

## **SPECIAL MEETING AGENDA**

### **Oversight Board to the Merced Designated Local Authority, as Successor Agency to the Redevelopment Agency of the City of Merced**

**Tuesday, March 18, 2014 at 4:30 PM  
Merced City Hall  
678 W 18th St, Merced, CA 95340**

The agenda for special meetings is posted 24 hours prior to each meeting outside of the Merced City Hall located at 678 W 18th St, Merced, CA 95340, and is available at each meeting. The agenda and related reports are also available at the Merced City Clerk's Office and are available on the Designated Local Authority's website at [www.kosmont.com](http://www.kosmont.com). Any writing distributed within 24 hours of the meeting will be made available to the public by placing it with the City Clerk at the time it is distributed to the Designated Local Authority.

#### **Call to Order**

#### **Roll Call**

**Board Members:** Chair, Jim Sanders, City of Merced  
Adam Cox, Merced County Community Member  
Andre Urquidez, Merced Community College District  
Hubert "Hub" Walsh, Merced County Board of Supervisors  
Dominico Johnston, Merced County Office of Education  
Frank Quintero, City of Merced

#### **Public Comments:**

Members of the public may comment on any item not appearing on the agenda and within the subject matter jurisdiction of the Board. 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 comes up for the Board's consideration. Please state your name and address for the record.

**Information Items:**

- A. Residency of Oversight Board Chair Sanders – Discussion only, no action will be taken.

**Action Items:**

1. Approval of Amended ROPS 14-15A for the Merced Designated Local Authority

**Recommendation:** It is recommended that the Oversight Board to the Merced Designated Local Authority adopt Resolution No. 2014-003, a Resolution of the Oversight Board to the Merced Designated Local Authority, as Successor Agency of the Redevelopment Agency of the City of Merced, approving the Amended Recognized Obligation Payment Schedule (ROPS 14-15A) for July 1, 2014 through December 31, 2014

**Other:**

- Board member comments
- Staff and counsel comments

**Adjournment:**

Americans with Disabilities Act Notice: Any individual, who because of a disability need special assistance to attend or participate in this meeting may request assistance by contacting the DLA Staff 24 hours in advance of the meeting.

DLA Staff Contact: Chris Jicha, (951) 203-8730, cjicha@kosmont.com

**Affidavit of Posting:**

I, \_\_\_\_\_, City staff of the City of Merced, do hereby affirm that a copy of the foregoing agenda was posted at City Hall 24 hours in advance of this meeting.

\_\_\_\_\_  
City of Merced

**REPORT TO THE OVERSIGHT BOARD TO THE  
MERCED DESIGNATED LOCAL AUTHORITY, AS SUCCESSOR  
AGENCY TO THE REDEVELOPMENT AGENCY  
OF THE CITY OF MERCED**

**TO: MEMBERS OF THE OVERSIGHT BOARD**

**FROM: CHRISTOPHER JICHA, STAFF TO THE DLA**

**DATE: MARCH 18, 2014**

**SUBJECT: RESIDENCY OF OVERSIGHT BOARD CHAIR SANDERS**

**Discussion**

Oversight Board Chair Sanders will be moving his personal residence outside of the City limits of Merced, though within the County of Merced geographical boundaries. Chair Sanders desires to disclose his move to the Oversight Board members and address any concerns.

Oversight Board Counsel Tia Boatman Patterson has reviewed applicable law and determined that there is no requirement that Chair Sanders live within the City limits. Designated Local Authority Counsel Joy Otsuki has stated that she concurs.

Chair Sanders is a City appointee to the Oversight Board. Oversight Board Counsel Tia Boatman Patterson consulted with Greg Diaz, City Attorney for the City of Merced, to see if he had any concerns or objections to Chair Sanders relocation of his personal residence outside of the City limits. Greg Diaz also reviewed applicable law and determined that there is no requirement that Chair Sanders live within the City limits, and further confirmed that the Mayor had no objection to such a move.

Oversight Board Members are encouraged to address any concerns they may have with Chair Sanders' move during the Oversight Board meeting.

**REPORT TO THE OVERSIGHT BOARD TO THE  
MERCED DESIGNATED LOCAL AUTHORITY, AS SUCCESSOR  
AGENCY TO THE REDEVELOPMENT AGENCY  
OF THE CITY OF MERCED**

**TO: MEMBERS OF THE OVERSIGHT BOARD**

**FROM: CHRISTOPHER JICHA, STAFF TO THE DLA**

**DATE: MARCH 18, 2014**

**SUBJECT: AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE  
(ROPS 14-15A) FOR JULY 1, 2014 THROUGH DECEMBER 31, 2014**

**Recommendation**

It is recommended that the Oversight Board adopt Resolution No. 2014-003, A Resolution of the Oversight Board to the Merced Designated Local Authority, as Successor Agency of the Redevelopment Agency of the City of Merced, Approving the Amended Recognized Obligation Payment Schedule (ROPS 14-15A) for July 2014 through December 2014.

**Background**

As part of the dissolution of the former Redevelopment Agency, Health and Safety Code Section 34177 (added by AB 1X 26 and amended by AB 1484) requires the Successor Agency to adopt a Recognized Obligation Payment Schedule (ROPS) that lists all obligations of the former redevelopment agency that are enforceable within the meaning of subdivision (d) of Section 34167 for each six month period of each fiscal year. The Successor Agency has previously adopted ROPS for prior six-month periods. The previous ROPS have been approved by the Oversight Board to the Merced Designated Local Authority, as Successor Agency of the Redevelopment Agency of the City of Merced, and the State Department of Finance (DOF).

**Discussion**

AB 1484 requires that the ROPS 14-15A for July 1, 2014 through December 31, 2014 be submitted to DOF and the State Controller's office, after approval by the Oversight Board, no later than March 3, 2014. The DOF has five (5) days after submittal to request a review and forty-five (45) days to review the ROPS if it decides to do so. If the ROPS is not submitted by the deadline, the City is subject to a \$10,000 fine for every day the ROPS is late and the administrative cost allowance for the Successor Agency is reduced by 25% after 10 days.

On February 24, 2014, the Oversight Board approved the Recognized Obligation Payment Schedule 14-15A for the period July 1, 2014 through December 31, 2014 and the ROPS 14-15A was timely submitted to DOF. Last week, the Department of Finance notified staff that it would not accept the approved ROPA 14-15A as is, and required that the ROPS 14-15A disclose on the cash balances worksheet the amount of rent, grants, and interest received by the Designated Local Authority since its inception.

Accordingly, staff has submitted the attached Amended Recognized Obligation Payment Schedule (ROPS 14-15A) for July 1, 2014 through December 31, 2014, reflecting the changes requested by the Department of Finance.

**Attachments:**

- 1) Resolution No. 2014-003, A Resolution of the Oversight Board to the Merced Designated Local Authority, as Successor Agency of the Redevelopment Agency of the City of Merced Approving the Amended Recognized Obligation Payment Schedule (ROPS 14-15A) for July 1, 2014 Through December 31, 2014

**RESOLUTION NO. 2014-003**

**A RESOLUTION OF THE OVERSIGHT BOARD TO THE MERCED DESIGNATED LOCAL AUTHORITY, AS SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF MERCED APPROVING THE AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 14-15A) FOR JULY 1, 2014 THROUGH DECEMBER 31, 2014**

**WHEREAS**, the Oversight Board to the Merced Designated Local Authority, as Successor Agency of the Redevelopment Agency of the City of Merced (the "Successor Agency") is charged with overseeing the implementation of recognized enforceable obligations and the winding down of the affairs of the former Redevelopment Agency of the City of Merced (the "Agency") in accordance with the California Health and Safety Code; and

**WHEREAS**, Health and Safety Code Section 34169 requires the Successor Agency to prepare and adopt a "Recognized Obligation Payment Schedule" that lists all obligations of the former redevelopment agency that are enforceable within the meaning of subdivision (d) of Section 34167 for six month periods, including July 2014 through December 2014; and

**WHEREAS**, AB 1484 requires that the ROPS 14-15A for the period July 1, 2014 through December 31, 2014 must be submitted to the Department of Finance and the State Controller's office, after approval by the Oversight Board, no later than March 3, 2013 or be subject to penalties; and

**WHEREAS**, on February 20, 2014, the Merced Designated Local Authority, as Successor Agency to the Redevelopment Agency of the City of Merced approved the Recognized Obligation Payment Schedule 14-15A for the period July 1, 2014 through December 31, 2014; and

**WHEREAS**, on February 24, 2014, the Oversight Board to the Merced Designated Local Authority, as Successor Agency to the Redevelopment Agency of the City of Merced approved the Recognized Obligation Payment Schedule 14-15A for the period July 1, 2014 through December 31, 2014; and

**WHEREAS**, the approved ROPS 14-15A was timely submitted to the Department of Finance; and

**WHEREAS**, the Department of Finance notified staff that it would not accept the approved ROPA 14-15A as is, and required that the ROPS 14-15A disclose on the cash balances worksheet the amount of rent, grants, and interest received by the Designated Local Authority since its inception; and

**WHEREAS**, accordingly, staff has submitted the attached Amended Recognized Obligation Payment Schedule (ROPS 14-15A) for July 1, 2014 through December 31, 2014, reflecting the changes requested by the Department of Finance; and

**WHEREAS**, the Oversight Board desires to approve the Amended Recognized Obligation Payment Schedule (ROPS 14-15A) for July 1, 2014 through December 31, 2014; and

**WHEREAS**, all other legal prerequisites to the adoption of this Resolution have occurred.

**NOW, THEREFORE, THE OVERSIGHT BOARD TO THE MERCED DESIGNATED LOCAL AUTHORITY, AS SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF MERCED, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

**SECTION 1.** The Recitals set forth above are true and correct and incorporated herein by reference.

**SECTION 2.** The Oversight Board hereby approves the Schedule attached hereto as Exhibit A as the Amended Recognized Obligation Payment Schedule 14-15A for the period July 1, 2014 through December 31, 2014. Pursuant to Health & Safety Code Section 34173, the Successor Agency's liability, including, but not limited to, its liability for the obligations on the attached schedule, is limited to the total sum of property tax revenues it receives pursuant to Part 1.85 of AB X1 26.

**SECTION 3.** If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Successor Agency hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

**SECTION 4.** The Oversight Board directs the Successor Agency's staff to give notice to the Department of Finance of the approval of this Resolution and to otherwise comply with Health & Safety Code Section Section 34179(h).

**SECTION 5.** This Resolution will become effective as provided by Health & Safety Code Section Section 34179(h).

*Remainder of page intentionally left blank.*

**PASSED, APPROVED AND ADOPTED** at a special meeting of the Oversight Board to the Merced Designated Local Authority, as Successor Agency to the Merced Redevelopment Agency, held this 18th day of March, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Chairperson, Oversight Board to the Merced Designated Local Authority, as Successor Agency to the Redevelopment Agency of the City of Merced

**Attachments:**

- 1) Amended Recognized Obligation Payment Schedule 14-15A of the Merced Designated Local Authority, as Successor Agency of the Redevelopment Agency of the City of Merced for July 1, 2014 through December 31, 2014