

**BRENTWOOD OVERSIGHT BOARD
SPECIAL MEETING AGENDA
150 CITY PARK WAY, 2ND FLOOR
TERRACE VIEW CONFERENCE ROOM
MONDAY, JANUARY 23, 2017 – 4:00 P.M.**

Pursuant to Section 54956 of the California Government Code,
a special meeting of the Brentwood Oversight Board is hereby called for:
January 23, 2017, at 4:00 p.m. or as soon thereafter as possible

MEETING AGENDA

1. Call to Order and Roll Call
2. Public Comment – *At this time the public is permitted to address the Board on items that are **not** on the agenda. Persons addressing the Board are required to limit their remarks to five (5) minutes unless an extension of time is granted by the Board.*
3. Approval of minutes from January 20, 2016 (M. Wimberly)
4. Consideration of the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for July 2017 – June 2018, and authorizing the Director of Administrative Services and/or his designee, in consultation with Legal Counsel, to make minor adjustments thereto as necessary to secure approval of the ROPS and/or the Administrative Budget by the State Department of Finance and to submit the ROPS to the entities required pursuant to the Health and Safety Code (K. Breen/S. Agostini)
5. Suggestions for future agenda items
6. Adjournment

NOTICE

In compliance with the Americans with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available at the City Hall parking lot. If you are a person with a disability and you need disability-related modifications or accommodations to participate in this meeting, please contact the City Clerk's Office at (925) 516-5440 or fax (925) 516-5441. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. {28 CFR 35.102-35, 104 ADA Title II}

POSTING STATEMENT

On January 20, 2017, a true and correct copy of this notice was posted on the City Hall Bulletin Board, outside City Hall, 150 City Park Way, Brentwood, CA 94513 and at our website www.brentwoodca.gov



**Oversight Board
Special Meeting Minutes**

January 20, 2016

Brentwood City Hall

Terrace View Conference Room

Present: Steve Barr, Bob Brockman, Gus Vina, Bill Hill, Brian Swisher

Absent: Kevin Horan, Eric Volta

1. Call to Order – Chairman Bill Hill called the meeting to order at 4:02 p.m.
2. Public Comment – None.
3. Consideration of minutes from September 21, 2015 motion carried to approve the minutes by the following vote:

AYES:	Barr, Brockman, Hill, Swisher, Horan
NOES:	None
ABSENT:	Horan, Volta
ABSTAIN:	Vina

4. A Resolution of the Oversight Board to the Successor Agency to the Brentwood Redevelopment Agency Finding That Five Loan Agreements Between the City of Brentwood and the Former Brentwood Redevelopment Agency Were Made For Legitimate Redevelopment Purposes, And Approving Reinstatement of the Loan Agreements as Enforceable Obligations Pursuant to Health and Safety Code, Section 34191.4. (K. Breen)

Following a presentation of the staff report by Kerry Breen, Assistant Director of Administrative Services a discussion ensued.

Motion/seconded Brockman/Barr to adopt Resolution 2016-01 of the Oversight Board to the Successor Agency to the Brentwood Redevelopment Agency Finding That Five Loan Agreements Between the City of Brentwood and the Former Brentwood Redevelopment Agency Were Made For Legitimate Redevelopment Purposes, And Approving Reinstatement of the Loan Agreements as Enforceable Obligations Pursuant to Health and Safety Code, Section 34191.4. Motion carried by the following vote:

AYES:	Barr, Brockman, Vina, Hill, Swisher
NOES:	None
ABSENT:	Horan, Volta
ABSTAIN:	None

5. Consideration of the Administrative Budget and Recognized Obligation Payment Schedule (ROPS) 16-17 for July 2016 – June 2017 and authorizing the Interim Director of Administrative Services and/or his designee, in consultation with the City Attorney, to make minor adjustments thereto as necessary to secure approval of the ROPS and Administrative Budget by the State Department of Finance and to submit the ROPS to the entities required pursuant to the Health and Safety Code (K. Breen)

Following a presentation of the staff report by Kerry Breen, Assistant Director of Administrative Services a discussion ensued.

Motion/seconded Brockman/Barr to adopt Resolution 2016-02 of the Oversight Board Administrative Budget and Recognized Obligation Payment Schedule (ROPS) 16-17 for July 2016 – June 2017 and authorizing the Interim Director of Administrative Services and/or his designee, in consultation with the City Attorney, to make minor adjustments thereto as necessary to secure approval of the ROPS and Administrative Budget by the State Department of Finance and to submit the ROPS to the entities required pursuant to the Health and Safety Code . Motion carried by the following vote:

AYES:	Barr, Brockman, Vina, Hill, Swisher
NOES:	None
ABSENT:	Horan, Volta
ABSTAIN:	None

6. Suggestions for future agenda items. – None.
7. The meeting was adjourned at 4:35 p.m.

CITY OF BRENTWOOD OVERSIGHT BOARD Agenda Item 4

Meeting Date: January 23, 2017

Subject/Title: Consideration of the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for July 2017 – June 2018, and authorizing the Director of Administrative Services and/or his designee, in consultation with Legal Counsel, to make minor adjustments thereto as necessary to secure approval of the ROPS and/or the Administrative Budget by the State Department of Finance and to submit the ROPS to the entities required pursuant to the Health and Safety Code.

Submitted by: Sonia Agostini, Accountant II

Approved by: Kerry Breen, Director of Administrative Services

RECOMMENDATION

Adopt a Resolution approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for July 2017 – June 2018, and authorizing the Director of Administrative Services and/or his designee, in consultation with Legal Counsel, to make minor adjustments thereto as necessary to secure approval of the ROPS and/or the Administrative Budget by the State Department of Finance and to submit the ROPS to the entities required pursuant to the Health and Safety Code.

PREVIOUS ACTION

On January 20, 2016 the City of Brentwood Oversight Board adopted Resolution 2016-02 approving the Administrative Budget and ROPS 16-17 for the period of July 2016 – June 2017.

BACKGROUND

By law, a successor agency is required to prepare a forward looking ROPS which reports one year of successor agency financial obligations, commonly referred to as “Enforceable Obligations”. A successor agency may expend funds only for items on an approved ROPS. The ROPS presented for consideration this evening covers the July 2017 – June 2018 time period.

Should the ROPS be approved by the Oversight Board, it will then be remitted to the State Department of Finance (“DOF”) for their review. In the event of a dispute between the Successor Agency and the DOF regarding a line item on the ROPS the Successor Agency may request an additional review by the DOF, and has the opportunity to meet and confer on disputed items. The decision made by the DOF following a meet and confer session is considered the final administrative appeal, with litigation being the only means of settling any unresolved disputes following meet and confer sessions.

The DOF prescribes the method and form requirements for the ROPS, and has established the reporting template to be used by successor agencies. The DOF’s reporting application (Redevelopment Agency Dissolution Web Application or “RAD App”) allows agencies to validate a ROPS through their online portal prior to bringing it to the Oversight Board for approval, thus reducing the risks that the DOF may invalidate a ROPS due to an administrative or technical error after submission. In addition, the RAD App maintains a continuous numbering system for each enforceable obligation so that a single enforceable obligation will always be referred to by

the same reference number throughout the entirety of all future ROPS reports. The reporting template includes the following four interlinked reporting pages:

- Summary Page, which summarizes funding request totals from the ROPS line item detail pages and contains the signature section for the Certification of the Oversight Board Chairman;
- Cash Balances Page, which summarizes the amount of any excess funds available as of June 30, 2016 through a reconciliation of activity from the ROPS 15-16B (January 2016 – June 2016) time period;
- ROPS Detail Page, where all the individual enforceable obligations of the Successor Agency are listed, along with the funding requirements for the July 2017 – June 2018 timeframe; and
- Notes Page, which is an optional page where agencies can include additional clarifying information pertaining to any of the items listed on the ROPS Detail page.

The Successor Agency is reporting excess funds at June 30, 2016 on the Cash Balance page of \$100,000 relating to \$98,749 of unspent investment earnings received and \$1,251 of unspent Redevelopment Property Tax Trust Funds (RPTTF) remaining. The RPTTF unspent funds were allocated for investment and trustee fees which came in slightly under projections. These remaining balances will serve to reduce the Successor Agency's future RPTTF allocations, as the DOF requires remaining funds to be spent prior to future RPTTF allocations.

The ROPS Detail Page includes a total of \$2,748,074 of enforceable obligations for the July 2017 – June 2018 time frame. Of the obligations listed, a total of \$2,496,474 is necessary to meet debt service payment obligations; \$1,600 is for investment/trustee related expenses; and \$250,000 is for the Successor Agency's annual administrative allowance. These expenses have all been consistently approved by the DOF on prior ROPS. In the future there will be a reconciliation of the RPTTF allocation that the Successor Agency receives for ROPS 17-18 against expenses which actually occur. Funds received for expenses listed on the ROPS which do not actually occur will be deducted from future RPTTF allocations. In this way, the Successor Agency is only provided sufficient funds to meet actual, rather than projected, expenses.

As mentioned above, the ROPS contains the administrative budget for the Successor Agency. The Successor Agency's "administrative cost allowance", as defined and authorized pursuant to Health and Safety Code Section 34171(b), is a maximum reimbursement of \$250,000 for the entire 2017/18 fiscal year. In accordance with Health and Safety Code Section 34177(j)(1), the total estimated Successor Agency administrative costs for the 2017/18 fiscal year are expected to well exceed this limit and therefore the administrative budget for ROPS 17-18 is \$250,000. This budget, in accord with Health and Safety Code Section 34177(j)(2), proposes the source of payment for the administrative costs as the RPTTF established and maintained by the County Auditor-Controller pursuant to Health and Safety Code Section 34170.5(b).

Additionally, Health and Safety Code Section 34177(j)(3) requires proposals for arrangements for administration and operations services. The Successor Agency has arranged with the City of Brentwood to provide the staff services and office materials and equipment to administer the responsibilities of the Successor Agency, and will draw upon services of outside legal and financial consultants to provide special services for the wind-down of the former Brentwood Redevelopment Agency to the extent City staff lacks the necessary expertise or capacity.

FISCAL IMPACT

The adoption of the ROPS allows the Successor Agency to pay the obligations of the former Brentwood Redevelopment Agency in an orderly manner as the process of dissolution

continues. We expect the next receipt of the Redevelopment Property Tax Trust Fund payment to be received in January 2017, and those proceeds will be used to fund the latter six months of the ROPS 16-17 obligations, with a second payment to be received in June 2017 for the first six months of the ROPS 17-18 time period. The Administrative Budget allows for reimbursement of \$250,000 of administrative costs for the July 2017 – June 2018 time period. A total of \$250,000 in administrative cost reimbursements have been requested for 2017/18 fiscal year.

Attachments

Resolution

Exhibit "A" – Recognized Obligation Payment Schedule July 2017 - June 2018

RESOLUTION NO.

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE BRENTWOOD REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) AND ADMINISTRATIVE BUDGET FOR JULY 2017 – JUNE 2018 AND AUTHORIZING THE DIRECTOR OF ADMINISTRATIVE SERVICES AND/OR HIS DESIGNEE, IN CONSULTATION WITH LEGAL COUNSEL, TO MAKE MINOR ADJUSTMENTS THERETO AS NECESSARY TO SECURE APPROVAL OF THE ROPS AND/OR THE ADMINISTRATIVE BUDGET BY THE STATE DEPARTMENT OF FINANCE AND TO SUBMIT THE ROPS TO THE ENTITIES REQUIRED PURSUANT TO THE HEALTH AND SAFETY CODE.

WHEREAS, Section 34177 (l) and (m) of the Health and Safety Code require the successor agency to the former City of Brentwood Redevelopment Agency (“Successor Agency”) to submit to the State Department of Finance (“DOF”), the State Controller, and the Contra Costa County Auditor-Controller (“County Auditor”), by February 1, 2017, a Recognized Obligation Payment Schedule (ROPS) for the period July 1, 2017 through June 30, 2018; and

WHEREAS, the ROPS contains the enforceable obligation commitments of the Successor Agency for the July 2017 - June 2018 timeframe; and

WHEREAS, Health and Safety Code §34177(j) requires the Oversight Board to approve an Administrative Budget for administrative costs of the Successor Agency; and

WHEREAS, the Administrative Budget documents that the Successor Agency's "administrative cost allowance", as defined and authorized pursuant to Health and Safety Code Section 34171(b), is \$250,000 for the July 2017 - June 2018 time period; and

WHEREAS, the Successor Agency will report to the County Auditor-Controller that its administrative cost allowance to be paid from property taxes deposited in the Redevelopment Property Tax Trust Fund pursuant to Health and Safety Code Section 34183(a)(3) is the amount of \$250,000 for the July 2017 - June 2018 time period; and

WHEREAS, as authorized pursuant to Health and Safety Code Section 34183(a)(3), the proposed source of payment for the administrative costs is the Redevelopment Property Tax Trust Fund established and maintained by the County Auditor- Controller pursuant to Health and Safety Code Section 34170.5(b); and

WHEREAS, the Successor Agency has arranged with the City of Brentwood to provide the staff services, office materials and equipment to administer the responsibilities of the Successor Agency.

NOW, THEREFORE BE IT RESOLVED AS FOLLOWS:

1. The Recognized Obligation Payment Schedule for the period July 1, 2017 – June 30, 2018, in the forms attached to this resolution and incorporated herein by reference, is hereby approved.

2. The staff of the Successor Agency is hereby directed to submit the ROPS to the State Department of Finance, the State Controller and the Contra Costa County Auditor-Controller and post the ROPS on the Successor Agency’s website in accordance with Health and Safety Code Section 34177(l)(2)(C), and to cooperate with the DOF to the extent necessary to obtain the DOF’s acceptance of the each ROPS line item, including, if necessary, making

modifications to the ROPS determined by the Successor Agency's Director of Administrative Services, in consultation with Legal Counsel, to be reasonable and financially feasible to meet its legally required financial obligations.

3. The Oversight Board hereby approves the Administrative Budget for July 2017 - June 2018 in the amount of \$250,000 as required by Health and Safety Code §34177(j).

4. The Director of Administrative Services and/or his designee, on behalf of the Successor Agency, is hereby authorized and directed to undertake actions necessary to carry out the purposes of this Resolution including, without limitation, the execution of documents and all other actions, subject to any minor conforming, technical or clarifying changes approved to form by Legal Counsel.

5. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED by the Oversight Board for the Successor Agency to the City of Brentwood Redevelopment Agency at a special meeting held on January 23, 2017, by the following vote:

Recognized Obligation Payment Schedule (ROPS 17-18) - Summary

Filed for the July 1, 2017 through June 30, 2018 Period

Successor Agency: Brentwood
County: Contra Costa

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	17-18A Total (July - December)	17-18B Total (January - June)	ROPS 17-18 Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ 62,342	\$ -	\$ 62,342
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	62,342	-	62,342
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 1,799,968	\$ 885,764	\$ 2,685,732
F RPTTF	1,674,968	760,764	2,435,732
G Administrative RPTTF	125,000	125,000	250,000
H Current Period Enforceable Obligations (A+E):	\$ 1,862,310	\$ 885,764	\$ 2,748,074

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

Brentwood Recognized Obligation Payment Schedule (ROPS 17-18) - ROPS Detail

July 1, 2017 through June 30, 2018

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	17-18A (July - December)					Q	17-18B (January - June)					W	
											Fund Sources						Fund Sources						
											L	M	N	O	P		R	S	T	U	V		
																							Bond Proceeds
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 17-18 Total						17-18A Total						17-18B Total	
2	Bonds - Debt Service	Bond Reimbursement Agreements	9/27/2001	11/1/2031	U.S. Bank	2001 Tax Allocation Bond Debt Service	Merged	\$ 43,943,218		\$ 2,748,074						\$ 1,862,310						\$ 885,764	
								20,307,469	N	\$ 1,360,801			62,342	953,746		\$ 1,016,088					344,713		\$ 344,713
3	Bonds - Debt Service	Bond Reimbursement Agreements	10/1/2009	10/1/2039	U.S. Bank	2009 Lease Revenue Bond Debt Service	Merged	23,350,249	N	\$ 1,135,673				720,422		\$ 720,422					415,251		\$ 415,251
4	Enforceable Agreements - Debt Service Processing	Fees	9/22/1981	10/1/2039	City of Brentwood	Bond Debt Service Administration			Y														
5	Legally Binding - Administrative Cost Allowance	Admin Costs	7/1/2015	6/30/2016	City of Brentwood	Annual Administrative Cost Allowance	Merged	250,000	N	\$ 250,000					125,000	\$ 125,000					125,000		\$ 125,000
27	Enforceable Contracts - Trustee Fees	Fees	9/27/2001	10/1/2039	US Bank	Bond Trustee Fees	Merged		Y														
28	Enforceable Contracts - Investment Management Fees	Fees	1/1/2014	6/30/2016	Public Financial Management	Investment Management Fees	Merged	33,750	N	\$ 1,500				750		\$ 750					750		\$ 750
29	Enforceable Contracts - Investment Account Maint Fees	Fees	1/1/2014	6/30/2016	Bank of New York	Investment Account Maint Fee	Merged	1,750	N	\$ 100				50		\$ 50					50		\$ 50

**Brentwood Recognized Obligation Payment Schedule (ROPS 17-18) - Report of Cash Balances
(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	I	
		Fund Sources							
		Bond Proceeds		Reserve Balance		Other	RPTTF		
Cash Balance Information by ROPS Period		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	Comments	
ROPS 15-16B Actuals (01/01/16 - 06/30/16)									
1	Beginning Available Cash Balance (Actual 01/01/16)					129,692	1,485		
2	Revenue/Income (Actual 06/30/16) RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016					62,342	1,551,567		
3	Expenditures for ROPS 15-16B Enforceable Obligations (Actual 06/30/16)					93,285	1,551,801		
4	Retention of Available Cash Balance (Actual 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)								
5	ROPS 15-16B RPTTF Balances Remaining	No entry required							
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 98,749	\$ 1,251		

