

RESOLUTION NO. 2021-02

RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 21-22 (“ROPS 21-22”) AND FISCAL YEAR 2021-22 ADMINISTRATIVE BUDGET OF THE SUCCESSOR AGENCY TO THE FORMER EAST PALO ALTO REDEVELOPMENT AGENCY (RDA)

WHEREAS, California Health and Safety Code (HSC) Section 34177 requires the Successor Agencies to prepare a Recognized Obligation Payment Schedule (“ROPS”) for each 12-month fiscal period, which lists the outstanding obligations of the former RDA and states the sources of funds for required payments; and

WHEREAS, the Successor Agency to the Former East Palo Alto Redevelopment Agency has prepared a draft ROPS for the period July 1, 2021 to June 30, 2022, referred to as “ROPS 21-22”, claiming a total enforceable obligation amount of \$3,087,210; and

WHEREAS, pursuant to HSC Section 34180(g) the Oversight Board must approve the establishment of each ROPS; and

WHEREAS, California HSC Section 34177 requires the Successor Agencies to prepare an administrative budget for Oversight Board approval; and

WHEREAS, the Successor Agency to the Former East Palo Alto Redevelopment Agency has prepared an administrative budget for the period July 1, 2021 to June 30, 2022, for \$40,000; and

WHEREAS, California HSC Section 34179(e) requires all action items of Countywide Oversight Boards, including the San Mateo County Countywide Oversight Board, be accomplished by resolution.

NOW, THEREFORE, BE IT RESOLVED, the San Mateo County Countywide Oversight Board hereby approves the East Palo Alto Successor Agency ROPS 21-22 and the East Palo Alto Successor Agency Fiscal Year 21-22 Administrative Budget, attached hereto as Exhibits A and B and incorporated herein by this reference;

BE IT FURTHER RESOLVED, that the Oversight Board directs the Successor Agency to submit the ROPS 21-22 to the State Department of Finance upon approval by the Oversight Board.

* * *

Exhibit A – East Palo Alto Successor Agency’s Recognized Obligation Payment Schedule 21-22
Exhibit B – East Palo Alto Successor Agency’s FY 2021-22 Administrative Budget

Regularly passed and adopted this 11th day of January, 2021

AYES and in favor of said resolution:

Members:

MARK ADDIEGO

CHUCK BERNSTEIN

TOM CASEY

BARBARA CHRISTENSEN

MARK LEACH

JIM SACO

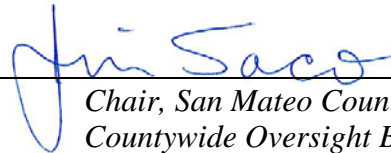
NOES and against said resolution:

Member(s):

NONE

Absent Member(s):

DENISE PORTERFIELD


Chair, San Mateo County
Countywide Oversight Board

Certificate of Delivery

I certify that a copy of the original resolution filed in the Office of the Clerk of the Board of Supervisors of San Mateo County has been delivered to the Chair of San Mateo County Countywide Oversight Board.



Assistant Clerk of the Board of Supervisors

**Recognized Obligation Payment Schedule (ROPS 21-22) - Summary
Filed for the July 1, 2021 through June 30, 2022 Period**

Successor Agency: East Palo Alto

County: San Mateo

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	21-22A Total (July - December)	21-22B Total (January - June)	ROPS 21-22 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ 28,436	\$ -	\$ 28,436
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	28,436	-	28,436
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 900,234	\$ 2,158,540	\$ 3,058,774
F RPTTF	875,234	2,143,540	3,018,774
G Administrative RPTTF	25,000	15,000	40,000
H Current Period Enforceable Obligations (A+E)	\$ 928,670	\$ 2,158,540	\$ 3,087,210

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.

Jim Saco, Chair

Name

Title

/s/ 

Signature

January 11, 2021

Date

East Palo Alto
Recognized Obligation Payment Schedule (ROPS 21-22) - ROPS Detail
July 1, 2021 through June 30, 2022

Exhibit A - Page 2 of 4

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 21-22 Total	ROPS 21-22A (Jul - Dec)					21-22A Total	ROPS 21-22B (Jan - Jun)					21-22B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$25,940,828		\$3,087,210	\$-	\$-	\$28,436	\$875,234	\$25,000	\$928,670	\$-	\$-	\$-	\$2,143,540	\$15,000	\$2,158,540
1	Repayment Agreement (06/1989)	City/County Loan (Prior 06/28/11), Cash exchange	06/19/1989	01/18/2045	City of East Palo Alto	Loan for Operation Advances	R	2,052,040	N	\$1,075,145	-	-	28,436	596,709	-	\$625,145	-	-	-	450,000	-	\$450,000
3	Repayment Agreement (02/1995)	City/County Loan (Prior 06/28/11), Property transaction	02/21/1995	01/18/2045	City of East Palo Alto	Debt for Land Sold to Agency	G	4,022,007	N	\$330,515	-	-	-	-	-	\$-	-	-	-	330,515	-	\$330,515
11	Operating Subsidy Loan	Business Incentive Agreements	05/04/2004	01/01/2026	Bay Road Housing LP	Courtyard Affordable Housing	G, UC	300,000	N	\$60,000	-	-	-	-	-	\$-	-	-	-	60,000	-	\$60,000
12	Bank Charges for Bond Fiscal Agent Management	Fees	10/28/1999	01/01/2032	Wells Fargo Bank Trust	Trustee administrative charges	G, UC	71,000	N	\$5,500	-	-	-	5,500	-	\$5,500	-	-	-	-	-	\$-
15	Administrative Costs	Admin Costs	02/01/2012	06/30/2045	City of East Palo Alto and 3rd Party Vendors	Administrative Allowance	G, UC, R	585,000	N	\$40,000	-	-	-	-	25,000	\$25,000	-	-	-	-	15,000	\$15,000
20	2015 Tax Allocation Refunding Bonds, Series A	Bonds Issued After 12/31/10	10/28/1999	10/01/2032	Wells Fargo Bank Trust	Refunding of 1999 and 2003 Series A TABS	G, UC	18,910,781	N	\$1,576,050	-	-	-	273,025	-	\$273,025	-	-	-	1,303,025	-	\$1,303,025

East Palo Alto
Recognized Obligation Payment Schedule (ROPS 21-22) - Report of Cash Balances
July 1, 2018 through June 30, 2019
(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.							
A	B	C	D	E	F	G	H
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
	ROPS 18-19 Cash Balances (07/01/18 - 06/30/19)	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	Comments
1	Beginning Available Cash Balance (Actual 07/01/18) RPTTF amount should exclude "A" period distribution amount.			1,395,148	57,388		Includes debt service trust balance of \$1,188,075.
2	Revenue/Income (Actual 06/30/19) RPTTF amount should tie to the ROPS 18-19 total distribution from the County Auditor-Controller				28,436	2,549,750	
3	Expenditures for ROPS 18-19 Enforceable Obligations (Actual 06/30/19)			129,573	5,827	2,439,050	
4	Retention of Available Cash Balance (Actual 06/30/19) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			1,265,575	51,561	50,700	\$50,700 to debt service trust balance.
5	ROPS 18-19 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 18-19 PPA form submitted to the CAC			No entry required		60,000	
6	Ending Actual Available Cash Balance (06/30/19) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$-	\$28,436	\$-	

East Palo Alto
Recognized Obligation Payment Schedule (ROPS 21-22) - Notes
July 1, 2021 through June 30, 2022

Item #	Notes/Comments
1	Obligation Balances assume all ROPS 20-21 paid.
3	
11	
12	
15	
20	

Exhibit B - Page 1 of 2

SUCCESSOR AGENCY CITY OF EAST PALO ALTO								
ADMINISTRATIVE BUDGET								
ROPS Period		19-20			20-21		21-22	
Obligations Period		July 2019-June 2020			July 2020-June 2021		July 2021-June 2022	
Total Outstanding Obligations (\$)								
Total Number of Outstanding Obligations								
Staff	Description	Requested	Actual ¹	Variance ¹	Requested	Requested ²	Variance	Comment/Explanation for Variance
Finance Director	ROPS, Legal, DOF, Budget	6,900	3,817	3,083	5,000	5,500	500	See Exhibit C
Finance Manager	GL, Audits, Monitoring	6,400	3,279	3,121	5,400	6,750	1,350	See Exhibit C
Acct. Technician II	Audit, Deposits, Payments	-	1,572	(1,572)	500	2,100	1,600	See Exhibit C
IT Technician	Website Improvement	710	-	710	-	-	-	
SA Administrative	Transactions, SA Meetings	3,600	-	3,600	-	-	-	
Sub-Total (Personnel Costs)		\$ 17,610	\$ 8,668	\$ 8,942	\$ 10,900	\$ 14,350	\$ 3,450	
Vendor/Payee	Description	Requested	Actual	Variance	Requested	Requested ²	Variance	
Goldfarb Lipman	Legal Fees	8,000	4,766	3,234	7,500	7,500	-	See Exhibit C
Badawi	Audit	-	1,500	(1,500)	1,500	2,430	930	See Exhibit C
TBD	AV Analysis	6,500	-	6,500	3,500	1,525	(1,975)	
Willdan	Debt Compliance	-	2,175	(2,175)	2,240	2,900	660	
Cost Overhead	Other Costs, OH	17,890	32,891	(15,001)	14,360	11,295	(3,065)	See Exhibit C
Sub-Total (Other Costs)		\$ 32,390	\$ 41,332	\$ (8,942)	\$ 29,100	\$ 25,650	\$ (3,450)	
Grand Total		\$ 50,000	\$ 50,000	\$ (0)	\$ 40,000	\$ 40,000	\$ -	

*Please specify budget methodology (Cost Allocation, Time Study etc):
Combination Time Study and Cost Allocation*

OB Staff Notes

1. SA provided supporting documents for 19-20 actual costs which OB staff reviewed.
2. Amount requested is within the applicable Administrative Cost Allowance provided under Health and Safety Code Section 34171(b) - See next page.

Exhibit B - Page 2 of 2

Successor Agency of the Former East Palo Alto RDA H&S 34171(b) Successor Agency Administrative Cost Allowance Review FY 2020-21

Pursuant to H&S 34171(b), annual Successor Agency administrative costs are limited to the greater of \$250,000 or 3% of property tax distributed to the Successor Agency to pay enforceable obligations in the preceding fiscal year, as reduced by the administrative cost allowance (ACA) and loan repayments to the sponsoring entity. In addition, administrative costs are not to exceed 50% of property taxes allocated for enforceable obligations in the preceding fiscal year, as reduced by the ACA and any loan repayments made to the sponsoring entity.

Maximum Administration Cost Allowance

Non-Admin RPTTF Allocated in Preceding Fiscal Year

ROPS 20-21A - (July to December)	\$ 1,906,899
ROPS 20-21B - (January to June)	1,977,023
Less: Sponsoring Entity Loan Repayment:	<u>(2,313,622)</u>
Non-Admin RPTTF, excluding sponsoring entity loans	(A) <u>\$ 1,570,300</u>

3% of RPTTF Distributed (B) = (A)*(3%) (B) \$ 47,109

50% of RPTTF Distributed (C) = (A)*(50%) (C) \$ 785,150

Not To Exceed Amount (D) \$ **250,000**

If (B) exceeds \$250,000, then (B), otherwise lesser of (C) and \$250,000

Reported SA Admin Cost

ROPS 21-22A - (July to December)	25,000
ROPS 21-22B - (January to June)	<u>15,000</u>
(E) \$	<u>40,000</u>
Amount Exceeded, (E) - (D)	<u>\$ -</u>