

SPECIAL MEETING AGENDA

Pismo Beach Designated Local Authority, as
Successor Agency to the Pismo Beach Redevelopment Agency
Monday, December 2, 2013 at 4:30 PM
217 Windward, Shell Beach, Pismo Beach, CA 93449

The agenda for special meetings is posted 24 hours prior to each meeting outside of the Shell Beach Veterans' Memorial Hall located at 230 Leeward, Pismo Beach, CA 93449, and is available at each meeting. The agenda and related reports are also available at the County Clerk's Office and are available on the County's website at www.slocounty.ca.gov and the Designated Local Authority's website at www.kosmont.com . Any writing distributed within 24 hours of the meeting will be made available to the public by placing it with the County Clerk at the time it is distributed to the Designated Local Authority.

Call to Order

Roll Call: Tom Murray, Chair
Janet George, Vice Chair
Charlie Crabb, Member

Public Comment: (No action can be taken)

At this time, members of the public may comment on any item not appearing on the agenda, and within the subject matter jurisdiction of the Board. Individual comments will be limited to a maximum of 5 minutes per person and each person may speak once during this time. Time cannot be yielded to another person. Under State Law, matters presented under this item cannot be discussed or acted upon at this time by the Board. The public will be invited to make comments on agenda items when the item is being considered by the Board. For purposes of the record please state your name when speaking.

Public Comments for Closed Session Items: (No action can be taken)

Members of the public interested in addressing the Board on Closed Session Items must fill out a form provided at the door and give it to the Clerk prior to announcement of the Closed Session items.

Please be aware that the maximum time allotted will be 3 minutes per person, and each person may speak once during this time. Time cannot be yielded to another person. Under State Law, matters presented under this item cannot be discussed or acted upon at this time by the Board. Please state your name and address for the record.

Oral Communications on Closed Session Items:

Closed Session:

The Successor Agency Counsel shall provide a briefing on the items listed for Closed Session as follows:

1. Conference with Legal Counsel – Existing Litigation (Paragraph (1) of subdivision (d) of Section 54956.9) – *Lucia Mar Unified School District v. Designated Local Authority, as Successor Agency to the Redevelopment Agency of the City of Pismo Beach, et al.* (Case No. CV 130573)

Recess to Closed Session

Conducted in accordance with applicable sections of California law. Closed Sessions are not open to the public. The item(s) listed above will be discussed in Closed Session.

Reconvene Regular Meeting

Report of Action (if any) in Closed Session

Informational Items:

- A. Department of Finance Letter re ROPS 13-14B – Information Item Only, No Action Will Be Taken

Adjournment:

Americans with Disabilities Act: Any individual, who because of a disability need special assistance to attend or participate in this meeting may request assistance by contacting (805) 710-1082.

Designated Local Authority Staff Contact, Chris Jicha, (951) 203-8730, cjicha@kosmont.com



November 6, 2013

Mr. Christopher J Jicha, Senior Consultant, Kosmont Companies
City of Pismo Beach Designated Local Authority
865 South Figueroa Street, 35th Floor
Los Angeles, CA 90017

Dear Mr. Jicha:

Subject: Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (m), the City of Pismo Beach Designated Local Authority (Authority) submitted a Recognized Obligation Payment Schedule (ROPS 13-14B) to the California Department of Finance (Finance) on September 27, 2013 for the period of January through June 2014. Finance has completed its review of your ROPS 13-14B, which may have included obtaining clarification for various items.

Based on our review, we are approving all of the items listed on your ROPS 13-14B at this time.

The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (d). However, Finance notes the oversight board has approved an amount that appears excessive, given the number and nature of the other obligations listed in the ROPS. HSC section 34179 (i) requires the oversight board to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the oversight board to apply adequate "oversight" when evaluating the administrative resources required to successfully wind-down the Authority.

Pursuant to HSC Section 34186 (a), successor agencies were required to report on the ROPS 13-14B form the estimated obligations and actual payments (prior period adjustments) associated with the January through June 2013 period. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by successor agencies are subject to audit by the county auditor-controller (CAC) and the State Controller. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved in the table below includes the prior period adjustment resulting from the CAC's audit of the Authority's self-reported prior period adjustment.

The Authority's maximum approved RPTTF distribution for the reporting period is \$28,689 as summarized below:

Approved RPTTF Distribution Amount For the period of January through June 2014	
Total RPTTF requested for non-administrative obligations	-
Total RPTTF requested for administrative obligations	35,000
Total Requested RPTTF	\$ 35,000
Total RPTTF approved for non-administrative obligations	-
Total RPTTF approved for administrative obligations	35,000
Total RPTTF approved for obligations	\$ 35,000
ROPS III prior period adjustment	(6,311)
Total RPTTF approved for distribution	\$ 28,689

Please refer to the ROPS 13-14B schedule that was used to calculate the approved RPTTF amount:

[http://www.dof.ca.gov/redevelopment/ROPS/ROPS 13-14B Forms by Successor Agency/](http://www.dof.ca.gov/redevelopment/ROPS/ROPS%2013-14B%20Forms%20by%20Successor%20Agency/).

This is Finance's final determination related to the enforceable obligations reported on your ROPS for January 1 through June 30, 2014. This determination applies only to items where funding was requested for the six month period. Finance's determination is effective for this time period only and should not be conclusively relied upon for future periods. All items listed on a future ROPS are subject to a subsequent review and may be denied even if it was or was not denied on this ROPS or a preceding ROPS. The only exception is for those items that have received a Final and Conclusive determination from Finance pursuant to HSC 34177.5 (i). Finance's review of items that have received a Final and Conclusive determination is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment that was available prior to enactment of ABx1 26 and AB 1484. This amount is not and never was an unlimited funding source. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the successor agency in the RPTTF.

To the extent proceeds from bonds issued after December 31, 2010 exist and are not encumbered by an enforceable obligation pursuant to HSC section 34171 (d), HSC section 34191.4 (c)(2)(B) requires these proceeds be used to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation.

Mr. Christopher Jicha
November 6, 2013
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Please direct inquiries to Wendy Griffe, Supervisor or Jenny DeAngelis, Lead Analyst at (916) 445-1546.

Sincerely,

A handwritten signature in black ink, appearing to read 'JH', with a long, sweeping underline that extends to the left.

JUSTYN HOWARD
Assistant Program Budget Manager

cc: Mr. Tom Murray, Chair, City of Pismo Beach Designated Local Authority
Ms. Barbara Godwin, Property Tax Manager, San Luis Obispo County
California State Controller's Office