2011, the Supreme Court issued its opinion in the Matosantos case largely upholding AB X1 26, invalidating AB X1 27, and holding that AB X1 26 may be severed from AB X1 27 and enforced independently.

C. The Supreme Court generally revised the effective dates and deadlines for performance of obligations in Part 1.85 arising before May 1, 2012, to take effect four months later.

D. As a result of the Supreme Court's decision, the Scotts Valley Redevelopment Agency (the "Redevelopment Agency"), a redevelopment agency in the City of Scotts Valley (the "City"), created pursuant to the Redevelopment Law, was dissolved pursuant to Part 1.85 on February 1, 2012.

E. By its Resolution No. 1873, adopted on January 11, 2012, the City Council of the City made an election to serve as the successor agency for the Redevelopment Agency under Part 1.85 (the "Successor Agency").

F. By its Resolution No. SA-1, adopted on February 1, 2012, the City Council, acting as the governing board for the Successor Agency, established rules and regulations applicable to the governance and operation of the Successor Agency, and pursuant to such resolution provided that the Successor Agency will be governed by a Board of Directors (the "Board") consisting of the members of the City Council of the City.

G. Health and Safety Code Section 34177(l), as modified by the California Supreme Court, provides that by March 1, 2012, the Successor Agency must prepare a draft initial Recognized Obligation Payment Schedule for the enforceable obligations of the former Redevelopment Agency, in accordance with the requirements of paragraph (l). The draft schedule must be reviewed and certified, as to its accuracy, by an external auditor designated at the county auditor-controller's direction pursuant to Health and Safety Code Section 34182. The certified Recognized Obligation Payment Schedule must be submitted to and approved by the oversight board. Finally, after approval by the oversight board, a copy of the approved Recognized Obligation Payment Schedule must be submitted to the county auditor-controller, the State Controller and the State Department of Finance ("DOF"), and be posted on the Successor Agency's web site. The first Recognized Obligation Payment Schedule submitted to the State Controller and the DOF will be for payments for the period of January 1, 2012 to June 30, 2012, inclusive.

H. Accordingly, the Board desires to adopt this Resolution approving a draft initial Recognized Obligation Payment Schedule in accordance with Paragraph G.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE SCOTTS VALLEY 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 34177.

Section 3. The Board hereby approves the draft initial Recognized Obligation Payment Schedule substantially in the form attached as Exhibit A to this Resolution and incorporated herein by reference (the "ROPS"). The Executive Director of the Successor Agency, in consultation with the Successor Agency's legal counsel, may modify the ROPS as the Executive Director or the Successor Agency's legal counsel deems necessary or advisable.

Section 4. The Board hereby designates Executive Director as the official to whom the DOF may make requests for review in connection with the ROPS and who shall provide the DOF with the telephone number and e-mail contact information for the purpose of communicating with the DOF.

Section 5. The officers and 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 submitting the certified Recognized Obligation Payment Schedule to the oversight board for approval, and any such actions previously taken by such officers are hereby ratified and confirmed.

PASSED AND ADOPTED this 29th day of February, 2012, at a special meeting of the Board of Directors of the Successor Agency of the Scotts Valley Redevelopment Agency, by the following vote:

AYES: AGUILAR, BUSTICHI, JOHNSON, LIND, REED

NOES: NONE

ABSTAIN: NONE

ABSENT: NONE



Donna Lind, Chair

ATTEST:



Tracy A. Ferrara, Secretary

EXHIBIT A

DRAFT INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE
Per AB 26 - Section 34177 (*)

Project Name / Debt Obligation	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2011-2012**	*** Funding Source	Payable from the Redevelopment Property Tax Tax Fund (RPTIF)							
							Payments by month							
							Jan 2012	Feb 2012	Mar 2012	Apr 2012	May 2012	Jun 2012	Total	
1) 2006 Tax Allocation Bonds	Bank of New York	Bonds issue to fund non-housing projects	Scotts Valley	7,717,462.50	539,940.00	RPTTF	273,353.75							\$ 273,353.75
2) 2009 Lease Rev Bonds Series A	Bank of New York	Bonds issue to fund non-housing projects	Scotts Valley	12,735,358.00	300,028.00	RPTTF			150,013.75					\$ 150,013.75
3) 2009 Lease Rev Bonds Series B	Bank of New York	Bonds issue to fund non-housing projects	Scotts Valley	7,414,347.00	262,458.00	RPTTF			131,229.38					\$ 131,229.38
4) 2003 Certificate of Participation	Bank of New York	Bonds issue to fund non-housing projects	Scotts Valley	1,753,889.00	46,102.00	RPTTF			46,102.00					\$ 46,102.00
5) 1997 Note Payable	Scotts Valley Water District	Note issue to fund non-housing projects	Scotts Valley	206,600.00	12,500.00	RPTTF					7,200.00			\$ 7,200.00
6) City Loan entered into on 9/18/91	City of Scotts Valley	Loan for operating costs and N/H projects	Scotts Valley	2,083,231.25	416,646.25	RPTTF						1,000,000.00		\$ 1,000,000.00
7) Furniture Invoice	One Work Place	Library Project	Scotts Valley	90,933.00	90,933.00	RPTTF		9,093.00						\$ 9,093.00
8) Reimbursement Agreement	City of Scotts Valley	Lease Payments	Scotts Valley	12,735,358.00	300,028.00	RPTTF			150,013.75					\$ 150,013.75
9) Furniture Invoice	Knoll, Inc	Library Project	Scotts Valley	2,788.57	2,788.57	RPTTF	2,045.08							\$ 2,045.08
10) Furniture Invoice	Motivational Systems	Library Project	Scotts Valley	30,830.60	24,732.85	RPTTF	6,097.75							\$ 6,097.75
11) Services Contract	Richards, Watson, Gershon	Legal Services - Bonds	Scotts Valley	50,000.00	25,000.00	RPTTF	4,681.50							\$ 4,681.50
12) Services Contract	Coastal Evergreen	Skypark	Scotts Valley	12,000.00	12,000.00	RPTTF	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	\$ 6,000.00
13) Board Stipends	Board of Directors	Board Meeting Stipends	Scotts Valley	2,550.00	2,550.00	RPTTF	450.00	300.00						\$ 750.00
14) Services Contract	Logan & Powell	Case # CIV467230	Scotts Valley	125,000.00	20,000.00	RPTTF			5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	\$ 20,000.00
15) Services Contract	First Alarm	Library Building	Scotts Valley	540.00	540.00	RPTTF	45.00	45.00	45.00	45.00	45.00	45.00	45.00	\$ 270.00
16) Utilities	AT&T	Library Building	Scotts Valley	384.00	384.00	RPTTF	32.00	32.00	32.00	32.00	32.00	32.00	32.00	\$ 192.00
17) Utilities	Scotts Valley Water District	Library Building	Scotts Valley	2,500.00	2,500.00	RPTTF	135.00							\$ 135.00
18) Services Contract	Pacific Air	Library Building - HVAC System	Scotts Valley	10,150.00	10,150.00	RPTTF		2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	\$ 10,000.00
19) Employee Salary & Benefits	Employees of Agency	Library Building - Landscape Maintenance	Scotts Valley	4,200.00	4,200.00	RPTTF	350.00	350.00	350.00	350.00	350.00	350.00	350.00	\$ 2,100.00
20) Utilities	PG&E	Library Building	Scotts Valley	1,770.00	1,770.00	RPTTF	115.00	150.00	150.00	150.00	150.00	150.00	150.00	\$ 865.00
21) Purchase Option Agreement	City of Santa Cruz	Purchase option for three parcels	Scotts Valley	60,000.00	15,000.00	RPTTF				15,000.00				\$ 15,000.00
22) Employee Salary & Benefits	Employees of Agency	Skypark Maintenance	Scotts Valley	60,370.00	60,370.00	RPTTF	5,030.00	5,030.00	5,030.00	5,030.00	5,030.00	5,030.00	5,030.00	\$ 30,180.00
23) Utilities	Scotts Valley Water District	Skypark Park	Scotts Valley	16,500.00	16,500.00	RPTTF	752.00	1,375.00	1,375.00	1,375.00	1,375.00	1,375.00	1,375.00	\$ 7,627.00
24) Services Contract	CG Uhlenberg LLP	Auditing services	Scotts Valley	12,000.00	12,000.00	RPTTF			12,000.00					\$ 12,000.00
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Totals - This Page (RPTIF Funding)				\$ 45,128,761.92	\$ 2,179,120.67	N/A	\$ 294,087.08	\$ 19,375.00	\$ 504,340.88	\$ 29,982.00	\$ 22,182.00	\$ 1,014,982.00	\$ 1,884,948.96	
Totals - Page 2 (Other Funding)				\$ -	\$ -	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Totals - Page 3 (Administrative Cost Allowance)				\$ 120,000.00	\$ 120,000.00	N/A	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 60,000.00	
Totals - Page 4 (Pass Thru Payments)				\$ 72,073,534.00	\$ 2,441,138.00	N/A	\$ -	\$ -	\$ -	\$ 1,365,197.00	\$ -	\$ -	\$ 1,365,197.00	
Grand total - All Pages				\$ 45,248,761.92	\$ 2,299,120.67		\$ 304,087.08	\$ 29,375.00	\$ 514,340.88	\$ 39,982.00	\$ 32,182.00	\$ 1,024,982.00	\$ 3,310,145.96	

* The Preliminary Draft Recognized Obligation Payment Schedule (ROPS) is to be completed by 3/1/2012 by the successor agency, and subsequently be approved by the oversight board and audited by the County.

** All totals due during fiscal year and payment amounts are projected.

*** Funding sources from the successor agency: (For fiscal 2011-12 only, references to RPTTF could also mean tax increment allocated to the Agency prior to February 1, 2012.)

RPTTF - Redevelopment Property Tax Trust Fund Bonds - Bond proceeds Other - reserves, rents, interest earnings, etc
 LMIFH - Low and Moderate Income Housing Fund Admin - Successor Agency Administrative Allowance

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE
Per AB 26 - Section 34177 (*)

	Project Name / Debt Obligation	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2011-2012**	Funding Source **	Payable from the Administrative Allowance Allocation							
								Payments by month							Total
								Jan 2012	Feb 2012	Mar 2012	Apr 2012	May 2012	Jun 2012		
1)	Employee Salary & Benefits	City of Scotts Valley	Payroll for City support staff to SA	Scotts Valley	60,000.00	60,000.00	Admin	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	\$ 30,000.00	
2)	Services Contract	Logan and Powell	Legal services for Successor Agency (SA)	Scotts Valley	60,000.00	60,000.00	Admin	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	\$ 30,000.00	
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Totals - This Page					\$ 120,000.00	\$ 120,000.00		\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 60,000.00	

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