



AGENDA
NEWMAN REDEVELOPMENT SUCCESSOR AGENCY
OVERSIGHT BOARD
REGULAR MEETING MAY 10, 2012
CITY COUNCIL CHAMBERS, 3:30 P.M., 1200 MAIN STREET

1. **Call To Order.**
2. **Roll Call.**
3. **Items from the Public - Non-Agenda Items.**
4. **Consent Calendar**
 - a. Approval Of Minutes Of The April 12, 2012 Regular Meeting. ([View Item](#))
5. **Regular Business**
 - a. Approval of the Recognized Obligation Payment Schedule (ROPS). ([View Item](#))
6. **Items From Board Members.**
7. **Items From The City Manager And Staff.**
8. **Adjournment.**



MINUTES
NEWMAN REDEVELOPMENT SUCCESSOR AGENCY
OVERSIGHT BOARD
REGULAR MEETING APRIL 12, 2012
CITY COUNCIL CHAMBERS, 3:30 P.M., 1200 MAIN STREET

1. **Call To Order** - 3:35 P.M.
2. **Roll Call** - **PRESENT:** A. DeMartini, J. DeMartini, Felt, Hutchins, Lucas And Ocasio.
ABSENT: Hunewill (Excused).
3. **Items from the Public - Non-Agenda Items** - None.

4. **Regular Business**

- a. Elections Of Oversight Board Chairperson And Vice-Chairperson.

ACTION: On Motion By Jim DeMartini And Unanimously Carried, The Oversight Board Elected Hutchins As Chairperson.

ACTION: On Motion By Anne DeMartini And Unanimously Carried, The Oversight Board Elected Ocasio As Vice-Chairperson.

- b. Historical Overview Of The Newman Redevelopment Agency.

Finance Director Humphries Provided The Oversight Board With A Overview And Recount Of The Newman Redevelopment Agency's Activities And History.

Anne DeMartini Noted That She Was Concerned About Outstanding Pass Through Payments.

- c. Approval of the Recognized Obligation Payment Schedule (ROPS).

Finance Director Reviewed The Recognized Obligation Payment Schedule.

ACTION: On Motion By Board Member Ocasio Seconded By Felt And Unanimously Carried, Resolution No. 2012-1, A Resolution Of The Newman Redevelopment Successor Agency Oversight Board Approving A Recognized Obligation Payment Schedule Pursuant To Health And Safety Code Section 34177(L), Was Adopted.

5. **Items From Board Members** - None.
6. **Items From The City Manager And Staff.**

Finance Director Humphries Discussed Future Items That The Oversight Board Would Need To Consider.

City Manager Holland Noted That The Next Oversight Board Meeting Was Scheduled For May 10th.

7. **Adjournment** - 4:32 P.M.

Honorable Chairman and Members of the
Newman Redevelopment Successor Agency
Oversight Board

**RESOLUTION OF THE NEWMAN REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD,
APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO
HEALTH AND SAFETY CODE SECTION 34177(I)**

RECOMMENDATION:

It is recommended that the Oversight Board adopt Resolution No. 2012- approving the Recognized Obligation Payment Schedule pursuant to Health and Safety Code section 34177(l).

BACKGROUND:

Pursuant to Health and Safety Code Section 34172, the Redevelopment Agency of the City of Newman ("Agency") was dissolved as of February 1, 2012. The City of Newman ("RDA Successor Agency") is the successor agency of the Agency. The Oversight Board is responsible for approving the actions of the RDA Successor Agency pursuant to Health and Safety Code Section 34179.

ANALYSIS:

One of the RDA Successor Agency's responsibilities pursuant to Health and Safety Code Section 34177(l) is to prepare a draft Recognized Obligation Payment Schedule ("ROPS") by May 11, 2012, listing all of the outstanding debts and obligations of the former Agency for the period from July 1, 2012, through December 31, 2012, submit the draft ROPS to the County Auditor-Controller for certification as to its accuracy, and submit the ROPS to the Oversight Board for approval.

The ROPS was prepared by the RDA Successor Agency and submitted to the Auditor-Controller as of May 7, 2012. The Auditor-Controller directed the RDA Successor Agency to submit the ROPS to the Oversight Board. It now requires Oversight Board approval in order to become effective pursuant to Health and Safety Code Sections 34177(l) and 34180(g). Once it is approved by the Oversight Board and becomes effective, the RDA Successor Agency may receive funds from the Auditor-Controller to pay the dissolved Agency's existing debts and obligations provided in the ROPS. Upon Oversight Board approval, the RDA Successor Agency should, prior to May 11, 2012, provide a copy of the approved ROPS to the Auditor-Controller, the State of California Controller and the DOF, and post the approved ROPS on the RDA Successor Agency's website.

Pursuant to Health and Safety Code Section 34179(h), because the DOF may review Oversight Board actions, the Oversight Board's action to approve the ROPS is not effective for three business days, pending a request for review by the DOF.

CEQA

The actions taken by enactment of this Resolution does not commit the Oversight Board to any actions that may have a significant effect on the environment. As a result, this action does not constitute a project subject to the requirements of the California Environmental Quality Act.

FISCAL IMPACT:

There is no impact to the Oversight Board. No funds are involved with the approval of the ROPS.

CONCLUSION:

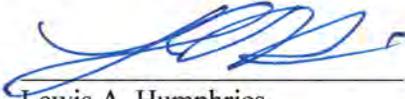
Staff recommends that the Oversight Board adopt Resolution No. 2012- approving the Recognized Obligation Payment Schedule.

ATTACHMENTS:

1. Resolution No. 2012-

2. Exhibit A – Recognized Obligation Payment Schedule pages 1-5

Respectfully submitted,



Lewis A. Humphries
Finance Director

REVIEWED/CONCUR



Michael Holland
City Manager

RESOLUTION NO. 2012-

**A RESOLUTION OF THE NEWMAN REDEVELOPMENT SUCCESSOR AGENCY
OVERSIGHT BOARD APPROVING A RECOGNIZED OBLIGATION PAYMENT
SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(I)**

WHEREAS, pursuant to Health and Safety Code Section 34173(d), the City of Newman (“RDA Successor Agency”) is the successor agency to the dissolved Redevelopment Agency of the City of Newman (“Agency”); and

WHEREAS, Health and Safety Code Section 34179(a) provides that each successor agency shall have an oversight board composed of seven members; and

WHEREAS, the Oversight Board is the RDA Successor Agency’s oversight board pursuant to Health and Safety Code Section 34179(a); and

WHEREAS, Health and Safety Code Section 34177(I)(2), as modified by the Supreme Court opinion in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861 (“Legal Action”), requires the RDA Successor Agency to prepare a “recognized obligation payment schedule” (“ROPS”) by May 11, 2012, listing outstanding obligations of the Agency to be performed by the RDA Successor Agency during the time period from July 1, 2012, through December 31, 2012; and

WHEREAS, Health and Safety Code Section 34177(I)(2) requires the RDA Successor Agency to submit the ROPS to either the County of Stanislaus Auditor-Controller, or its designee, for the auditor’s review and certification as to the accuracy of the ROPS; and

WHEREAS, Health and Safety Code Section 34177(I)(2) requires the RDA Successor Agency to submit the ROPS certified by the external auditor to the Oversight Board for approval and, upon such approval, the RDA Successor Agency is required to submit a copy of such approved ROPS to the County of Stanislaus Auditor-Controller, the California State Controller, and the State of California Department of Finance and post the Approved ROPS on the RDA Successor Agency’s website; and

WHEREAS, Health and Safety Code Section 34180(g) requires the Oversight Board to approve the RDA Successor Agency’s establishment of the ROPS prior to the RDA Successor Agency acting upon the ROPS; and

WHEREAS, RDA Successor Agency staff has prepared the ROPS and submitted it to the County of Stanislaus Auditor-Controller on May 7, 2012; and

WHEREAS, the County of Stanislaus Auditor-Controller has informed the RDA Successor Agency to submit the initial draft of the ROPS to the Oversight Board.

**NOW, THEREFORE, THE NEWMAN REDEVELOPMENT SUCCESSOR AGENCY
OVERSIGHT BOARD DOES HEREBY RESOLVE AS FOLLOWS:**

Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

CEQA Compliance. The approval of the ROPS through this Resolution does not commit the Oversight Board to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

Approval of the ROPS. The Oversight Board hereby approves and adopts the ROPS, in substantially the form attached to this Resolution as Exhibit A, pursuant to Health and Safety Code Section 34177.

Implementation. The Oversight Board hereby directs the RDA Successor Agency to submit copies of the ROPS approved by the Oversight Board to the County of Stanislaus Auditor-Controller, the State of California Controller and the State of California Department of Finance after the effective date of this Resolution or, if the State of California Department of Finance requests review of the ROPS prior to the effective date of this Resolution, upon approval of the ROPS by the State of California Department of Finance, and prior to May 11, 2012, and to post the ROPS on the RDA Successor Agency's website.

Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that the Oversight Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Certification. The City Clerk of the City of Newman, acting on behalf of the Oversight Board as its Secretary, shall certify to the adoption of this Resolution.

Effective Date. Pursuant to Health and Safety Code Section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective for three (3) business days, pending a request for review by the State of California Department of Finance.

The foregoing resolution was introduced at a regular meeting of the Newman Redevelopment Successor Agency Oversight Board held on the 10th of May, 2012 by Board Member _____, who moved its adoption, which motion was duly seconded and it was upon roll call carried and the resolution adopted by the following roll call vote:

AYES:
NOES:
ABSENT:

APPROVED:

Chairman of the Newman Redevelopment
Successor Agency Oversight Board

ATTEST:

Secretary of the Newman Redevelopment
Successor Agency Oversight Board

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE - CONSOLIDATED
FILED FOR THE JULY TO DECEMBER PERIOD**

Name of Successor Agency Newman Redevelopment Successor Agency

	Current	
	Total Outstanding Debt or Obligation	Total Due During Fiscal Year
Outstanding Debt or Obligation	\$ 9,502,265.02	\$ 1,195,925.84
	Total Due for Six Month Period	
Outstanding Debt or Obligation	\$ 769,358.01	
Available Revenues other than anticipated funding from RPTTF	\$ -	
Enforceable Obligations paid with RPTTF	\$ 648,496.38	
Administrative Cost paid with RPTTF	\$ 120,861.63	
Pass-through Payments paid with RPTTF	\$ -	
Administrative Allowance (greater of 5% of anticipated Funding from RPTTF or 250,000. Note: Calculation should not include pass-through payments made with RPTTF. The RPTTF Administrative Cost figure above should not exceed this Administrative Cost Allowance figure)	\$ 250,000.00	

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

Name Title

Signature Date

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

Project Name / Debt Obligation	Contract/Agreement Execution Date	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2012-2013**	*** Funding Source	Payable from the Redevelopment Property Tax Trust Fund (RPTTF)							
								Payments by month							Total
								Jul 2012	Aug 2012	Sept 2012	Oct 2012	Nov 2012	Dec 2012		
1) 1997 Tax Allocation Bonds	12/2/1997	US Bank	Bond Payment	Project No. 1	3,460,672.02	250,297.51	RPTTF	0.00	189,289.38	0.00	0.00	0.00	0.00	0.00	\$ 189,289.38
2) ABX4-36 SERAF Payments	5/2012 & 5/2011	Newman LMIHF - 74	LMIHF loan to RDA from SERAF Payments	Project No. 1	485,822.00	274,904.20	RPTTF	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ -
3) Borrowed Funds from Cash Pool	since 2009/2010 FY	City of Newman	Negative Cash Position	Project No. 1	299,207.00	299,207.00	RPTTF	299,207.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ 299,207.00
4) LMIH Project w/ Housing Auth.	3/1/2011	Housing Authority	Housing Auth. 60 units of LMIH	Project No. 1	250,000.00	50,000.00	RPTTF	50,000.00	0.00	0.00	0.00	0.00	0.00	0.00	\$ 50,000.00
5) Fee Offset Fund	4/1/2011	SCM	Fee Offset for Sherman Ranch Subdiv.	Project No. 1	125,000.00	50,000.00	RPTTF	0.00	0.00	0.00	0.00	0.00	50,000.00	\$ 50,000.00	
6) Loan from Stanislaus Cnty for Plaza	1/1/2010	Stanislaus County	Stanislaus Cnty Economic Dev. Bank Loan	Project No. 1	300,000.00	60,000.00	RPTTF	60,000.00	0.00	0.00	0.00	0.00	0.00	\$ 60,000.00	
7)															\$ -
8)															\$ -
9)															\$ -
10)															\$ -
11)															\$ -
12)															\$ -
13)															\$ -
14)															\$ -
15)															\$ -
16)															\$ -
17)															\$ -
18)															\$ -
19)															\$ -
20)															\$ -
21)															\$ -
22)															\$ -
23)															\$ -
24)															\$ -
25)															\$ -
26)															\$ -
27)															\$ -
28)															\$ -
29)															\$ -
30)															\$ -
31)															\$ -
32)															\$ -
Totals - This Page (RPTTF Funding)					\$ 4,920,701.02	\$ 984,408.71	N/A	\$ 409,207.00	\$ 189,289.38	\$ -	\$ -	\$ -	\$ 50,000.00	\$ 648,496.38	
Totals - Page 2 (Other Funding)					\$ -	\$ -	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Totals - Page 3 (Administrative Cost Allowance)					\$ 4,581,564.00	\$ 211,517.13	N/A	\$ 37,841.05	\$ 11,867.25	\$ 23,708.92	\$ 11,868.25	\$ 11,867.25	\$ 23,708.91	\$ 120,861.63	
Totals - Page 4 (Pass Thru Payments)					\$ -	\$ -	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Grand total - All Pages					\$ 9,502,265.02	\$ 1,195,925.84		\$ 447,048.05	\$ 201,156.63	\$ 23,708.92	\$ 11,868.25	\$ 11,867.25	\$ 73,708.91	\$ 769,358.01	

* 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 before the final ROPS is submitted to the State Controller and State Department of Finance by April 15, 2012. It is not a requirement that the Agreed Upon Procedures Audit be completed before submitting the final Oversight Approved ROPS to the State Controller and State Department of Finance.
 ** 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
 LMIHF - 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	Contract/Agreement Execution Date	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2012-2013**	Funding Source ***	Payable from Other Revenue Sources						Total
									Payments by month						
									Jul 2012	Aug 2012	Sept 2012	Oct 2012	Nov 2012	Dec 2012	
1)															\$ -
2)															\$ -
3)															\$ -
4)															\$ -
5)															\$ -
6)															\$ -
7)															\$ -
8)															\$ -
9)															\$ -
10)															\$ -
11)															\$ -
12)															\$ -
13)															\$ -
14)															\$ -
15)															\$ -
16)															\$ -
17)															\$ -
18)															\$ -
19)															\$ -
20)															\$ -
21)															\$ -
22)															\$ -
23)															\$ -
24)															\$ -
25)															\$ -
26)															\$ -
27)															\$ -
28)															\$ -
29)															\$ -
30)															\$ -
31)															\$ -
32)															\$ -
33)															\$ -
Totals - LMIHF															\$0.00
Totals - Bond Proceeds															\$0.00
Totals - Other															\$0.00
Grand total - This Page						\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

* 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 before the final ROPS is submitted to the State Controller and State Department of Finance by April 15, 2012. It is not a requirement that the Agreed Upon Procedures Audit be completed before submitting the final Oversight Approved ROPS to the State Controller and State Department of Finance.

** All total 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

LMIHF - 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 2012-2013**	Funding Source **	Payable from the Administrative Allowance Allocation ****							
							Payments by month							Total
							Jul 2012	Aug 2012	Sept 2012	Oct 2012	Nov 2012	Dec 2012		
1) Employee Costs	Employees of Agency	Payroll Costs	Project No. 1	2,517,664.50	129,111.00	Admin	10,759.25	10,759.25	10,759.25	10,759.25	10,759.25	10,759.25	\$ 64,555.50	
2) Project Administration Costs	City of Newman	Project Administration Costs - Gen Alloc	Project No. 1	1,399,300.50	38,900.00	Admin	0.00	0.00	9,725.00	0.00	0.00	9,725.00	\$ 19,450.00	
3) Audit and Financial Reports	Clendenin Bird & Co., P.C.	Audit Services	Project No. 1	175,500.00	6,350.00	Admin	2,116.67	0.00	2,116.67	0.00	0.00	2,116.66	\$ 6,350.00	
4) Theatre Operation	City of Newman	Maintenance of Theatre	Project No. 1	165,750.00	8,500.00	Admin	709.00	708.00	708.00	709.00	708.00	708.00	\$ 4,250.00	
5) Property Tax Admin	Stanislaus County	Property Tax Admin for Collection	Project No. 1	229,749.00	23,856.13	Admin	23,856.13	0.00	0.00	0.00	0.00	0.00	\$ 23,856.13	
6) Industrial Park Operations	PG&E	Gas & Electric for Industrial Park	Project No. 1	93,600.00	4,800.00	Admin	400.00	400.00	400.00	400.00	400.00	400.00	\$ 2,400.00	
7)													\$ -	
8)													\$ -	
9)													\$ -	
10)													\$ -	
11)													\$ -	
12)													\$ -	
13)													\$ -	
14)													\$ -	
15)													\$ -	
16)													\$ -	
17)													\$ -	
18)													\$ -	
19)													\$ -	
20)													\$ -	
21)													\$ -	
22)													\$ -	
23)													\$ -	
24)													\$ -	
25)													\$ -	
26)													\$ -	
27)													\$ -	
28)													\$ -	
Totals - This Page				\$ 4,581,564.00	\$ 211,517.13		\$ 37,841.05	\$ 11,867.25	\$ 23,708.92	\$ 11,868.25	\$ 11,867.25	\$ 23,708.91	\$120,861.63	

* 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 before the final ROPS is submitted to the State Controller and State Department of Finance by April 15, 2012. It is not a requirement that the Agreed Upon Procedures Audit be completed before submitting the final Oversight Approved ROPS to the State Controller and State Department of Finance.

** All total 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
 LMIHF - Low and Moderate Income Housing Fund Admin - Successor Agency Administrative Allowance

**** - Administrative Cost Allowance caps are 5% of Form A 6-month totals in 2011-12 and 3% of Form A 6-month totals in 2012-13. The calculation should not factor in pass through payments paid for with RPTTF in Form D.

