



Agenda Item No: 8 a.

Meeting Date: June 18, 2012

**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

Department: City Manager

Prepared by: Stephanie Lovette *SL*  
Economic Development Manger

City Manager Approval: *M. Michelle*

**SUBJECT: RESOLUTION OF THE SAN RAFAEL CITY COUNCIL, ACTING AS THE SUCCESSOR TO THE SAN RAFAEL REDEVELOPMENT AGENCY, APPROVING AN AMENDED ENFORCEABLE OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF AUGUST –DECEMBER 2011 AND APPROVING A SECOND AMENDED ENFORCEABLE OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JANUARY-JUNE 2012**

**RECOMMENDATION:** Adopt a resolution of the City Council, in the capacity as governing board of the successor agency to the former Redevelopment Agency: (1) approving an Amended Enforceable Obligation Payment Schedule for the period of August-December 2011; (2) approving the Second Amended Recognized Obligation Payment Schedule for the period of January-June 2012 and authorizing the City Manager to take such actions and execute such other documents as are appropriate to effectuate the intent of the resolution.

**OVERVIEW:** The California state legislature enacted Assembly Bill x1 26 (the “Dissolution Act”) to dissolve redevelopment agencies formed under the Community Redevelopment Law. The California Supreme Court in its decision in *California Redevelopment Association v. Matosantos*, issued December 29, 2011 (the “Supreme Court Decision”), declared the Dissolution Act to be constitutional. Under the Dissolution Act, all California redevelopment agencies were dissolved effective February 1, 2012, and various actions are now required by successor agencies to unwind the affairs of all former redevelopment agencies.

**BACKGROUND:** On January 3, 2012 the City Council of the City of San Rafael (the “City Council”) adopted a resolution accepting for the City the role of successor agency (the “Successor Agency”) to the Redevelopment Agency of the City of San Rafael (the “Redevelopment Agency”). An oversight board (the “Oversight Board”), consisting of members representing the County, the City, and various education and special districts, was formed to approve and direct certain actions of the City as Successor Agency. The actions of the Oversight Board must be approved by the California Department of Finance.

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**FOR CITY CLERK ONLY**

File No.: \_\_\_\_\_

Council Meeting: \_\_\_\_\_

Disposition: \_\_\_\_\_

On January 30, 2012, the Redevelopment Agency Board, in accordance with the Dissolution Act, adopted an amended Enforceable Obligations Payment Schedule (the "EOPS") listing all of the Redevelopment Agency's enforceable obligations for payments required to be made by the Redevelopment Agency through June 30, 2012.

The City as Successor Agency adopted an Amended EOPS on March 5, 2012. The Successor Agency also adopted the first Recognized Obligation Payment Schedule ("the First ROPS") and an administrative budget for the period of January-June 2012 on the same date.

Agency staff also prepared the second Recognized Obligation Payment Schedule and an administrative budget for the period of July-December 2012 (the "Second ROPS").

The Oversight Board met on May 9, 2012 and approved certain items on the First ROPS, the Second ROPS and the administrative budgets for January-June and July-December 2012. The partially approved First and Second ROPS and the administrative budgets were also approved by the California Department of Finance.

**DISCUSSION:** The EOPS has been superseded by the ROPS. At this time, the Agency may only fund transactions that are listed on the ROPS and approved by the Oversight Board and the Department of Finance.

The County and the State are in the process of auditing all former redevelopment agencies for financial transactions that occurred prior to the adoption of the ROPS and assessing those transactions against the EOPS that were prepared in August 2011 and January 2011. Staff has been advised to update the EOPS' to include the month of January and to list specific payees for certain items that were listed categorically. These changes are reflected in the Amended EOPS'. The total obligations shown on the Amended EOPS' does not exceed the obligations listed on the previous EOPS'.

**FISCAL IMPACT:** Approval of the Amended EOPS' will provide a better facilitate the ability of the City as Successor Agency to verify the payments that were made on enforceable obligations in the month of January 2012.

**OPTIONS:**

- Adopt the Resolution
- Modify the Resolution
- Request further information
- Reject the staff recommendation

**ACTION REQUIRED:** Staff recommends that the Council adopt the Resolution.

**ATTACHMENTS:**

Attachment A – Amended Enforceable Obligation Payment Schedule for the period of August-December 2011

Attachment B - Amended Enforceable Obligation Payment Schedule for the period of January-June 2012

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE SAN RAFAEL CITY COUNCIL, ACTING  
AS THE SUCCESSOR TO THE SAN RAFAEL  
REDEVELOPMENT AGENCY, APPROVING AN AMENDED  
ENFORCEABLE OBLIGATION PAYMENT SCHEDULE FOR  
THE PERIOD OF AUGUST –DECEMBER 2011 AND APPROVING  
A SECOND AMENDED ENFORCEABLE OBLIGATION  
PAYMENT SCHEDULE FOR THE PERIOD OF JANUARY-JUNE  
2012**

WHEREAS, pursuant to the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*; the "Redevelopment Law"), the City Council (the "City Council") of the City of San Rafael (the "City") adopted the Redevelopment Plan for the Central San Rafael Redevelopment Project Area by Ordinance No. 1079, on November 20, 1972 (as amended from time to time, the "Redevelopment Plan"); and

WHEREAS, the San Rafael Redevelopment Agency (the "Agency") is responsible for implementing the Redevelopment Plan pursuant to the Redevelopment Law; and

WHEREAS, ABx1 26 (the "Dissolution Act") was enacted on June 28, 2011; and

WHEREAS, through its December 29, 2011 decision in the case of *California Redevelopment Association v. Matosantos* - (the "Supreme Court Decision"), the California Supreme Court declared the Dissolution Act to be constitutional and revised certain dates for performance of actions under the Dissolution Act; and

WHEREAS, the Dissolution Act provides for dissolution of the Agency as of February 1, 2012, at which time the assets and payment obligations (defined in the Dissolution Act as "Enforceable Obligations") of the dissolving Agency will be transferred to the City, acting in its capacity as "Successor Agency" (as defined in the Dissolution Act) to the dissolving Agency; and

WHEREAS, pursuant to Section 34167(h) and Section 34177(a) of the Redevelopment Law (as added by the Dissolution Act), after August 29, 2011 and until the first "Recognized Obligation Payment Schedule" (as defined in the Dissolution Act) is operative, the Agency or the Successor Agency, as applicable, can only make payments on Enforceable Obligations listed and required on an "Enforceable Obligation Payment Schedule" (as defined in the Dissolution Act); and

WHEREAS, in accordance with the foregoing requirements, the Agency adopted its Enforceable Obligation Payment Schedule for the period of August-December 2011 on September 6, 2011, by Resolution 2011-11 (the "Initial Schedule"), and transmitted the adopted Initial Schedule to the Marin County Auditor-Controller, the State Controller, and the State Department of Finance, all in accordance with Section 34169(g) of the Redevelopment Law; and

WHEREAS, On January 30, 2012, the Agency amended its previously adopted Initial Schedule to include obligations through June 2012, in the form of a First Amended Enforceable Obligation Payments Schedule (the "First Amended Schedule"), in order to facilitate an orderly transfer of its Enforceable Obligations payment responsibilities on February 1, 2012 to the City, acting in its capacity as Successor Agency to the Agency, and as authorized pursuant to Section 33169(g)(2) of the Redevelopment Law;

WHEREAS, the Successor Agency desires to amend its previously adopted Initial Schedule for the period of August-December 2011 (the "Amended Initial Schedule"), pursuant to advice from the Agency Auditor.

WHEREAS, the Successor Agency desires to amend its previously adopted the First Amended Schedule, for the period ending June 2012, to add the month of January 2012 pursuant to advice from the Agency auditor; and

WHEREAS under Title 14 of the California Code of Regulations, Section 15378(b)(4), the approval of the Amended Initial Schedule, and the Second Amended Schedules, (collectively, the "Amended Schedules") are exempt from the requirements of the California Environmental Quality Act ("CEQA") in that it is not a project, but instead consists of the continuation of an existing governmental funding mechanism for potential future projects and programs, and does not commit funds to any specific project or program, because it merely lists enforceable obligations previously entered into and approved by the Agency; and

WHEREAS, the Successor Agency board of directors (the "Successor Agency Board") has reviewed and duly considered the Staff Report, the proposed Amended Schedules, and documents and other written evidence presented at the meeting.

NOW, THEREFORE, BE IT RESOLVED, that the Successor Agency Board finds that the above Recitals are true and correct and have served, together with the supporting documents, as the basis for the findings and approvals set forth below.

BE IT FURTHER RESOLVED, that the Agency Board finds, under Title 14 of the California Code of Regulations, Section 15378(b)(4), that this resolution is exempt from the requirements of CEQA in that it is not a project. The Agency Board therefore directs that a Notice of Exemption be filed with the County Clerk of the County of Marin in accordance with the CEQA guidelines.

BE IT FURTHER RESOLVED, that the Successor Agency Board hereby approves the Amended Schedules and declares that the Amended Schedules amend and replace the previously adopted Schedules in their entirety.

BE IT FURTHER RESOLVED, that the Successor Agency Board authorizes and directs the Agency's Executive Director or the Executive Director's designee to: (1) post the Schedules on the the City's website; (2) designate the Economic Development Manager as the representative to whom all questions related to the Amended Schedules can be directed; (3) notify, by mail or electronic means, the Marin County Auditor-Controller, the State Department of Finance, and the State Controller of the Agency's action to adopt the Amended Schedules and to provide those persons with the internet website location of the posted schedule and the contact information for the Successor Agency's designated contact; and (4) to take such other actions and execute such other documents as are appropriate to effectuate the intent of this Resolution and to implement the Amended Schedules on behalf of the Successor Agency.

BE IT FURTHER RESOLVED, that this Resolution shall take immediate effect upon adoption.

The above and foregoing resolution was duly and regularly passed and adopted at a meeting by the Successor Agency Board on the eighteenth day of June, 2012 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

I certify that the foregoing is a true and correct copy of the original Resolution on file in the office of the City Clerk.

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Esther C. Beirne, City Clerk

**ENFORCEABLE OBLIGATION PAYMENT SCHEDULE**  
 Per AB 1x 26 - Section 34167 and 34169  
 Amended Initial EOPS per Auditor's request

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Month					Total
					August	Sept	Oct	Nov	Dec	
1) Series 1999 IA Bonds (CABS)	US Bank Trust Nat'l Assn	Bond issue for non housing projects	7,030,000	0						0
2) Series 2002 TA Bonds	US Bank Trust Nat'l Assn	Bond issue for non housing & housing projects	25,020,000	2,071,288						2,071,288
3) Series 2009 IA Bonds	US Bank Trust Nat'l Assn	Bond issue for non housing projects	14,660,000	1,498,025						1,498,025
4) Debt service-housing (1992 bonds-refunded 2002)	US Bank Trust Nat'l Assn	Bond issue for housing set aside		619,853						619,853
5) Bond Disclosure Services	US Bank Trust Nat'l Assn	Trustee Services for HDA Bonds								
6) HDA Admin	Willdan Financial Services	Bond Disclosure	10,580	10,580		10,580				10,580
7) HDA administration	City of San Rafael	City staff for HDA admin	189,445	189,445	15,787	15,787	15,787	15,787	15,787	78,935
8) Corporation Yard Cleanup	City of San Rafael	HDA staff	847,400	847,400	70,617	70,617	70,617	70,617	70,617	353,085
9) 519 4th Environmental Cleanup	Seagate Properties	Pursuant to DDA	250,000	250,000			250,000			250,000
10) 4th Street Lighting		Pursuant to DDC order	9,224	9,224						0
11) Agency Street/Parking Projects	PG&E	Completion of energy efficient tree lights	43,965	43,965			43,965			43,965
11a Andersen/Dubois Repairs		Projects funded by 2002 HDA refunding bonds	233,778	233,778						0
11b 3rd & Cijos Parking Lot Impr.			268,372	268,372						233,778
11c 3rd & Lodiens Parking Lot Impr.			95,574	95,574						268,372
11d 5th & D Parking Lot Impr.			111,443	111,443						95,574
12) Agency CIP Project - Rakeweed		Projects funded by 2009 HDA refunding bonds	589,408	589,408						111,443
13) BID support	Downtown BID	Annual support for downtown	13,000	13,000						589,408
14) Chamber support	Chamber of Commerce	Annual support for tourism, etc.	36,000	36,000	36,000					13,000
15) Downtown Beautification/Promotion	Northbay Bohemian	Beautification/Promotion	167,930	167,930	13,994	13,994	13,994	13,994	13,994	36,000
15a Downtown Beautification/Promotion	Beltran	Promotions - advertising	400	400						13,994
15b Downtown Beautification/Promotion	Steve Restivo	Downtown Clean up	20,000	3,753		2,111	1,642			400
15c Downtown Beautification/Promotion	Republic HS	Events	20,000	20,000		10,000				3,753
15d Downtown Beautification/Promotion	Republic HS	Electrical work & banner installation		21,322	9,570	2,883				2,111
15e Downtown Beautification/Promotion	Tri Color Painting	Sidewalk washing		13,150		7,800				1,642
Totals - This Page			49,598,119	7,113,910	145,968	133,772	1,015,858	3,693,547	1,412,756	6,401,901
Totals - Page 2			21,506,456	1,506,456	167,126	282,183	257,267	341,859	416,811	1,465,246
Totals - Other Obligations			2,327,000	179,000				179,000		179,000
Grand total - All Pages			73,429,575	8,799,366	313,094	415,955	1,273,125	4,214,406	1,829,567	8,046,147

Name of Redevelopment Agency: San Rafael  
 Project Area(s): Central San Rafael Redevelopment Project Area

**ENFORCEABLE OBLIGATION PAYMENT SCHEDULE**  
 Per AB 1x 26 - Section 34167 and 34169  
 Amended Initial EOPS per Auditor's request

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Month					Total	
					August	Sept	Oct	Nov	Dec		
16) BMR program	Marin Housing	Affordable ownership program mgmt	93,000	93,000		23,000			70,000		93,000
17) BMR program acquisition	Marin Housing	RDA approved acquisition & legal funds	1,241,056	1,241,056	121,056	250,000	250,000	250,000	250,000	370,000	1,241,056
18) Affordable housing	Various	Grant support	40,000	40,000	40,000						40,000
18 a Affordable housing	Marin Economic Forum	Report on affordable housing	2,500	2,500		2,500					2,500
19) Agency admin. utilities/leases	PG&E	Utility-lease payments	18,690	18,690	1,558	1,558	1,558	1,558	1,558	1,558	7,790
20) Agency admin. Maintenance	Various	Maint. RDA offices	23,470	23,470	1,956	1,956	1,956	1,956	1,956	1,956	9,780
21) Agency admin. IT/communication	City of San Rafael	IT services	22,620	22,620	1,885	1,885	1,885	1,885	1,885	1,885	9,425
22) Agency admin. liability insurance	City of San Rafael	Insurance	5,870	5,870	489	489	489	489	489	489	2,445
23) Agency admin. Legal and auditor	Goldfarb & Lipman	Legal Services	41,630	41,630	182	795	1,379	851		38,423	41,630
23a	Maze & Assoc.	Auditor	2,500	2,500					15,120	2,500	2,500
24) Agency admin. prop. operation	City of San Rafael	Maintain RDA owned facilities	15,120	15,120					15,120		15,120
25) Agreement w/ Marin County, GG1D		Andersen Dr. settlement agreement *	20,000,000								0
Totals - This Page			21,506,456	1,506,456	167,126	282,183	257,267	341,859	416,811		1,465,246

\* Estimate for Andersen Drive Improvements. Agency share of improvement cost unknown at this time.

**OTHER OBLIGATION PAYMENT SCHEDULE**  
 Per AB 26 - Section 34167 and 34169 (\*)

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Month				Total
					Sept	Oct	Nov	Dec	
1) HSC 33401 Payment	San Rafael High School	Payments per former HSC 33401 Reserved from 2002 bonds	2,327,000.00	179,000.00			179,000.00		\$ 179,000.00
2)									\$ -
3)									\$ -
4)									\$ -
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28)									\$ -
<b>Totals - Other Obligations</b>			<b>\$ 2,327,000.00</b>	<b>\$ 179,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 179,000.00</b>	<b>\$ -</b>	<b>\$ 179,000.00</b>

\* This Enforceable Obligation Payment Schedule (EOPS) is to be adopted by the redevelopment agency. It is valid through 12/31/11. It is the basis for the Preliminary Draft Recognized Obligation Payment Schedule (ROPS), which must be prepared by the dissolving agency by 9/30/11. (The draft ROPS must be prepared by the Successor Agency by 11/30/11.) If an agency adopts a continuation ordinance per ABX1 27, this EOPS will not be valid and there is no need to prepare a ROPS.





**SECOND AMENDED ENFORCEABLE OBLIGATION PAYMENT SCHEDULE**  
 Per AB 1x 26 - Section 34167 and 34169

Project Name / Debt Obligation	Payee	Description	Funding Source	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Monthly Payment Schedule						Total
						January	February	March	April	May	June	
1 Project Name / Debt Obligation	Various	Maint. RDA offices	Admin. Cost	23,470	23,470	3,912	3,912	3,912	3,912	3,912	3,912	23,472
2 Agency admin. Maintenance	City of San Rafael	IT services	Admin. Cost	22,620	22,620	2,056	2,056	2,056	2,056	2,056	12,329	22,616
3 Agency admin. IT/communication	City of San Rafael	Insurance	Admin. Cost	5,870	5,870	534	534	534	534	534	3,204	5,874
4 Agency admin. liability insurance	Goldfarb & Lipman	Legal Services	Admin. Cost	44,130	44,130	11,310	4,012	4,012	4,012	4,012	16,772	44,130
5 Agency admin. prop. operation	City of San Rafael	Maintain RDA owned facilities	Admin. Cost	15,120	15,120	6,500				15,120		15,120
6 BID support	Downtown BID	Annual support for downtown	Admin. Cost	21,500	21,500	6,932				15,000		21,500
7 BMR program	Marin Housing	Affordable ownership prog. mgmt.		93,000	93,000	69,932					23,068	93,000
8 Downtown Beautification/Promotion	Republic ITS	309181, Electrical Repairs/Lights		167,930	15,000	7,956					7,144	15,000
9 BMR program acquisition	Marin Housing	events, Funds approved by RDA prior to June 2011 & reserved in audit	Housing Fund	1,241,056	1,241,056		121,056	250,000	250,000	250,000	370,000	1,241,056
10 BMR Program Administration	Marin Housing	Program administration	Proposing Fund	93,000	93,000						93,000	93,000
11 Corporation Yard Cleanup	Seagate Properties	Pursuant to DDA	Prop tax trust fund	250,000	250,000				250,000			250,000
12 519 4th Environmental Cleanup	Eddy Clark & Assoc	Pursuant to DISC order		9,224	9,224							9,224
13 Andersen Du Bois	Maggiola & Ghilotti, Inc.	Road Improvement RDA Reso 74-14 & City Reso 4748 passed 6/17/74	Bond Proceeds	233,778	233,778	233,778						233,778
14 Parking lot improvements 3rd Cljos	City of San Rafael	Parking lot RDA Reso 74-14 & City Reso 4748 passed 6/17/74	Bond Proceeds	268,372	268,372	268,372						268,372
15 Parking lot improvements 5th & D	City of San Rafael	City Reso 4748 passed 6/17/74	Proceeds	111,443	111,443	111,443						111,443
16 Parking lot improvements Loeters-3rd	City of San Rafael	City Reso 74-14 & City Reso 4748 passed 6/17/74	Bond Proceeds	95,574	95,574	95,574						95,574
17 Prickeewood Community Center	City of San Rafael	Wiring & conduit repair RDA Reso 74-14 & City Reso 4748 passed 6/17/74	Bond Proceeds	25,540	25,540	25,540						25,540
18 Agreement w/ Marin Co. GGID*			Prop tax trust	20,000,000	unknown							0
Total this page				22,721,627	2,568,697	836,807	131,570	260,514	510,514	290,634	538,660	2,568,699

\* Estimate for Andersen Drive Improvements. Agency share of improvement cost unknown at this time.

