

**SAN MATEO COUNTY  
COUNTYWIDE OVERSIGHT BOARD MEETING**

**AGENDA**

Monday, January 8, 2024 at 9:00 a.m.  
400 County Center, 1<sup>st</sup> Floor  
County Board of Supervisors' Chambers  
Redwood City, California 94063

1. Call to Order
2. Roll Call
3. Oral Communications and Public Comment  
*This is an opportunity for members of the public to address the Oversight Board on any Oversight Board-related topics that are not on the agenda. If your subject is not on the agenda, the individual chairing the meeting will recognize you at this time. Speakers are customarily limited to two minutes.*
4. Action to Set the Agenda
5. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 24-25) and FY 2024-25 Administrative Budget of the East Palo Alto Successor Agency
6. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 24-25) and FY 2024-25 Administrative Budget of the San Bruno Successor Agency
7. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 24-25) and FY 2024-25 Administrative Budget of the Foster City Successor Agency
8. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 24-25) and FY 2024-25 Administrative Budget of the Redwood City Successor Agency
9. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 24-25) and FY 2024-25 Administrative Budget of the Pacifica Successor Agency
10. Adopt a Resolution Approving the Annual Recognized Obligation Payment Schedule (ROPS 24-25) and FY 2024-25 Administrative Budget of the South San Francisco Successor Agency

11. Nominate, Elect and Adopt a Resolution Confirming the Appointment of the FY 2024-25 San Mateo County Countywide Oversight Board Chairperson and Vice-Chairperson
12. Adopt a Resolution Approving the FY 2024-25 San Mateo County Countywide Oversight Board Meeting Calendar
13. Adjournment

*A copy of the Countywide Oversight Board agenda packet is available for review from the Clerk of the Board of Supervisors, 400 County Center, 1st Floor, Monday through Thursday 7:30 a.m.-5:30 p.m. and Friday 8 a.m.-5 p.m.*

*Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact Sukhmani Purewal, Assistant Clerk of the Board of Supervisors, at least two working days before the meeting at (650) 363-1802 and/or [spurewal@smcgov.org](mailto:spurewal@smcgov.org). Notification in advance of the meeting will enable the County to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it. Attendees to this meeting are reminded that other attendees may be sensitive to various chemical based products.*

# SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD

*Members*

*Mark Addiego*

*Aimee Armsby*

*Chuck Bernstein*

*Kevin Bultema*

*Barbara Christensen*

*Mark Leach*

*Justin Mates*

Date: December 26, 2023

To: San Mateo County Countywide Oversight Board

From: Kristie Passalacqua Silva, San Mateo County Assistant Controller

Subject: East Palo Alto Successor Agency's (SA) Recognized Obligation Payment Schedule (ROPS) 24-25

## **Background**

California Health and Safety Code (HSC) Section 34180(g) requires all ROPS to be approved by the Oversight Board.

## **Discussion**

The Annual ROPS 24-25 contains all the obligations of the former Redevelopment Agency (RDA) for fiscal year 2024-25. The SA is requesting approval by the Board to spend \$2,051,518 on outstanding obligations and administrative expenses for Annual ROPS 24-25, with funding to come from Other Funds (\$89,418) and the balance from redevelopment property tax trust fund (RPTTF \$1,962,100). Enclosed is the SA's Annual ROPS 24-25 and supporting documents.

The SA's ROPS 24-25 includes obligations that the DOF deemed as enforceable and are all pre-existing. There are no new obligations listed on the SA's ROPS 24-25.

Tomohito Oku, East Palo Alto City Treasurer and Finance Director will be presenting to the Board.

## **Fiscal Impact**

Funding for ROPS reduces the amount of tax revenue available for "Residual" distributions to the affected taxing entities.

## **CAC Exhibit**

A - East Palo Alto SA's Annual ROPS 24-25 Agenda Packet

Date: December 20, 2023

To: San Mateo County Countywide Oversight Board

From: Tomohito Oku; Treasurer/Finance Director

Subject: Approval of the Recognized Obligation Payment Schedule (ROPS) 2024-25 and FY 2024-25 Administrative Cost Allowance Budget of the East Palo Alto Successor Agency (SA)

Former RDA: **City of East Palo Alto**

### **Recommendation**

Adopt a resolution approving the City of East Palo Alto SA's ROPS 2024-25 and Administrative Cost Allowance Budget.

### **Background**

SAs who either do not qualify for, or are not currently on, a Last and Final ROPS must submit annually a ROPS listing the SA's enforceable obligations and expenses to the State Department of Finance (DOF) pursuant to Health & Safety Code Sections (HSC) 34177(m) and (o). The ROPS shall include an amount for the SA's Administrative Cost Allowance as authorized under the Dissolution Act which is subject to a cap as set forth under HSC 34171. The ROPS and the Budget for the SA's Administrative Cost Allowance must be approved by the Oversight Board.

### **Additional note**

SA has been requesting the maximum permissible amount under HSC Section 34191.4 (b)(2) for the ROPS Item#3. As a result, the payment in this period will be the last payment for the item.

The Tax Allocation bonds (ROPS Item#20) maturing on or after October 1, 2026, are subject to redemption, at the option of SA on any date on or after October 1, 2025, in whole or in part. SA will investigate such an option and economic impacts to and possible early dissolution of SA therein.

### **Financial Impact**

No funds are involved with the approval of the ROPS.

### **Attachments:**

1. Draft Resolution Approving East Palo Alto SA's ROPS 2024-25 and FY 2024-25 Administrative Budget
2. Exhibit A - East Palo Alto SA's ROPS 2024-25
3. Exhibit B - East Palo Alto SA's FY 2024-25 Administrative Budget
4. Supporting Schedules for ROPS

RESOLUTION NO. 2024-\_\_\_\_\_

**RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 24-25 (“ROPS 24-25”) AND FISCAL YEAR 2024-25 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, 2024 to June 30, 2025, referred to as “ROPS 24-25”, claiming a total enforceable obligation amount of \$2,051,518; 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, 2024 to June 30, 2025, 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 ROPS 24-25 and Fiscal Year 2024-25 Administrative Budget of the Successor Agency to the Former East Palo Alto Redevelopment Agency, 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 24-25 to the State Department of Finance upon approval by the Oversight Board.

\* \* \*

Exhibit A – East Palo Alto Successor Agency’s Recognized Obligation Payment Schedule 24-25  
Exhibit B – East Palo Alto Successor Agency’s FY 2024-25 Administrative Budget

**Recognized Obligation Payment Schedule (ROPS 24-25) - Summary**  
**Filed for the July 1, 2024 through June 30, 2025 Period**

**Successor Agency:** East Palo Alto

**County:** San Mateo

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>24-25A Total (July - December)</b>	<b>24-25B Total (January - June)</b>	<b>ROPS 24-25 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	<b>\$ -</b>	<b>\$ 89,418</b>	<b>\$ 89,418</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	89,418	89,418
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 222,150</b>	<b>\$ 1,739,950</b>	<b>\$ 1,962,100</b>
F RPTTF	197,150	1,724,950	1,922,100
G Administrative RPTTF	25,000	15,000	40,000
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 222,150</b>	<b>\$ 1,829,368</b>	<b>\$ 2,051,518</b>

**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.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date

**East Palo Alto  
Recognized Obligation Payment Schedule (ROPS 24-25) - ROPS Detail  
July 1, 2024 through June 30, 2025**

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 24-25 Total	ROPS 24-25A (Jul - Dec)					24-25A Total	ROPS 24-25B (Jan - Jun)					24-25B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$15,182,099		\$2,051,518	\$-	\$-	\$-	\$197,150	\$25,000	\$222,150	\$-	\$-	\$89,418	\$1,724,950	\$15,000	\$1,829,368
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	367,718	N	\$367,718	-	-	-	-	-	\$-	-	-	89,418	278,300	-	\$367,718
11	Operating Subsidy Loan	Business Incentive Agreements	05/04/2004	01/01/2026	Bay Road Housing LP	Courtyard Affordable Housing	G, UC	120,000	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	54,500	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	465,000	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	14,174,881	N	\$1,578,300	-	-	-	191,650	-	\$191,650	-	-	-	1,386,650	-	\$1,386,650

**East Palo Alto**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - Report of Cash Balances**  
**July 1, 2021 through June 30, 2022**  
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), 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
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)</b>	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	<b>Comments</b>
<b>1</b>	<b>Beginning Available Cash Balance (Actual 07/01/21)</b> RPTTF amount should exclude "A" period distribution amount.	-	-	1,457,400	82,979		
<b>2</b>	<b>Revenue/Income (Actual 06/30/22)</b> RPTTF amount should tie to the ROPS 21-22 total distribution from the County Auditor-Controller				13,089	2,998,774	
<b>3</b>	<b>Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)</b>			1,332,400	28,436	1,619,420	
<b>4</b>	<b>Retention of Available Cash Balance (Actual 06/30/22)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			125,000	67,632	1,272,400	
<b>5</b>	<b>ROPS 21-22 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 21-22 PPA form submitted to the CAC			No entry required		76,329	
<b>6</b>	<b>Ending Actual Available Cash Balance (06/30/22)</b> <b>C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)</b>	\$-	\$-	\$-	\$-	\$30,625	



**East Palo Alto**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - Notes**  
**July 1, 2024 through June 30, 2025**

Item #	Notes/Comments
3	
11	
12	
15	
20	

SUCCESSOR AGENCY CITY OF EAST PALO ALTO								
ADMINISTRATIVE BUDGET								
ROPS Period	22-23			23-24	24-25	<i>Please specify budget methodology (Cost Allocation, Time Study etc): <u>Combination Time Study and Cost Allocation</u></i>		
Obligations Period	July 2022-June 2023			July 2023-June 2024	July 2024-June 2025			
Total Outstanding Obligations (\$)								
Total Number of Outstanding Obligations								
Staff	Description	Requested	Actual	Variance	Requested	Requested	Variance	Comment/Explanation for Variance
Finance Director	ROPS, Legal, DOF, Budget	\$ 7,500	\$ 11,504	\$ (4,004)	\$ 10,000	\$ 7,600	\$ 2,400	
Finance Manager	GL, Audits, Monitoring	\$ 6,750	\$ 10,354	\$ (3,604)	\$ 7,130	\$ 7,120	10	
Acct. Technician II	Audit, Deposits, Payments	\$ 2,120	\$ 3,252	\$ (1,132)	\$ 2,280	\$ 4,230	(1,950)	
IT Technician	Website Improvement	\$ -	\$ -	\$ -	\$ -	\$ -	-	
SA Administrative	Transactions, SA Meetings	\$ -	\$ -	\$ -	\$ -	\$ -	-	
		\$ -		\$ -	\$ -	\$ -	-	
		\$ -		\$ -	\$ -	\$ -	-	
<b>Sub-Total (Personnel Costs)</b>		<b>\$ 16,370</b>	<b>\$ 25,110</b>	<b>\$ (8,740)</b>	<b>\$ 19,410</b>	<b>\$ 18,950</b>	<b>\$ 460</b>	
Vendor/Payee	Description	Requested	Actual	Variance	Requested	Requested	Variance	
Goldfarb Lipman	Legal Fees	\$ 2,500	\$ -	\$ 2,500	\$ 1,400	\$ 1,400	\$ -	
Badawi	Audit	\$ 6,062	\$ 3,212	\$ 2,850	\$ 5,100	\$ 4,470	630	
TBD	AV Analysis	\$ -	\$ -	\$ -	\$ -	\$ -	-	
Willdan	Debt Compliance	\$ 3,773	\$ 2,675	\$ 1,098	\$ 2,794	\$ 2,207	587	
Cost Overhead	Other Costs, OH	\$ 11,295	\$ 11,880	\$ (585)	\$ 11,296	\$ 12,973	(1,677)	
<b>Sub-Total (Other Costs)</b>		<b>\$ 23,630</b>	<b>\$ 17,767</b>	<b>\$ 5,863</b>	<b>\$ 20,590</b>	<b>\$ 21,050</b>	<b>\$ (460)</b>	
<b>Grand Total</b>		<b>\$ 40,000</b>	<b>\$ 42,877</b>	<b>\$ (2,877)</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	<b>\$ 0</b>	

**RESOLUTION NO. OB 2016-03**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF EAST PALO ALTO APPROVING THE GATEWAY LAND PURCHASE AND SALE AGREEMENT WITH THE CITY OF EAST PALO ALTO IN THE AMOUNT OF \$6,413,730 AS ENFORCEABLE OBLIGATION AND FINDING THAT THE LOAN WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES**

**WHEREAS**, on December 29, 2011, the California Supreme Court delivered its decision in *California Redevelopment Association v. Matosantos*, finding ABx1 26 (the "Dissolution Act") largely constitutional; and

**WHEREAS**, under the Dissolution Act and the California Supreme Court's decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency of the City of East Palo Alto (the "Dissolved RDA"), were dissolved on February 1, 2012; and

**WHEREAS**, on January 10, 2012, the City Council (the "City Council") of the City of East Palo Alto (the "City") adopted resolution 4226 accepting for the City the role of Successor Agency to the Dissolved RDA (the "Successor Agency"); and

**WHEREAS**, under the Dissolution Law, including the recently enacted SB 107, the definition of sponsoring entity loans was expanded; and

**WHEREAS**, pursuant to HSC section 34191.4 (b), loan agreements between the former redevelopment agency and the sponsoring entity may be placed on the ROPS if the following requirements are met: (1) the Successor Agency has received a Finding of Completion; and (2) the Successor Agency's Oversight Board approves the loan as an enforceable obligation and finds the loan was for legitimate redevelopment purposes; and

**WHEREAS**, the Successor Agency staff prepared, and the Oversight Board met at a duly noticed public meeting on January 28, 2016 to consider and information regarding the legitimate redevelopment purposes for which the Gateway Land Purchase and Sale Loan was made; and

**WHEREAS**, the Successor Agency received a Finding of Completion on July 16, 2013;

**NOW, THEREFORE, BE IT RESOLVED** that the Oversight Board of the Successor Agency for the Dissolved RDA hereby finds, resolves, and determines as follows:

**SECTION 1.** The foregoing recitals are true and correct, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.

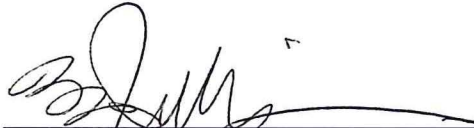
**SECTION 2.** Under the Health and Safety Code, the Oversight Board may reconsider disallowed enforceable obligations by the Department of Finance.

**SECTION 3.** The Oversight Board has reviewed the Gateway Land Purchase and Sale Loan, including the existing repayment schedule provided in Exhibit A to this resolution, and approves the loan as an enforceable obligation and finds the loan was made for legitimate redevelopment purposes. This finding is based upon information provided to the Oversight Board.

**SECTION 4.** The Oversight Board has reviewed the aforementioned obligation, and hereby approves this item to be listed in ROPS 16-17 as an enforceable obligation.

**ADOPTED** on January 28, 2016 by the Members of the Oversight Board of the Successor Agency for the Former Redevelopment Agency of the City of East Palo Alto with the following vote, to wit:

	Jellins	Farrales	Rutherford	Jackson	Sved (for Singh)	Chow	Martinez
AYES:	✓		✓	✓	✓		✓
NOES:							
ABSENT:		X				X	
ABSTAIN:							




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Chair, Nicholas Jellins




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Secretary, Joseph Prado




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Approved as to form, OB Counsel

Gateway Land Purchase and Sale Agreement Amortization of Loan Payments			
Rate		0.00%	
<u>Fiscal</u> <u>Year</u> <u>Ending</u>	<u>Beginning</u> <u>Balance</u>	<u>Payment</u>	<u>Principal Balance</u>
Jun-16	\$ 6,413,729.89	\$0.00	\$ 6,413,729.89
Jun-17	\$ 6,413,729.89	\$0.00	\$ 6,413,729.89
Jun-18	\$ 6,413,729.89	(\$188,639.11)	\$ 6,225,090.78
Jun-19	\$ 6,225,090.78	(\$188,639.11)	\$ 6,036,451.67
Jun-20	\$ 6,036,451.67	(\$188,639.11)	\$ 5,847,812.56
Jun-21	\$ 5,847,812.56	(\$188,639.11)	\$ 5,659,173.45
Jun-22	\$ 5,659,173.45	(\$188,639.11)	\$ 5,470,534.34
Jun-23	\$ 5,470,534.34	(\$188,639.11)	\$ 5,281,895.23
Jun-24	\$ 5,281,895.23	(\$188,639.11)	\$ 5,093,256.12
Jun-25	\$ 5,093,256.12	(\$188,639.11)	\$ 4,904,617.01
Jun-26	\$ 4,904,617.01	(\$188,639.11)	\$ 4,715,977.90
Jun-27	\$ 4,715,977.90	(\$188,639.11)	\$ 4,527,338.79
Jun-28	\$ 4,527,338.79	(\$188,639.11)	\$ 4,338,699.68
Jun-29	\$ 4,338,699.68	(\$188,639.11)	\$ 4,150,060.57
Jun-30	\$ 4,150,060.57	(\$188,639.11)	\$ 3,961,421.46
Jun-31	\$ 3,961,421.46	(\$188,639.11)	\$ 3,772,782.35
Jun-32	\$ 3,772,782.35	(\$188,639.11)	\$ 3,584,143.24
Jun-33	\$ 3,584,143.24	(\$188,639.11)	\$ 3,395,504.13
Jun-34	\$ 3,395,504.13	(\$188,639.11)	\$ 3,206,865.02
Jun-35	\$ 3,206,865.02	(\$188,639.11)	\$ 3,018,225.91
Jun-36	\$ 3,018,225.91	(\$188,639.11)	\$ 2,829,586.80
Jun-37	\$ 2,829,586.80	(\$188,639.11)	\$ 2,640,947.69
Jun-38	\$ 2,640,947.69	(\$188,639.11)	\$ 2,452,308.58
Jun-39	\$ 2,452,308.58	(\$188,639.11)	\$ 2,263,669.47
Jun-40	\$ 2,263,669.47	(\$188,639.11)	\$ 2,075,030.36
Jun-41	\$ 2,075,030.36	(\$188,639.11)	\$ 1,886,391.25
Jun-42	\$ 1,886,391.25	(\$188,639.11)	\$ 1,697,752.14
Jun-43	\$ 1,697,752.14	(\$188,639.11)	\$ 1,509,113.03
Jun-44	\$ 1,509,113.03	(\$188,639.11)	\$ 1,320,473.92
Jun-45	\$ 1,320,473.92	(\$188,639.11)	\$ 1,131,834.81
Jun-46	\$ 1,131,834.81	(\$188,639.11)	\$ 943,195.70
Jun-47	\$ 943,195.70	(\$188,639.11)	\$ 754,556.59
Jun-48	\$ 754,556.59	(\$188,639.11)	\$ 565,917.48
Jun-49	\$ 565,917.48	(\$188,639.11)	\$ 377,278.37
Jun-50	\$ 377,278.37	(\$188,639.11)	\$ 188,639.26
Jun-51	\$ 188,639.26	(\$188,639.26)	\$ (0.00)
		(\$6,413,729.89)	

OB Staff Notes:  
Funding requested by SA is \$367,718 which is over the amount per amortization schedule but is within the statutory limitation on loan repayments per Health and Safety Code Sections 34176 and 34191.4.

\$1,200,000  
LOAN AGREEMENT  
The Courtyard at Bay Road  
(Bay Road Operating Subsidy)

**ROPS Item 11 - \$60,000**  
(This document is an excerpt from the  
loan agreement).

This Loan Agreement (the "Agreement") is entered into as of December ~~30~~<sup>30</sup>, 2004, by and between the Redevelopment Agency of the City of East Palo Alto, a public body, corporate, and politic (the "Agency") and Bay Road Housing L.P., a California limited partnership (the "Borrower"), with reference to the following facts:

A. The Borrower has acquired that certain property located at 1730 Bay Road and 1740 Bay Road, East Palo Alto (the "Property") and, on which it intends to develop seventy-seven (77) units of affordable housing (the "Improvements").

B. The Agency is required to replace housing units destroyed by the Agency as part of its redevelopment program. In consideration for the Agency loaning funds to the Borrower, the Borrower has agreed that the units in the Development will be regulated in order to comply with the requirements of the Health and Safety Code Section 33413 with regard to replacement housing, and the units will be counted towards the Agency's replacement housing obligation.

C. Through this Agreement, the Agency wishes to provide financial assistance to the Borrower for the Development, in the form of an operating subsidy loan in a maximum amount not to exceed One Million Two Hundred Thousand Dollars (\$1,200,000) (the "Loan") to consist of an annual obligation to provide an operating subsidy until the Development is self-sustaining.

WITH REFERENCE TO THE FACTS RECITED ABOVE, the Agency and the Borrower (the "Parties") agree as follows:

## ARTICLE 1 DEFINITIONS AND EXHIBITS

### Section 1.1 Definitions

The following capitalized terms have the meanings set forth in this Section 1.1 wherever used in this Agreement, unless otherwise provided:

(a) "Adjusted Income" shall mean total anticipated annual income of all persons in a household as calculated in accordance with 24 CFR 92.203 (b)(1) (which incorporates 24 CFR 813).

(b) "Affordability Covenant" shall mean the affordability agreement between the Agency and the Borrower dated of even date herewith, and recorded against the Property on \_\_\_\_\_ as document no. \_\_\_\_\_.

(c) "Agency" shall mean the Redevelopment Agency of the City of East Palo Alto, a public body, corporate, and politic.

(d) "Agreement" shall mean this Loan Agreement.

(e) "Annual Operating Expenses" with respect to a particular calendar year shall mean the following costs reasonably and actually incurred for operation and maintenance of the Development to the extent that they are consistent with an annual independent audit performed by a certified public accountant using generally accepted accounting principles: property taxes and other taxes and assessments imposed on the Development; debt service currently due on a non-optional basis (excluding debt service due from residual receipts or surplus cash of the Development) on loans associated with development of the Development and approved by the Agency including debt service on loans from the County of San Mateo; property management fees and reimbursements, not to exceed fees and reimbursements which are standard in the industry and pursuant to a management contract approved by the Agency; partnership management fees (including any asset management fees), if any, not to exceed a total of Twenty Thousand Dollars (\$20,000) per year increased by three percent (3%) per year, all as specifically approved in advance and in writing by the Agency at the time the tax credit syndication occurs and only during the approximately fifteen (15)-year time period when the tax credit investor is included in the Borrower's partnership, premiums for property damage and liability insurance; utility services not paid for directly by tenants, including but not limited to water, sewer, and trash collection; ordinary and extraordinary maintenance and repair; any annual license or certificate of occupancy fees required for operation of the Development; security services and systems; professional fees for legal, audit, accounting and tax returns, and others; advertising and marketing; cash deposited into reserves for capital replacements of the Development in an amount not to exceed six tenths of one percent (.6%) of the total development cost of the Development; cash deposited into an operating reserve in an amount not to exceed three percent (3%) of Annual Operating Expenses or the amount required in connection with the permanent financing and the tax credit syndication, whichever is greater (or any greater amount approved in writing by the Agency) but with the operating reserve capped at six (6) months gross rent from the Development (as such rent may vary from time to time); payment of any previously unpaid portion of the Developer Fee due Community Housing Developers (with interest at a rate not to exceed two percent (2%) simple interest) not exceeding a cumulative developer fee due Community Housing Developers in the maximum amount set forth in this Loan Agreement; extraordinary operating costs specifically approved in writing by the Agency; payments of deductibles in connection with casualty insurance claims not normally paid from reserves, the amount of uninsured losses actually replaced, repaired or restored, and not normally paid from reserves, and other ordinary and reasonable operating expenses approved in writing by the Agency and not listed above. Annual Operating Expenses shall not include the following: depreciation, amortization, depletion or other non-cash expenses; any amount expended from a reserve account; and any capital cost with respect to the Development, as determined by the accountant for the Development.

(f) "Approved Development Budget" shall mean the proforma development budget, including sources and uses of funds, attached to this Agreement as Exhibit B.

(g) "Approved Financing" shall mean financing approved by the Agency at the request of the Borrower and for which the Borrower demonstrates to the Agency's reasonable satisfaction that repayment of the additional loans will not jeopardize the repayment of the Loan.

well as all projected expenses and shall be in sufficient detail for the Agency to determine any operating deficits projected for the Development for the succeeding Fiscal Year. The Agency may, after receipt of the operating budget request supporting information that will enable it to verify the projected budget. If there exists a gap in the operating budget for succeeding Fiscal Year, then the Borrower is eligible for an Annual Disbursement (as defined below). Notwithstanding the foregoing, in any year in which the proposed operating budget demonstrates that there exists Net Cash Flow, the Borrower shall not be eligible for an Annual Disbursement.

(b) If for a given Fiscal Year, there exists a gap in the operating budget submitted for that year, then the Borrower shall receive a disbursement of the Loan on January 30<sup>th</sup> of the applicable Fiscal year (the "Annual Disbursement"). If there does not exist a gap in the operating budget for a given Fiscal Year, then no Annual Disbursement shall be made in the following year.

(c) The maximum amount of the Annual Disbursement shall be the lesser of thirty percent (30%) of the Net Annual Housing Fund Deposit or Sixty Thousand Dollars (\$60,000). The minimum amount of the Annual Disbursement shall be as follows:

- Year 1 - \$45,000
- Year 2 - \$40,000
- Year 3 - \$40,000
- Year 4 - \$35,000
- (2011) Year 5 - \$35,000
- Year 6 - \$25,000
- Year 7 - \$25,000
- Year 8-20 \$15,000

Notes

Historically, SA asks for the maximum (\$60,000) each year. The Net Annual Housing Fund Deposit amount is not known at this time.

Section 2.7 Repayment Schedule.

The Loan shall be repaid as follows:

(a) The Loan and this Agreement shall have a term (the "Term") that expires on the date twenty (20) years after the initial disbursement of Loan Funds to the Borrower.

(b) For any Fiscal Year in which there exists Net Cash Flow from the operation of the Development, Borrower shall make a repayment of the Loan equal to seventy-five percent (75%) of the Net Cash Flow. No later than April 30 of each Fiscal Year commencing in the first full Fiscal Year after the Development has received an Annual Disbursement, Borrower shall submit to the Agency copies of an independent audit of the financial operations of the Development. The independent audit shall indicate the Net Cash Flow for the Development. All repayments shall be due no later than May 31<sup>st</sup> of each year. Payments made shall be credited first against accrued interest and then against outstanding principal.

(c) All principal and accrued interest on the Loan shall be due in full on the earlier to occur of (i) the date of any Transfer not authorized by the Agency, (ii) the date of any Default, and (iii) the expiration of the Term.



This Agreement shall be governed by California law.

Section 7.10 Parties Bound.

Except as otherwise limited herein, the provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their heirs, executors, administrators, legal representatives, successors, and assigns.

Section 7.11 Attorneys' Fees.

If any lawsuit is commenced to enforce any of the terms of this Agreement, the prevailing Party will have the right to recover its reasonable attorneys' fees and costs of suit from the other Party.

Section 7.12 Severability.

If any term of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

Section 7.13 Force Majeure.

Performance by either Party shall not be deemed to be in default where defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; governmental restrictions or priority; litigation (including suits filed by third parties concerning or arising out of this Agreement); weather which, in the opinion of the Borrower's contractor, will necessitate delays; acts of the other Party; acts or failure to act of any public or governmental agency or entity (other than the acts or failure to act of the Agency); or any other causes (other than the Borrower's inability to obtain financing for the Development) beyond the control or without the fault of the Party claiming an extension of time to perform. Times of performance under this Agreement may also be extended in writing by the Agency and the Borrower.

Section 7.14 Approvals.

(a) Whenever this Agreement calls for a Party's approval, consent, or waiver, the written approval, consent, or waiver of the Party's Authorized Officer shall constitute the approval, consent, or waiver of the Party, without further authorization required from the Party's board. The Parties hereby authorize their Authorized Officers to deliver such approvals or consents as are required by this Agreement, or to waive requirements under this Agreement, on behalf of them.

(b) All approvals under this Agreement shall be subject to a reasonableness standard, except where a sole discretion standard is specifically provided.

Section 7.15 Waivers.

Any waiver by the Agency of any obligation or condition in this Agreement must be in writing. No waiver will be implied from any delay or failure by the Agency to take action on any breach or default of the Borrower or to pursue any remedy allowed under this Agreement or applicable law. Any extension of time granted to the Borrower to perform any obligation under this Agreement shall not operate as a waiver or release from any of its obligations under this Agreement. Consent by the Agency to any act or omission by the Borrower shall not be construed to be a consent to any other or subsequent act or omission or to waive the requirement for the Agency's written consent to future waivers.

Section 7.16 Title of Parts and Sections.

Any titles of the sections or subsections of this Agreement are inserted for convenience of reference only and shall be disregarded in interpreting any part of the Agreement's provisions.

Section 7.17 Entire Understanding of the Parties. This Agreement (and the other Loan Documents) constitute the entire understanding and agreement of the Parties with respect to the Loan.

Section 7.18 Multiple Originals; Counterpart.

This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

Section 7.19 Legal Actions.

If any legal action is commenced to interpret or to enforce the terms of this Agreement or to collect damages as a result of any breach of this Agreement, then the Party prevailing in any such action shall be entitled to recover against the Party not prevailing all reasonable attorneys' fees and costs incurred in such action (and any subsequent action or proceeding to enforce any judgment entered pursuant to an action on this Agreement). The Superior Court of the County of San Mateo shall be the forum and venue for all litigation.

**REMAINDER OF PAGE INTENTIONALLY LEFT BLANK**

BY SIGNING BELOW, the Parties confirm their agreement to the terms of this Agreement as of the date first written above.

ATTEST:

AGENCY:

The Redevelopment Agency of the City of East Palo Alto, a public body, corporate, and politic

By: \_\_\_\_\_

By:   
Its: Executive Director

BORROWER:

Bay Road Housing, L.P., a California limited partnership

By: Sands Drive Housing, Inc., a California nonprofit public benefit corporation, its general partner

By:   
Its: Executive Director

AGENCY NOTE  
(Bay Road Operating Subsidy)

\$1,200,000

East Palo Alto, California  
12/30, 2004

FOR VALUE RECEIVED, Bay Road Housing, L.P., a California limited partnership (the "Borrower"), promises to pay to the Redevelopment Agency of the City of East Palo Alto, a public body, corporate, and politic (the "Agency"), or order, the principal sum of One Million Two Hundred Thousand Dollars (\$1,200,000), or such lesser amount as actually disbursed pursuant to the Loan Agreement (as defined below).

1. Loan Agreement. This promissory note (the "Note") evidences the Borrower's obligation to repay the Agency pursuant to the loan agreement between the Borrower and the Agency of even date with this Note (the "Loan Agreement"). All capitalized terms not otherwise defined in this Note shall have the meanings set forth in the Loan Agreement.

2. Interest. The principal balance shall bear interest as set forth in Section 2.2 of the Loan Agreement and the Intercreditor Agreement.

3. Repayment Requirements. This Note shall be due and payable as set forth in Section 2.7 of the Loan Agreement.

4. Security. This Note is secured by a deed of trust (the "Deed of Trust") encumbering the Property.

5. Terms of Payment.

(a) All payments due under this Note shall be paid in currency of the United States of America, which at the time of payment is lawful for the payment of public and private debts.

(b) All payments on this Note shall be paid to the Agency at the office of the Agency as set forth in the Loan Agreement, or to such other place as the Agency may from time to time designate in writing.

(c) All payments on this Note shall be without expense to the Agency, and the Borrower agrees to pay all costs and expenses, including re-conveyance fees and reasonable attorney's fees of the Agency, incurred in connection with the payment of this Note and the release of any security hereof.

(d) Notwithstanding any other provision of this Note, or any instrument securing the obligations of the Borrower under this Note, the

OLD PUBLIC TITLE COMPANY  
hereby certifies that this is a true  
copy of the original.

551\22\179894.1  
11/22/04

whatsoever, the payment of any sums by the Borrower pursuant to the terms of this Note would result in the payment of interest which would exceed the amount that the Agency may legally charge under the laws of the State of California, then the amount by which payments exceed the lawful interest rate shall automatically be deducted from the principal balance owing on this Note, so that in no event shall the Borrower be obligated under the terms of this Note to pay any interest which would exceed the lawful rate.

6. Default.

(a) An Event of Default under the Loan Agreement (which is defined to include an uncured unwaived violation of any Loan Document) shall be an Event of Default under this Note.

(b) Upon the occurrence of an Event of Default, the entire unpaid principal balance, together with all interest thereon, and together with all other sums then payable under this Note and the Deed of Trust, shall at the option of the Agency become immediately due and payable upon written notice by the Agency to the Borrower without further demand (or automatically, to the extent specified in the Loan Agreement).

(c) The failure to exercise the remedy set forth in Subsection 6(b) above or any other remedy provided by law upon the occurrence of an Event of Default shall not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other default. The acceptance by the Agency of any payment which is less than the total of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of the foregoing remedies or options at that time or at any subsequent time, or nullify any prior exercise of any such remedy or option, without the express consent of the Agency, except as and to the extent otherwise provided by law.

7. Waivers.

(a) The Borrower hereby waives diligence, presentment, protest and demand, and notice of protest, notice of demand, and notice of dishonor of this Note. The Borrower expressly agrees that this Note or any payment hereunder may be extended from time to time, and that the Agency may accept further security or release any security for this Note, all without in any way affecting the liability of the Borrower.

(b) No extension of time for payment of this Note or any installment hereof made by agreement by the Agency with any person now or hereafter liable for payment of this note shall operate to release, discharge, modify, change or affect the original liability of the Borrower under this Note, either in whole or in part.

(c) The obligations of the Borrower under this Note shall be absolute and the Borrower waives any and all rights to offset, deduct or withhold any payments or charges due under this Note for any reason whatsoever.

8. Miscellaneous Provisions.

(a) All notices to the Agency or the Borrower shall be given in the manner and at the addresses set forth in the Loan Agreement, or to such addresses as the Agency and the Borrower may designate in accordance with the Loan Agreement.

(b) The Borrower promises to pay all costs and expenses, including reasonable attorney's fees, incurred by the Agency in the enforcement of the provision of this Note, regardless of whether suit is filed to seek enforcement. In addition, the prevailing party in any litigation shall be entitled to recover attorneys' fees and costs, as more fully described in Section 7.19 of the Loan Agreement.

(c) This Note may not be changed orally, but only by an agreement in writing signed by the Party against whom enforcement of any waiver, change, modification or discharge is sought.

(d) This Note shall be governed by and construed in accordance with the laws of the State of California.

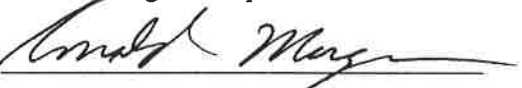
(e) The times for the performance of any obligations hereunder shall be strictly construed, time being of the essence.

(f) This document, together with the Loan Documents, contains the entire agreement between the Parties as to the Loan.

(g) The Loan is non-recourse, as more fully described in Section 2.8 of the Loan Agreement.

Bay Road Housing, L.P., a California  
limited partnership

By: Sands Drive Housing, Inc., a  
California nonprofit public benefit  
corporation, its general partner

By: 

Its: Executive Director

**Successor Agency to the Former City of East Palo Alto Redevelopment Agency**  
**ROPS 24-25 Administrative Cost Allowance Budget: Labor Detail**  
**Period: 7/1/24 to 6/30/25**

<b>FY 2024-2025 ROPS</b>				
<u>Position</u>	<u>Hours</u>	<u>Rate</u>		<u>Amount</u>
Finance Director/Treasurer	60	\$	127	\$ 7,600
Finance Manager	80	\$	89	\$ 7,120
Accounting Technician	80	\$	53	\$ 4,230
				<b>\$ 18,950</b>

Staff effort includes: ; bond payment processing; bond covenant reporting; SA annual budget preparation; general accounting reconciliation; management of annual financial transactions audit. On-going project to organize website and permanent files. Forecasting and informational requests from the County. Pass through contractual considerations and calculations.

**Successor Agency to the Former City of East Palo Alto Redevelopment Agency**  
**ROPS 24-25 Administrative Cost Allowance Budget: Audit and Legal fees**  
**Period: 7/1/24 to 6/30/25**

**Audit Fees for FY 2024-2025**  
**ROPS**

	<b>23-24 Adopted Budget</b>	<b>% of Revenue</b>	<b>Allocation</b>
All Governmental Funds	46,541,177	83%	\$ 58,180
Enterprise fund	5,880,183	11%	\$ 7,351
<b>Succesor Agency</b>	<b>3,575,662</b>	<b>6%</b>	<b>\$ 4,470</b>
Total	55,997,022	100%	\$ 70,000

Estimated Audit Charges \$ 70,000

**Legal Fees for FY 2024-2025**  
**ROPS**

<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Karen Tiedemann	5	\$ 280	\$ 1,400
			<b>\$ 1,400</b>

Proposed legal effort includes: legal advice regarding Bay Road loan provisions applicability; continued questions surrounding make whole request, agreement language, and County process compared to other pass through provision language and treatment.



EPA ROPS 24-25 Agenda Packet  
 Attachment No. 4  
 Supporting Documentations for Administrative Budget \$40,000

**FY 2023-24 Cost Allocation Plan Overhead Charges**

Allocating	General	State Gas Tax	Measure A	NPDES	Rent Stabilization	Housing in Lieu	Housing Assistance	Housing TOT	LMIH Successor Fund	Lighting District	Drainage District	CYSFF TOT	Water Lease	Garbage Service	Trust and Agency
	F010	F201	F202	F203	F204	F207	F209	F218	F220	F221	F222	F231	F510	F520	F705
Bld	(29,726)	-	-	-	-	-	-	-	-	-	29,726	-	-	-	-
Equip	(1,761)	-	-	-	1,761	-	-	-	-	-	-	-	-	-	-
CC	(34,067)	6,089	80	2,812	6,706	1,890	76	2,241	702	1,440	1,903	1,260	6,905	1,963	-
CA	(172,591)	15,114	270	9,476	104,254	2,188	254	2,982	2,363	6,360	5,233	4,247	15,379	4,470	-
CM	(143,131)	27,119	410	14,390	27,368	6,544	388	8,049	3,589	6,760	7,984	6,451	25,641	8,440	-
Clerk	(35,762)	6,176	44	2,197	7,910	1,666	42	2,234	390	1,951	2,537	702	7,222	2,691	-
Admin Srvs	(32,844)	2,770	-	1,347	3,271	-	-	-	-	1,385	1,385	20,158	-	2,527	-
HR	(59,557)	13,008	-	6,323	15,357	-	-	-	-	6,504	6,504	-	-	11,861	-
Fin	(153,818)	34,235	605	23,464	27,968	1,643	572	3,120	5,300	11,112	9,772	9,525	13,993	12,510	-
Maint	(19,200)	-	-	-	-	-	-	-	-	-	19,200	-	-	-	-
Non-Dept	(99,301)	16,630	359	12,602	40,655	223	361	1,030	3,144	4,816	3,882	5,652	5,380	4,567	-
Admin Srvs	(28,169)	6,152	-	2,990	7,264	-	-	-	-	3,076	3,076	-	-	5,610	-
Non-Dept	(21,261)	4,643	-	2,257	5,483	-	-	-	-	2,322	2,322	-	-	4,234	-
CA	(3,988)	872	-	423	1,029	-	-	-	-	435	435	-	-	794	-
Non-Dept	(20,771)	4,536	-	2,206	5,355	-	-	-	-	2,269	2,269	-	-	4,137	-
Admin-PW	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Admin-CDD	(44,887)	-	-	-	17,812	17,812	-	9,263	-	-	-	-	-	-	-
Successor Charges	(12,595)	-	-	-	-	-	-	-	-	-	-	-	-	-	12,595
<b>Total<sup>1</sup></b>	<b>(913,435)</b>	<b>137,345</b>	<b>1,770</b>	<b>80,485</b>	<b>272,195</b>	<b>31,965</b>	<b>1,695</b>	<b>28,920</b>	<b>15,485</b>	<b>48,430</b>	<b>96,230</b>	<b>47,995</b>	<b>74,520</b>	<b>63,805</b>	<b>12,595</b>

1. Totals rounded to the nearest 5.

\$ 12,972.85  
 CPI estimate of 3%

**EPA ROPS 24-25 Agenda Packet  
Attachment No. 4  
ROPS Item #20 - Bonds**

Bond Debt Service  
Successor Agency to the East Palo Alto Redevelopment Agency  
Series A (Tax-Exempt)  
Dated Date 9/1/2015  
Delivery Date 9/1/2015

ROPS Collected	ROPS Incurred	Period Ending	Principal	Coupon	Interest	Debt Service	
ROPS 20-21A	ROPS 20-21B	4/1/2021			297,400.01	297,400.01	
ROPS 20-21B	ROPS 21-22A	10/1/2021	975,000	5.000%	297,400.01	1,272,400.01	
ROPS 21-22A	ROPS 21-22B	4/1/2022			273,025.01	273,025.01	
ROPS 21-22B	ROPS 22-23A	10/1/2022	1,030,000	5.000%	273,025.01	1,303,025.01	
ROPS 22-23A	ROPS 22-23B	4/1/2023			247,275.01	247,275.01	
ROPS 22-23B	ROPS 23-24A	10/1/2023	1,085,000	5.000%	247,275.01	1,332,275.01	
ROPS 23-24A	ROPS 23-24B	4/1/2024			220,150.01	220,150.01	
ROPS 23-24B	ROPS 24-25A	10/1/2024	1,140,000	5.000%	220,150.01	1,360,150.01	
ROPS 24-25A	ROPS 24-25B	4/1/2025			191,650.01	191,650.01	
ROPS 24-25B	ROPS 25-26A	10/1/2025	1,195,000	5.000%	191,650.01	1,386,650.01	Total
ROPS 25-26A	ROPS 25-26B	4/1/2026			161,775.01	161,775.01	\$1,578,300.02
ROPS 25-26B	ROPS 26-27A	10/1/2026	1,250,000	3.000%	161,775.01	1,411,775.01	
ROPS 26-27A	ROPS 26-27B	4/1/2027			143,025.01	143,025.01	
ROPS 26-27B	ROPS 27-28A	10/1/2027	1,295,000	3.000%	143,025.01	1,438,025.01	
ROPS 27-28A	ROPS 27-28B	4/1/2028			123,600.01	123,600.01	
ROPS 27-28B	ROPS 28-29A	10/1/2028	1,325,000	3.250%	123,600.01	1,448,600.01	
ROPS 28-29A	ROPS 28-29B	4/1/2029			102,068.76	102,068.76	
ROPS 28-29B	ROPS 29-30A	10/1/2029	1,370,000	3.375%	102,068.76	1,472,068.76	
ROPS 29-30A	ROPS 29-30B	4/1/2030			78,950.00	78,950.00	
ROPS 29-30B	ROPS 30-31A	10/1/2030	1,425,000	3.500%	78,950.00	1,503,950.00	
ROPS 30-31A	ROPS 30-31B	4/1/2031			54,012.50	54,012.50	
ROPS 30-31B	ROPS 31-32A	10/1/2031	1,465,000	3.625%	54,012.50	1,519,012.50	
ROPS 31-32A	ROPS 31-32B	4/1/2032			27,459.38	27,459.38	
ROPS 31-32B	ROPS 32-33A	10/1/2032	1,515,000	3.625%	27,459.38	1,542,459.38	
			15,070,000		3,840,781.44	18,910,781.44	
Indenture Reserves @ 6/30/2021			975,000		297,400.01	1,272,400.01	
			14,095,000		3,543,381.43	17,638,381.43	

# SAN MATEO COUNTY

## COUNTYWIDE OVERSIGHT BOARD

### *Members*

*Mark Addiego  
Aimee Armsby  
Chuck Bernstein  
Kevin Bultema  
Barbara Christensen  
Mark Leach  
Justin Mates*

Date: December 27, 2023

### **Agenda Item No. 6**

To: San Mateo County Countywide Oversight Board

From: Kristie Passalacqua Silva, San Mateo County Assistant Controller

Subject: San Bruno Successor Agency (SA) Recognized Obligation Payment Schedule (ROPS) 24-25

### **Background**

California Health and Safety Code (HSC) Section 34180(g) requires all ROPS to be approved by the Oversight Board.

### **Discussion**

The Annual ROPS 24-25 contains all the obligations of the former Redevelopment Agency (RDA) for fiscal year 2024-25. The SA is requesting approval by the Board to spend \$840,120 on outstanding obligations and administrative expenses with funding to come from redevelopment property tax trust fund (RPTTF). Enclosed is the SA's Annual ROPS 24-25 and supporting documents.

The SA's ROPS 24-25 includes obligations that the DOF deemed as enforceable and are all pre-existing. There are no new obligations listed on the SA's ROPS 24-25.

Nick Pegueros and Esther Garibay, Chief Financial Officer and Financial Services Manager of San Bruno, respectively, will be presenting to the Board.

### **Fiscal Impact**

Funding for ROPS reduces the amount of tax revenue available for "Residual" distributions to the affected taxing entities.

### **CAC Exhibit**

A - San Bruno SA's Annual ROPS 24-25 Agenda Packet

**CAC Exhibit A**  
**San Bruno ROPS 24-25 Agenda Packet**

Date: December 15, 2023

To: San Mateo County Countywide Oversight Board

From: Esther Garibay, Financial Services Manager  
Nick Pegueros, Chief Financial Officer

Subject: Approval of the Recognized Obligation Payment Schedule (ROPS) 24-25 and Administrative Cost Allowance Budget of the San Bruno Successor Agency (SA)

Former RDA: City of San Bruno Redevelopment Agency

**Recommendation**

Adopt a resolution approving the San Bruno SA's ROPS 24-25 and Administrative Cost Allowance Budget FY 2024-25.

**Background**

The San Bruno Successor Agency submits their ROPS 24-25 listing the SA's enforceable obligations and expenses to the State Department of Finance (DOF) pursuant to Health & Safety Code Section (H&S) 34177(m) and (o). The ROPS include an amount for the SA's Administrative Cost Allowance as authorized under the Dissolution Act which is subject to a cap as set forth under H&S 34171. The ROPS and the Budget for the SA's Administrative Cost Allowance must be approved by the Oversight Board.

The San Bruno Successor Agency is not able to submit last and final ROPS due to an Owner Participation Agreement with Avalon (Archstone I) with an undefined schedule which would require a re-negotiation of the outstanding housing subsidy agreement. Therefore, the San Bruno Successor Agency does not meet the conditions outlined in HSC 34191.6 (a).

Furthermore, The San Bruno Successor Agency has an outstanding bond that could be paid off without pre-payment penalties "San Bruno Series 2019 Refunding Series 2000". However due to the conditions mentioned above the San Bruno Successor Agency is not able to file for Last and Final ROPS.

**Financial Impact**

No funds are involved with the approval of the ROPS.

**Attachments:**

1. Draft Resolution of the Oversight Board Approving the San Bruno SA's ROPS 24-25 and FY 2024-25 Administrative Budget
2. Exhibit A – San Bruno Successor Agency's Recognized Obligation Payment Schedule 24-25
3. Exhibit B – San Bruno Successor Agency's FY 2024-25 Administration Budget
4. Exhibit C – Supporting Documents for ROPS 24-25 items.

RESOLUTION NO. 2024-\_\_\_\_\_

**RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD APPROVING  
THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) 24-25 AND FY 2024-25  
ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2024 TO JUNE 30, 2025  
FOR THE SUCCESSOR AGENCY (SA) TO THE FORMER CITY OF SAN BRUNO 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 San Bruno Redevelopment Agency has prepared a draft ROPS for the period July 1, 2024 to June 30, 2025, referred to as “ROPS 24-25”, claiming a total enforceable obligation amount of \$840,120 as set forth in the attached Exhibit A; and

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

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

**WHEREAS**, the Successor Agency to the Former San Bruno Redevelopment Agency has prepared an administrative budget for the period July 1, 2024 to June 30, 2025, for \$22,170; as set forth in the attached Exhibit B; and

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

**NOW, THEREFORE, BE IT RESOLVED**, the San Mateo County Countywide Oversight Board hereby approves the San Bruno Successor Agency’s ROPS 24-25 and Fiscal Year 2024-25 Administrative Budget referenced 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 24-25 to the State Department of Finance upon approval by the Oversight Board.

\* \* \*

Exhibit A – Successor Agency’s Recognized Obligation Payment Schedule 24-25  
Exhibit B – Successor Agency’s FY 2024-25 Administrative Budget

**Recognized Obligation Payment Schedule (ROPS 24-25) - Summary  
Filed for the July 1, 2024 through June 30, 2025 Period**

**Successor Agency:** San Bruno

**County:** San Mateo

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>24-25A Total (July - December)</b>	<b>24-25B Total (January - June)</b>	<b>ROPS 24-25 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	\$ 75,810	\$ 764,310	\$ 840,120
F RPTTF	64,725	753,225	817,950
G Administrative RPTTF	11,085	11,085	22,170
<b>H Current Period Enforceable Obligations (A+E)</b>	\$ 75,810	\$ 764,310	\$ 840,120

**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.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date

**San Bruno ROPS 24-25 Agenda Packet**  
**Attachment No. 2 - Exhibit A**  
**Page 2 of 5**

**San Bruno**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - ROPS Detail**  
**July 1, 2024 through June 30, 2025**

A	B	C	D	E	F	G	H	I	J	K	ROPS 24-25A (Jul - Dec)					Q	ROPS 24-25B (Jan - Jun)					W		
											Fund Sources						24-25A Total	Fund Sources					24-25B Total	
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF			Bond Proceeds	Reserve Balance	Other Funds	RPTTF			Admin RPTTF
								\$8,576,400		\$840,120	\$-	\$-	\$-	\$64,725	\$11,085	\$75,810	\$-	\$-	\$-	\$753,225	\$11,085	\$764,310		
4	Archstone I Owner Participation Agreement	OPA/DDA/ Construction	12/11/2002	07/01/2039	ASN Tanforan Crossing LLC	Tax increment reimbursement of affordable housing subsidy	San Bruno Redevelopment Project Area	4,665,000	N	\$311,000	-	-	-	-	-	\$-	-	-	-	311,000	-	\$311,000		
5	Administrative Costs	Admin Costs	01/01/2030	07/01/2039	Successor Agency	Administrative Allowance	San Bruno Redevelopment Project Area	332,550	N	\$22,170	-	-	-	-	11,085	\$11,085	-	-	-	-	11,085	\$11,085		
11	San Bruno Series 2019 Refunding Series 2000	Bond Reimbursement Agreements	03/01/2019	05/01/2031	Union Bank	2019 Refunding 2000 Certificates of Participation Reimbursement Agreement	San Bruno Redevelopment Project Area	3,561,350	N	\$504,450	-	-	-	64,725	-	\$64,725	-	-	-	439,725	-	\$439,725		
12	Fiscal Agent Fees	Fees	03/01/2019	02/01/2031	Union Bank	Fiscal agent fees associated with the 2019 Reimbursement Agreement	San Bruno Redevelopment Project Area	17,500	N	\$2,500	-	-	-	-	-	\$-	-	-	-	2,500	-	\$2,500		

**San Bruno**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - Report of Cash Balances**  
**July 1, 2021 through June 30, 2022**  
 (Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), 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 21-22 Cash Balances (07/01/21 - 06/30/22)		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	<b>Beginning Available Cash Balance (Actual 07/01/21)</b> RPTTF amount should exclude "A" period distribution amount.			1,163,984		1,044,207	Beginning balance \$2,207,987.30; E: Ending balance of ROPS Cash Balance, plus PPA 17-18 \$501,942 + PPA 18-19 \$122,256 minus 19-20 Admin Advance 19,424 + G: PPA 19-20 \$625,868 minus PPA 20-21 \$498,994 -Admin Fees FY20 \$19,424 minus FY22 Admin costs \$15,474 and res bal \$21,814 per DOF letter 3/24/21
2	<b>Revenue/Income (Actual 06/30/22)</b> RPTTF amount should tie to the ROPS 21-22 total distribution from the County Auditor-Controller					757,785	per DOF letter dated 03/24/2021
3	<b>Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)</b>					745,084	Lse Rev Bond Prin \$425,825 4/5/22, Int \$85,825 10/28/.21; Fiscal Agent Fee \$3,350; \$15,474 *2 Admin Subsidy 199,136
4	<b>Retention of Available Cash Balance (Actual 06/30/22)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
5	<b>ROPS 21-22 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 21-22 PPA			No entry required		864,567	Number ties to PPA submitted 10/1/22 "Available"



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
	<b>ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)</b>	<b>Fund Sources</b>					<b>Comments</b>
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
		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	
	form submitted to the CAC						
<b>6</b>	<b>Ending Actual Available Cash Balance (06/30/22)</b> <b>C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)</b>	<b>\$-</b>	<b>\$-</b>	<b>\$1,163,984</b>	<b>\$-</b>	<b>\$192,341</b>	

**San Bruno**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - Notes**  
**July 1, 2024 through June 30, 2025**

Item #	Notes/Comments
4	
5	
11	
12	

**San Bruno ROPS 24-25 Agenda Packet  
Attachment No. 3 - Exhibit B**

SUCCESSOR AGENCY CITY OF SAN BRUNO								
ADMINISTRATIVE BUDGET								
ROPS Period	22-23			23-24		24-25		Please specify budget methodology (Cost Allocation, Time Study etc)
Obligations Period	July 2022-June 2023			July 2023-June 2024		July 2024-June 2025		
Total Outstanding Obligations (\$)								
Total Number of Outstanding Obligations								
Staff	Description	Requested	Actual	Variance	Requested	Requested	Variance	Comment/Explanation for Variance
City Manager	Continuing review of City Recognized Obligation Payment schedules, Administrative Budgets, and other reports that go to the City Council and Oversight Board.	\$ 250	\$ 250	\$ -	\$ 250	\$ 250	\$ -	0.08%
Legal Services	Review and provide support for reports submitted to Department of Finance, San Mateo County Board, City Council and Oversight Board	\$ 500	\$ 500	\$ -	\$ 500	\$ 500	\$ -	0.16%
Interim Finance Director	Preparation of Recognized Obligation Payment Schedules and Administrative Budgets. Oversight of Financial Obligations of former RDA and preparation of Oversight Board Agenda Packets. Serves as liaison to the Department of Finance and follow up on related information requests. Attend Oversight Board Meetings in person requiring travel reimbursement and accommodations	\$ 9,540	\$ 9,540	\$ -	\$ 9,540	\$ 9,540	\$ -	3.45%
Finance Manager	Maintain the financial records of the Successor Agency, which includes working on the annual audit of the Redevelopment Obligation Retirement Fund and related disclosures, ensure accurate accounting of all former RDA transactions, and reconciliation of bank account and ledger for the Successor Agency.	\$ 8,401	\$ 8,401	\$ -	\$ 8,401	\$ 8,401	\$ -	4.34%
Community & Economic Development Director	Attend Oversight Board Meetings as needed. Continue to oversee the Archstone's Owner Participation Agreements and compliance of the City's low and moderate income housing Subsidy program. Complete required compliance reports. Update and maintain website of the Successor Agency and Oversight Board.	\$ 500	\$ 500	\$ -	\$ 500	\$ 500	\$ -	0.28%
				\$ -			\$ -	
				\$ -			\$ -	
				\$ -			\$ -	
<b>Sub-Total (Personnel Costs)</b>		<b>\$ 19,191</b>	<b>\$ 19,191</b>	<b>\$ -</b>	<b>\$ 19,191</b>	<b>\$ 19,191</b>	<b>\$ -</b>	
Vendor/Payee	Description	Requested	Actual	Variance	Requested	Requested	Variance	
San Bruno Overhead	Payroll, IT, Accounts Payable, etc	\$ 2,879	\$ 2,879	\$ 0	\$ 2,879	\$ 2,879	\$ 0	15%
	Office supplies, utilities, communications, printing & copying	\$ 100	\$ 100	\$ -	\$ 100	\$ 100	\$ -	
Outside Legal Council	Outside legal costs for Successor Agency & Oversight Board	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
				\$ -			\$ -	
<b>Sub-Total (Other Costs)</b>		<b>\$ 2,979</b>	<b>\$ 2,979</b>	<b>\$ 0</b>	<b>\$ 2,979</b>	<b>\$ 2,979</b>	<b>\$ 0</b>	
<b>Grand Total</b>		<b>\$ 22,170</b>	<b>\$ 22,170</b>	<b>\$ 0</b>	<b>\$ 22,170</b>	<b>\$ 22,170</b>	<b>\$ 0</b>	

San Mateo County Countywide Oversight Board  
January 8, 2024 Meeting

Note: The SA always requests the maximum amount per housing covenant because the data to compute debt coverage ratio (DCR) is not available at this time. The actual amount is reported during the PPA process pursuant to Health and Safety Code Section 34186(a) and any excess funding is used to reduce the next ROPS period RPTTF funding.

**Agency Subsidy to Archstone I & II  
 Owner Participation Agreements**

**Archstone I**

Operating Years	Affordable Housing Set Aside Subsidy	Unrestricted Tax Increment
Year 0 To Year 30	100%, subject to the Affordable Housing Subsidies Cap (\$311,000)	100% up to Cap of \$311,000, but not exceed the Benchmark DCR (1.75)
Year 31 To 7/6/39	100% up to Cap of \$311,000, but not exceed the Benchmark DCR (1.75)	100% up to Cap of \$311,000, but not exceed the Benchmark DCR (1.75)

ROPS Item 4.

**Archstone II**

Operating Years	Affordable Housing Set Aside Subsidy	Unrestricted Tax Increment
Year 0 To Year 5	100%, subject to the Affordable Housing Subsidies Cap (\$370,000)	100% up to Cap of \$370,000, but not exceed the Benchmark DCR (1.15)
Year 6 To Year 15	100% up to Cap of \$370,000, but not exceed the Benchmark DCR (1.15)	100% up to Cap of \$370,000, but not exceed the Benchmark DCR (1.15)

ROPS Item 3 (Obligation is for 15 years and expired on August 2022.)

**401.3 Affordable Housing Subsidies. (Archstone I)**

**(a) Affordable Housing Set Aside Subsidy** Beginning with the Partial Operating Year and continuing each Operating Year thereafter until the first to occur of (a) the thirtieth (30th) Operating Year, (b) July 6, 2039, the current expiration date of the Redevelopment Plan, or (c) termination of the Affordable Housing Covenant, Attachment No. 5, and subject to the Affordable Housing Subsidies Cap, Agency shall disburse to Participant (or to Trustee as provided in Section 407, below) an amount equal to one hundred percent (100%) of the Net Affordable Housing Set Aside Revenues attributable to the Project during each such Operating Year (or, in the case of the Partial Operating Year, a prorated percentage of such Net Affordable Housing Set Aside Revenues based upon the number of calendar days in the Partial Operating Year) (the "Affordable Housing Set Aside Subsidy"). The Affordable Housing Set Aside Subsidy shall be payable after the end of the Partial Operating Year and each Operating Year thereafter and within thirty (30) days following receipt by Agency of the second biannual installment of tax increment from the County of San Mateo. During the first thirty (30) Operating Years, Agency shall not consider the Benchmark Debt Coverage Ratio for purposes of determining Participant's eligibility for the Affordable Housing Set Aside Subsidy. Beginning with the thirty-first (31st) Operating Year and continuing each Operating Year thereafter until the first to occur of (a) July 6, 2039, the current expiration date of the Redevelopment Plan, or (b) termination of the Affordable Housing Covenant, Attachment No. 5, and subject to the Affordable Housing Subsidies Cap, Agency shall disburse to Participant (or to Trustee as provided in Section 407, below) an amount equal to one hundred percent (100%) of the Net Affordable Housing Set Aside Revenues attributable to the Project during each such Operating Year, but only to the extent that the Project's Debt Coverage Ratio does not meet the Benchmark Debt Coverage Ratio.

**(b) Unrestricted Tax Increment Subsidy** Beginning with the Partial Operating Year and continuing each Operating Year thereafter until the first to occur of (a) July

6, 2039, the current expiration date of the Redevelopment Plan, or (b) termination of the Affordable Housing Covenant, Attachment No. 5, and subject to the Affordable Housing Subsidies Cap, Agency shall disburse to Participant (or to Trustee as provided in Section 407, below) an amount equal to one hundred percent (100%) of the Net Unrestricted Property Tax Increment Revenues attributable to the Project during each such Operating Year (or, in the case of the Partial Operating Year, a prorated percentage of such Net Unrestricted Property Tax Increment Revenues based upon the number of calendar days in the Partial Operating Year), but only to the extent that the Project's Debt Coverage Ratio does not meet the Benchmark Debt Coverage Ratio (the "Unrestricted Tax Increment Subsidy"). The Unrestricted Tax Increment Subsidy shall be payable after the end of the Partial Operating Year and each Operating Year thereafter and within thirty (30) days following receipt by Agency of the second biannual installment of tax increment from the County of San Mateo. To the extent sufficient Affordable Housing Fund monies are available, Agency, at its option, may use such Affordable Housing Fund monies to pay all or a portion of the Unrestricted Tax Increment Subsidy.

(c) **Affordable Housing Subsidies Cap**—The sum total of the Affordable Housing Subsidies (i.e., the Affordable Housing Set Aside Subsidy and the Unrestricted Tax Increment Subsidy) payable to Participant in any given Operating Year, other than the Partial Operating Year, shall in no event exceed **THREE HUNDRED THOUSAND AND NO/100 DOLLARS (\$300,000.00)** ("Affordable Housing Subsidies Cap"). The Affordable Housing Subsidies Cap for the Partial Operating Year shall be equal to the product of the Affordable Housing Subsidies Cap multiplied by a fraction, the numerator of which is the number of calendar days in the Partial Operating Year and the denominator of which is 365.

Amount was amended to \$311,040.

(d) **Benchmark Debt Coverage Ratio**—Beginning with the Partial Operating Year and continuing each Operating Year thereafter, the Unrestricted Tax Increment Subsidy shall be subject to reduction if, in the Operating Year in question, the Debt Coverage Ratio exceeds the Benchmark Debt Coverage Ratio. If the Debt Coverage Ratio exceeds the Benchmark Debt Coverage Ratio in any such Operating Year, the Unrestricted Tax Increment Subsidy for that Operating Year shall be reduced to the amount necessary to ensure that the Project's Debt Coverage Ratio meets, but does not exceed, the Benchmark Debt Coverage Ratio. Beginning with the thirty-first (31<sup>st</sup>) Operating Year and continuing each Operating Year thereafter, the Affordable Housing Set Aside Subsidy shall also be subject to reduction if, in the Operating Year in question, the Debt Coverage Ratio exceeds the Benchmark Debt Coverage Ratio. Accordingly, if the Debt Coverage Ratio exceeds the Benchmark Debt Coverage Ratio in the thirty-first (31<sup>st</sup>) Operating Year or any Operating Year thereafter, the Affordable Housing Subsidies for such Operating Year shall be reduced to the amount necessary to ensure that the Project's Debt Coverage Ratio meets, but does not exceed, the Benchmark Debt Coverage Ratio.

## DEFINITIONS

**"Affordable Housing Set Aside Revenues"** means that portion of the property tax increment revenues allocated to and received by Agency attributable by the San Mateo County Assessor to the Site and the improvements thereon (currently twenty percent (20%) of the gross property increment revenues), which Agency is required by law to set-aside in the Agency's Low and Moderate Income Housing Fund pursuant to the Community Redevelopment Law.

**"Unrestricted Property Tax Increment Revenues"** means the property tax increment revenues allocated to and received by the Agency pursuant to Section 33670(b) of the Community Redevelopment Law, as said statute may be amended from time to time, by application of the one percent (1%) tax levied against real property Article IIIA of the California

Constitution, in an amount attributable as permitted by the San Mateo County Assessor to the Site and the improvements thereon, but specifically excluding therefrom the following

(a) charges for County administrative by charges, fees, or costs

(b) the portion of tax increment revenues from the Site attributable to any special taxes or assessments or voter-approved indebtedness

(c) an amount equal to the actual and reasonable costs incurred by Agency, including staff time, in reviewing Participant's compliance with the terms of this Agreement and the Affordable Housing Covenant in the preceding Operating ear

(d) a portion of the tax increment revenues from the Site equal to the percentage of such revenue that the Agency is required to pay to any and all governmental entities as required by the Community Redevelopment Law, including payments required to be made following an amendment to the Redevelopment Plan in accordance with Section 33333.10 of the Community Redevelopment Law, as added by Senate Bill 211

(e) a portion of the tax increment revenues from the Site equal to the amount of money that City is required to pay the County of San Mateo pursuant to the County of San Mateo Letter of Understanding and Agreement or any other agreements entered into by the City and the County of San Mateo implementing the County of San Mateo Letter of Understanding and Agreement

(f) the portion of tax increment revenues from the Site equal to the percentage of such revenues in the Redevelopment Project as a whole which payments the State may mandate that the Agency pay from time to time in the future, including, for example, any payments which the Agency may be required to pay to the Education Revenue Augmentation Fund pursuant to Section 33681, et seq., of the Community Redevelopment Law and

(g) Affordable Housing Set Aside Revenues.

RECORDING REQUESTED BY )  
 AND WHEN RECORDED MAIL TO: )  
 )  
 City of San Bruno Redevelopment )  
 Agency )  
 567 El Camino Real )  
 San Bruno, California 94066 )  
 Attention: Executive Director )  
 )

(Space Above This Line for Recorder's Use Only)  
 Exempt from recording fee per Gov. Code §27383

**FIRST AMENDMENT TO  
 OWNER PARTICIPATION AGREEMENT**

This First Amendment to Owner Participation Agreement (the "First Amendment") dated for reference purposes March 9, 2004, is entered into by and between THE CROSSING APARTMENT ASSOCIATES I LLC, a Delaware limited liability company, having offices at 100 Bush Street, 26th Floor, San Francisco, California 94104 ("Participant"), and the CITY OF SAN BRUNO REDEVELOPMENT AGENCY, a public body, existing and organized under the California Community Redevelopment Law, having offices at 567 El Camino Real, San Bruno, California 94066 ("Agency").

**RECITALS**

Capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the Original OPA (defined below).

A. Agency and Participant entered into that certain Owner Participation Agreement dated December 11, 2002 (the "Original OPA"). The Original OPA is available for public inspection and copying at the office of the City Clerk, City of San Bruno, City Hall, 567 El Camino, San Bruno, California 94066.

B. The Original OPA provides for the development of a 300-unit multi-family residential rental project with ancillary recreational, commercial and parking uses (the "Housing Project"), including 60 below-market rate units restricted to households of very low income (the "Affordable Units") on that certain real property (the "Site") located in the City of San Bruno, County of San Mateo, State of California, legally described in Exhibit "A" attached hereto and incorporated herein by this reference.

C. In consideration of the Participant's obligations under the Original OPA, including the obligation to provide and maintain the Affordable Units, Agency

provided to Participant certain Affordable Housing Subsidies up to a maximum amount (the "Affordable Housing Subsidies Cap"). The amount of the Affordable Housing Subsidies Cap was determined based on the amount of assistance the Participant required in order to make the development and maintenance of the Affordable Units economically feasible, taking into consideration certain financial assumptions, including Participant's projected revenues from the granting of certain cable access rights to the Site.

D. Due to clarifications made pertaining to the Participant's granting of cable access rights to the Site, the cable access rights revenues anticipated by Participant will be less than projected and, therefore, the Participant has requested the Agency to increase the annual Affordable Housing Subsidies Cap by an amount equal to the difference between the Participant's projected cable access rights revenues and the revised projected cable access rights revenues.

E. In order for Participant and Commission to protect their respective investments and continue to ensure the economic viability of the Affordable Units, Participant and Agency desire to amend the Original OPA to increase the amount of the Affordable Housing Subsidies Cap.

## AGREEMENTS

NOW THEREFORE, in consideration of the foregoing recitals, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Participant and Agency hereby agree as follows:

1. Amendment to Section 401.3(c). Section 401.3(c) of the Original OPA is hereby revised to read as follows:

"(c) **Affordable Housing Subsidies Cap**. The sum total of the Affordable Housing Subsidies (i.e., the Affordable Housing Set Aside Subsidy and the Unrestricted Tax Increment Subsidy) payable to Participant in any given Operating Year, shall in no event exceed THREE HUNDRED ELEVEN THOUSAND AND FORTY DOLLARS **(\$311,040.00)** ("Affordable Housing Subsidies Cap"). The Affordable Housing Subsidies Cap for the Partial Operating Year shall be equal to the product of the Affordable Housing Subsidies Cap Multiplied by a fraction, the numerator of which is the number of calendar days in the Partial Operating Year and the denominator of which is 365."

2. No Other Amendment. Except as amended hereby, the Original OPA remains unmodified and in full force and effect.



3. Date of First Amendment. The date of this First Amendment shall be the date when it shall have been signed by the Agency.

IN WITNESS WHEREOF, the parties have executed this First Amendment on the respective dates set forth below.

AGENCY:

CITY OF SAN BRUNO REDEVELOPMENT  
AGENCY, a public body, corporate and  
politic

Dated: March 10, 2004

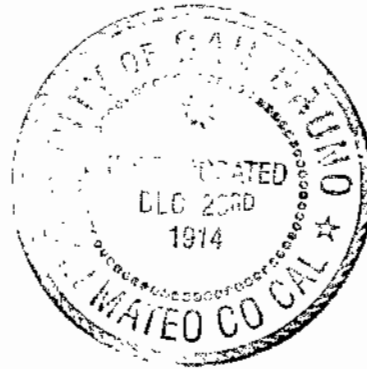
By: *Courance Adise*  
Executive Director

ATTEST:

*E. Adams*  
Secretary

APPROVED AS TO FORM:

*Paul P.*  
McDonough, Holland & Allen  
Agency Co-Counsel



[Signatures continued on next page]

PARTICIPANT:

THE CROSSING APARTMENT ASSOCIATES I LLC, a Delaware limited liability company

By: TMG-REGIS APARTMENT ASSOCIATES I LLC, a California limited liability company

Its: Co-Managing Member

By: RHNC SB APARTMENT TEAM I LLC, a California limited liability company

Its: Managing Member

By: REGIS HOMES OF NORTHERN CALIFORNIA, INC., a California corporation

Its: Manager

By: Mark R. Kroll  
Mark R. Kroll

Title: President

By: Robert W. Wagner  
Robert W. Wagner

Its: Chairman

Dated: 2/6, 2004

APPROVED AS TO FORM:

[Signature]  
Beveridge & Diamond, P. C.  
Counsel for Participant

RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:

Jones Hall, A Professional Law Corporation  
475 Sansome Street, Suite 1700  
San Francisco, California 94111  
Attention: David T. Fama, Esq.

CERTIFIED TO BE A TRUE AND CORRECT  
COPY OF THE ORIGINAL DOCUMENT  
RECORDED ON March 20, 2019 UNDER  
RECORDER'S INSTRUMENT NO. 2019-019193,  
SAN MATEO COUNTY RECORDS.

BY: 

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX UNDER SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES UNDER SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

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## LEASE AGREEMENT

Dated as of March 1, 2019

between the

**SAN BRUNO PUBLIC FINANCING AUTHORITY,**  
*as lessor*

and the

**CITY OF SAN BRUNO,**  
*as lessee*

***Relating to:***

**\$4,670,000**  
**San Bruno Public Financing Authority**  
**Lease Revenue Bonds, Series 2019**

## LEASE AGREEMENT

This LEASE AGREEMENT (this "**Lease**"), dated for convenience as of March 1, 2019, is between the SAN BRUNO PUBLIC FINANCING AUTHORITY, a joint powers authority duly organized and existing under the laws of the State of California, as lessor (the "**Authority**"), and the CITY OF SAN BRUNO, a municipal corporation and general law city duly organized and existing under the Constitution and laws of the State of California, as lessee (the "**City**").

### *B A C K G R O U N D :*

1. The City has previously caused the execution and delivery of the City of San Bruno Certificates of Participation, Series 2000 (Police Facility Financing) in the aggregate initial principal amount of \$9,600,000 in 2000 (the "**Prior Obligations**") for the purpose of financing certain obligations of the City.

2. In connection with the Prior Obligations, the City, as sub-lessee and the Authority, as sub-lessor, entered into a Lease Agreement dated as of December 1, 2000 and evidenced of record by a Memorandum of Lease Agreement recorded on December 12, 2000 as Instrument No. 2000-157340, whereby the City is obligated to pay lease payments (the "**Prior Lease Payments**") for the use and occupancy of the leased property described therein, and thereby financing the construction of the City's police facility.

3. The City has determined that, based on current interest rates, cost savings can be achieved by refinancing the Prior Lease Payments and in turn causing the Prior Obligations to be refunded.

4. To that end, the City is leasing certain real property and improvements thereon owned by the City, consisting of the Police Station, as described in Appendix A attached hereto (the "**Leased Property**"), to the Authority under a Site Lease dated as of March 1, 2019, and recorded concurrently herewith (the "**Site Lease**"), in consideration of the payment by the Authority of an upfront rental payment (the "**Site Lease Payment**"), the proceeds of which will be used by the City to prepay the Prior Lease Payments.

5. The Authority has authorized the issuance of its San Bruno Public Financing Authority Lease Revenue Bonds, Series 2019 in the aggregate principal amount of \$4,670,000 (the "**Bonds**") under an Indenture of Trust dated as of March 1, 2019 (the "**Indenture**") by and between the Authority and MUFG Union Bank, N.A., as trustee (the "**Trustee**"), for the purpose of providing the funds to enable the Authority to pay the Site Lease Payment to the City in accordance with the Site Lease.

6. In order to provide revenues to enable the Authority to pay debt service on the Bonds, the Authority is leasing the Leased Property back to the City under this Lease, under which the City has agreed to pay semiannual Lease Payments as the rental for the Leased Property hereunder.

7. The lease payments made by the City under this Lease have been assigned by the Authority to the Trustee for the security of the Bonds under an Assignment Agreement, dated as of March 1, 2019, between the Authority as assignor and the Trustee as assignee, and recorded concurrently herewith.

## APPENDIX A

### DESCRIPTION OF THE LEASED PROPERTY

The Leased Property consists of that certain real property situated in the State of California, County of San Mateo, City of San Bruno and described as follows:

BEING a portion of that certain parcel of land as described in the Grant Deed from Tanforan Park Shopping Center to Sears, Roebuck and Co., recorded on May 23, 1969, in Book 5642 of Official Records at page 609, in the Office of the Recorder of San Mateo County, State of California, said Grant Deed parcel to Sears, Roebuck and Co. being described as "all of Lot 2, all of Lot 3 and a portion of Lot 1, in Block 6 as said Lots and Block are shown on the map entitled "TANFORAN PARK, UNIT NO. 1, SAN BRUNO, CALIFORNIA", which Map was recorded on January 5, 1967, in Book 66 of Maps at pages 1, 2, 3 and 4, San Mateo County Records", said portion of certain Grant Deed parcel, more particularly described as follows:

BEGINNING at the most easterly corner of said Grant Deed parcel, said corner being on the Southwesterly line of Huntington Avenue as shown on said map; THENCE South 66° 40' 48" West, 130.15 feet to the **TRUE POINT OF BEGINNING** of this description.

THENCE North 24° 49' 28" West, 64.77 feet;

THENCE North 23° 31' 53" West, 178.40 feet;

THENCE North 66° 28' 07" East, 46.54 feet;

THENCE South 23° 31' 53" East, 32.15 feet to the beginning of a non-tangent curve, concave northerly, having a radius of 46.80 feet, from which point a radial line bears North 07° 39' 21" West;

THENCE Easterly along said curve through a central angle of 24° 17' 22", for an arc length of 19.84 feet;

THENCE North 23° 31' 53" West, 18.85 feet to the beginning of a non-tangent curve, concave Southwesterly, having a radius of 72.33 feet, from which point a radial line bears South 10° 03' 42" East;

THENCE Easterly, Southeasterly and Southerly along last said curve through a central angle of 91° 48' 49", for an arc length of 115.91 feet;

THENCE South 77° 02' 18" West, 9.94 feet to the beginning of a non-tangent curve, concave Westerly, having a radius of 193.73 feet, from which point a radial line bears South 76° 37' 16" West;

THENCE Southerly and Southwesterly along last said curve through a central angle of 54° 32' 23", for an arc length of 184.41 feet to the **TRUE POINT OF BEGINNING** of this description.

APN: 014-316-180

(End of Legal Description)

**APPENDIX B  
SCHEDULE OF LEASE PAYMENTS**

<b>Lease Payment Date*</b>	<b>Principal Component</b>	<b>Interest Component</b>	<b>Aggregate Lease Payment</b>
Nov. 1, 2019	--	\$119,930.56	\$119,930.56
May 1, 2020	\$290,000.00	98,125.00	388,125.00
Nov. 1, 2020	--	92,325.00	92,325.00
May 1, 2021	325,000.00	92,325.00	417,325.00
Nov. 1, 2021	--	85,825.00	85,825.00
May 1, 2022	340,000.00	85,825.00	425,825.00
Nov. 1, 2022	--	79,025.00	79,025.00
May 1, 2023	350,000.00	79,025.00	429,025.00
Nov. 1, 2023	--	72,025.00	72,025.00
May 1, 2024	365,000.00	72,025.00	437,025.00
Nov. 1, 2024	--	64,725.00	64,725.00
May 1, 2025	375,000.00	64,725.00	439,725.00
Nov. 1, 2025	--	57,225.00	57,225.00
May 1, 2026	395,000.00	57,225.00	452,225.00
Nov. 1, 2026	--	49,325.00	49,325.00
May 1, 2027	410,000.00	49,325.00	459,325.00
Nov. 1, 2027	--	41,125.00	41,125.00
May 1, 2028	430,000.00	41,125.00	471,125.00
Nov. 1, 2028	--	32,525.00	32,525.00
May 1, 2029	445,000.00	32,525.00	477,525.00
Nov. 1, 2029	--	23,625.00	23,625.00
May 1, 2030	460,000.00	23,625.00	483,625.00
Nov. 1, 2030	--	12,125.00	12,125.00
May 1, 2031	485,000.00	12,125.00	497,125.00

Total  
\$504,450

\* Lease Payment Dates are the sixth (6th) Business Day immediately preceding each date listed in this Appendix B.


**\$4,670,000**  
**SAN BRUNO PUBLIC FINANCING AUTHORITY**  
**LEASE REVENUE BONDS, SERIES 2019**

**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by the Lease Agreement, dated as of March 1, 2019, by the San Bruno Public Financing Authority, as lessor, to the City of San Bruno (the "City"), as lessee, is hereby accepted by the undersigned officer on behalf of the City pursuant to authority conferred by resolution of the City Council of the City adopted on November 13, 2018, and the City consents to recordation thereof by its duly authorized officer.

Dated as of March 1, 2019

**CITY OF SAN BRUNO**

By:  \_\_\_\_\_  
Jovan D. Grogan  
City Manager

STATE OF CALIFORNIA )  
COUNTY OF San Mateo ) ss.

On March 10, 2004, before me, Edward R. Simon, Notary, the undersigned, personally appeared Constance Jackson,

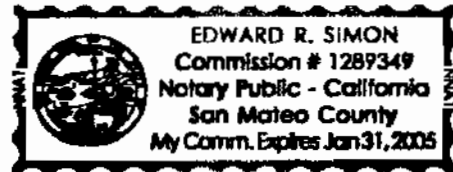
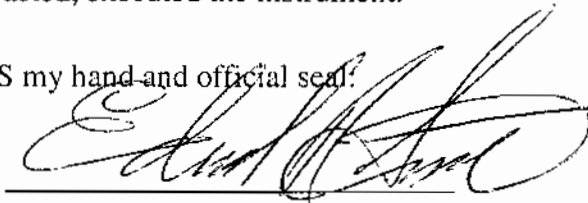
personally known to me

proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) (is/are) subscribed to the within instrument and acknowledged to me that (he/she/they) executed the same in (his/her/their) authorized capacity(ies), and that by (his/her/their) signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal:

Signature





STATE OF CALIFORNIA )  
 )  
COUNTY OF San Mateo ) ss.

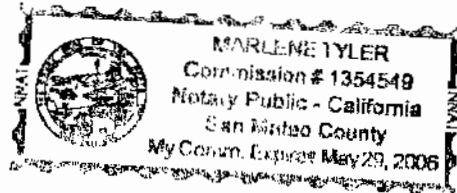
On February 3, 2004, before me, Marlene Tyler, Notary Public, the undersigned, personally appeared Mark R. Koll,

- personally known to me
- proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) (is/are) subscribed to the within instrument and acknowledged to me that (he/she/they) executed the same in (his/her/their) authorized capacity(ies), and that by (his/her/their) signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal:

Signature Marlene Tyler



STATE OF CALIFORNIA )  
 )  
COUNTY OF San Mateo ) ss.

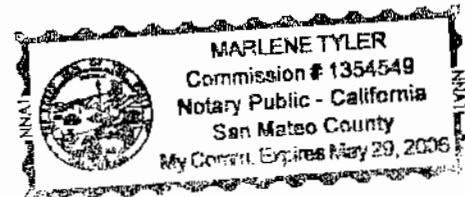
On February 3, 2004, before me, Marlene Tyler, Notary Public, the undersigned, personally appeared Robert W. Wagner,

- personally known to me
- proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) (is/are) subscribed to the within instrument and acknowledged to me that (he/she/they) executed the same in (his/her/their) authorized capacity(ies), and that by (his/her/their) signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal:

Signature Marlene Tyler



# SAN MATEO COUNTY

## COUNTYWIDE OVERSIGHT BOARD

### *Members*

*Mark Addiego  
Aimee Armsby  
Chuck Bernstein  
Kevin Bultema  
Barbara Christensen  
Mark Leach  
Justin Mates*

### **Agenda Item No. 7**

Date: December 27, 2023

To: San Mateo County Countywide Oversight Board

From: Kristie Passalacqua Silva, San Mateo County Assistant Controller

Subject: Foster City Successor Agency's (SA) Recognized Obligation Payment Schedule (ROPS) 24-25

#### **Background**

California Health and Safety Code (HSC) Section 34180(g) requires all ROPS to be approved by the Oversight Board.

#### **Discussion**

The Annual ROPS 24-25 contains all the obligations of the SA for fiscal year 2024-25. The SA is requesting approval by the Board to spend \$625,392 on outstanding obligations and administrative expenses for Annual ROPS 24-25. Enclosed is the SA's Annual ROPS 24-25 and supporting documents.

The SA's ROPS 24-25 includes obligations that the DOF deemed as enforceable and are all pre-existing. There are no new obligations listed on the SA's ROPS 24-25.

Edmund Suen and Waqas Hassan, Finance Director and Assistant Finance Director of City of Foster City, respectively, will be presenting to the Board.

#### **Fiscal Impact**

Funding for ROPS reduces the amount of tax revenue available for "Residual" distributions to the affected taxing entities.

#### **CAC Exhibit**

A - Foster City SA's Annual ROPS 24-25 Agenda Packet

**CAC Exhibit A**  
**Foster City SA ROPS 24-25 Agenda Packet**

Date: December 13, 2023

To: San Mateo County Countywide Oversight Board

From: Edmund Suen, Finance Director, City of Foster City  
Waqas Hassan, Assistant Finance Director, City of Foster City

Subject: Successor Agency to the Former Foster City Redevelopment Agency's ROPS 24-25 and FY 2024-25 Administrative Budget

Former RDA: **Foster City**

**Recommendation**

Adopt resolution approving the Foster City SA's ROPS 24-25 and FY 2024-25 Administrative Budget.

**Background**

SAs that do not qualify under the Last and Final ROPS, must submit annually a ROPS listing the SA's enforceable obligations and expenses to the State Department of Finance (DOF) pursuant to Health & Safety Code (HSC) Sections 34177(m) and (o). The ROPS shall include an amount for the SA's Administrative Budget as authorized under the Dissolution Act which is subject to a cap as set forth under HSC 34171. The ROPS and the Budget for the SA's Administrative Costs must be approved by the Oversight Board.

**Discussion**

Foster City SA had previously applied for a Last and Final ROPS in August 2017, but the application was denied by the DOF in December 2017 because the annual housing subsidy is a variable calculation based on each year's tax increment. Since the housing and utility subsidy is effective through 2029, we are not anticipating an early dissolution.

Name of presenter:

Edmund Suen, Finance Director, City of Foster City  
Waqas Hassan, Assistant Finance Director, City of Foster City.

**Financial Impact**

No funds are involved with the approval of the ROPS.

**Attachments:**

1. Draft Resolution Approving Foster City SA's ROPS 24-25 and FY 2024-25 Administrative Budget
2. Exhibit A – Foster City SA's ROPS 24-25
3. Exhibit B – Foster City SA's FY 2024-25 Administrative Budget
4. Exhibit C - Supporting Documents

RESOLUTION NO. 2024-\_\_\_\_\_

**RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD APPROVING THE  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE 24-25 (“ROPS 24-25”) AND FISCAL YEAR 2024-25  
ADMINISTRATIVE BUDGET OF THE SUCCESSOR AGENCY TO THE FORMER FOSTER CITY  
REDEVELOPMENT AGENCY (RDA)**

**WHEREAS**, California Health and Safety Section Code (HSC) 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 Foster City Redevelopment Agency has prepared a draft ROPS for the period July 1, 2024 to June 30, 2025, referred to as “ROPS 24-25”, claiming a total enforceable obligation amount of \$625,392, as set forth in the attached Exhibit A; and

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

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

**WHEREAS**, the Successor Agency to the Former Foster City Redevelopment Agency has prepared an administrative budget for the period July 1, 2024 to June 30, 2025, for \$25,040, as set forth in the attached Exhibit B; and

**WHEREAS**, 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 Foster City Successor Agency’s ROPS 24-25 and Fiscal Year 2024-25 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 24-25 to the State Department of Finance upon approval by the Oversight Board.

\* \* \*

Exhibit A – Foster City Successor Agency’s Recognized Obligation Payment Schedule 24-25

Exhibit B – Foster City Successor Agency’s FY 2024-25 Administrative Budget

**Recognized Obligation Payment Schedule (ROPS 24-25) - Summary**  
**Filed for the July 1, 2024 through June 30, 2025 Period**

**Successor Agency:** Foster City

**County:** San Mateo

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>24-25A Total (July - December)</b>	<b>24-25B Total (January - June)</b>	<b>ROPS 24-25 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 328,934</b>	<b>\$ 296,458</b>	<b>\$ 625,392</b>
F RPTTF	317,818	282,534	600,352
G Administrative RPTTF	11,116	13,924	25,040
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 328,934</b>	<b>\$ 296,458</b>	<b>\$ 625,392</b>

**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.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date

Foster City  
Recognized Obligation Payment Schedule (ROPS 24-25) - ROPS Detail  
July 1, 2024 through June 30, 2025

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 24-25 Total	ROPS 24-25A (Jul - Dec)					24-25A Total	ROPS 24-25B (Jan - Jun)					24-25B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$2,471,497		\$625,392	\$-	\$-	\$-	\$317,818	\$11,116	\$328,934	\$-	\$-	\$-	\$282,534	\$13,924	\$296,458
3	DDA	OPA/DDA/ Construction	02/22/ 2000	01/31/2029	PWM Residential Ventures LLC	Affordable Housing Subsidy to Developer per the terms of the Disposition and Development Agreement for the Marlin Cove Project through January 2029	Marlin Cove	1,186,704	N	\$225,767	-	-	-	-	-	\$-	-	-	-	225,767	-	\$225,767
4	DDA	OPA/DDA/ Construction	02/22/ 2000	01/31/2029	PWM Residential Ventures LLC	Utility Subsidy to Developer per the terms of the Disposition and Development Agreement for the Marlin Cove Project through January 2029	Marlin Cove	295,416	N	\$56,767	-	-	-	-	-	\$-	-	-	-	56,767	-	\$56,767
9	Administrative Cost Allowance	Admin Costs	01/31/ 2012	12/31/2035	City of Foster City	Administrative Cost Allowance	All project areas	222,664	N	\$25,040	-	-	-	-	11,116	\$11,116	-	-	-	-	13,924	\$13,924
11	Reinstatement Loan Agreement per H&S 34191.4(b)	City/County Loan (Prior 06/28/11), Cash exchange	09/10/ 2014	12/31/2035	City of Foster City	Loan Repayment from Claw Back Period-Principal and Interest	All project areas	766,713	N	\$317,818	-	-	-	317,818	-	\$317,818	-	-	-	-	-	\$-

**Foster City**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - Report of Cash Balances**  
**July 1, 2021 through June 30, 2022**  
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), 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
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)</b>	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	<b>Comments</b>
<b>1</b>	<b>Beginning Available Cash Balance (Actual 07/01/21)</b> RPTTF amount should exclude "A" period distribution amount.				29,092	167,304	
<b>2</b>	<b>Revenue/Income (Actual 06/30/22)</b> RPTTF amount should tie to the ROPS 21-22 total distribution from the County Auditor-Controller				1,237	497,622	
<b>3</b>	<b>Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)</b>					539,433	
<b>4</b>	<b>Retention of Available Cash Balance (Actual 06/30/22)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
<b>5</b>	<b>ROPS 21-22 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 21-22 PPA form submitted to the CAC		No entry required			10,158	
<b>6</b>	<b>Ending Actual Available Cash Balance (06/30/22)</b> <b>C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)</b>	\$-	\$-	\$-	\$30,329	\$115,335	

**Foster City**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - Notes**  
**July 1, 2024 through June 30, 2025**

Item #	Notes/Comments
3	
4	
9	
11	



**Foster City SA ROPS 24-25 Agenda Packet  
Attachment No. 3 Exhibit B**

SUCCESSOR AGENCY NAME								
ADMINISTRATIVE BUDGET								
ROPS Period	22-23			23-24	24-25	<i>Please specify budget methodology (Cost Allocation, Time Study etc) Combination of Cost Allocation and Time Study</i>		
Obligations Period	July 2022-June 2023			July 2023-June 2024	July 2024-June 2025			
Total Outstanding Obligations (\$)								
Total Number of Outstanding Obligations								
Staff	Description	Requested	Actual	Variance	Requested	Requested	Variance	Comment/Explanation for Variance
City Manager		\$ 345	\$ 345	\$ -	\$ 358	\$ 402	\$ (44)	Minor variance
Community Development Director		\$ 308	\$ 308	\$ -	\$ 320	\$ 396	\$ (76)	Increase in full burden rate
Associate Planner		\$ 1,582	\$ 1,582	\$ -	\$ 1,645	\$ 1,603	\$ 42	Minor variance
Finance Director		\$ 5,640	\$ 5,640	\$ -	\$ 5,856	\$ 6,666	\$ (810)	Increase in full burden rate
Assistant Finance Director		\$ 5,249	\$ 5,249	\$ -	\$ 5,452	\$ 7,719	\$ (2,267)	Increase in full burden rate
Senior Accountant		\$ 1,752	\$ 1,752	\$ -	\$ 1,824	\$ 1,944	\$ (120)	Increase in full burden rate
Accountant I/II		\$ 824	\$ 824	\$ -	\$ 856	\$ 968	\$ (112)	Increase in full burden rate
Accounting Specialist		\$ 178	\$ 178	\$ -	\$ 184	\$ 202	\$ (18)	Minor variance
<b>Sub-Total (Personnel Costs)</b>		<b>\$ 15,878</b>	<b>\$ 15,878</b>	<b>\$ -</b>	<b>\$ 16,495</b>	<b>\$ 19,900</b>	<b>\$ (3,405)</b>	<b>Requested 24-25 personnel cost of \$19,900 is lower than the FY23-24 cost allocation plan amount of</b>
Vendor/Payee	Description	Requested	Actual	Variance	Requested	Requested	Variance	
Burke, Williams & Sorensen		\$ 1,005	\$ -	\$ 1,005	\$ 1,005	\$ 1,155	\$ (150)	Allowance for inflation
Maze & Associates / Badawi & Associates	Auditors	\$ 3,770	\$ 4,008	\$ (238)	\$ 3,884	\$ 3,145	\$ 739	Favorable contract terms with new auditors (Badawi & Associates)
Urban Planning Partners		\$ 740	\$ 735	\$ 5	\$ 740	\$ 740	\$ -	
Other miscellaneous supplies and services		\$ 100	\$ -	\$ 100	\$ 100	\$ 100	\$ -	
<b>Sub-Total (Other Costs)</b>		<b>\$ 5,615</b>	<b>\$ 4,743</b>	<b>\$ 872</b>	<b>\$ 5,729</b>	<b>\$ 5,140</b>	<b>\$ 589</b>	
<b>Grand Total</b>		<b>\$ 21,493</b>	<b>\$ 20,621</b>	<b>\$ 872</b>	<b>\$ 22,224</b>	<b>\$ 25,040</b>	<b>\$ (2,816)</b>	

Foster City SA ROPS 24-25  
Affordable Housing and Utility Subsidy due to developer for Marlin Cove

	Subsidy due in FY 23-24	Growth Rate	ROPS 24-25 (Estimated)
<b>Payments Required per DDA:</b>			
Housing Subsidy (estimated annual Net Tax Increment growth of 2.5%) - <b>ROPS Item 3</b>	220,260	2.5%	\$ 225,767
Utility Subsidy (increases 2% per year) - <b>ROPS Item 4</b>	55,654	2.0%	\$ 56,767

**DISPOSITION AND DEVELOPMENT  
AGREEMENT**  
By and Between  
**COMMUNITY DEVELOPMENT AGENCY  
OF THE CITY OF FOSTER CITY**  
and **M. H. PODELL COMPANY,**  
**a California Corporation**

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**MARLIN COVE REDEVELOPMENT PROJECT**

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*Prepared for*  
The Community Development Agency of the  
City of Foster City

Prepared by:  
McDonough, Holland & Allen  
A Professional Corporation  
1999 Harrison Street, 13th Floor  
Oakland, California 94612



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McDONOUGH  
HOLLAND  
& ALLEN  
*Attorneys at Law*

B. [\$602] Agency Grant.

1. The Agency shall make a grant to Developer of FIVE MILLION NINE HUNDRED THOUSAND DOLLARS (\$5,900,000) (the "Agency Grant"). FOUR MILLION NINE HUNDRED THOUSAND DOLLARS (\$4,900,000) of the Agency Grant shall be disbursed to Developer in a lump sum upon the initial expenditure of funds by Developer for a Permitted Use (described below) but not earlier than the closing of the Developer's construction loan. The balance of the Agency Grant shall be due the Developer, with interest at seven percent (7%) per annum, amortized over fifteen (15) years and paid to the Developer in equal annual installments of ONE HUNDRED NINE THOUSAND SEVEN HUNDRED NINETY-FOUR DOLLARS (\$109,794) (the "Amortized Portion"). The annual payments shall be paid on May 1 of each year commencing on May 1, 2000, provided Developer has provided the Agency by April 15 of each year written evidence satisfactory to the Agency that the Developer has paid prior to delinquency all real property taxes and assessments then due on the Site, and the Developer has delivered to the Agency the annual report required under the Affordable Housing Covenant (Attachment No. 7) and is not otherwise in default under the Affordable Housing Covenant. Provided no Material Event of Default (as that term is described below) has occurred and is continuing under the terms of this Agreement or the Affordable Housing Covenant, the Agency Grant shall not be required to be repaid. If there is a Material Event of Default hereunder or under the Affordable Housing Covenant, then the Developer must repay to the Agency the amount of the Agency Grant theretofore received by the Developer.

2. The Agency Grant shall be used solely for one or more of the following purposes ("Permitted Uses"): The cost of any off-site public improvements, the cost of remediating Hazardous Materials on the Site, the payment of any fees due the City in connection with the development of the Site, the cost of relocating site occupants, the cost to acquire the Agency Acquisition Parcels to the extent the Total Acquisition Cost exceeds the reuse value of the Agency Acquisition Parcels, the cost to demolish existing improvements on the Agency Acquisition Parcels, the cost of constructing the Affordable Units (as defined below), and the cost for seismic retrofit of any building on the Site.

3. Attached hereto as Attachment No. 10 is the budget for the use of the Agency Grant (the "Grant Budget"). By written notice to Agency, Developer may reallocate dollar amounts among the budgeted line items to the extent permitted by laws governing the use of the Agency Grant. With the consent of Agency staff, the Developer may add additional line items provided the costs are incurred for the Permitted Uses listed above or for any other use for which the Agency Grant is legally permitted to be used.

4. Each month during the development of the Site in accordance with the Scope of Development, the Developer shall provide the Agency

an accounting for the use of the Agency Grant, itemizing the line items from the Grant Budget and the amounts expended to date. No later than its request of the City for a Certificate of Occupancy for the first completed portion of the Site, the Developer shall demonstrate to the reasonable satisfaction of the Agency that the Agency Grant has been spent for Permitted Uses only by providing the Agency a complete accounting of all amounts expended to date and supporting documentation evidencing all expenditures paid from the Agency Grant.

C. [\$603] Park In Lieu Fees. As part of the development of the Site, the Developer shall construct and maintain at Developer's sole cost and expense a park area along the lagoon including a dock, gazebo and public thoroughfare (the "Park Improvements"). The Agency shall enter into a cooperation agreement with the City wherein the Developer will receive a credit for the Park Improvements against the amount of in lieu fees due the City for the development of the Site. In addition to the Agency Grant, the Agency shall pay any in lieu fees due in excess of the amount of credits the Developer receives for the Park Improvements.

D. [\$604] Pledge of Tax Increment to Provide Rental Subsidies.

1. In addition to the Agency Grant, the Agency agrees to provide rental subsidies pursuant to California Health and Safety Code Section 33334.2(e)(8) to ensure the affordability of at least thirty percent (30%) of the units in the residential portion of the Site to persons and households of very low, low and moderate income (the "Affordable Units") in accordance with the Affordable Housing Covenant. **The Agency hereby pledges to Developer annually thirty percent (30%) of the Net Tax Increment generated from the Site, plus ONE HUNDRED TEN THOUSAND DOLLARS (\$110,000) ("Tax Increment Subsidy").** Net Tax Increment shall be defined as gross tax increment revenue allocated and paid to the Agency from the Site pursuant to California Health and Safety Code Section 33670(b) attributable to assessed values of the Site in excess of the values for the Site as of the date of this Agreement, before deducting the twenty percent (20%) housing set-aside, but after deducting payments to taxing agencies pursuant to Health and Safety Code Sections 33607.5 and/or 33676. **\*This section was amended. See Page 5 of this document.**

ROPS  
Item 3

2. The Tax Increment Subsidy shall be paid to the Developer on an annual basis on May 1 of each year in an amount equal to the difference between the fair market rents of the Affordable Units and the "affordable rent" for the Affordable Units as defined in the Affordable Housing Covenant (Attachment No. 7) but not more than the Tax Increment Subsidy. If, in any year commencing more than one (1) year after the execution of this Agreement the sum of the Tax Increment Subsidy, the "Utility Subsidy" (as defined herein) and the Amortized Portion of the Agency Grant exceeds Net Tax Increment, the Tax Increment Subsidy shall be reduced for that year such that the total amount paid to the Developer for the Tax Increment Subsidy, the Utility Subsidy and the Amortized Portion of the Agency Grant does not exceed Net Tax Increment for the applicable year. No later

than April 15 of each year, the Developer shall provide the Agency with a written accounting detailing the fair market rental rates for each of the Affordable Units and the actual amount of affordable rent paid by the tenants of the Affordable Units. As used in this Section 604, the term "year" shall mean a twelve (12) month period commencing May 1 and ending April 30.

3. In addition to the Tax Increment Subsidy, the Agency hereby pledges to the Developer a utility allowance subsidy in the amount of THIRTY-SIX THOUSAND DOLLARS (\$36,000) annually (the "Utility Subsidy") for the Affordable Units. The Utility Subsidy shall be paid annually following the issuance of a Final Certificate of Completion for the residential portion of the Site and shall be increased annually at two percent (2%) to adjust for inflation.

ROPS Item  
4

4. Payment of the Tax Increment Subsidy and the Utility Subsidy shall commence on the May 1 following the issuance of a Final Certificate of Completion for the Residential Project pursuant to Section 421 of this Agreement, provided that the first such payment shall be adjusted pro rata if there have been fewer than twelve (12) months of occupancy or less than eighty-four (84) Affordable Units during the preceding year.

5. The Tax Increment Subsidy and the Utility Subsidy (collectively, the "Agency Subsidy") shall be paid to the Developer on May 1 of each year provided there is no Event of Default by the Developer under the Affordable Housing Covenant and the Developer has delivered evidence satisfactory to the Agency that the Developer has paid prior to delinquency all real property taxes and assessments then due on the Site, the annual report required under the Affordable Housing Covenant (Attachment No. 7) and the information required by paragraph 2 of this Section 604. The Agency represents that the Agency has not pledged or committed the Agency Subsidy to any other person or entity.

6. The Agency's obligation to pay the Agency Subsidy shall survive the issuance of the Certificate of Completion but shall terminate on January 4, 2029, or the termination of the Affordable Housing Covenant (attached hereto as Attachment No. 7), whichever shall first occur.

7. The Agency Subsidy shall inure to the benefit of any transferee of the Residential Project approved by the Agency, including any lender permitted hereunder who acquires the Residential Project following foreclosure of its deed of trust provided such lender or its successor agrees to maintain the Residential Project in accordance with the Affordable Housing Covenant.

E. [§605] Repayment. Provided no Material Event of Default of the Developer under the terms of this Agreement and the Affordable Housing Covenant has occurred and is continuing, neither the Agency Grant nor the Agency Subsidy shall be required to be repaid. If there is a Material Event of Default, then

F. At the request of Developer, the City of Foster City, in cooperation with Agency, approved an increase in density of the Project from two hundred sixty four (264) rental housing units to two hundred eighty (280) rental housing units.

G. Pursuant to the DDA and the Covenant, eighty-four (84) of the two hundred eighty (280) rental housing units to be constructed on the Property must be designated as Affordable Units and are required to be rent-restricted and occupied by very low, lower, and moderate income households as more particularly described in the Covenant.

H. By letter dated June 7, 2000, Developer requested Agency's assistance in applying for tax exempt bond funding from the California Debt Limit Allocation Committee ("CDLAC") to reduce the cost of financing the Project. Agency agreed to support Developer's application to CDLAC on the condition that the DDA be amended to reduce the amount of rental subsidy provided by Agency's pledge of Tax Increment Subsidy and to increase the percentage of Affordable Units restricted to occupancy by very-low income households in the event CDLAC awarded tax exempt bond funding to Developer. Developer has received \$30,000,000 in tax exempt bond financing (the "Bond Financing").

I. As a result of the increase in density of the residential project, Developer returned to Agency, on or about January 9, 2001, a portion of the Agency Grant in the amount of \$544,318.

J. Developer and Agency now desire to amend the DDA, the Covenant and the Agency Deed of Trust (i) to reflect Developer's return of a portion of the Agency Grant as a result of an increase in density of the residential project, (ii) to modify the mix of Affordable Units, (iii) to reduce the amount of rental subsidy provided by Agency's pledge of Tax Increment Subsidy to reflect changes in sources of financing for the Project, and (iv) to make other changes related thereto.

#### AGREEMENTS:

NOW THEREFORE, in consideration of the foregoing recitals, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer and Agency hereby agree as follows:

1. Return of Portion of the Agency Grant. Agency acknowledges that on or about January 9, 2001, Developer returned to Agency a portion of the Agency Grant in the amount of FIVE HUNDRED FORTY FOUR THOUSAND THREE HUNDRED EIGHTEEN DOLLARS (\$544,318).

2. Amendment of Section 604. The second sentence of the Paragraph 1 of Section 604 of the DDA is deleted in its entirety and replaced with the following:

"The Agency hereby pledges to Developer annually thirty percent (30%) of the Net Tax Increment generated from the Site ("Tax Increment Subsidy")." **ROPS Item 3**

November 10, 2014

Mr. James C. Hardy, City Manager  
City of Foster City  
610 Foster City Boulevard  
Foster City, CA 94404

Dear Mr. Hardy:

Subject: Approval of Oversight Board Action

This letter supersedes the California Department of Finance's (Finance) November 10, 2014 Oversight Board (OB) Resolution No. 2014-005 determination letter. A revision was necessary to correct a clerical error. The City of Foster City Successor Agency (Agency) notified Finance of its September 10, 2014 OB Resolution on September 25, 2014. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of the OB action.

Based on our review and application of the law, OB Resolution No. 2014-005 approving an agreement regarding reinstatement of a City of Foster City (City) loan made to the Former Redevelopment Agency is approved.

The Agency received a Finding of Completion on June 27, 2013. As a result of the OB finding the loan was for valid redevelopment purposes, the Agency may now place the loan on the Recognized Obligation Payment Schedule (ROPS). However, the repayment of the City loan is subject to the repayment formula outlined in HSC section 34191.4 (b) (2) (A). HSC section 34191.4 (b) (2) (A) allows this repayment to be equal to one-half of the increase between the ROPS residual pass-through distributed to the taxing entities in that fiscal year and the ROPS residual pass-through distributed to the taxing entities in the 2012-13 base year.

In addition, HSC section 34191.4 (b) (2) requires the interest be calculated from loan origination at the Local Agency Investment Fund (LAIF) rate. The accumulated interest on the loan should be recalculated from the date of loan origination using the quarterly LAIF interest rate at the time when the Agency's OB makes a finding that the City loan was for legitimate redevelopment purposes. This will supersede any existing interest rates in the loan agreement. Therefore, the repayment amounts of the agreements are subject to Finance's review and approval on subsequent ROPS.

This is Finance's determination with respect to the OB action taken.



Mr. James C. Hardy  
November 10, 2014  
Page 2

Please direct inquiries to Wendy Griffe, Supervisor or Medy Lamorena, Lead Analyst at (916) 445-1546.

Sincerely,



JUSTYN HOWARD  
Acting Program Budget Manager

cc: Ms. Lin-Lin Cheng, Finance Director, City of Foster City  
Mr. Bob Adler, Auditor-Controller, County of San Mateo  
California State Controller's Office

## RESOLUTION No. 2014-005

### A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF FOSTER CITY APPROVING AN AGREEMENT REGARDING REINSTATEMENT OF A CITY LOAN MADE TO THE FORMER REDEVELOPMENT AGENCY

WHEREAS, pursuant to authority granted under Community Redevelopment Law (California Health and Safety Code Section 33000 *et seq.*) (“CRL”), the former City of Foster City Community Development Agency (“Redevelopment Agency”) had responsibility to implement the Redevelopment Plans for the Project One Community Development Project, the Marlin Cove Community Development Project, and the Hillsdale/Gull Community Development Project (collectively, the “Project Areas”); and

WHEREAS, pursuant to Resolution No. 2012-2, adopted by the City Council of the City of Foster City (“City Council”) on January 9, 2012, the City of Foster City (“City”) agreed to serve as the successor agency to the Redevelopment Agency (“Successor Agency”) commencing upon dissolution of the Redevelopment Agency on February 1, 2012 pursuant to Assembly Bill x1 26; and

WHEREAS, pursuant to Health and Safety Code Section 33220, the City was authorized to assist the Redevelopment Agency for the purpose of aiding and cooperating in the planning, undertaking, construction, and operation of redevelopment projects located within the jurisdiction of the City, upon the terms and with or without consideration as the City determined; and

WHEREAS, pursuant to Health and Safety Code Section 33445, the Redevelopment Agency was authorized to enter into agreements with the City pursuant to which the Redevelopment Agency would agree to reimburse the City for funds provided by the City for the cost of installation and construction of public improvements, structures and facilities located within or outside the Project Area; and

WHEREAS, pursuant to Health and Safety Code Sections 33132 and 33601, the Redevelopment Agency was authorized to borrow money and accept financial assistance from the City for redevelopment projects located within the Redevelopment Agency’s jurisdiction; and

WHEREAS, consistent with the foregoing authority, the City made a loan to the Redevelopment Agency in the original principal amount of \$5,000,000, in accordance with the terms set forth in City Council Resolution No. 2005-44 and Redevelopment Agency Resolution No. 247, each dated June 6, 2005, for the purpose of advancing funds to assist in the redevelopment of the Project Areas including the funding of capital improvement projects (the “Loan”); and

WHEREAS, pursuant to Health and Safety Code Section 34191.4(b), once a successor agency has received a Finding of Completion pursuant to Health and Safety Code Section 34179.7, loan agreements entered into between the redevelopment agency and the entity that created the redevelopment agency (“Sponsoring Jurisdiction Loans”) shall be deemed to be enforceable obligations provided that the successor agency’s oversight board makes a finding that the Sponsoring Jurisdiction Loans were for legitimate redevelopment purposes; and

WHEREAS, the Successor Agency received a Finding of Completion on June 27, 2014; and

WHEREAS, Health and Safety Code Section 34191.4(b)(2) provides that: (i) the accumulated interest on Sponsoring Jurisdiction Loans shall be recalculated from origination at the interest rate earned by funds deposited into the Local Agency Investment Fund (“LAIF”), (ii) Sponsoring Jurisdiction Loans shall be repaid to the sponsoring jurisdiction in accordance with a defined schedule over a reasonable term of years at an interest rate not to exceed the interest rate earned by funds deposited into LAIF, and (iii) the annual amount of repayments on Sponsoring Jurisdiction Loans provided for in the Recognized Obligation Payment Schedule (“ROPS”) is subject to specified limitations; and

WHEREAS, Successor Agency staff have prepared an Agreement Regarding Reinstatement of Loan (the “Agreement”) which provides for repayment of the Loan in accordance with the requirements of Health and Safety Code Section 34191.4(b) and commits the City to use the Loan repayment proceeds in accordance with Health and Safety Code Section 34191.4(b).

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board of the Successor Agency to the Community Development Agency of the City of Foster City, as follows:

1. The Oversight Board hereby finds that the facts set forth in the recitals to this Resolution are true and correct, and establish the factual basis for the adoption of this Resolution.
2. The Oversight Board hereby finds and determines that the Loan was made for legitimate redevelopment purposes.
3. The Agreement is approved, and the Executive Director of the Successor Agency or his designee is authorized to execute the Agreement on behalf of the Successor Agency substantially in the form presented with the staff report accompanying this Resolution.
4. The Successor Agency is authorized and directed to list the Agreement and the repayment of the Loan on the Successor Agency’s ROPS for the July 1 to December 31, 2016 period (“ROPS 16-17A”) and for each succeeding ROPS period until the Loan is repaid in full in accordance with the Agreement.
5. The Executive Director and his designees are authorized to take such further actions as may be necessary to carry out the intent of this Resolution.

PASSED AND ADOPTED a resolution of the Oversight Board of the Successor Agency to the Community Development Agency of the City of Foster City at the regular meeting held on the 10<sup>th</sup> day of September, 2014, by the following vote:

AYES: Members Acree, Koelling, McManus, Wykoff and Chair Bennett

NOES: None

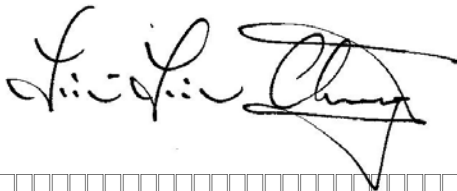
ABSENT: Members Keller and Wilson

ABSTAIN: None



DICK W. BENNETT, CHAIRPERSON

ATTEST



LIN-LIN CHENG, SECRETAR

Foster City SA ROPS 24-25 Agenda Packet  
Attachment 4  
ROPS Item No. 11

COUNTY OF SAN MATEO  
FOSTER CITY  
LIMITATIONS ON REPAYMENT OF SERAF AND CITY LOANS Per 34176 (e)(6)(B) and 34191.4 (b)(2)

Payments are limited to no more than half the increase in residual above a FY 2012-13 base year.  
Payments of housing fund loan or deferral amounts are first in priority.

**Maximum Allowable Repayment for FY 2024-25**

**Residual in FY 2012-13**

ROPS II Residual	173,902	<i>June 2012 Distribution</i>
ROPS III Residual	8,009	<i>January 2013 Distribution</i>
	(A) \$ 181,912	

**Residual in FY 2023-24**

ROPS 23-24A Residual	568,716	<i>June 2023 Distribution</i>
ROPS 23-24B Residual	370,639	<i>January 2024 Distribution</i>
	(B) \$ 939,355	

**Increase in Residual over FY 2012-13**

(C) \$ 757,443

**Not To Exceed Amount (50% of Increase)**

(D) \$ 378,722

**Reported Loan Repayments**

ROPS 24-25A - (July to December)	317,818	
ROPS 24-25B - (January to June)	0	
	(E) \$ 317,818	

**Amount Exceeded, (E) - (D)**

\$ -

November 10, 2014

Mr. James C. Hardy, City Manager  
City of Foster City  
610 Foster City Boulevard  
Foster City, CA 94404

Dear Mr. Hardy:

Subject: Approval of Oversight Board Action

This letter supersedes the California Department of Finance's (Finance) November 10, 2014 Oversight Board (OB) Resolution No. 2014-005 determination letter. A revision was necessary to correct a clerical error. The City of Foster City Successor Agency (Agency) notified Finance of its September 10, 2014 OB Resolution on September 25, 2014. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of the OB action.

Based on our review and application of the law, OB Resolution No. 2014-005 approving an agreement regarding reinstatement of a City of Foster City (City) loan made to the Former Redevelopment Agency is approved.

The Agency received a Finding of Completion on June 27, 2013. As a result of the OB finding the loan was for valid redevelopment purposes, the Agency may now place the loan on the Recognized Obligation Payment Schedule (ROPS). However, the repayment of the City loan is subject to the repayment formula outlined in HSC section 34191.4 (b) (2) (A). HSC section 34191.4 (b) (2) (A) allows this repayment to be equal to one-half of the increase between the ROPS residual pass-through distributed to the taxing entities in that fiscal year and the ROPS residual pass-through distributed to the taxing entities in the 2012-13 base year.

In addition, HSC section 34191.4 (b) (2) requires the interest be calculated from loan origination at the Local Agency Investment Fund (LAIF) rate. The accumulated interest on the loan should be recalculated from the date of loan origination using the quarterly LAIF interest rate at the time when the Agency's OB makes a finding that the City loan was for legitimate redevelopment purposes. This will supersede any existing interest rates in the loan agreement. Therefore, the repayment amounts of the agreements are subject to Finance's review and approval on subsequent ROPS.

This is Finance's determination with respect to the OB action taken.

Mr. James C. Hardy  
November 10, 2014  
Page 2

Please direct inquiries to Wendy Griffe, Supervisor or Medy Lamorena, Lead Analyst at  
(916) 445-1546.

Sincerely,



JUSTYN HOWARD  
Acting Program Budget Manager

cc: Ms. Lin-Lin Cheng, Finance Director, City of Foster City  
Mr. Bob Adler, Auditor-Controller, County of San Mateo  
California State Controller's Office

## RESOLUTION No. 2014-005

### A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF FOSTER CITY APPROVING AN AGREEMENT REGARDING REINSTATEMENT OF A CITY LOAN MADE TO THE FORMER REDEVELOPMENT AGENCY

WHEREAS, pursuant to authority granted under Community Redevelopment Law (California Health and Safety Code Section 33000 *et seq.*) (“CRL”), the former City of Foster City Community Development Agency (“Redevelopment Agency”) had responsibility to implement the Redevelopment Plans for the Project One Community Development Project, the Marlin Cove Community Development Project, and the Hillsdale/Gull Community Development Project (collectively, the “Project Areas”); and

WHEREAS, pursuant to Resolution No. 2012-2, adopted by the City Council of the City of Foster City (“City Council”) on January 9, 2012, the City of Foster City (“City”) agreed to serve as the successor agency to the Redevelopment Agency (“Successor Agency”) commencing upon dissolution of the Redevelopment Agency on February 1, 2012 pursuant to Assembly Bill x1 26; and

WHEREAS, pursuant to Health and Safety Code Section 33220, the City was authorized to assist the Redevelopment Agency for the purpose of aiding and cooperating in the planning, undertaking, construction, and operation of redevelopment projects located within the jurisdiction of the City, upon the terms and with or without consideration as the City determined; and

WHEREAS, pursuant to Health and Safety Code Section 33445, the Redevelopment Agency was authorized to enter into agreements with the City pursuant to which the Redevelopment Agency would agree to reimburse the City for funds provided by the City for the cost of installation and construction of public improvements, structures and facilities located within or outside the Project Area; and

WHEREAS, pursuant to Health and Safety Code Sections 33132 and 33601, the Redevelopment Agency was authorized to borrow money and accept financial assistance from the City for redevelopment projects located within the Redevelopment Agency’s jurisdiction; and

WHEREAS, consistent with the foregoing authority, the City made a loan to the Redevelopment Agency in the original principal amount of \$5,000,000, in accordance with the terms set forth in City Council Resolution No. 2005-44 and Redevelopment Agency Resolution No. 247, each dated June 6, 2005, for the purpose of advancing funds to assist in the redevelopment of the Project Areas including the funding of capital improvement projects (the “Loan”); and



WHEREAS, pursuant to Health and Safety Code Section 34191.4(b), once a successor agency has received a Finding of Completion pursuant to Health and Safety Code Section 34179.7, loan agreements entered into between the redevelopment agency and the entity that created the redevelopment agency (“Sponsoring Jurisdiction Loans”) shall be deemed to be enforceable obligations provided that the successor agency’s oversight board makes a finding that the Sponsoring Jurisdiction Loans were for legitimate redevelopment purposes; and

WHEREAS, the Successor Agency received a Finding of Completion on June 27, 2014; and

WHEREAS, Health and Safety Code Section 34191.4(b)(2) provides that: (i) the accumulated interest on Sponsoring Jurisdiction Loans shall be recalculated from origination at the interest rate earned by funds deposited into the Local Agency Investment Fund (“LAIF”), (ii) Sponsoring Jurisdiction Loans shall be repaid to the sponsoring jurisdiction in accordance with a defined schedule over a reasonable term of years at an interest rate not to exceed the interest rate earned by funds deposited into LAIF, and (iii) the annual amount of repayments on Sponsoring Jurisdiction Loans provided for in the Recognized Obligation Payment Schedule (“ROPS”) is subject to specified limitations; and

WHEREAS, Successor Agency staff have prepared an Agreement Regarding Reinstatement of Loan (the “Agreement”) which provides for repayment of the Loan in accordance with the requirements of Health and Safety Code Section 34191.4(b) and commits the City to use the Loan repayment proceeds in accordance with Health and Safety Code Section 34191.4(b).

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board of the Successor Agency to the Community Development Agency of the City of Foster City, as follows:

1. The Oversight Board hereby finds that the facts set forth in the recitals to this Resolution are true and correct, and establish the factual basis for the adoption of this Resolution.
2. The Oversight Board hereby finds and determines that the Loan was made for legitimate redevelopment purposes.
3. The Agreement is approved, and the Executive Director of the Successor Agency or his designee is authorized to execute the Agreement on behalf of the Successor Agency substantially in the form presented with the staff report accompanying this Resolution.
4. The Successor Agency is authorized and directed to list the Agreement and the repayment of the Loan on the Successor Agency’s ROPS for the July 1 to December 31, 2016 period (“ROPS 16-17A”) and for each succeeding ROPS period until the Loan is repaid in full in accordance with the Agreement.
5. The Executive Director and his designees are authorized to take such further actions as may be necessary to carry out the intent of this Resolution.

PASSED AND ADOPTED a resolution of the Oversight Board of the Successor Agency to the Community Development Agency of the City of Foster City at the regular meeting held on the 10<sup>th</sup> day of September, 2014, by the following vote:

AYES: Members Acree, Koelling, McManus, Wykoff and Chair Bennett

NOES: None

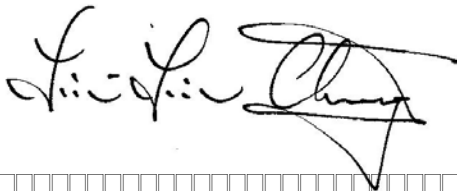
ABSENT: Members Keller and Wilson

ABSTAIN: None



DICK W. BENNETT, CHAIRPERSON

ATTEST



LIN-LIN CHENG, SECRETAR

# SAN MATEO COUNTY

## COUNTYWIDE OVERSIGHT BOARD

### *Members*

*Mark Addiego*  
*Aimee Armsby*  
*Chuck Bernstein*  
*Kevin Bultema*  
*Barbara Christensen*  
*Mark Leach*  
*Justin Mates*

Date: December 27, 2023 **Agenda Item No. 8**

To: San Mateo County Countywide Oversight Board

From: Kristie Passalacqua Silva, Assistant Controller

Subject: Redwood City Successor Agency (SA) Recognized Obligation Payment Schedule (ROPS) 24-25

### **Background**

California Health and Safety Section Code (HSC) 34180(g) requires all ROPS to be approved by the Oversight Board.

### **Discussion**

The Annual ROPS 24-25 contains all the obligations of the SA for fiscal year 2024-25. The SA is requesting approval by the Board to spend \$3,565,666 on bond payment and administrative expenses for Annual ROPS 24-25. Enclosed is the SA's Annual ROPS 24-25 and supporting documents.

The SA's ROPS 24-25 includes obligations that the DOF deemed as enforceable and are all pre-existing. There are no new obligations listed on the SA's ROPS 24-25.

Michelle Flaherty, Redwood City Assistant Manager/Administrative Services Director will be presenting to the Board.

### **Fiscal Impact**

Funding for ROPS reduces the amount of tax revenue available for "Residual" distributions to the affected taxing entities.

### **CAC Exhibit**

A - Redwood City SA's Annual ROPS 24-25 Agenda Packet



## MEMORANDUM

**DATE:** December 16, 2023

**TO:** San Mateo County Countywide Oversight Board

**FROM:** Michelle Poché Flaherty, Assistant City Manager – Administrative Services

**SUBJECT:** Approval of the Recognized Obligation Payment Schedule (ROPS) 24-25 and Administrative Cost Allowance Budget of the Redwood City Successor Agency (SA)

**FORMER RDA:** Redwood City Successor Agency

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### Recommendation

Adopt a resolution approving the Redwood City SA's ROPS 24-25 and Administrative Cost Allowance Budget.

### Background

SAs who are not currently on the Last and Final ROPS, must submit annually a ROPS listing the SA's enforceable obligations and expenses to the State Department of Finance (DOF) pursuant to Health & Safety Section Codes (H&S) 34177(m) and (o). The ROPS shall include an amount for the SA's Administrative Cost Allowance as authorized under the Dissolution Act, which is subject to a cap as set forth under H&S 34171. The Oversight Board must approve the ROPS and the Budget for the SA's Administrative Cost Allowance.

### Discussion

The SA of the City of Redwood City (SA) is submitting an administrative budget of \$54,416. Redwood City SA has several outstanding issues that require staff time and, potentially, outside legal and consultant costs.

### ROPS FY 24-25

#### Debt Service and associated bank and fiscal agent fees

Annual debt service of \$3,505,000 on the Tax Allocation Bond, Series 2003A for infrastructure projects is included on the ROPS FY 24-25 submitted to the Oversight Board for approval. Required trustee fees and fiscal agent fees associated with the bond issue estimated to be \$6,250 are also included in the ROPS FY 24-25 submission.

Administrative Cost Allowance

It is the responsibility of the SA to wrap up the final items in an expedient manner. Therefore, the requested Administrative Cost Allowance Budget for the ROPS 24-25 of \$54,416 is reasonable, given the issues at hand and the level of staff and/or outside legal or professional services required to complete these specific tasks as well as support the SA with required administrative tasks.

Included in the ROPS FY24-25 Administrative Cost Allowance Budget is \$10,000 for professional services costs associated with the completion of the disposition of a small land parcel discussed below. Also included in the proposed administrative budget is \$15,000 for the costs of outside legal counsel associated with the disposition of the remaining assets.

It is important to note that administrative budgets are trued-up and audited annually. Any administrative budget that is not spent on the designated purpose in any given fiscal year will be returned to the County in the form of the reduction of future year's RPTTF distribution to the SA. These funds are then subsequently distributed to the taxing agencies as well.

Disposition of land parcel

Currently, the SA has a small land parcel located in the former RDA downtown area. This parcel is a small triangle of land that is improved with a culvert and provides access to the culvert, which requires periodic maintenance. The DOF has disallowed the transfer of the parcel and is requiring that the SA sell the parcel. The City is interested in acquiring the parcel and is presently in the process of conducting due diligence on it. Once more information becomes available, the SA will collaborate closely with the OB on the disposition process.

Remaining issue related to dissolution

Disposal of Depreciable Assets from the Redwood City SA

As of June 30, 2023, other depreciable assets were recorded on the books of the SA. These assets were acquired during FY 2010-11 or prior and consist primarily of improvements other than buildings at various downtown sites and several pieces of equipment that are currently used for public events held in downtown Redwood City. Below is a listing of these assets, their net book value as of June 30, 2023, and the current use of the asset.

*Asset No. 1* in the table below is staging equipment used by the downtown program events team. The downtown program events are a significant factor in maintaining the revitalization of downtown Redwood City. It is likely that that this asset has value as used equipment available to sell. The SA is currently researching this possibility and will update the Oversight Board when details have been identified.

*Asset No. 2* is a system of parking control equipment that was used in the Jefferson Garage and in the Marshall Garage. Typically, equipment that is approaching or has exceeded its useful life is handled by the Public Works Department of the City. If possible, the equipment is sold or is auctioned off, with the proceeds offsetting the net book value of the asset. Currently, the SA is researching the appropriate disposition of this equipment and its potential value, if any.

*Assets No. 3 through 12* are expenditures for various downtown projects made by the Redevelopment Agency prior to dissolution in FY 11-12. According to the Health and Safety Code Division 24 Part 1.85 Chapter 3 Section 34177 (e), the Successor Agencies are required to dispose of the assets of the former

redevelopment agency as directed by the Oversight Board. This disposal may take the form of a sale of the assets or a transfer of the assets to the appropriate public jurisdiction, in this case, the City of Redwood City. Currently, the SA is in the process of reviewing provisions of the Health and Safety Code to confirm that transfer to the City of Redwood City is the appropriate method of disposition, since these assets would have no value to a third party because the SA does not own the underlying property.

The SA anticipates bringing these issues to the Oversight Board for discussion and approval of disposition of these assets prior to June 30, 2024.

City of Redwood City RDA						
Depreciable Assets						
Item No.	Property Type	Address / Location of Asset	Year of Acquisition	Detail	Current Use	By Whom
1	Equipment	Staging	FY 2008-09; FY 2010-11	Staging equipment	Downtown events	Downtown Events Team
2	Equipment	Jefferson Parking Garage, Marshall Parking Garage, Block 2 Parking Lot	FY 2006-07	Parking control equipment	NA	NA
3	Other	Middlefield/Jefferson	FY 2004-05	Jefferson Parking Garage	Public Parking	Public
4	Other	Downtown Culvert - Jefferson / Middlefield / Winslow / Broadway surrounding	FY 2003-04	Relocate culvert as part of building of Jefferson St parking garage	Public Parking	Public
5	Other	Courthouse Façade, Courthouse Square, 2200 Broadway	FY 2006-07	Reconstruction of historic courthouse - in downtown Courthouse Square	Public access - Downtown area	Public
6	Other	Jefferson Avenue, near Post Office	FY 06-07 THROUGH	Improvements to Jefferson Ave near Post Office -	Public access - Downtown area	Public

			H FY 2007-08	walkway & parking improvements, landscaping		
7	Other	Theater Way, Between Middlefield/Win slow	FY 2007- 08	Improvements near Fox Theater Broadway - Lighting, pavement, signals.	Public access - Downtown area	Public
8	Other	Broadway	FY 2007- 08	Streetscape Improvements and street modifications - Broadway	Public access - Downtown area	Public
9	Other	Inttersection Middlefield/Mar shall	FY 2007- 08	Architectural gateway arch, street lights, traffic signals	Public access - Downtown area	Public
10	Other	Courthouse Plaza	FY 2009- 10	Design & construction of Courthouse Square	Public access - Downtown area	Public
11	Other	Downtown Area - major access routes	FY 2008- 09	Signage to direct traffic flow in/out of Downtown area	Public access - Downtown area	Public
12	Other	El Camino Real - Broadway to Brewster	FY 2010- 11	Design and manage construction of "Grand Boulevard" Streetscape Plan	Public access - Downtown area	Public

**Financial Impact**

There is no financial impact to the approval of the Redwood City SA's ROPS FY 24-25 and FY 2024-25 Administrative Budget

Attachments:

1. Draft Resolution Approving the Redwood City SA's ROPS 24-25 and FY 2024-25 Administrative Budget
2. Exhibit A - Redwood City SA's ROPS 24-25
3. Exhibit B - Redwood City SA's Administrative Cost Allowance Budget
4. Supporting Documentations

**Redwood City ROPS 24-25 Agenda Packet  
Attachment No. 1**

**RESOLUTION NO. 2024 - \_\_\_\_\_**

**RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD APPROVING THE  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE 24-25 (“ROPS 24-25”)  
AND FISCAL YEAR 2024-25 ADMINISTRATIVE BUDGET OF THE SUCCESSOR AGENCY TO THE FORMER  
REDWOOD CITY 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 Redwood City Redevelopment Agency has prepared a draft ROPS for the period July 1, 2024 to June 30, 2025, referred to as “ROPS 24-25”, claiming a total enforceable obligation amount of \$3,565,666; 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 Redwood City Redevelopment Agency has prepared an administrative budget for the period July 1, 2024 to June 30, 2025, for \$54,416; 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 Redwood City Successor Agency ROPS 24-25 and the Redwood City Successor Agency Fiscal Year 2024-25 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 24-25 to the State Department of Finance upon approval by the Oversight Board.

\* \* \*

Exhibit A – Redwood City Successor Agency’s Recognized Obligation Payment Schedule 24-25  
Exhibit B – Redwood City Successor Agency’s FY 2024-25 Administrative Budget



**Recognized Obligation Payment Schedule (ROPS 24-25) - Summary**  
**Filed for the July 1, 2024 through June 30, 2025 Period**

**Successor Agency:** Redwood City

**County:** San Mateo

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	24-25A Total (July - December)	24-25B Total (January - June)	ROPS 24-25 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 30,333</b>	<b>\$ 3,535,333</b>	<b>\$ 3,565,666</b>
F RPTTF	3,125	3,508,125	3,511,250
G Administrative RPTTF	27,208	27,208	54,416
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 30,333</b>	<b>\$ 3,535,333</b>	<b>\$ 3,565,666</b>

**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.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date

**Redwood City  
Recognized Obligation Payment Schedule (ROPS 24-25) - ROPS Detail  
July 1, 2024 through June 30, 2025**

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 24-25 Total	ROPS 24-25A (Jul - Dec)					24-25A Total	ROPS 24-25B (Jan - Jun)					24-25B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$31,253,640		\$3,565,666	\$-	\$-	\$-	\$3,125	\$27,208	\$30,333	\$-	\$-	\$-	\$3,508,125	\$27,208	\$3,535,333
1	Tax allocation Bond, Series 2003A for infrastructure projects [34171 (d) 1 (A)]	Bonds Issued On or Before 12/31/10	10/15/2003	07/15/2032	US Bank	Principle payment for 2003A Bonds, Project Area No. 2AA		6,736,935	N	\$1,025,984	-	-	-	-	-	\$-	-	-	-	1,025,984	-	\$1,025,984
2	Tax allocation Bond, Series 2003A for infrastructure projects [34171 (d) 1 (A)]	Bonds Issued On or Before 12/31/10	10/15/2003	07/15/2032	US Bank	Interest payment for 2003A Bonds RDA Project Area No. 2		21,308,066	N	\$2,479,016	-	-	-	-	-	\$-	-	-	-	2,479,016	-	\$2,479,016
7	On-going debt service bank and fiscal agent fees [34171 (d) 1 (A)]	Fees	10/15/2003	07/15/2032	US Bank and Willdan Financial	Bank fees and annual disclosure fees for the 2003 Bond		59,316	N	\$6,250	-	-	-	3,125	-	\$3,125	-	-	-	3,125	-	\$3,125
22	Villa Montgomery-FCH [34171 (d) 1 (B)]	City/ County Loan (Prior 06/28/11), Other	05/25/2006	12/01/2045	San Mateo County	Loan payable to San Mateo County on part of FCH loan		-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
23	Successor Agency Administrative Cost Allowance [34171 (b)]	Admin Costs	07/01/2012	07/15/2032	Successor Agency	Minimum amount of property tax to Successor Agency for general administrative costs		3,149,323	N	\$54,416	-	-	-	-	27,208	\$27,208	-	-	-	-	27,208	\$27,208

**Redwood City**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - Report of Cash Balances**  
**July 1, 2021 through June 30, 2022**  
(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
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)</b>	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	<b>Comments</b>
<b>1</b>	<b>Beginning Available Cash Balance (Actual 07/01/21)</b> RPTTF amount should exclude "A" period distribution amount.			5,137,078			BALANCE INLCUDES \$3,130,705 (20-21B RPTTF DEBT SVC DUE 7.15.21-FY 22) = \$2,006,373 (COMPOSED OF DS RESERVE OF \$1,543,088, AVAIL CASH \$463,285)
<b>2</b>	<b>Revenue/Income (Actual 06/30/22)</b> RPTTF amount should tie to the ROPS 21-22 total distribution from the County Auditor-Controller				37,921	3,549,623	RPTTF AMOUNT IS \$22311 (21-22A RECD 6.1.21, \$3,527,312 (21-22B RECD 12.30.21)
<b>3</b>	<b>Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)</b>				20,649	3,517,900	TOTAL EXPENDITURES INCL \$20649 FOR DS-TRUSTEE HAD CASH ON HAND FROM INTEREST INCOME AND THIS AMOUNT AS APPLIED TO DS DUE 7.15.21;DS OF \$3,505,000 LESS \$20649; TRUSTEE/ FINANCIAL CONSULTANT COSTS \$4900;LABOR COSTS OF \$23315; LEGAL COSTS OF \$4070; AUDITOR COSTS OF \$1264
<b>4</b>	<b>Retention of Available Cash Balance (Actual 06/30/22)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)					3,505,000	

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
	<b>ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)</b>	<b>Fund Sources</b>					<b>Comments</b>
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
		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	
<b>5</b>	<b>ROPS 21-22 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 21-22 PPA form submitted to the CAC		<b>No entry required</b>				
<b>6</b>	<b>Ending Actual Available Cash Balance (06/30/22)</b> <b>C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)</b>	<b>\$-</b>	<b>\$-</b>	<b>\$5,137,078</b>	<b>\$17,272</b>	<b>\$(3,473,277)</b>	<b>SUM = \$1,681,073 SEE ATTACHED BRIDGING DOCUMENT TO RECONCILE TO GL ENDING CASH BAL OF \$5,084,793</b>

**Redwood City**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - Notes**  
**July 1, 2024 through June 30, 2025**

Item #	Notes/Comments
1	
2	
7	
22	
23	

Redwood City ROPS 24-25 Agenda Packet  
Attachment No. 3  
Exhibit B

SUCCESSOR AGENCY NAME CITY OF REDWOOD CITY									
ADMINISTRATIVE BUDGET									
ROPS Period	22-23			23-24	24-25	Please specify budget methodology (Cost Allocation, Time Study etc) _____			
Obligations Period	July 2022-June 2023			July 2023-	July 2024-				
Total Outstanding Obligations (\$)	\$			31,253,640					
Total Number of Outstanding Obligations				4					
Staff	Description	Requested	Actual	Variance	Requested	Requested	Variance	Comment/Explanation for Variance	
City Attorney		\$ 9,605		\$ 9,605	\$ 9,902	\$ 10,200	(298)	Est annual cost inc for wages and benefits	
Assistant City Manager		\$ 2,294		\$ 2,294	\$ 2,377	\$ 2,448	(71)	Est annual cost inc for wages and benefits	
Financial Services Manager		\$ 3,747		\$ 3,747	\$ 3,859	\$ 3,975	(116)	Est annual cost inc for wages and benefits	
Senior Accountant		\$ 4,662		\$ 4,662	\$ 4,802	\$ 4,946	(144)	Est annual cost inc for wages and benefits	
Principal Planner		\$ 2,583		\$ 2,583	\$ 2,660	\$ 2,740	(80)	Est annual cost inc for wages and benefits	
Management Analyst		\$ 3,495		\$ 3,495	\$ 3,599	\$ 3,707	(108)	Est annual cost inc for wages and benefits	
				\$ -			-		
TOTAL PERSONNEL COSTS-DETAIL BREAKDOWN NOT AVAIL			\$ 26,386	\$ (26,386)			-		
				\$ -			-		
<b>Sub-Total (Personnel Costs)</b>		<b>\$ 26,386</b>	<b>\$ 26,386</b>	<b>\$ -</b>	<b>\$ 27,199</b>	<b>\$ 28,016</b>	<b>\$ (817)</b>		
Vendor/Payee	Description	Requested	Actual	Variance	Requested	Requested	Variance		
BEST BEST & KRIEGER	Outside Legal Counsel-property disposition	\$ 15,000	\$ 1,966	\$ 13,034	\$ 15,000	\$ 15,000	-		
TBD	Land use consultant - property disposition	\$ 6,000	\$ -	\$ 6,000	\$ 30,000	\$ 10,000	20,000	\$20K WILL BE SPENT IN FY24; ONLY \$10K NEEDED TO COMPLETE LAND DISPOSITION	
Maze and Associates	Auditor	\$ 1,408	\$ 1,482	\$ (74)	\$ 1,400	\$ 1,400	-		
				\$ -			-		
<b>Sub-Total (Other Costs)</b>		<b>\$ 22,408</b>	<b>\$ 3,448</b>	<b>\$ 18,960</b>	<b>\$ 46,400</b>	<b>\$ 26,400</b>	<b>\$ 20,000</b>		
<b>Grand Total</b>		<b>\$ 48,794</b>	<b>\$ 29,834</b>	<b>\$ 18,960</b>	<b>\$ 73,599</b>	<b>\$ 54,416</b>	<b>\$ 19,183</b>		

Redwood City ROPS 24-25 Agenda Packet  
Attachment No. 4  
ROPS Item Nos. 1 and 2

Debt Service Schedule

The following table presents debt service for the Bonds, as well as for the 1997 Bonds, which are payable from Tax Revenues on a parity with the Bonds. A portion of the 1997 Bonds were used for housing purposes and 20% of the debt service on the 1997 Bonds is payable from moneys in the Agency's Housing Set-Aside moneys. See "SECURITY FOR THE BONDS – Low and Moderate Housing Set-Aside."

**TABLE 2**  
**REDEVELOPMENT AGENCY OF THE CITY OF REDWOOD CITY**  
**Redevelopment Project Area No. 2**  
**Debt Service Schedule**

Bond Year Ending July 15	1997 Bonds Debt Service <sup>(1)</sup>	2003A Current Interest Bonds Principal	2003A <sup>^</sup> Current Interest Bonds Interest	2003A Capital Appreciation Bonds <sup>^</sup> Denominational Amount	<sup>^</sup> Series 2003A Capital Appreciation Bonds Compounded Interest	Series 2003A Bonds Total Debt Service	1997 Bonds and 2003A Bonds Aggregate Debt Service
2004	\$1,548,977.50		<u>\$463,356.25</u>			<u>\$ 463,356.25</u>	<u>\$2,012,333.75</u>
2005	1,545,746.75		<u>654,150.00</u>			<u>654,150.00</u>	<u>2,199,896.75</u>
2006	1,540,365.00		<u>654,150.00</u>			<u>654,150.00</u>	<u>2,194,515.00</u>
2007	1,544,265.00		<u>654,150.00</u>			<u>654,150.00</u>	<u>2,198,415.00</u>
2008	1,545,580.00		<u>654,150.00</u>			<u>654,150.00</u>	<u>2,199,730.00</u>
2009	1,543,350.00		<u>654,150.00</u>			<u>654,150.00</u>	<u>2,197,500.00</u>
2010	1,541,850.00	<u>\$1,225,000</u>	<u>654,150.00</u>			<u>1,879,150.00</u>	<u>3,421,100.00</u>
2011	1,545,705.00	<u>1,265,000</u>	<u>611,275.00</u>			<u>1,876,275.00</u>	<u>3,421,980.00</u>
2012		<u>2,480,000</u>	<u>560,675.00</u>			<u>3,040,675.00</u>	<u>3,040,675.00</u>
2013		<u>2,895,000</u>	<u>461,475.00</u>			<u>3,356,475.00</u>	<u>3,356,475.00</u>
2014		<u>3,045,000</u>	<u>309,487.50</u>			<u>3,354,487.50</u>	<u>3,354,487.50</u>
2015		<u>2,850,000</u>	<u>149,625.00</u>	<u>\$ 292,668.60</u>	<u>\$ 217,331.40</u>	<u>3,509,625.00</u>	<u>3,509,625.00</u>
2016				<u>1,889,860.95</u>	<u>1,615,139.05</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2017				<u>1,773,915.55</u>	<u>1,731,084.45</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2018				<u>1,663,893.60</u>	<u>1,841,106.40</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2019				<u>1,557,657.05</u>	<u>1,947,342.95</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2020				<u>1,450,684.45</u>	<u>2,054,315.55</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2021				<u>1,352,544.45</u>	<u>2,152,455.55</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2022				<u>1,256,332.20</u>	<u>2,248,667.80</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2023				<u>1,172,831.40</u>	<u>2,337,168.60</u>	<u>3,510,000.00</u>	<u>3,510,000.00</u>
2024				<u>1,090,125.10</u>	<u>2,414,874.90</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2025				<u>1,025,983.60</u>	<u>2,479,016.40</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2026				<u>967,415.05</u>	<u>2,537,584.95</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2027				<u>911,965.95</u>	<u>2,593,034.05</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2028				<u>859,566.20</u>	<u>2,645,433.80</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2029				<u>810,005.50</u>	<u>2,694,994.50</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2030				<u>763,178.70</u>	<u>2,741,821.30</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>
2031				<u>719,901.00</u>	<u>2,790,099.00</u>	<u>3,510,000.00</u>	<u>3,510,000.00</u>
2032				<u>678,918.50</u>	<u>2,826,081.50</u>	<u>3,505,000.00</u>	<u>3,505,000.00</u>

(1) 20% of debt service on the 1997 Bonds is payable from Housing Set-Aside amounts.

Successor Agency of the  
Former Redwood City Redevelopment Agency  
Proposed Administrative Budget  
July 1, 20234 - June 30, 2025

Redwood City ROPS 24-25 Agenda Packet  
Attachment No. 4  
ROPS Item No. 23

PROPOSED STAFF COST FY 24-25

Position Name*	Duties	FTE Allocation	Total Annual Hours	Fully Burdened Hourly Rate	Fully Burdened Hourly Rate (used for 23-24 ROPS)	Fully Burdened Hourly Rate (used for 24-25 ROPS)	Total Budget
CITY ATTORNEY	Executive Director to the Successor Agency; Oversight for Successor Agency; Works with Community Development staff on disposition of real property; reviews ROPS	0.02	41.6	231	238	245	10,200
ASSISTANT CITY MANAGER	Finance Director/Treasurer to the City and Successor Agency; Oversight for all items related to the Successor Agency; reviews ROPS	0.005	10.4	222	229	235	2,448
FINANCIAL SERVICES MANAGER	Attends Oversight Board meetings; liaison to Controller's Office and Dept. of Finance; ensures accurate accounting and annual audit of Successor Agency; reviews ROPS	0.01	20.8	180	186	191	3,975
SENIOR ACCOUNTANT	Attends Oversight Board meetings; Preparation of all ROPS submissions and Administrative Budget; Serves as second liaison to Controller's Office and Dept. of Finance; oversight of accounting and financial obligations of Successor Agency	0.02	41.6	112	115	119	4,946
PRINCIPAL PLANNER	Works with City Attorney and Community Development & Transportation Director and outside consultants on disposition of real property.	0.01	20.8	124	128	132	2,740
MANAGEMENT ANALYST II	Works with City Attorney and Community Development & Transportation Director and outside consultants on disposition of real property.	0.02	41.6	84	87	89	3,707
							<u>28,016</u>



5.

4. The table below provides funding you have received related to property disposition. Are these costs for the small parcel of land only? Are you able to provide at this time your actual costs for ROPS 22-23 and 23-24? For 21-22 correct me if I am wrong but I think you actually spent \$1,264 and \$4,070. **The property disposition is related to this small parcel of land discussed in the staff report. Actual expenditures for this task for FY21-22 and for FY22-23 were 0.00 for this task. Staff estimates that approximately \$20K will be spend in FY 23-24, The \$1264 was for audit expense and the \$4070 was for legal expense. Each of these items is a separate line in our admin budget, i.e. separate from the consultants needed for the property disposition.**

I just did a high level review of your report as I have other pressing tasks today. If I need additional supporting documents, who may I contact?

Thank you,  
Mercedes

---

**From:** FIN-Carolyne Kerans <[ckrans@redwoodcity.org](mailto:ckrans@redwoodcity.org)>  
**Sent:** Wednesday, December 13, 2023 4:03 PM  
**To:** Mercedes Yapching <[myapching@smcgov.org](mailto:myapching@smcgov.org)>  
**Cc:** FIN-Sarah Gustafson <[SGustafson@redwoodcity.org](mailto:SGustafson@redwoodcity.org)>; mflaherty <[mflaherty@redwoodcity.org](mailto:mflaherty@redwoodcity.org)>; Kristie Passalacqua Silva <[ksilva@smcgov.org](mailto:ksilva@smcgov.org)>; Amanda Johnson <[ajohnson@smcgov.org](mailto:ajohnson@smcgov.org)>; Nathan Gee <[ngee@smcgov.org](mailto:ngee@smcgov.org)>  
**Subject:** RE: Important: Annual ROPS 24-25 OB Approval

**CAUTION:** This email originated from outside of San Mateo County. Unless you recognize the sender's email address and know the content is safe, do not click links, open attachments or reply.

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Hello Mercedes, Attached is the RWC Staff Report plus attachments for the January 8 Oversight Board meeting. In addition, I have added the items you have requested below. Would you be able to review our submission within the next few days? I will be on vacation beginning on 12.18 and, if there are questions, I would like to resolve before my vacation.

Please let me know if there is specific supporting documents or reports that you may require. Thanks in advance for your guidance.

Carolyn Kerans  
Annuitant  
[ckrans@redwoodcity.org](mailto:ckrans@redwoodcity.org)  
Cell:650-346-3145  
[www.redwoodcity.org](http://www.redwoodcity.org)

To support community and employee health, many City services are being offered virtually or with modifications. See current information about City services and operating hours [here](#). Visit [MyRWC](#) to access services available online 24-hours a day, 7 days a week.

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**From:** FIN-Sarah Gustafson <[SGustafson@redwoodcity.org](mailto:SGustafson@redwoodcity.org)>  
**Sent:** Tuesday, November 28, 2023 4:26 PM  
**To:** FIN-Carolyne Kerans <[ckrans@redwoodcity.org](mailto:ckrans@redwoodcity.org)>  
**Subject:** FW: Important: Annual ROPS 24-25 OB Approval  
**Importance:** High

# SAN MATEO COUNTY

## COUNTYWIDE OVERSIGHT BOARD

### *Members*

*Mark Addiego  
Aimee Armsby  
Chuck Bernstein  
Kevin Bultema  
Barbara Christensen  
Mark Leach  
Justin Mates*

Date: January 2, 2024 **Agenda Item No. 9**

To: San Mateo County Countywide Oversight Board

From: Kristie Passalacqua Silva, San Mateo County Assistant Controller

Subject: Pacifica Successor Agency's (SA) Recognized Obligation Payment Schedule (ROPS) 24-25

### **Background**

California Health and Safety Code (HSC) Section 34180(g) requires all ROPS to be approved by the Oversight Board.

### **Discussion**

The Annual ROPS 24-25 contains all the obligations of the SA for fiscal year 2024-25. The SA is requesting approval by the Board to spend \$276,293 on outstanding obligations and administrative expenses for Annual ROPS 24-25. Enclosed is the SA's Annual ROPS 24-25 and supporting documents.

As required under HSC Section 34177, the SA's ROPS 24-25 includes an administrative budget of \$40,400 which includes \$5,400 in audit fees, \$15,000 in staffing costs and \$20,000 in legal fees.

The City of Pacifica made several loans to the former Pacifica redevelopment agency (RDA) between 1984 through 1995 totaling \$3,237,150. Pursuant to HSC 34191.4(b) a loan between the former RDA and a sponsoring entity may be placed on the ROPS if the former RDA has received a Finding of Completion from the DOF (CAC Exhibit A) and the SA's Oversight Board approves the loan by finding the loan was for legitimate redevelopment purposes (CAC Exhibit B). Loan repayment amounts are capped annually at 50% of the increase in the Residual between a base year and the previous year.

The loans between the City and the RDA are referenced as ROPS Item Nos. 11-16. The loan identified as ROPS Item No. 11, referenced by Resolution 17-88 with a principal amount of \$500,000, was approved for funding by the DOF and is fully paid.

Last year, the DOF disallowed ROPS Item No. 12 (Resolution 19-89), which is a City loan in the total outstanding amount of \$909,163, due to insufficient documentation. (CAC Exhibit C). The SA is requesting payment on this ROPS 24-25 of \$20,000 in legal fees as administrative costs incurred for legal support for its efforts to establish to the DOF that the loans are enforceable obligations. (CAC Exhibit D).

The SA is requesting \$110,000 in funding for repayment of ROPS Item No. 13, (Resolution 20-90). The total outstanding obligation on the loan is \$936,972. (CAC Exhibit D).

Matt Pressey, Advisor with Regional Government Services and ROPS consultant for Pacifica, will be presenting to the Board.

### **Fiscal Impact**

Funding for ROPS reduces the amount of tax revenue available for "Residual" distributions to the affected taxing entities.

### **CAC Exhibit**

- A – DOF's Finding of Completion Letter
- B – Former Pacifica SA Oversight Board Resolution No. 01-2015
- C – DOF's Determination Letter for Pacifica SA's ROPS 23-24
- D - Pacifica SA's Annual ROPS 24-25 Agenda Packet



April 26, 2013

Ms. Ann Ritzma, Administrative Services Director  
City of Pacifica  
170 Santa Maria Avenue  
Pacifica, CA 94044

Dear Ms. Ritzma:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Pacifica Successor Agency.

Finance has completed its review of your documentation, which may have included reviewing supporting documentation submitted to substantiate payment or obtaining confirmation from the county auditor-controller. Pursuant to Health and Safety Code (HSC) section 34179.7, we are pleased to inform you that Finance has verified that the Agency has made full payment of the amounts determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

This letter serves as notification that a Finding of Completion has been granted. The Agency may now do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4 (b) (1). Loan repayments will be governed by criteria in HSC section 34191.4 (a) (2).
- Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c).

Additionally, the Agency is required to submit a Long-Range Property Management Plan to Finance for review and approval, per HSC section 34191.5 (b), within six months from the date of this letter.

Please direct inquiries to Andrea Scharffer, Staff Finance Budget Analyst, or Chris Hill, Principal Program Budget Analyst, at (916) 445-1546.

Sincerely,

STEVE SZALAY  
Local Government Consultant

cc: Mr. Stephen Rhodes, City Manager, City of Poway  
Ms. Shirley Tourel, Deputy Auditor-Controller, County of San Mateo  
California State Controller's Office

**OVERSIGHT BOARD RESOLUTION NO. 01-2015**

**A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PACIFICA RESTATING AND AMENDING RESOLUTION NO. 2013-4 APPROVING REPAYMENT OF AMOUNTS OWED TO THE CITY OF PACIFICA BY THE FORMER REDEVELOPMENT AGENCY**

**WHEREAS**, April 26, 2013, the California Department of Finance granted a “Finding of Completion” allowing for loans to be added to the Recognized Obligation Payment Schedule (ROPS) provided certain findings were made; and

**WHEREAS**, June 19, 2013 the Oversight Board adopted Resolution No. 2013-4; and

**WHEREAS**, the Oversight Board resolution declared that the loans from the City to the Redevelopment Agency were for legitimate redevelopment purposes; and

**WHEREAS**, the Department of Finance was provided with the adopted Resolution; and

**WHEREAS**, the Resolution set forth a principal balance of \$3,237,150 owed to the City of Pacifica pursuant to loan agreements from 1985 through 1994; and

**WHEREAS**, to date no repayments have been granted on approved ROPS, due to insufficient balance available in the Redevelopment Property Tax Trust Fund as reported by the County Auditor Controller; and

**WHEREAS**, during the review of the 2014-15A ROPS it was indicated that the Agency may be eligible for funding in the 2015-16A ROPS (beginning July 1, 2015); and

**WHEREAS**, the Oversight Board desires to update with a detailed schedule of loans including the origination date, amended balances, and rate of interest in accordance with the Redevelopment Dissolution process; and

**WHEREAS**, this resolution shall amend and reduce the principal amount owed to \$2,341,185.10 which accounts for repayments made prior to dissolution and not accounted for when Resolution 2013-4 was first presented; and

**WHEREAS**, this restated and amended resolution does not alter the finding by the Oversight Board that the loans from the City to the Redevelopment Agency were for legitimate redevelopment purposes, and therefore such loans as presented shall be deemed an enforceable obligation of the former Pacifica Redevelopment Agency; and

**WHEREAS**, in accordance with the dissolution laws the interest rate is to be recalculated beginning with the origination of the loan, and at the rate earned by the State Treasurer Local Agency Investment Fund (LAIF) at the time the Oversight Board makes its finding the interest; and

**WHEREAS**, the LAIF rate for June 2013 when Resolution No. 2013-4 was adopted was 0.24%; and


**WHEREAS**, in an Agreement dated March 9, 2011 the loan terms were restated to identify that interest was to be compounded annually.

**NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PACIFICA DOES RESOLVE AS FOLLOWS:**

1. The Oversight Board hereby finds and determines that certain loans were made by the City of Pacifica to the Pacifica Redevelopment Agency for legitimate redevelopment purposes.
2. Exhibit A attached hereto and by reference made a part hereof contains a listing of each loan including: the loan origination date, the original principal amount loaned, the unpaid principal balance, and the accrued interest as of June 30, 2015.
3. The loans shall carry an interest rate of 0.24% from the date of origination and compounding annually.
4. Repayment of the Loan(s) shall be recognized as an enforceable obligation pursuant to Health and Safety Code Section 34191.4(b).
5. The Successor Agency shall take any and all necessary administrative actions to include repayment of principal and interest on Recognized Obligation Payment Schedules (ROPS) as allowed pursuant to Health and Safety Code Section 34191.4(b)(2) and to carry out the purposes and intent of this Resolution.

**PASSED AND ADOPTED** at a regular meeting of the Oversight Board for the Successor Agency to the Redevelopment Agency of the City of Pacifica, California held on February 11, 2015, by the following vote of the members thereof:

- AYES:** Board Members – Nihart, DeJarnatt, Chow, Callagy, Hines  
**NOES:** Board Members - None  
**ABSTAIN:** Board Members - None  
**ABSENT:** Board Members – Bennett, Peterson

  
\_\_\_\_\_  
Mary Ann Nihart, Chair

**ATTEST:**

  
\_\_\_\_\_  
Clerk of the Board – Lorenzo Hines, Jr.

## EXHIBIT A - (February 2015) Restated and Amended Resolution

### RECORD OF LOANS BETWEEN CITY OF PACIFICA AND PACIFICA REDEVELOPMENT AGENCY

(Per authorized ROPS and RPTTF funding available - no repayments will occur prior to 7/1/2015)

	Origination Date/ ROPS Item No.  Origination Date	City Council Resolution Reference	Original Principal Amount Loaned	Unpaid Balance Owed To City	Accrued Interest As of 6/30/2015	6/30/2015 Total Balance - Principal & Interest
1	March 25, 1985		62,150.00	0.00		Paid Off
2	November 25, 1985	Reso 59-85	175,000.00	0.00		Paid Off
3	February 9, 1987	Reso 3-87	300,000.00	0.00		Paid Off
(a) 4	March 14, 1988 ROPS 11	Reso 17-88	500,000.00	441,185.10	29,833.11	\$471,018.21
(b) 5	May 8, 1989 ROPS 12	Reso 19-89	475,000.00	475,000.00	30,722.69	\$505,722.69
6	May 14, 1990 ROPS 13	Reso 20-90	500,000.00	500,000.00	31,044.17	\$531,044.17
7	April 8, 1991 ROPS 14	Reso 9-91	500,000.00	500,000.00	29,898.08	\$529,898.08
8	January 27, 1992 ROPS 15	Reso 1-92	250,000.00	250,000.00	14,439.75	\$264,439.75
9	May 24, 1993	Reso 16-93	300,000.00	0.00		Paid Off
10	April 11, 1994 ROPS 16	Reso 15-94	175,000.00	175,000.00	9,131.74	\$184,131.74
<b>TOTAL</b>			<b>\$3,237,150.00</b>	<b>\$2,341,185.10</b>	<b>\$145,069.55</b>	<b>\$2,486,254.65</b>

(a) Paid off

(b) Disallowed by DOF under ROPS 23-24



Transmitted via e-mail

May 17, 2023

Yulia Carter, Assistant City Manager/Administrative Services Director  
City of Pacifica  
540 Crespi Drive  
Pacifica, CA 94044

### **2023-24 Annual Recognized Obligation Payment Schedule**

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 7, 2023. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Pacifica Successor Agency (Agency) submitted an annual ROPS for the period July 1, 2023 through June 30, 2024 (ROPS 23-24) to Finance on January 25, 2023. The Agency requested a Meet and Confer on one or more of the determinations made by Finance. The Meet and Confer was held on April 18, 2023.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer process, Finance has completed its review of the specific determinations being disputed:

- **Item No. 12** – City loan in the total outstanding amount of \$909,163. Finance continues to deny this item. Finance previously denied this item because the Agency did not provide documentation to support the amount requested was for a cash exchange, transfer of property, or reimbursement for a third-party contract for an infrastructure project.

During the Meet and Confer review, the Agency provided additional documentation in the form of financial statements. However, the documentation provided is not sufficient to support this item as a loan eligible for repayment under dissolution law. The Agency-provided copy of the 1985 Loan and Repayment Agreement (Agreement) states the City may authorize additional loans by resolution and such loans are subject to the terms of the Agreement. The Agreement also states that the loan amounts are subject to the payment terms if the Redevelopment Agency (RDA) withdraws the funds. To date, only one resolution was provided showing the City authorized an amount of \$475,000 to be loaned. However, there is no information or documentation to show what amount, if any, the RDA withdrew nor that the City authorized any further amounts. Without more information evidencing what amount, if any, was actually loaned, neither the terms of the Agreement nor the statutory requirements for a loan have been met.

Therefore, the requested amount of \$131,237 is not eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding. To the extent the Agency can provide sufficient documentation, such as journal entries, the Agency may place this item on a future ROPS for Finance's review and funding.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the July 1, 2020 through June 30, 2021 (ROPS 20-21) period. The ROPS 20-21 prior period adjustment (PPA) will offset the ROPS 23-24 RPTTF distribution. The amount of RPTTF authorized includes the PPA resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is \$124,905, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2023 through December 31, 2023 period (ROPS A period), and one distribution for the January 1, 2024 through June 30, 2024 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 23-24 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

This is our final determination regarding the obligations listed on the ROPS 23-24. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

The ROPS 23-24 form submitted by the Agency and this determination letter will be posted on our website:

<http://dof.ca.gov/Programs/Redevelopment/ROPS/>

This determination is effective for the ROPS 23-24 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items 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 available prior to the enactment of the redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.



Yulia Carter  
May 17, 2023  
Page 3

Please direct inquiries to Joshua Mortimer, Supervisor, or Michael Barr, Staff, at (916) 322-2985.

Sincerely,



 JENNIFER WHITAKER  
Program Budget Manager

cc: Mario Xuereb, Financial Analyst II, City of Pacifica  
Amanda Johnson, Property Tax Division Manager, San Mateo County  
Barbara Christensen, Countywide Oversight Board Representative

<b>Approved RPTTF Distribution July 2023 through June 2024</b>			
	<b>ROPS A</b>	<b>ROPS B</b>	<b>Total</b>
RPTTF Requested	\$ 154,073	\$ 105,237	\$ 259,310
Administrative RPTTF Requested	0	7,400	7,400
<b>Total RPTTF Requested</b>	<b>154,073</b>	<b>112,637</b>	<b>266,710</b>
<b>RPTTF Requested</b>	<b>154,073</b>	<b>105,237</b>	<b>259,310</b>
<u>Adjustment(s)</u>			
Item No. 12	(131,237)	0	(131,237)
<b>RPTTF Authorized</b>	<b>22,836</b>	<b>105,237</b>	<b>128,073</b>
<b>Administrative RPTTF Authorized</b>	<b>0</b>	<b>7,400</b>	<b>7,400</b>
ROPS 20-21 Prior Period Adjustment (PPA)	(10,568)	0	(10,568)
<b>Total RPTTF Approved for Distribution</b>	<b>\$ 12,268</b>	<b>\$ 112,637</b>	<b>\$ 124,905</b>

Date: December 15, 2023

To: San Mateo County Countywide Oversight Board

From: Yulia Carter, Assistant City Manager

Subject: Successor Agency to the Former City of Pacifica Redevelopment Agency's ROPS 24-25 and FY 2024-25 Administrative Budget

Former RDA: **City of Pacifica**

### **Recommendation**

Adopt resolution approving the Pacifica SA's ROPS 24-25 and FY 2024-25 Administrative Budget.

### **Background**

SAs that do not qualify under the Last and Final ROPS, must submit annually a ROPS listing the SA's enforceable obligations and expenses to the State Department of Finance (DOF) pursuant to Health & Safety Code (HSC) Sections 34177(m) and (o). The ROPS shall include an amount for the SA's Administrative Budget as authorized under the Dissolution Act which is subject to a cap as set forth under HSC 34171. The ROPS and the Budget for the SA's Administrative Costs must be approved by the Oversight Board.

### **Discussion**

Pacifica has not applied for Last and Final ROPS with DOF but is working on preparing it for submission during the next year.

Matt Pressey, Advisor with Regional Government Services and consultant for Pacifica will be presenting to the Board.

### **Financial Impact**

No funds are involved with the approval of the ROPS.

### **Attachments:**

1. Draft Resolution Approving Pacifica SA's ROPS 24-25 and FY 2024-25 Administrative Budget
2. Exhibit A - Pacifica SA's ROPS 24-25
3. Exhibit B - Pacifica SA's FY 2024-25 Administrative Budget
- 4. Supporting Documents**

RESOLUTION NO. 2024-\_\_\_\_\_

**RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD APPROVING THE  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE 24-25 (“ROPS 24-25”) AND FISCAL YEAR 2024-25  
ADMINISTRATIVE BUDGET OF THE SUCCESSOR AGENCY TO THE FORMER PACIFICA REDEVELOPMENT  
AGENCY (RDA)**

**WHEREAS**, California Health and Safety Section Code (HSC) 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 Pacifica Redevelopment Agency has prepared a draft ROPS for the period July 1, 2024 to June 30, 2025, referred to as “ROPS 24-25”, claiming a total enforceable obligation amount of \$276,293, as set forth in the attached Exhibit A; and

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

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

**WHEREAS**, the Successor Agency to the Former Pacifica Redevelopment Agency has prepared an administrative budget for the period July 1, 2024 to June 30, 2025, for \$40,400, as set forth in the attached Exhibit B; and

**WHEREAS**, 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 Pacifica Successor Agency’s ROPS 24-25 and Fiscal Year 2024-25 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 24-25 to the State Department of Finance upon approval by the Oversight Board.

\* \* \*

Exhibit A – Pacifica Successor Agency’s Recognized Obligation Payment Schedule 24-25  
Exhibit B – Pacifica Successor Agency’s FY 2024-25 Administrative Budget

## Recognized Obligation Payment Schedule (ROPS 24-25) - Summary

Filed for the July 1, 2024 through June 30, 2025 Period

**Successor Agency:** Pacifica  
**County:** San Mateo

Pacifica SA ROPS 24-25 Agenda Packet  
 Attachment No. 2 Exhibit A  
 Page 1 of 5

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	24-25A Total (July - December)	24-25B Total (January - June)	ROPS 24-25 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ 145,737</b>	<b>\$ 130,556</b>	<b>\$ 276,293</b>
F RPTTF	105,337	130,556	235,893
G Administrative RPTTF	40,400	-	40,400
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 145,737</b>	<b>\$ 130,556</b>	<b>\$ 276,293</b>

**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.

\_\_\_\_\_  
 Name Title

/s/ \_\_\_\_\_  
 Signature Date

**Pacifica**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - ROPS Detail**  
**July 1, 2024 through June 30, 2025**

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 24-25 Total	ROPS 24-25A (Jul - Dec)					24-25A Total	ROPS 24-25B (Jan - Jun)					24-25B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$4,856,520		\$276,293	\$-	\$-	\$-	\$105,337	\$40,400	\$145,737	\$-	\$-	\$-	\$130,556	\$-	\$130,556
1	2004 Tax Allocation Bond Series A	Bonds Issued On or Before 12/31/10	08/19/2004	07/30/2031	Bank of New York Mellon	2004 Tax Allocation Bonds that refinanced redevelopment activities	Rockaway Beach	992,061	N	\$123,393	-	-	-	102,837	-	\$102,837	-	-	-	20,556	-	\$20,556
2	2004 Tax Allocation Bond Series A Fiscal Agent Fee	Fees	08/19/2004	07/30/2031	Bank of New York Mellon	Fiscal Agent fees associated with 2004 Tax Allocation Bonds	Rockaway Beach	25,000	N	\$2,500	-	-	-	2,500	-	\$2,500	-	-	-	-	-	\$-
3	Annual Audit	Admin Costs	07/01/2011	06/30/2020	Maze & Associates	Annual Audit	Rockaway Beach	43,200	N	\$5,400	-	-	-	-	5,400	\$5,400	-	-	-	-	-	\$-
4	Administration Successor Agency	Admin Costs	01/01/2014	06/30/2014	Successor Agency / City of Pacifica	Staffing / Administrative Costs - Prepare Meeting reports / forms	Rockaway Beach	120,000	N	\$15,000	-	-	-	-	15,000	\$15,000	-	-	-	-	-	\$-
7	Administration - Legal	Admin Costs	01/01/2014	06/30/2015	Law Offices of Craig Labadie or Burke, Williamson, and Sorenson	Legal support for Oversight Board and Successor Agency	Rockaway Beach	160,000	N	\$20,000	-	-	-	-	20,000	\$20,000	-	-	-	-	-	\$-
12	Reso 19-89 -Loan #5 From General Fund	City/ County Loan (Prior 06/28/11), Cash exchange	05/08/1989	06/30/2032	City of Pacifica	Loan #5 from City of Pacifica to former RDA	Rockaway Beach	892,735	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
13	Reso 20-90 -Loan #6 From General Fund	City/ County Loan (Prior 06/28/11),	05/14/1990	06/30/2032	City of Pacifica	Loan #6 from City of Pacifica to former RDA	Rockaway Beach	936,972	N	\$110,000	-	-	-	-	-	\$-	-	-	-	110,000	-	\$110,000

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 24-25 Total	ROPS 24-25A (Jul - Dec)					24-25A Total	ROPS 24-25B (Jan - Jun)					24-25B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
		Cash exchange																				
14	Reso 9-91 -Loan #7 From General Fund	City/ County Loan (Prior 06/28/11), Cash exchange	04/08/1991	06/30/2032	City of Pacifica	Loan #7 from City of Pacifica to former RDA	Rockaway Beach	923,452	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
15	Reso 1-92 -Loan #8 From General Fund	City/ County Loan (Prior 06/28/11), Cash exchange	01/27/1992	06/30/2032	City of Pacifica	Loan #8 from City of Pacifica to former RDA	Rockaway Beach	455,685	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
16	Reso 15-94 -Loan #10 From General Fund	City/ County Loan (Prior 06/28/11), Cash exchange	04/11/1994	06/30/2032	City of Pacifica	Loan #10 from City of Pacifica to former RDA	Rockaway Beach	307,415	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

**Pacifica**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - Report of Cash Balances**  
**July 1, 2021 through June 30, 2022**  
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), 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
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)</b>	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	<b>Comments</b>
<b>1</b>	<b>Beginning Available Cash Balance (Actual 07/01/21)</b> RPTTF amount should exclude "A" period distribution amount.					841	
<b>2</b>	<b>Revenue/Income (Actual 06/30/22)</b> RPTTF amount should tie to the ROPS 21-22 total distribution from the County Auditor-Controller				-	214,767	
<b>3</b>	<b>Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)</b>					200,457	
<b>4</b>	<b>Retention of Available Cash Balance (Actual 06/30/22)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
<b>5</b>	<b>ROPS 21-22 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 21-22 PPA form submitted to the CAC		No entry required			-	
<b>6</b>	<b>Ending Actual Available Cash Balance (06/30/22)</b> <b>C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)</b>	\$-	\$-	\$-	\$-	\$(30,170)	



**Pacifica**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - Notes**  
**July 1, 2024 through June 30, 2025**

Item #	Notes/Comments
1	
2	
3	
4	
7	
12	
13	
14	
15	
16	

SUCCESSOR AGENCY NAME								
ADMINISTRATIVE BUDGET								
ROPS Period	22-23			23-24		24-25		<i>Please specify budget methodology (Cost Allocation, Time Study etc)</i> _____
Obligations Period	July 2022-June 2023			July 2023-June 2024		July 2024-June 2025		
Total Outstanding Obligations (\$)								
Total Number of Outstanding Obligations								
Staff	Description	Requested	Actual	Variance	Requested	Requested	Variance	Comment/Explanation for Variance
Assistant City Manager	\$135/hour fully burdened rate x 15 hrs	\$ 300		\$ 300	\$ 300	\$ 2,025	\$ (1,725)	Staff time was underestimated in PY's
RGS	\$140/hour fully burdened rate x 67 hrs	\$ 2,000		\$ 2,000	\$ 2,000	\$ 9,375	\$ (7,375)	Contract staff time was underestimated in PY's
Assistant Fin. Director	\$80/hour fully burdened rate x 45 hrs	\$ -		\$ -	\$ -	\$ 3,600	\$ (3,600)	Staff time was underestimated in PY's
				\$ -			\$ -	
				\$ -			\$ -	
				\$ -			\$ -	
				\$ -			\$ -	
				\$ -			\$ -	
<b>Sub-Total (Personnel Costs)</b>		<b>\$ 2,300</b>	<b>\$ -</b>	<b>\$ 2,300</b>	<b>\$ 2,300</b>	<b>\$ 15,000</b>	<b>\$ (12,700)</b>	
Vendor/Payee	Description	Requested	Actual	Variance	Requested	Requested	Variance	
Maze & Associates	Audit costs	\$ 4,900	\$ 4,000	\$ 900	\$ 5,100	\$ 5,400	\$ (300)	
Law Offices of Craig Labadie	Legal costs	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ (20,000)	Actual Legal cost were incurred in FY 2023-24
				\$ -			\$ -	for defining the SA's position that the loans
				\$ -			\$ -	are valid enforceable obligations.
<b>Sub-Total (Other Costs)</b>		<b>\$ 4,900</b>	<b>\$ 4,000</b>	<b>\$ 900</b>	<b>\$ 5,100</b>	<b>\$ 25,400</b>	<b>\$ (20,300)</b>	
<b>Grand Total</b>		<b>\$ 7,200</b>	<b>\$ 4,000</b>	<b>\$ 3,200</b>	<b>\$ 7,400</b>	<b>\$ 40,400</b>	<b>\$ (33,000)</b>	

---

**From:** Matt Pressey <mpressey@rgs.ca.gov>

**Sent:** Tuesday, January 2, 2024 12:23 PM

**To:** Mercedes Yapching <myapching@smcgov.org>; Xie, Lucy <LXie@pacifica.gov>

**Cc:** Carter, Yulia <ycarter@pacifica.gov>; Amanda Johnson <ajohnson@smcgov.org>; Kristie Passalacqua Silva <ksilva@smcgov.org>; Nathan Gee <ngee@smcgov.org>; Peyton-Rehn, Theresa <tpeyton-rehn@pacifica.gov>

**Subject:** Re: Please provide copy of invoice asap - \$20,000 - Kindly reply this morning.

**CAUTION: This email originated from outside of San Mateo County. Unless you recognize the sender's email address and know the content is safe, do not click links, open attachments or reply.**

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Hi Mercedes!

Sorry of the delay. I am not at my office.

Please accept this email as the estimate for the legal costs:

The City believes that the General Fund loans are a valid obligation of the Successor Agency. The City Attorney with Burk Williams has began some legal work and invoiced the City for the progress so far. A total of \$3,894.80 (see attached two invoices). The remaining amount of the \$20,000 (\$16,105.20) is an estimate of what will be incurred going forward for the remainder of FY23-24 and FY 24-25. The bill rate is between \$300 and \$350 per hour depending of which Attorney is working.

Thanks!

**Matt N. Pressey, CPA (Inactive)**

Senior Advisor

Regional Government Services

(650) 587-7300, x116

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**Pacifica SA ROPS 24-25 Agenda Packet  
Attachment No. 4  
ROPS Item No. 1**

**CITY OF PACIFICA TAX ALLOCATION BOND**

**ASSUMED ROPS PERIOD**

**Debt Service Schedule (By Fiscal Year)**

Created 9.17.2014 Based On Net Debt Service Schedule In Debt Transcript Binder

(Original Prepared by Piper Jaffray & Co. - Final Numbers (8/11/2004) Added Remaining Balance

Interest Only Due - January 1st and Principal and Interest July 1st

	July 1st Payment			ROPS PERIOD	January 1st Payment			ROPS PERIOD
	Principal	Interest	TOTAL		Principal	Interest	TOTAL	
2004/2005			0.00		Pd fr Cap Int	31,977.86	31,977.86	
2005/2006		46,048.13	46,048.13			46,048.13	46,048.13	
2006/2007	35,000.00	46,048.13	81,048.13			45,540.63	45,540.63	
2007/2008	35,000.00	45,540.63	80,540.63			44,928.13	44,928.13	
2008/2009	35,000.00	44,928.13	79,928.13			44,263.13	44,263.13	
2009/2010	40,000.00	44,263.13	84,263.13			43,433.13	43,433.13	
2010/2011	40,000.00	43,433.13	83,433.13			42,593.13	42,593.13	
2011/2012	40,000.00	42,593.13	82,593.13			41,693.13	41,693.13	
2012/2013	45,000.00	41,693.13	86,693.13			40,646.88	40,646.88	
2013/2014	45,000.00	40,646.88	85,646.88			39,566.88	39,566.88	
2014/2015	50,000.00	39,566.88	89,566.88	13-14B		38,341.88	38,341.88	14-15A
2015/2016	50,000.00	38,341.88	88,341.88	14-15B		37,091.88	37,091.88	15-16A
2016/2017	55,000.00	37,091.88	92,091.88	15-16B		35,661.88	35,661.88	16-17A
2017/2018	55,000.00	35,661.88	90,661.88	16-17B		34,204.38	34,204.38	17-18A
2018/2019	60,000.00	34,204.38	94,204.38	17-18B		32,584.38	32,584.38	18-19A
2019/2020	60,000.00	32,584.38	92,584.38	18-19B		30,934.38	30,934.38	19-20A
2020/2021	65,000.00	30,934.38	95,934.38	19-20B		29,106.25	29,106.25	20-21A
2021/2022	70,000.00	29,106.25	99,106.25	20-21B		27,111.25	27,111.25	21-22A
2022/2023	75,000.00	27,111.25	102,111.25	21-22B		24,973.75	24,973.75	22-23A
2023/2024	75,000.00	24,973.75	99,973.75	22-23B		22,836.25	22,836.25	23-24A
2024/2025	80,000.00	22,836.25	102,836.25	23-24B		20,556.25	20,556.25	24-25A
2025/2026	85,000.00	20,556.25	105,556.25	24-25B		18,112.50	18,112.50	
2026/2027	90,000.00	18,112.50	108,112.50			15,525.00	15,525.00	
2027/2028	95,000.00	15,525.00	110,525.00			12,793.75	12,793.75	
2028/2029	100,000.00	12,793.75	112,793.75			9,918.75	9,918.75	
2029/2030	110,000.00	9,918.75	119,918.75			6,756.25	6,756.25	
2030/2031	115,000.00	6,756.25	121,756.25			3,450.00	3,450.00	
* 2031/2032	120,000.00	3,450.00	123,450.00					
<b>TOTAL</b>	<b>1,725,000.00</b>	<b>834,720.08</b>	<b>2,559,720.08</b>			<b>0.00</b>	<b>820,649.81</b>	<b>820,649.81</b>

\* Payment will be made from Debt Service Reserve Fund Held By Trustee (July 1, 2031)  
 1/1/31 3,450.00 7/1/31 123,450.00 TOTAL= 126,900.00  
 RESERVE has \$129,852

Total \$105,556.25 + \$20,556.25 = \$126,112.50  
 Amount Requested by SA = \$123,393

**Pacifica SA ROPS 24-25 Agenda Packet  
Attachment No. 4  
ROPS Item No. 13**

COUNTY OF SAN MATEO  
PACIFICA

LIMITATIONS ON REPAYMENT OF SERAF AND CITY LOANS Per 34176 (e)(6)(B) and 34191.4 (b)(2)

Payments are limited to no more than half the increase in residual above a FY 2012-13 base year.  
Payments of housing fund loan or deferral amounts are first in priority.

**Maximum Allowable Repayment for FY 2024-25**

**Residual in FY 2012-13**

ROPS II Residual	5,308	<i>June 2012 Distribution</i>
ROPS III Residual	0	<i>January 2013 Distribution</i>
(A)	<u>\$ 5,308</u>	

**Residual in FY 2023-24**

ROPS 23-24A Residual	266,733	<i>June 2023 Distribution</i>
ROPS 23-24B Residual	161,466	<i>December 2023 Distribution</i>
(B)	<u>\$ 428,199</u>	

**Increase in Residual over FY 2012-13**

(C) \$ 422,891

**Not To Exceed Amount (50% of Increase)**

(D) \$ 211,446

**Reported Loan Repayments**

ROPS 24-25A - (July to December)	0	
ROPS 24-25B - (January to June)	110,000	
(E)	<u>\$ 110,000</u>	

**Amount Exceeded, (E) - (D)**

\$ -

# SAN MATEO COUNTY

## COUNTYWIDE OVERSIGHT BOARD

### *Members*

*Mark Addiego*

*Aimee Armsby*

*Chuck Bernstein*

*Kevin Bultema*

*Barbara Christensen*

*Mark Leach*

*Justin Mates*

### **Agenda Item No. 10**

Date: December 27, 2023

To: San Mateo County Countywide Oversight Board

From: Kristie Passalacqua Silva, San Mateo County Assistant Controller

Subject: South San Francisco Successor Agency's (SA) Recognized Obligation Payment Schedule (ROPS) 24-25

#### **Background**

California Health and Safety Section Code (HSC) 34180(g) requires all ROPS to be approved by the Oversight Board.

#### **Discussion**

The Annual ROPS 24-25 contains all the obligations of the SA for fiscal year 2024-25. The SA is requesting approval by the Board to spend \$544,519 on outstanding obligations and administrative expenses for Annual ROPS 24-25 with funding to come from Other Funds. Enclosed is the SA's Annual ROPS 24-25 and supporting documents.

#### SA Administrative Costs Allowance

The SA is requesting \$171,677 in funding for administrative costs this period. This amount is below the \$250,000 maximum permissible under HSC 34171(b). For each of the previous two (2) ROPS, the SA requested the maximum amount for an administrative cost allowance and the Board and the Department of Finance (DOF) approved. However, the DOF, in its determination letter requested that the Board apply adequate oversight when evaluating administrative resources for the SA (Exhibit A).

#### San Mateo County Community College District Litigation Costs

ROPS Item No. 73 is for \$195,535 for legal services related to litigation with the San Mateo Community College District which has not previously been requested. The San Mateo Community College District (SMCCD) invoked a provision in their pass-through agreement with the former South San Francisco redevelopment agency that provides for additional pass-through payment to SMCCD in case of a financial loss (Exhibit B). The SA contested the claim and the matter went to arbitration, where SMCCD's claim was apparently denied. HSC 34171(d)(1)(F)(i) defines enforceable obligations to include "Contracts or agreements necessary for the administration or operation of the successor agency, in accordance with this part, including, but not limited to, agreements concerning litigation expenses related to assets or obligations, settlements and judgments. . . ." To the extent considered a new enforceable obligation, HSC 34177.3(b) authorizes such obligations to "conduct the work of winding down the redevelopment agency, including hiring staff, acquiring necessary professional administrative services and legal counsel. . . ."

Karen Chang (Director of Finance), Suzy Kim (Consultant, RSG), and Phillip Vitale (Deputy Director of Capital Projects) will be presenting to the Board. Additional City staff will be available for questions.

#### **Fiscal Impact**

Funding for ROPS from RPTTF reduces the amount of tax revenue available for "Residual" distributions to the affected taxing entities. For this period, the SA is using Other Funds to fund their ROPS in lieu of RPTTF.

#### **CAC Exhibits**

A – Excerpt from DOF's determination letter

B – SMCCD Pass-Through Claim

C - South San Francisco SA's Annual ROPS 24-25 Agenda Packet



Transmitted via e-mail

March 17, 2023

Karen Chang, Director of Finance  
City of South San Francisco  
400 Grand Avenue  
South San Francisco, CA 94080

### **2023-24 Annual Recognized Obligation Payment Schedule**

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of South San Francisco Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2023 through June 30, 2024 (ROPS 23-24) to the California Department of Finance (Finance) on January 11, 2023. Finance has completed its review of the ROPS 23-24.

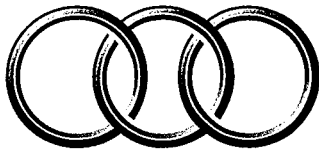
Based on a sample of line items reviewed and application of the law, Finance approves all of the items listed on the ROPS 23-24 at this time. However, Finance notes the following:

- The administrative costs claimed are within the fiscal year administrative cap pursuant to HSC section 34171 (b) (3). However, Finance notes the Oversight Board (OB) has approved an amount that appears excessive, given the number and nature of the obligations listed on the ROPS. HSC section 34179 (i) requires the OB to exercise a fiduciary duty to the taxing entities. Therefore, Finance encourages the OB to apply adequate oversight when evaluating the administrative resources necessary to successfully wind-down the Agency.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the July 1, 2020 through June 30, 2021 (ROPS 20-21) period. The ROPS 20-21 prior period adjustment (PPA) will offset the ROPS 23-24 Redevelopment Property Tax Trust Fund (RPTTF) distribution. The County Auditor-Controller's review of the PPA form submitted by the Agency resulted in no PPA.

The Agency's maximum approved RPTTF distribution for the reporting period is \$6,168,452, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2023 through December 31, 2023 period (ROPS A period), and one distribution for the January 1, 2024 through June 30, 2024 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 23-24 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.



**SAN MATEO COUNTY  
COMMUNITY  
COLLEGE DISTRICT**

**CAC Exhibit B**

*Executive Vice Chancellor*

RECEIVED  
CONTROLLER'S OFFICE  
Property Tax Division

3401 CSM Drive, San Mateo, CA 94402

P: (650) 574-6550 F: (650) 574-6566

www.smccd.edu

2019 JUN 21 A 10: 21

COUNTY OF SAN MATEO  
CALIFORNIA

June 19, 2019

Ms. Mercedes Yapching  
San Mateo County Controller's Office  
Property Tax and Special Districts Accounting Division  
San Mateo County Government Center  
400 County Center  
Redwood City, CA 94063

Dear Mercedes,

Barbara Christensen asked me to send to you the attached claim for make whole payments from the South San Francisco Successor Agency regarding the Downtown-Central project area.

In the "Estimate of Loss" section, we used 2018-19 data because that was the most recent data available. We are not making a claim for any past payments, but do hope that this can be processed in time to receive 2019-20 payments.

I believe the attached is self-explanatory, but if you have questions or need additional information, please contact both Barbara and me as soon as possible.

Sincerely,

Bernata Slater  
Chief Financial Officer  
slaterb@smccd.edu



## South San Francisco Downtown-Central Claim

The San Mateo County Community College District entered into an agreement with the South San Francisco Redevelopment Agency on April 12, 1989 regarding the SSF Downtown-Central Redevelopment Plan which stated that *"The parties desire to establish a mechanism to protect the District from the impact of the proposed Redevelopment Plan in the event of future adverse change in the State system of operating revenue subventions for community college districts."*

Due to a change in the District's funding formula that happened in 2016 and continues to this day, the District is no longer fully reimbursed by the State for the tax increment funds which would have been allocated to the District but, instead, are allocated to the Downtown-Central Redevelopment Project.

### Change in State Funding Formula

Prior to 2016, the District was funded under a "revenue limit" formula. The state set the maximum revenue limit for each community college district. The first local funds allocated toward that revenue limit were tuition and property taxes. If those two sources were not enough to reach the revenue limit, the State provided the remaining funds to fully fund the District under the revenue limit.

In 2016, the District reached the revenue limit using only tuition and property tax revenues; no State funding was provided. When that occurred, the revenue limit was essentially eliminated and the District was able to exceed that limit. This occurred because property tax revenues grow at a much higher rate than the cost of living, which is the formula used by the State to increase the revenue limit each year.

As a result of this change in the funding formula, the District is no longer reimbursed by the state for the property taxes that have, over many years, been allocated to Redevelopment Agencies, including the SSF Redevelopment Agency. This circumstance is the exact reason why the 1989 Agreement was adopted many years ago—to protect the District from a loss of property taxes due to a funding formula change.

### Estimate of Loss

In 1989, the total District loss was just the increase in the assessed value calculated pursuant to California Revenue and Taxation Code 110.1 (the 2% annual increase) and the Agency held the District harmless from this loss in Section 1.01a of the Agreement. Now, due to the changed state funding formula, the District's loss is equal to its property tax share of 7.4% of the full amount of tax increment allocated to the Agency--net of the District's pass through and the District's share of residual revenue--which the Agency agreed to reimburse the District for in the Agreement (Section 1.02 (d)).

\*Specifically, we calculate the loss during 2018-19 as shown below:

Total Tax Increment 17-18	\$25,495,272
District % Share	7.4%
<hr/>	
Total Share	<b>\$ 1,866,650</b>
Pass Through	\$ 82,802
Est. Share of Residual (1)	\$1,118,644
<hr/>	
Grand Total Payments	\$ 1,201,466
<b>Estimated Loss</b>	<b>\$ 685,204</b>

(1) Prorated for Agencies with multiple project areas based on tax increment allocation.

The District is not requesting payments for past years but we would like, if at all possible, reimbursement for 2019-2020 and future years. We are pleased that we were able to support the South San Francisco Project for 30 years with no harm to the District. Now, however, we must make this claim, understanding the dollar amounts will change based on our 7.4% share of the total 2019-20 Tax Increment. You should also be aware that this request will not affect the amount of tax increment that the Successor Agency receives to meet its Recognized Obligation Payments (ROPS). Rather, the money will instead reduce the amount of residual that remains after County fees, pass through payments, and ROPS obligations are met. As such, the Successor Agency will experience no impact from the change, although the amount of the residual revenue to the City may be reduced.

\*The agreement calls for a 20% reduction in the amount of reimbursable claims to the District due to the need for the Agency to deposit 20% of all tax increment revenue into the Low and Moderate Income Fund. We are assuming that this payment to the LMI Fund is no longer required, so we did not deduct this amount.

AGREEMENT TO ALLEVIATE FINANCIAL BURDEN  
OR DETRIMENT FROM THE SOUTH SAN FRANCISCO  
DOWNTOWN-CENTRAL REDEVELOPMENT PROJECT

THIS AGREEMENT is made and entered into this 12th day of April, 1989, by and between the San Mateo County Community College District (the "District") and the Redevelopment Agency of the City of South San Francisco (the "Agency").

RECITALS

A. WHEREAS, the Agency is a redevelopment agency existing pursuant to the provisions of the Community Redevelopment Law (California Health and Safety Code Section 33000, et seq.) which has been authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council ("City Council") of the City of South San Francisco ("City"); and

B. WHEREAS, pursuant to Section 33327 of the California Health and Safety Code, the Agency previously notified the District of its intention to prepare a redevelopment plan ("Plan") for the Downtown Central Redevelopment Project ("Project") for the Project area described in the attached Exhibit A ("Project Area"); and

C. WHEREAS, the proposed Plan contains provisions for the distribution and allocation of property tax revenues derived from property located within the Project Area to the Agency pursuant to California Health and Safety Code Section 33670(b); and

D. WHEREAS, Section 33401 of the California Health and Safety Code provides that a redevelopment agency may pay to any taxing agency any amounts of money which, in the agency's determination, are necessary and appropriate to alleviate any financial burden or detriment caused to such taxing agency by a redevelopment project; and

E. WHEREAS, meetings have been held by representatives of the District and representatives of the Agency to discuss the fiscal impact of the Project on the District, at which meetings the District presented evidence that the District will suffer a financial burden and detriment as a result of the implementation of the Plan if it is adopted by the City Council; and

F. WHEREAS, the Agency agrees that the District has demonstrated financial burden and detriment and desires to alleviate such financial burden and detriment pursuant to Health and Safety Code Section 33401, and the District desires to consent to and approve of the Plan; and



to the amount payable to the District by the Agency pursuant to Section 1.01(a) hereinabove .

(b) Purpose and Applicability of Mitigation Measures. Under the current system of State financing of community college districts, the State of California provides an annual subvention to the District that has the effect of holding the District harmless, with respect to availability of annual operating revenues, from the existence of the Redevelopment Plan and the claim by the Agency of Tax Increment pursuant to Health and Safety Code Section 33670. The parties desire to establish a mechanism to protect the District from the impact of the proposed Redevelopment Plan in the event of future adverse change in the State system of operating revenue subventions for community college districts.

(c) Preconditions to Fiscal Mitigation. The procedures of subsection 1.02(d) will apply upon the occurrence of the following conditions: (i) the State system of operating revenue subventions has been changed such that the District experiences a direct reduction in available operating revenues due to the existence of the Redevelopment Plan and the Agency's receipt of Tax Increment; and (ii) such reduction cannot reasonably be mitigated by State general fund revenue or alternate funds provided for school funding or any other State funding, or other property tax revenue available to the District.

(d) Fiscal Mitigation

(i) Whenever the conditions described above apply, the District will submit to the Agency a certified statement and supporting information documenting in reasonable detail the amount of reduction in the District's operating revenues arising from such conditions. If the Agency disputes the certified amount of reduction in the District's operating revenues, the Agency and District will meet to resolve such dispute and, if they are unable to resolve the dispute within 60 days, the District and the Agency will submit the dispute for arbitration by any arbitrator approved by both parties. The cumulative amount of reduction in the District's operating revenues as a result of the conditions described above, as such amount is approved by the Agency or determined in arbitration, shall be referred to as the "Reimbursable Amount" for the District. In any year that the District is overpaid due to State reimbursements, such amount shall be due and payable to Agency and shall be deducted from any future payments or shall be paid within 60 days of the end of the fiscal year.

(ii) Subject to the limitations set forth in Section 1.04, Section 2.04 and elsewhere in this Agreement, the Agency will pay to the District the Reimbursable Amount within 60 days of the date the reimbursable amount is conclusively

## CAC Exhibit C

### South San Francisco SA's ROPS 24-25 Agenda Packet

Date: December 1, 2023

To: San Mateo County Countywide Oversight Board

From: Karen Chang, Director of Finance

Subject: Successor Agency to the Former South San Francisco Redevelopment Agency's ROPS 24-25 and FY 2024-25 Administrative Budget

Former RDA: **South San Francisco**

#### **Recommendation**

Adopt resolution approving the South San Francisco SA's ROPS 24-25 and FY 2024-25 Administrative Budget.

#### **Background**

SAs that do not qualify under the Last and Final ROPS, must submit annually a ROPS listing the SA's enforceable obligations and expenses to the State Department of Finance (DOF) pursuant to Health & Safety Code (HSC) Sections 34177(m) and (o). The ROPS shall include an amount for the SA's Administrative Budget as authorized under the Dissolution Act which is subject to a cap as set forth under HSC 34171. The ROPS and the Budget for the SA's Administrative Costs must be approved by the Oversight Board.

#### **Discussion**

The South San Francisco SA is not eligible to apply for a Last and Final ROPS because it has enforceable obligations that are not on a fixed payment schedule.

Karen Chang (Director of Finance), Suzy Kim (Consultant, RSG), and Phillip Vitale (Deputy Director of Capital Projects) will be presenting to the Board. Additional City staff will be available for questions.

The ROPS 24-25 requests \$544,519 to fund the following obligations:

- Items 12-14 – Oyster Point Project DDA – The Successor Agency administers a Disposition and Development Agreement (“DDA”) dated March 23, 2011 between the RDA, City, and Oyster Point Ventures, LLC, which was ultimately assigned and assumed by the current developer KR Oyster Point / KR-TRS (“Kilroy” or “developer”). The RDA negotiated the DDA to redevelop a former landfill into a life science workplace known as Oyster Point. The Successor Agency is responsible for certain costs related to environmental remediation and construction.

**ROPS Item 12** relating to Oyster Point development costs requests no funding this period. The Successor Agency anticipates that funding received in prior years will cover remaining DDA obligations which have been scaled back based on current cost estimates.

The project is currently implementing Oyster Point Phase 2C landscape improvements. The improvements are expected to proceed in December 2023 with completion May 2024. Work includes resurfacing the parking lot and bay trail, landscaping in the BCDC area along the bay trail,

and landscape tune up at the parking area. This includes parking lot, driveway, and pedestrian paving improvements with curb cuts with truncated domes and striping; landscape planting and irrigation; lighting; picnic tables benches and accessories; and dedicated dog park construction.

Future work includes installation of a new pump station for the Oyster Point Marina area. This is expected to take place between August 2024 and July 2025.

The Successor Agency is responsible for funding this work under Sections 3.4.1 and Exhibit 3.4.1 of the DDA. While the Successor Agency anticipates that prior ROPS funding will cover remaining obligations, it is possible that additional funding will be necessary in the future if there are unforeseen circumstances that increase costs. If this occurs, the Successor Agency will request funding on future ROPS.

**ROPS Item 13** relates to the Successor Agency’s indemnification obligation under Section 5.2 of the DDA due to potential exposure arising from former solid waste landfill. No funds are requested this period.

**ROPS Item 14** requests \$177,307 for project-related staff, consultant, and legal costs to implement the Oyster Point project. This includes reimbursing the City for time the Public Works Director, City Manager, and other staff spend administering the project as detailed in Exhibit A. The costs are estimated based on average hours per month.

*Taxing Agency Benefit from Oyster Point*

The Successor Agency’s investment in the Oyster Point project will result in a significant increase in annual property tax revenues by adding over \$2 billion in estimated new development value. On the Fiscal Year 2023-24 property tax bills, the properties had a secured value of over \$1 billion, resulting in over \$10.4 million in annual property tax revenue, compared to \$840,000 in annual property tax revenues in 2011) Values are expected to increase as the project continues to be developed. Assuming 2% growth in annual assessed values, taxing agencies will benefit from nearly \$856 million in estimated property tax revenues between 2024 and 2050.

- **Item 48 – Administrative Cost Allowance** - The Successor Agency requests \$171,677 for Fiscal Year 2024-25 administrative expenses, which is within the threshold set forth under Health and Safety Code.
- **Item 73 – San Mateo Community College District Litigation Costs** – The Successor Agency requests \$195,535 for legal services related to litigation with the San Mateo Community College District (“District”). In 2020, the District filed a claim for additional funds under a pass-through agreement entitled an Agreement to Alleviate Financial Burden or Detriment from the South San Francisco Downtown-Central Redevelopment Project (the “Agreement”) Following a lengthy negotiation, the District and Successor Agency entered into arbitration, pursuant to the terms of the Agreement. The Arbitrator found that the District is not entitled to the funds that it claimed.

The Successor Agency incurred \$218,816 in legal fees and costs related to the arbitration. Of this amount, \$23,281 was reimbursed to the Successor Agency by the District. The remaining \$195,535 in legal fees is requested on the ROPS as an enforceable obligation under Health and Safety Code Section 34171(d)(1)(F)(ii), which reads in part “contracts or agreements necessary for the administration or operation of the successor agency, ..., including ... agreements concerning litigation expenses related to assets or obligations...”.

- Other Enforceable Obligations – ROPS Items 16 and 17 are related to an agreement with the San Mateo County Harbor District for dock improvements. There are no anticipated Successor Agency costs in Fiscal Year 2024-25. These obligations remain listed on the ROPS in case there are eligible costs in the future.

**Financial Impact**

No funds are involved with the approval of the ROPS.

**Attachments:**

1. Draft Resolution Approving South San Francisco ROPS 24-25 and FY 2024-25 Administrative Budget
2. Exhibit A – South San Francisco SA ROPS 24-25
3. Exhibit B – South San Francisco SA FY 2024-25 Administrative Budget
4. Supporting Documents
5. **Power Point Presentation**



RESOLUTION NO. 2024-\_\_\_\_\_

**RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD APPROVING THE  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE 24-25 (“ROPS 24-25”) AND FISCAL YEAR 2024-25  
ADMINISTRATIVE BUDGET OF THE SUCCESSOR AGENCY TO THE FORMER SOUTH SAN FRANCISCO  
REDEVELOPMENT AGENCY (RDA)**

**WHEREAS**, California Health and Safety Section Code (HSC) 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 South San Francisco Redevelopment Agency has prepared a draft ROPS for the period July 1, 2024 to June 30, 2025, referred to as “ROPS 24-25”, claiming a total enforceable obligation amount of \$544,519, as set forth in the attached Exhibit A; and

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

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

**WHEREAS**, the Successor Agency to the Former South San Francisco Redevelopment Agency has prepared an administrative budget for the period July 1, 2024 to June 30, 2025, for \$171,677, as set forth in the attached Exhibit B; and

**WHEREAS**, 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 South San Francisco Successor Agency’s ROPS 24-25 and Fiscal Year 2024-25 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 24-25 to the State Department of Finance upon approval by the Oversight Board.

\* \* \*

Exhibit A – South San Francisco Successor Agency’s Recognized Obligation Payment Schedule 24-25  
Exhibit B – South San Francisco Successor Agency’s FY 2024-25 Administrative Budget

**Recognized Obligation Payment Schedule (ROPS 24-25) - Summary**  
**Filed for the July 1, 2024 through June 30, 2025 Period**

**Successor Agency:** South San Francisco

**County:** San Mateo

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	24-25A Total (July - December)	24-25B Total (January - June)	ROPS 24-25 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D)</b>	<b>\$ 544,519</b>	<b>\$ -</b>	<b>\$ 544,519</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	544,519	-	544,519
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
F RPTTF	-	-	-
G Administrative RPTTF	-	-	-
<b>H Current Period Enforceable Obligations (A+E)</b>	<b>\$ 544,519</b>	<b>\$ -</b>	<b>\$ 544,519</b>

**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.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date

South San Francisco  
Recognized Obligation Payment Schedule (ROPS 24-25) - ROPS Detail  
July 1, 2024 through June 30, 2025

A	B	C	D	E	F	G	H	I	J	K	N	Q
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 24-25 Total	ROPS 24-25A (Jul - Dec)	24-25A Total
											Fund Sources	
											Other Funds	
								\$21,977,699		\$544,519	\$544,519	\$544,519
12	Oyster Point Ventures DDA	OPA/DDA/ Construction	03/23/2011	11/11/2026	Oyster Pt Ventures, LLC	DDA Sections 3.2.1 Phase IC Improvements and 3.4.1 Improvement Costs	Merged	-	N	\$-	-	\$-
13	Oyster Point Ventures DDA	OPA/DDA/ Construction	03/23/2011	11/11/2026	Various contractors/staff	DDA Section 5.2 Environmental Indemnification	Merged	18,513,268	N	\$-	-	\$-
14	Oyster Point Ventures DDA	Project Management Costs	03/23/2011	11/11/2026	Legal/Staff costs	Soft project management costs	Merged	177,307	N	\$177,307	177,307	\$177,307
16	Harbor District Agreement	Improvement/ Infrastructure	03/25/2011	11/11/2026	Harbor District	Secs. 5.0 lease rev; 7.0 temp. office	Merged	1,793,248	N	\$-	-	\$-
17	Harbor District Agreement	Project Management Costs	03/25/2011	11/11/2026	Legal/Staff costs	Soft project management costs	Merged	798,341	N	\$-	-	\$-
48	Administration Costs	Admin Costs	07/01/2024	06/30/2025	Legal/Staff costs	Costs to administer Successor Agency	Merged	500,000	N	\$171,677	171,677	\$171,677
73	San Mateo Community College District Litigation	Litigation	07/01/2022	06/30/2025	Legal costs / Meyers Nave	Litigation expenses that are an enforceable obligation under HSC 34171(d)(1)(F)(ii)	Merged	195,535	N	\$195,535	195,535	\$195,535

**South San Francisco**  
**Recognized Obligation Payment Schedule (ROPS 24-25) - Report of Cash Balances**  
**July 1, 2021 through June 30, 2022**  
(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
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)</b>	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	<b>Comments</b>
<b>1</b>	<b>Beginning Available Cash Balance (Actual 07/01/21)</b> RPTTF amount should exclude "A" period distribution amount.			22,676,763	4,332,607		E: Funds reserved for Oyster Point Escrow Account (\$22,676,763) F: Other Funds reserved for ROPS 21-22 (\$3,912,474) + ROPS 22-23 (\$231,620) + ROPS 23-24 (\$188,513)
<b>2</b>	<b>Revenue/Income (Actual 06/30/22)</b> RPTTF amount should tie to the ROPS 21-22 total distribution from the County Auditor-Controller			7,752,518	1,521,494	4,327,729	E: Deposits and interest earned Oyster Point Escrow Account (\$7,752,518). F: Other Funds revenues from Interest (\$60,269), Commercial Rehab Loan (\$16,224), City Advance repayment to Successor Agency (\$1,445,000)
<b>3</b>	<b>Expenditures for ROPS 21-22 Enforceable Obligations (Actual 06/30/22)</b>			15,705,096	3,912,474	4,137,495	E: Drawdowns from Oyster Point Escrow Account F and G: Other Funds and RPTTF expenses match PPA 21-22
<b>4</b>	<b>Retention of Available Cash Balance (Actual 06/30/22)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			14,724,185	420,133		E: Funds reserved for Oyster Point Escrow Account (\$14,724,185) F: Other Funds reserved for ROPS 22-23 (\$231,620) and ROPS 23-24 (\$188,513).

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
		<b>Fund Sources</b>					
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>	<b>Other Funds</b>	<b>RPTTF</b>	
	<b>ROPS 21-22 Cash Balances (07/01/21 - 06/30/22)</b>	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	<b>Comments</b>
<b>5</b>	<b>ROPS 21-22 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 21-22 PPA form submitted to the CAC		No entry required			190,234	PPA 21-22
<b>6</b>	<b>Ending Actual Available Cash Balance (06/30/22)</b> C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$-	\$1,521,494	\$-	

**South San Francisco  
Recognized Obligation Payment Schedule (ROPS 24-25) - Notes  
July 1, 2024 through June 30, 2025**

Item #	Notes/Comments
12	
13	
14	
16	
17	
48	
73	

**South San Francisco ROPS 24-25 Agenda Packet  
Attachment No. 3 Exhibit B**

SOUTH SAN FRANCISCO SUCCESSOR AGENCY									
ADMINISTRATIVE BUDGET									
ROPS Period	22-23			23-24		24-25		Please specify budget methodology (Cost Allocation, Time Study etc) Cost Allocation	
Obligations Period	July 2022-June 2023			July 2023-June 2024		July 2024-June 2025			
Total Outstanding Obligations (\$)	\$			21,977,699					
Total Number of Outstanding Obligations				7					
Staff	Description	Requested	Actual	Variance	Requested	Requested	Variance	Comment/Explanation for Variance	
City Manager	Agency and project administration	\$ 44,116	\$ 44,116	\$ -	\$ 49,467	\$ 36,208	\$ 13,259	Adjustments for salary/benefits and estimated hours	
Director, Econ & Comm Dev	Agency and project administration	\$ 9,621	\$ 9,621	\$ 0	\$ 13,643	\$ 28,565	\$ (14,921)		
Deputy Dir, Econ & Comm Dev	Agency and project administration	\$ 8,467	\$ 8,467	\$ 0	\$ 10,857	\$ -	\$ 10,857		
Economic Development Coordinator	Agency and project administration	\$ 8,267	\$ 8,267	\$ 0	\$ 8,269	\$ -	\$ 8,269		
Management Analyst II	Agency and project administration	\$ 9,903	\$ 9,903	\$ 0	\$ 7,005	\$ -	\$ 7,005		
Management Analyst I	Agency and project administration	\$ 9,903	\$ 9,903	\$ 0	\$ 5,241	\$ -	\$ 5,241		
Administrative Assistant I	Agency and project administration	\$ 4,236	\$ 4,236	\$ 0	\$ 4,249	\$ -	\$ 4,249		
City Clerk	Agency meeting administration	\$ 3,659	\$ 3,659	\$ 0	\$ 3,469	\$ 4,688	\$ (1,220)		
Deputy City Clerk	Agency meeting administration	\$ 2,743	\$ 2,743	\$ (0)	\$ 1,969	\$ 2,320	\$ (350)		
City Clerk Records Technician	Agency meeting administration	\$ 857	\$ 857	\$ (0)	\$ 1,685	\$ 1,611	\$ 75		
Director, Finance	Agency administration	\$ 38,902	\$ 38,902	\$ -	\$ 40,318	\$ 19,635	\$ 20,683		
Deputy Director, Finance	Agency administration	\$ 11,721	\$ 11,664	\$ 57	\$ 12,648	\$ -	\$ 12,648		
Senior Accountant	Agency administration	\$ 15,152	\$ 15,152	\$ (0)	\$ 20,917	\$ 7,102	\$ 13,815		
Administrative Assistant II	Agency administration	\$ 2,942	\$ 2,942	\$ (0)	\$ 3,902	\$ 4,550	\$ (648)		
Rounding Adjustment	Agency administration	\$ (490)	\$ -	\$ (490)	\$ (639)	\$ -	\$ (639)		
<b>Sub-Total (Personnel Costs)</b>		<b>\$ 170,000</b>	<b>\$ 170,432</b>	<b>\$ (432)</b>	<b>\$ 183,000</b>	<b>\$ 104,677</b>	<b>\$ 78,323</b>		
Vendor/Payee	Description	Requested	Actual	Variance	Requested	Requested	Variance		
RSG, Inc	Successor Agency Consultant	\$ 25,000	\$ 16,610	\$ 8,390	\$ 25,000	\$ 25,000	\$ -	Adjust for recent actual costs	
Maze and Associates	Auditor	\$ 4,000	\$ 4,000	\$ -	\$ 6,000	\$ 4,000	\$ 2,000		
Meyers Nave	Legal Counsel	\$ 50,000	\$ 101	\$ 49,899	\$ 30,000	\$ 30,000	\$ -		
BNY Mellon	SSF Escrow Deposit & Trustee		\$ 1,250	\$ (1,250)	\$ 2,500	\$ 4,000	\$ (1,500)	Cost varies annually	
Willdan Financial Services	Continuing Disclosure Agent/Arbitrage			\$ -	\$ 2,500	\$ 4,000	\$ (1,500)	Cost varies annually	
Overhead	Supplies, facilities, etc.	\$ 1,000	\$ -	\$ 1,000	\$ 1,000	\$ -	\$ 1,000		
<b>Sub-Total (Other Costs)</b>		<b>\$ 80,000</b>	<b>\$ 21,961</b>	<b>\$ 58,039</b>	<b>\$ 67,000</b>	<b>\$ 67,000</b>	<b>\$ -</b>		
<b>Grand Total</b>		<b>\$ 250,000</b>	<b>\$ 192,393</b>	<b>\$ 57,607</b>	<b>\$ 250,000</b>	<b>\$ 171,677</b>	<b>\$ 78,323</b>		

South San Francisco ROPS 24-25 Agenda Packet  
Attachment No. 4  
ROPS Item #14 \$177,307

SUCCESSOR AGENCY SOUTH SAN FRANCISCO					
Oyster Point IIC DDA Soft Project Management costs					
ROPS Period		24-25			
Obligations Period		July 2024-June 2025			
Item	Staff	Tasks	Hourly Rate (Burdened)	# of Hours per month	Requested
Successor Agency Engineering Management Staff costs	Philip Vitale, Deputy CIP Director	Project and contract management specific to Oyster Point DDA project (through Dec 2024)	\$ 171.06	10	\$ 10,264
Successor Agency Engineering Management Staff costs	Eunejune Kim, Public Works Director	Project and contract management specific to Oyster Point DDA project	\$ 243.51	10	\$ 29,221
Successor Agency Engineering Management Staff costs	West Coast Code Consultants Inc. - WC-3	Daily project management; cost management; coordination with contractor, developer and other regulatory agencies	\$ 225.00	40	\$ 108,000
Successor Agency Project Management Staff Costs	Sharon Ranals, Successor Agency Executive Director	Overall project management, coordination with developer, staff and legal counsel	\$ 301.73	1	\$ 3,621
	Nell Selander, Director of Economic & Community Development	Overall project management, coordination with developer, staff and legal counsel	\$ 238.04	4	\$ 11,426
	Jennifer Clemente, Financial Services Manager	Contract interpretation, implementation and dispute resolution for all contracts related to the enforceable obligations included in the DDA	\$ 152.16	2	\$ 3,652
Legal Expenses	Meyers Nave	Contract interpretation, implementation and dispute resolution for all contracts related to the enforceable obligations included in the DDA	\$ 463.50	2	\$ 11,124
		Total			\$ 177,307



**South San Francisco ROPS 24-25 Agenda Packet  
Attachment No. 4  
ROPS Item #48 \$171,677 SA Admin Allowance**

**COUNTY OF SAN MATEO  
SOUTH SAN FRANCISCO  
H&S 34171(b) SA ADMIN COST ALLOWANCE REVIEW  
FY 2024-25**

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 23-24A - (July to December)	6,106,965	<i>June 2023 Distribution</i>
ROPS 23-24B - (January to June)	0	<i>January 2024 Distribution</i>
Less: Sponsoring Entity Loan Repayment:	0	<i>FY 2024-24 Total</i>
Non-Admin RPTTF, excluding sponsoring entity loans	(A) <u>\$ 6,106,965</u>	

3% of RPTTF Distributed (B) = (A)*(3%)	(B) \$ 183,209
50% of RPTTF Distributed (C) = (A)*(50%)	(C) \$ 3,053,483

<b>Not To Exceed Amount</b>	(D) \$ <b>250,000</b>
If (B) exceeds \$250,000, then (B), otherwise lesser of (C) and \$250,000	

<b>Reported SA Admin Cost</b>		
ROPS 24-25A - (July to December)	171,677	<i>funded with other funds</i>
ROPS 24-25B - (January to June)	0	
	(E) <u>\$ 171,677</u>	

<b>Amount Exceeded, (E) - (D)</b>	\$ -
-----------------------------------	------

## Re: Important: Annual ROPS 24-25 OB Approval

Suzy Kim <skim@webrsg.com>

Mon 12/18/2023 12:09 PM

To: Mercedes Yapching <myapching@smcgov.org>

Cc: Amanda Johnson <ajohnson@smcgov.org>; Kristie Passalacqua Silva <ksilva@smcgov.org>; Nathan Gee <ngee@smcgov.org>; Chang, Karen <karen.chang@ssf.net>

📎 1 attachments (4 MB)

Exhibit C.2\_Arbitration Fee Summary.pdf;

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Hello Mercedes,

Attached is an exhibit to support ROPS Item #73. It contains the following:

1. Arbitration award and stipulation
2. Summary of arbitration costs (legal fees and expert witness)

Total costs incurred are summarized on the last two pages (\$218,815.73). Pursuant to Page 3 of the stipulation (pg 14 of the PDF), the District reimbursed the Successor agency \$23,280.73. The remaining \$195,535.00 in costs are being requested on the ROPS as permitted by HSC 34171(d)(1)(F)(ii).

Regarding Item #48, the administrative allowance requested has been reduced from \$250,000 in 23-24 to \$171,677 in 24-25. Tasks include maintaining and recording transactions pertaining to the ROPS, preparing annual reports (PPA and ROPS), preparing agenda items and attending meetings, and monitoring the remaining successor agency properties.

### Suzy Kim

Director

714.316.2116 (Direct)



San Diego | Los Angeles | Oakland | Corona  
DRE Corporate License #01930929

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*In celebration of the holidays, RSG will be closed from December 25 through January 1. Additionally, I will be out on vacation January 1-5 and return on January 8.*

---

**From:** Mercedes Yapching <myapching@smcgov.org>

**Date:** Thursday, December 14, 2023 at 2:48 PM

**To:** Suzy Kim <skim@webrsg.com>, "Chang, Karen" <karen.chang@ssf.net>

**Cc:** Amanda Johnson <ajohnson@smcgov.org>, Kristie Passalacqua Silva <ksilva@smcgov.org>, Nathan Gee <ngee@smcgov.org>

**Subject:** Fw: Important: Annual ROPS 24-25 OB Approval

Re: Important: Annual ROPS 24-25 OB Approval

**South San Francisco ROPS 24-25 Agenda Packet  
Attachment No. 4  
ROPS Item #73 \$195,535**

Suzy Kim <skim@webrsg.com>

Mon 12/18/2023 12:09 PM

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Attached is an exhibit to support ROPS Item #73. It contains the following:

1. Arbitration award and stipulation
2. Summary of arbitration costs (legal fees and expert witness)

Total costs incurred are summarized on the last two pages (\$218,815.73). Pursuant to Page 3 of the stipulation (pg 14 of the PDF), the District reimbursed the Successor agency \$23,280.73. The remaining \$195,535.00 in costs are being requested on the ROPS as permitted by HSC 34171(d)(1)(F)(ii).

Regarding Item #48, the administrative allowance requested has been reduced from \$250,000 in 23-24 to \$171,677 in 24-25. Tasks include maintaining and recording transactions pertaining to the ROPS, preparing annual reports (PPA and ROPS), preparing agenda items and attending meetings, and monitoring the remaining successor agency properties.

### Suzy Kim

Director

714.316.2116 (Direct)



San Diego | Los Angeles | Oakland | Corona  
DRE Corporate License #01930929

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*In celebration of the holidays, RSG will be closed from December 25 through January 1. Additionally, I will be out on vacation January 1-5 and return on January 8.*

**From:** Mercedes Yapching <myapching@smcgov.org>

**Date:** Thursday, December 14, 2023 at 2:48 PM

**To:** Suzy Kim <skim@webrsg.com>, "Chang, Karen" <karen.chang@ssf.net>

**Cc:** Amanda Johnson <ajohnson@smcgov.org>, Kristie Passalacqua Silva <ksilva@smcgov.org>, Nathan Gee <ngee@smcgov.org>

**Subject:** Fw: Important: Annual ROPS 24-25 OB Approval

1 Hon. Laurie D. Zelon, Ret.  
2 Judicate West  
3 1851 East First Street  
4 Suite 1600  
5 Santa Ana, CA 92705  
6 Tel: (714) 834-1340

7 Arbitrator

8 **IN THE MATTER OF THE ARBITRATION**

9 **BETWEEN**

10 **SAN MATEO COMMUNITY COLLEGE**  
11 **DISTRICT,**

12 **Claimant,**

13 **vs.**

14 **SUCCESSOR AGENCY TO THE CITY OF**  
15 **SOUTH SAN FRANCISCO**  
16 **REDEVELOPMENT AGENCY,**

17 **Respondent.**

JW Case No.: A296491

**AWARD**

18  
19 This arbitration is based on an agreement (“Agreement”) dated April 12, 1989, between  
20 the San Mateo Community College District (“District) and the Redevelopment Agency of the  
21 City of South San Francisco (“Agency”). The parties are the District and the Successor Agency  
22 to the City of San Francisco Redevelopment Agency (“Successor Agency”). The agreement to  
23 arbitrate is set forth in Article I, Section 1.02 (d) of the Agreement. The parties agreed to bifurcate  
24 the arbitration, raising the legal issues addressed in the award first.

25 Both parties have submitted written briefs, witness declarations, and exhibits. At a hearing on  
26 May 25, 2023, the parties presented oral arguments and responded to questions.

27 //

1 **Factual Background**

2 **The Agreement**

3 The Agreement, which is a fully integrated contract entitled “Agreement to Alleviate  
4 Financial Burden or Detriment From The South San Francisco Downtown-Central  
5 Redevelopment Project” was entered after the District indicated it would object to the  
6 establishment of that proposed redevelopment project. The parties held meetings at which the  
7 District provided evidence of financial burden if the project were adopted; the Agreement states,  
8 in Recital F, that “the Agency agrees that the District has demonstrated financial burden and  
9 detriment and desires to alleviate such financial burden and detriment pursuant to Health and  
10 Safety Code section 33401, and the District desires to consent to and approve of the Plan.” The  
11 Agreement provided for two forms of possible payment to the District. The first, as set forth in  
12 Section 1.01, was a non-discretionary payment based on property values prior to the  
13 implementation of the project. The parties do not dispute that these payments were required and  
14 were made.

15 Section 1.02 of the Agreement, entitled “Amounts Due to Changes in State Funding  
16 Formula for Local School Districts,” states:

17 The District and The Agency agree that under the current State funding formula for  
18 community college districts, the annual fiscal detriment to the District caused by the Project is  
19 limited to the amount payable to the District by the Agency pursuant to Section 1.01 (a)  
20 hereinabove.” Subsection (b) describes the system of State financing, by which the State provided  
21 an annual subvention to the District, which had the effect of ensuring that the District received  
22 the minimum required funding, and memorializes the parties’ intent to “establish a mechanism to  
23 protect the District from the impact of the proposed Redevelopment Plan in the event of future  
24 adverse change in the State system of operating revenue subventions for community college  
25 districts.”

26 Subsection (c), entitled "Preconditions to Fiscal Mitigation" reads as follows:

27 “The procedures of subsection 1.02 (d) will apply on the occurrence of the following conditions:  
28 (i) the State system of operating revenue subventions has been changed such that the District

1 experiences a direct reduction in available operating revenues due to the existence of the  
2 Redevelopment Plan and the Agency’s receipt of tax increment; and (ii) such reduction cannot  
3 reasonably be mitigated by State general fund revenue or alternate funds provided for school  
4 funding or any other State funding, or other property tax revenue available to the District.”

5 **Existing Conditions and Changes in Redevelopment Law**

6 At the time of the Agreement, and until fiscal year 2011-2012, the District was entitled to  
7 and received the revenue subventions under the revenue limit mechanism enacted in Proposition  
8 98 as codified in the California Constitution, Article XVI, Section 8. These subventions protected  
9 the District from operating revenue losses due to the diversion of property tax income. From fiscal  
10 year 2012-13 to the present, the tuition and property tax revenues received by the District  
11 exceeded the minimum revenue, making the District what is referred to as a basic aid district, no  
12 longer entitled to receive subventions.

13 The other relevant event is the change in state law dissolving redevelopment agencies and  
14 specifying the use and distribution of funds collected as tax increment.<sup>1</sup> Prior to 2012, taxing  
15 entities, including the District, received a percentage of property tax funds, defined by Assembly  
16 Bill 8 (the AB-8 funds.) (Health & Safety Code sect. 33670 (a), (b).) At the time of the Agreement,  
17 and prior to 1994, Health & Safety Code 33401 permitted agencies and districts to enter into pass-  
18 through agreements, such as the one at issue, to alleviate the effects of the payment of property  
19 tax revenues to the redevelopment agencies. After 1994, certain pass-through payments were  
20 mandated by statute, although pre-existing agreements could remain in place.<sup>2</sup>

21 Assembly Bill 26, enacted in 2011 and codified as Health & Safety Code, sections 34170  
22 -34191, dissolved redevelopment agencies and directed their wind-up and the distribution of

23  
24 \_\_\_\_\_

25  
26 <sup>1</sup> This discussion is brief, and not intended to describe all changes in full, but is included for general context.

27 <sup>2</sup> All statutory references, unless otherwise noted, are to the Health & Safety Code. Section 33676 mandated the  
28 sharing of payments that the parties agreed to in Section 1.01; prior to this enactment, not all section 33401  
agreements included this provision.

1 funds. In upholding the constitutionality of A.B.26, the Supreme Court described its effects as  
2 follows:

3 “It dissolves all redevelopment agencies (§ 34172) and transfers control of redevelopment  
4 agency assets to successor agencies, which are contemplated to be the city or county that created  
5 the redevelopment agency (§§ 34171, subd. (j), 34173, 34175, subd. (b)). Part 1.85 requires  
6 successor agencies to continue to make payments and perform existing obligations. (§ 34177.)  
7 However, unencumbered balances of redevelopment agency funds must be remitted to the county  
8 auditor-controller for distribution to cities, the county, special districts, and school districts in  
9 proportion to what each agency would have received absent the redevelopment agencies. (See §§  
10 34177, subd. (d), 34183, subd. (a)(4), 34188.) Proceeds from redevelopment agency asset sales  
11 likewise must go to the county auditor-controller for similar distribution. (§ 34177, subd. (e).)  
12 Finally, tax increment revenues that would have gone to redevelopment agencies must be  
13 deposited in a local trust fund each county is required to create and administer. (§§ 34170.5, subd.  
14 (b), 34182, subd. (c)(1).) All amounts necessary to satisfy administrative costs, pass-through  
15 payments, and enforceable obligations will be allocated for those purposes, while any excess will  
16 be deemed property tax revenue and distributed in the same fashion as balances and assets. (§§  
17 34172, subd. (d), 34183, subd. (a).” ([Cal. Redevelopment Ass'n v. Matosantos \(2011\) 53 Cal. 4th](#)  
18 [231, 251.](#))

19 As relevant here, the Successor Agency now bears responsibility under the Agreement. It  
20 also has obligations along with the County Auditor-controller, including with respect to the funds  
21 now coming to the District and other taxing agencies classified as residual payments (tax  
22 increment funds distributed after other obligations in accordance with AB-8 share), and additional  
23 payments that will be distributed when the wind-up is concluded. The District will receive its  
24 portion of the wind-up funds at some time in the future.

25 **The District’s Claim**

26 In June 2019, the District submitted a claim for payments pursuant to Section 1.02(b) for  
27 fiscal year 2019-2020 and future years. (Ex.7) In subsequent correspondence, the District sought  
28 Net Operating Revenues Lost from fiscal year 2014-15 through 2020-21. (Ex. 15) The amount of



1 any payments claimed is not at issue in this portion of the bifurcated proceeding. Rather, the issue  
2 addressed here is whether the District has met the preconditions for fiscal mitigation set forth in  
3 subsection 1.02 (c).

4  
5 **Discussion**

6 The District asserts that the intent of the Agreement, if the preconditions were met, was  
7 to reimburse it for the entire share of property tax it would have received had there been no  
8 diversion of tax increment to the Agency. The District’s witnesses, and counsel, refer to the  
9 Agreement as a “make whole” or “hold harmless” agreement. They also assert that all the  
10 preconditions for mitigation have been met.

11 The Successor Agency asserts that the preconditions have not been met, and that the  
12 characterization of the Agreement as a “make-whole” agreement is inaccurate and inconsistent  
13 with the language of the document itself.

14 **Interpretation of the Agreement**

15 The District has submitted two forms of evidence in support of its argument that the  
16 Agreement is ambiguous and should be interpreted as a “make-whole” contract to allow it to  
17 recover its entire share of property tax revenue diverted to the project. The first is a 1991  
18 memorandum, prepared by B. Christensen and sent to the Agency at the time the first payments  
19 of property taxes were to be made. (Ex.3)<sup>3</sup> The relevant portion of that memorandum states: “If  
20 State law changes so that the District loses revenue as a result of the existence of the Agency and  
21 its receipt of tax increment revenues (for example, if District becomes basic aid or has a property-  
22 tax-based funding system), a procedure is described in Section 1.02 of the Agreement which  
23 allows for increased payment to the District.” The cover letter attaching this memorandum asked  
24

25 \_\_\_\_\_  
26  
27 <sup>3</sup> Numbered exhibits are those submitted by the District and lettered exhibits are those submitted by the Successor  
28 Agency.

1 the Agency to indicate if the understanding was correct, and the Agency did not dispute the  
2 interpretation.

3 The second form of evidence, other than correspondence relating to the 2019 claim,  
4 consists of the declarations of Ms. Christensen, Mr. Casey, and Mr. Gumucio. Ms. Christensen  
5 and Mr. Casey were involved in the negotiations leading to the Agreement, and Mr. Gumucio  
6 was identified in this proceeding as an expert. These declarations, prepared for the purpose of this  
7 arbitration proceeding, present characterizations after a significant dispute arose between the  
8 parties and are not a contemporaneous reflection of the events. The Successor Agency submitted  
9 no declarations from witnesses involved in the negotiations, explaining it had no current  
10 employees with that knowledge, but did submit declarations concerning the operation of the law,  
11 other agreements, and financial issues.

12 When a contract is written, and is an integrated contract, the parties' intention in entering  
13 the contract is to be determined to the greatest extent possible by the language of the writing alone.  
14 (*Grey v. American Management Services* (2012) 204 Cal.App.4th 803, 807.) Extrinsic evidence,  
15 such as that proffered in this matter, cannot be used to add, or delete terms of an integrated  
16 contract, nor to change those terms. (*Pacific Gas & E. Co. v. G. W. Thomas Drayage etc. Co.*  
17 (1968) 69 Cal.2d 33, 39; *Oakland-Alameda County Coliseum Authority v. Golden State Warriors,*  
18 *LLC* (2020) 53 Cal. App. 5<sup>th</sup> 807, 817.)

19 However, when extrinsic evidence is proffered to aid in interpreting an integrated contract,  
20 two steps must be taken:

21 “Where the meaning of the words used in a contract is disputed, the trial court must  
22 provisionally receive any proffered extrinsic evidence which is relevant to show whether the  
23 contract is reasonably susceptible of a particular meaning. (*Pacific Gas & E. Co. v. G. W. Thomas*  
24 *Drayage etc. Co.* (1968) 69 Cal.2d 33, 39–40 [69 Cal. Rptr. 561, 442 P.2d 641]; *Pacific Gas &*  
25 *Electric Co. v. Zuckerman* (1987) 189 Cal. App. 3d 1113, 1140–1141 [234 Cal. Rptr.  
26 630].) Indeed, it is reversible error for a trial court to refuse to consider such extrinsic evidence  
27 based on the trial court's own conclusion that the language of the contract appears to be clear and  
28 unambiguous on its face. Even if a contract appears unambiguous on its face, a latent ambiguity

1 may be exposed by extrinsic evidence which reveals more than one possible meaning to which  
2 the language of the contract is yet reasonably susceptible. (*Pacific Gas & E. Co. v. G. W. Thomas*  
3 *Drayage etc. Co., supra*, 69 Cal.2d at p. 40 & fn. 8; *Pacific Gas & Electric Co. v. Zuckerman,*  
4 *supra*, 189 Cal. App. 3d at pp. 1140–1141.)’

5 The interpretation of a contract involves ‘a two-step process: “‘First the court  
6 provisionally receives (without actually admitting) all credible evidence concerning the parties’  
7 intentions to determine “ambiguity,” i.e., whether the language is “reasonably susceptible” to the  
8 interpretation urged by a party. If considering the extrinsic evidence the court decides the  
9 language is “reasonably susceptible” to the interpretation urged, the extrinsic evidence is then  
10 admitted aiding in the second step—interpreting the contract. [Citation.]” (*Winet v. Price* (1992)  
11 4 Cal.App.4th 1159, 1165 [6 Cal. Rptr. 2d 554].)” (*Wolf v. Superior Court* (2004) 114 Cal. App.  
12 4th 1343, 1350-51.)

13 *Wolf* also teaches that not only the evidence of the intent of the parties and the  
14 circumstances of the negotiations should be considered, but also the subsequent conduct of the  
15 parties. (114 Cal. App. 4<sup>th</sup> at 1357.) In this matter, that evidence demonstrates that the District did  
16 not immediately invoke 1.02 (b) when the state subventions ceased, but instead made no claim  
17 until 2019. The Successor Agency disputed the claim on grounds fully consistent with the position  
18 it has taken in this arbitration. (See Ex.9 [response to initial claim before the commencement of  
19 discussions between counsel].)

20 As discussed below, for purposes of this arbitration, the arbitrator has provisionally  
21 received the extrinsic evidence proffered by the parties to determine if it demonstrates a meaning  
22 of which the language of the Agreement is reasonably susceptible.

### 23 **Make Whole**

24 The language of the Agreement does not contain the words “make-whole” and, on its face,  
25 does not appear to be ambiguous in this respect. It is internally consistent with respect to three  
26 key points. First, as the title and all relevant portions indicate, it is, as was consistent with the  
27 language of the statute at the time (Section 33401), an agreement to alleviate a financial burden.  
28

1 Alleviate is a word with a specific meaning: to reduce, diminish, or ease a burden. (Oxford  
2 Languages.)

3 The extrinsic evidence proffered by the District indicates that the intent of those who  
4 negotiated the Agreement, however, was to make it a “make-whole “agreement. In other words,  
5 they intended to ensure that the District received its entire share of the tax increment revenues  
6 were the provisions of 1.02 (b) to come into play. They declare that this intent was consistent with  
7 the practice at the time for agreements between districts and agencies. The Christensen memo  
8 discussed above, which is the only contemporaneous evidence, does not address the amount or  
9 nature of the intended payments, referring only to increased payments.

10 Successor Agency disputes the “make whole” characterization as governing practice in its  
11 witness declarations. In addition, as both parties cite to an agreement from San Carlos, and the  
12 resulting trial court ruling, different districts negotiated different agreements, with different terms,  
13 when faced with the creation of a new redevelopment project. For example, the San Carlos  
14 agreement (Kim Dec. Ex. H) was not an integrated agreement, and its terms provided for no  
15 payment of any kind to the district until the redevelopment agency received \$26.7 million in tax  
16 increment, and then only to the extent the district demonstrated the extent of the detriment it  
17 suffered and the redevelopment agency found such payment to be necessary.

18 Based on the evidence of intent, and of the subsequent actions of both parties, the  
19 arbitrator concludes an interpretation that the Agreement entitled the District to recover all of the  
20 diverted property tax revenue if the conditions in 1.02 were met is inconsistent with the language  
21 and meaning of the document, and is not a meaning of which the language is reasonable  
22 susceptible.

23 **Hold Harmless**

24 The District witnesses also refer to the Agreement as a “hold-harmless” agreement. That  
25 language does appear in section 1.02(b) and refers directly to the state subvention the District  
26 received at the time of the Agreement. The parties do not dispute, however, that the amount of  
27 the subvention was not calculated with reference to the amount of diverted property tax revenue  
28 but was instead the amount required to bring revenues to the state minimum funding level. This

1 does not support the contention that the Agreement was intended to hold the District harmless for  
2 all diverted property tax revenues.

3 **Change in the State System**

4 The District also argues the Agreement is ambiguous with respect to the understanding of  
5 what the change in the State system of operating subventions must be to trigger the fiscal  
6 mitigation. This language is found in three places prior to the preconditions definition: section  
7 1.02 (a) heading and text; and section 1.02(b). The language used is: “the State funding formula  
8 for community college (or school) districts “(1.02(a); or “the State system of operating revenue  
9 subventions for community college districts” (1.02 (b). These statements appear to refer to a  
10 change in law or application that affects all community colleges or school districts. None of this  
11 language refers to a change in the *classification* of the District that would determine its right to  
12 receive state subventions, despite the fact that both parties acknowledge their contemporaneous  
13 knowledge that the status of the District could change in that manner.

14 On its face, this language does not appear to be ambiguous. However, as explained earlier,  
15 *Wolf* requires consideration of whether the meaning proposed by the proffered evidence  
16 demonstrates a meaning of which the language is reasonably susceptible. In light of the fact that  
17 the contemporaneous interpretation proffered by Ms. Christensen- that the change referred to was  
18 a change in the funding classification of the District- was apparently accepted in a general sense  
19 by the Agency at the time, the arbitrator finds the proffered evidence from the District sufficiently  
20 demonstrates that the requirement of a change in the state system of operating subventions has  
21 been met. <sup>4</sup>

22  
23  
24  
25  
26  
27 <sup>4</sup> In reaching this conclusion, the arbitrator does not rely on the trial court decision in the San Carlos matter. That  
28 decision is not precedential and is not persuasive given the significant differences in the basis for recovery of funds  
between the two agreements.

1 Finding that one reasonable meaning of this language has been demonstrated, does not,  
2 however, answer the question at issue. The remaining provision of section 1.02(c) must still be  
3 satisfied to permit the relief the District seeks.<sup>5</sup>

4 **The Remaining Precondition**

5 The dispositive issue, as a result, is whether there is reasonable mitigation. The Agreement  
6 lists two potential sources of mitigation funds: state funds, either general fund or otherwise; and  
7 “other property tax revenue available to the District.” (1.02(c)(ii).) There are now two sources  
8 that can be considered; the first is the residual payments being made because of the dissolution of  
9 the Agency, which the parties agree to date are more than \$8 million. The parties acknowledge  
10 there will be additional payments in the future. The District does not dispute that the residual  
11 payments are a source of mitigation and has shown those payments as credits on its claim.

12 In addition, the District receives other property tax revenues, which the financials show  
13 has increased dramatically during the period in question. The District’s claim, in Exhibit 15 to its  
14 brief, shows a total claimed loss of net operating revenues for fiscal years 2014-15 through 2020-  
15 21 of \$3,597,399. A review of the financial statements attached as Exhibits B-G of the Kim  
16 declaration shows that in fiscal years 2016-17 through 2020-21, the increase in property tax  
17 revenues to the District has exceeded \$52 million, an amount well in excess of the claim.

18 The District argues that it would be unreasonable to consider property tax revenues from  
19 outside the project area as mitigation. There is, however, nothing in the four corners of the  
20 Agreement, or any of its language, which supports that argument. Nor do the declarations  
21 submitted by the District: address this issue; assert that the term is ambiguous; or provide extrinsic

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22  
23  
24 <sup>5</sup> The parties also dispute whether, even given the recharacterization of the District, there has been a “direct  
25 reduction in available operating revenues due to the existence of the Redevelopment Plan and the Agency’s’ receipt  
26 of Tax Increment.” The financial statements attached to the Kim declarations demonstrate an increase in operating  
27 revenues but do not appear to clearly answer where the additional revenue was generated. However, given the  
28 determination described in text, that the requirement that there be no reasonable mitigation is not met, the arbitrator  
need not determine this question, but will instead assume, without finding, that the District has shown that Section  
1.02(c)(i) has been satisfied.



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7 Attorneys for Respondent SUCCESSOR  
AGENCY TO THE CITY OF SOUTH SAN  
8 FRANCISCO REDEVELOPMENT AGENCY

9  
10 **JUDICATE WEST ARBITRATION**

11 SAN MATEO COUNTY COMMUNITY  
12 COLLEGE DISTRICT, a public entity,

13 Claimant,

14 v.

15 SUCCESSOR AGENCY TO THE CITY OF  
16 SOUTH SAN FRANCISCO  
REDEVELOPMENT AGENCY, a public  
17 entity,

18 Respondent.

Case No. A296491-48

**STIPULATION RE ATTORNEYS' FEES  
AND COSTS**

Arbitration: Hon. Laurie Zelon (Ret.)

Arbitration Date: May 25, 2023



1 Claimant San Mateo County Community College District (“District”) and Respondent  
2 Successor Agency to the City of South San Francisco Redevelopment Agency (“Successor  
3 Agency”), jointly referred to herein as the “Parties”, by and through their counsel, hereby stipulate  
4 and agree as follows:

5 WHEREAS, the District and the Successor Agency agreed to arbitrate their dispute arising  
6 from the Agreement to Alleviate Financial Burden or Detriment from the South San Francisco  
7 Downtown-Central Redevelopment Project (“Agreement”) before the Hon. Laurie D. Zelon  
8 (Justice, retired);

9 WHEREAS, the Parties submitted their arbitration briefs, along with witness and  
10 documentary evidence, and provided oral argument during the arbitration hearing held before  
11 Justice Zelon on May 25, 2023;

12 WHEREAS, Justice Zelon issued her interim award in this matter in June 2023, and held  
13 that “the District is not entitled to the funds claimed in this portion of the arbitration proceeding”;

14 WHEREAS, based on Justice Zelon’s interim award, the Parties agree that the only  
15 remaining issue to resolve in this matter is the issue of attorneys’ fees and costs to be awarded to  
16 the prevailing party, pursuant to Section 4.04 of the Parties’ Agreement;

17 WHEREAS, to avoid further briefing and motion practice with regard to the issue of  
18 attorneys’ fees and costs, the Parties wish to stipulate to the amount due to the Successor Agency,  
19 as the prevailing party, from the District in this arbitration;

20 WHEREAS, the Parties agree that the District shall pay the Successor Agency \$23,280.73  
21 for the costs and/or attorneys’ fees incurred by the Successor Agency in regards to this arbitration;

22 WHEREAS, the Successor Agency agrees that it shall not seek any further attorneys’ fees  
23 or costs from the District in regards to this arbitration;

24 WHEREAS, the District agrees that this stipulation does not bar, prevent or otherwise  
25 preclude the Successor Agency from placing any remaining costs or the attorneys’ fees the  
26 Successor Agency incurred in this matter on future Recognized Obligation Payment Schedules  
27 (“ROPS”) and that the District shall not object to same; and

28 WHEREAS, the Parties agree that Justice Zelon may include or reference this stipulation


1 and award of \$23,280.73 in costs to the Successor Agency as the prevailing party in her final  
2 arbitration ruling and award in this matter, and that the Parties by this Stipulation shall jointly  
3 request that she do so.

4 ACCORDINGLY, the Parties now and hereby agree and stipulate as follows:


- 5 1. The District shall pay the Successor Agency \$23,280.73 in costs and/or attorneys'  
6 fees;
- 7 2. The Successor Agency shall not seek any further attorneys' fees and costs from the  
8 District in regards to this arbitration matter;
- 9 3. The District shall not object to, or otherwise attempt to preclude, the Successor  
10 Agency from placing any remaining costs or its attorneys' fees for this arbitration matter on a  
11 future Successor Agency Recognized Obligation Payment Schedule ("ROPS"); and
- 12 4. Justice Zelon may incorporate and/or attach this stipulation as part of her final  
13 arbitration ruling and award in this matter.

14 IT IS SO STIPULATED.

15 DATED: August 14, 2023 MEYERS NAVE

16  
17 By:   
18 JENNY L. RIGGS  
19 MARGARET W. ROSEQUIST  
20 Attorneys for Respondent  
21 SUCCESSOR AGENCY TO THE CITY OF  
22 SOUTH SAN FRANCISCO REDEVELOPMENT  
23 AGENCY

22 DATED: August 14, 2023

23  
24 By:   
25 STEPHEN L. CALI  
26 Attorneys for Claimant  
27 SAN MATEO COUNTY COMMUNITY  
28 COLLEGE DISTRICT

27 5430879.2

28

**PROOF OF SERVICE**

STATE OF CALIFORNIA, COUNTY OF SAN DIEGO:

I am employed in the County of San Diego, State of California. I am over the age of 18 and am not a party to the within action. My business address is 402 West Broadway, Suite 2400, San Diego, California 92101.

On 8/18/2023 I served the **ARBITRATION AWARD** on the following parties in the matter of **San Mateo County Community College District vs. Successor Agency to the City of South San Francisco Redevelopment Agency** placing a true copy to all parties as follows:

**SEE ATTACHED CASE CONTACT LIST**

- ( ) BY U.S. MAIL: I caused such envelope(s), with postage fully prepaid, to be placed in the U.S. Mail at San Diego, California.
- ( ) BY FACSIMILE: I caused such document to be sent via facsimile to each person on the attached mailing list.
- (X) BY ELECTRONIC MAIL: I caused such document to be sent via electronic mail to each person.
- ( ) BY PERSONAL SERVICE: I caused such envelope to be delivered by hand to the office of the addressee.
- (X) STATE: I declare under penalty of perjury under the laws of the State of California that the above is true and correct.
- ( ) FEDERAL: I declare that I am employed in the office of a member of the bar of this Court at whose direction the service was made.

Executed on 8/18/2023 at San Diego, California.

Jenna Nurre

Jenna Nurre  
Judicate West



Results Beyond Dispute<sup>SM</sup>

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## Case Contact List

as of Friday, June 16, 2023

**JW Case #: A296491**

### ***Case Caption: San Mateo County Community College District vs. Successor Agency to the City of South San Francisco Redevelopment Agency***

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Email: [sdowns@meyersnave.com](mailto:sdowns@meyersnave.com)  
Representing Successor Agency to the City of South San Francisco Redevelopment Agency

Jenny L. Riggs, Esq.  
Meyers Nave, APC  
707 Wilshire Boulevard  
24th Floor  
Los Angeles, CA 90017  
Phone: (213) 626-2906 Fax: (213) 626-0215  
Email: [jriggs@meyersnave.com](mailto:jriggs@meyersnave.com)  
Representing Successor Agency to the City of South San Francisco Redevelopment Agency

Margaret W. Rosequist, Esq.  
Meyers Nave, APC  
707 Wilshire Boulevard  
24th Floor  
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Email: [mrosequist@meyersnave.com](mailto:mrosequist@meyersnave.com)



Results Beyond Dispute<sup>SM</sup>

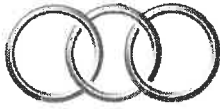
**Santa Ana Office**

1851 East First Street  
Ste 1600  
Santa Ana, CA 92705  
Phone: (714) 834-1340  
Fax: (714) 834-1344

**www.judicategwest.com**

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Representing Successor Agency to the City of South San Francisco Redevelopment Agency



SAN MATEO COUNTY  
COMMUNITY  
COLLEGE DISTRICT

3401 CSM Drive  
San Mateo, CA 94402

Purchase Order No.: P2400973

PURCHASE ORDER NO. MUST APPEAR ON ALL  
SHIPPING DOCUMENTS AND INVOICES

Purchasing Department: (650)574-6508  
Accounts Payable: (650)574-6505

**VENDOR**

ID No.: 946000435  
City Of South San Francisco  
400 Grand Avenue  
South San Francisco, CA 94080

Attn: Karen Chang  
Phone: 650-829-3871 Fax: E-Mail:

**SHIP TO**

Address: SMCCCD Chan OFC  
Executive Vice Chancellor  
3401 CSM Drive  
San Mateo CA 94402

Contact: Roxanne Brewer  
Phone: 650-358-6764

<b>ORDER DATE</b> 09/21/23	<b>DATE REQUIRED</b> 09/21/23	<b>TERMS</b> Net 30	<b>BILL TO ATTN OF:</b> Roxanne Brewer brewerr@smccd.edu 3401 CSM Drive, San Mateo, CA 94402
-------------------------------	----------------------------------	------------------------	-------------------------------------------------------------------------------------------------------

ITEM	QUANTITY	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
1	1.00 UN	Case #A296491-48 SMCCCD vs. Successor Agency to the City of South San Francisco Redevelopment Agency Arbitration Date: 5/25/23 iContracts #1185020 Arbitration Fees	23,280.7300	23,280.73

APPROVED BY: 	TOTAL: 23280.73
DATE: September 21st, 2023	DISCOUNT: .00
	ADDL. CHARGES: .00
	TAXES: .00
	GRAND TOTAL: 23280.73

**Arbitration Cost Summary**

City of South San Francisco - San Mateo County Community College District v. SSF Successor Agency

Item	Total	District Reimbursement	Remaining ROPS Oblg.
Legal Fees	\$ 209,946.98	\$ 14,411.98	\$ 195,535.00
Expert Witness	\$ 8,868.75	\$ 8,868.75	\$ -
<b>Total</b>	<b>\$ 218,815.73</b>	<b>\$ 23,280.73</b>	<b>\$ 195,535.00</b>

**Expert Witness Fee Summary**

City of South San Francisco - San Mateo County Community College District v. SSF Successor Agency

Invoice	Date	Service Period	Arbitration	General SA	Total Invoice
I009901	31-Jan-2023	January 2023	\$ 825.00	\$ 1,338.75	\$ 2,164
I010084	28-Feb-2023	February 2023	\$ 3,643.75	\$ -	\$ 3,644
I010122	31-Mar-2023	March 2023	\$ 3,368.75	\$ 137.50	\$ 3,506
I010278	30-Apr-2023	April 2023	\$ 618.75	\$ 206.25	\$ 825
I010571	30-Jun-2023	June 2023	\$ 412.50	\$ 721.25	\$ 1,134
<b>Total</b>			<b>\$ 8,868.75</b>	<b>\$ 2,403.75</b>	<b>\$ 11,272.50</b>

**Legal Fee Summary**

City of South San Francisco - San Mateo County Community College District v. SSF Successor Agency (405-99025)

Invoice	Date	Service Period	Time Billed	Cost Billed	Total Billed	Time Receipts	Cost Receipts	Total Receipts
196472	8/23/2022	July 2022	\$ 10,601.90	\$ -	\$ 10,601.90	\$ 10,601.90	\$ -	\$ 10,601.90
197556	9/14/2022	August 2022	\$ 14,379.30	\$ -	\$ 14,379.30	\$ 14,379.30	\$ -	\$ 14,379.30
198637	10/14/2022	September 2022	\$ 14,339.10	\$ -	\$ 14,339.10	\$ 14,339.10	\$ -	\$ 14,339.10
199581	11/9/2022	October 2022	\$ 5,635.00	\$ -	\$ 5,635.00	\$ 5,635.00	\$ -	\$ 5,635.00
200457	12/9/2022	November 2022	\$ 2,642.40	\$ 4,395.57	\$ 7,037.97	\$ 2,642.40	\$ 4,395.57	\$ 7,037.97
201923	1/23/2023	December 2022	\$ 11,507.70	\$ -	\$ 11,507.70	\$ 11,507.70	\$ -	\$ 11,507.70
202195	2/7/2023	January 2023	\$ 14,333.50	\$ -	\$ 14,333.50	\$ 14,333.50	\$ -	\$ 14,333.50
203092	3/15/2023	February 2023	\$ 44,967.60	\$ -	\$ 44,967.60	\$ 44,967.60	\$ -	\$ 44,967.60
203987	4/14/2023	March 2023	\$ 35,928.10	\$ 3,717.88	\$ 39,645.98	\$ 35,928.10	\$ 3,717.88	\$ 39,645.98
205028	5/10/2023	April 2023	\$ 14,005.30	\$ 28.53	\$ 14,033.83	\$ 14,005.30	\$ 28.53	\$ 14,033.83
206016	6/14/2023	May 2023	\$ 9,261.00	\$ -	\$ 9,261.00	\$ 9,261.00	\$ -	\$ 9,261.00
207098	7/18/2023	June 2023	\$ 4,778.10	\$ 6,270.00	\$ 11,048.10	\$ 4,778.10	\$ 6,270.00	\$ 11,048.10
208059	8/15/2023	July 2023	\$ 9,350.00	\$ -	\$ 9,350.00	\$ 9,350.00	\$ -	\$ 9,350.00
208999	9/15/2023	August 2023	\$ 3,422.20	\$ -	\$ 3,422.20	\$ 3,422.20	\$ -	\$ 3,422.20
210115	10/24/2023	September 2023	\$ 383.80	\$ -	\$ 383.80	\$ -	\$ -	\$ -
			<b>\$ 195,535.00</b>	<b>\$ 14,411.98</b>	<b>\$ 209,946.98</b>	<b>\$ 195,151.20</b>	<b>\$ 14,411.98</b>	<b>\$ 209,563.18</b>



# meyers | nave

A Professional Corporation

1999 HARRISON STREET, 9<sup>th</sup> FLOOR  
OAKLAND, CA 94612  
510-808-2000  
Tax ID 94-3050358

February 7, 2023

Tony Rozzi, Chief Planner  
City Of South San Francisco,  
400 Grand Avenue  
South San Francisco, CA 94080

Invoice No. 202195  
Client No. 405  
Matter No. 99025

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## INVOICE SUMMARY

For Professional Services Rendered Through January 31, 2023

**CLIENT: South San Francisco, City Of**

**MATTER: San Mateo County Community College District v. SSF Successor Agency**

Total Professional Services	\$ 14,333.50
Total Costs	<u>\$ .00</u>
<b>TOTAL THIS INVOICE</b>	<b>\$ 14,333.50</b>
Outstanding Balance	<u>\$ 18,545.67</u>
<b>TOTAL BALANCE DUE</b>	<b><u>\$ 32,879.17</u></b>

Input: \_\_\_\_\_  
Approved: Shaan Kema

# meyers | nave

A Professional Corporation  
1999 HARRISON STREET, 9<sup>th</sup> FLOOR  
OAKLAND, CA 94612  
510-808-2000  
Tax ID 94-3050358

March 15, 2023

Tony Rozzi, Chief Planner  
City Of South San Francisco,  
400 Grand Avenue  
South San Francisco, CA 94080

Invoice No. 203092  
Client No. 405  
Matter No. 99025

DOC# 475460

## INVOICE SUMMARY

For Professional Services Rendered Through February 28, 2023

**CLIENT: South San Francisco, City Of**  
**MATTER: San Mateo County Community College District v. SSF Successor Agency**

Total Professional Services	\$ 44,967.60
Total Costs	<u>\$ .00</u>
<b>TOTAL THIS INVOICE</b>	<b>\$ 44,967.60</b>
Outstanding Balance	<u>\$ 14,333.50</u>
<b>TOTAL BALANCE DUE</b>	<b><u>\$ 59,301.10</u></b>

Input: \_\_\_\_\_  
Approved: Sharon K. Remond

# meyers | nave

A Professional Corporation

1999 HARRISON STREET, 9<sup>th</sup> FLOOR  
OAKLAND, CA 94612  
510-808-2000  
Tax ID 94-3050358

April 14, 2023

Tony Rozzi, Chief Planner  
City Of South San Francisco,  
400 Grand Avenue  
South San Francisco, CA 94080

Invoice No. 203987  
Client No. 405  
Matter No. 99025

---

## INVOICE SUMMARY

For Professional Services Rendered Through March 31, 2023

**CLIENT: South San Francisco, City Of**  
**MATTER: San Mateo County Community College District v. SSF Successor Agency**

Total Professional Services	\$ 35,928.10
Total Costs	\$ 3,717.88
<b>TOTAL THIS INVOICE</b>	<b>\$ 39,645.98</b>
Outstanding Balance	\$ 59,301.10
<b>TOTAL BALANCE DUE</b>	<b>\$ 98,947.08</b>

# meyers | nave

A Professional Corporation  
1999 HARRISON STREET, 9<sup>th</sup> FLOOR  
OAKLAND, CA 94612  
510-808-2000  
Tax ID 94-3050358

#475246

May 10, 2023

Tony Rozzi, Chief Planner  
City Of South San Francisco,  
400 Grand Avenue  
South San Francisco, CA 94080

Invoice No. 205028  
Client No. 405  
Matter No. 99025

## INVOICE SUMMARY

For Professional Services Rendered Through April 30, 2023

**CLIENT: South San Francisco, City Of**  
**MATTER: San Mateo County Community College District v. SSF Successor Agency**

Total Professional Services	\$ 14,005.30
Total Costs	\$ 28.53
<b>TOTAL THIS INVOICE</b>	<b>\$ 14,033.83</b>
Outstanding Balance	\$ 98,947.08
<b>TOTAL BALANCE DUE</b>	<b>\$ 112,980.91</b>

Input: Ernesto Ruiz  
Approved: \_\_\_\_\_

DOC # 480831

REC'D CITY CLERK  
2023 AUG 8 PM 1:05:21

*Finance Director*

# meyers | nave

A Professional Corporation  
1999 HARRISON STREET, 9<sup>th</sup> FLOOR  
OAKLAND, CA 94612  
510-808-2000  
Tax ID 94-3050358

July 18, 2023

Sharon Ranals, Interim City Manager  
City Of South San Francisco,  
400 Grand Avenue  
South San Francisco, CA 94080

Invoice No. 207098  
Client No. 405  
Matter No. 99025

## INVOICE SUMMARY

For Professional Services Rendered Through June 30, 2023

**CLIENT: South San Francisco, City Of**  
**MATTER: San Mateo County Community College District v. SSF Successor Agency**

Total Professional Services	\$ 4,778.10
Total Costs	\$ 6,270.00
<b>TOTAL THIS INVOICE</b>	<b>\$ 11,048.10</b>

*861-70001-5003*

Input: *[Signature]*  
Approved: \_\_\_\_\_

# South San Francisco ROPS 24-25

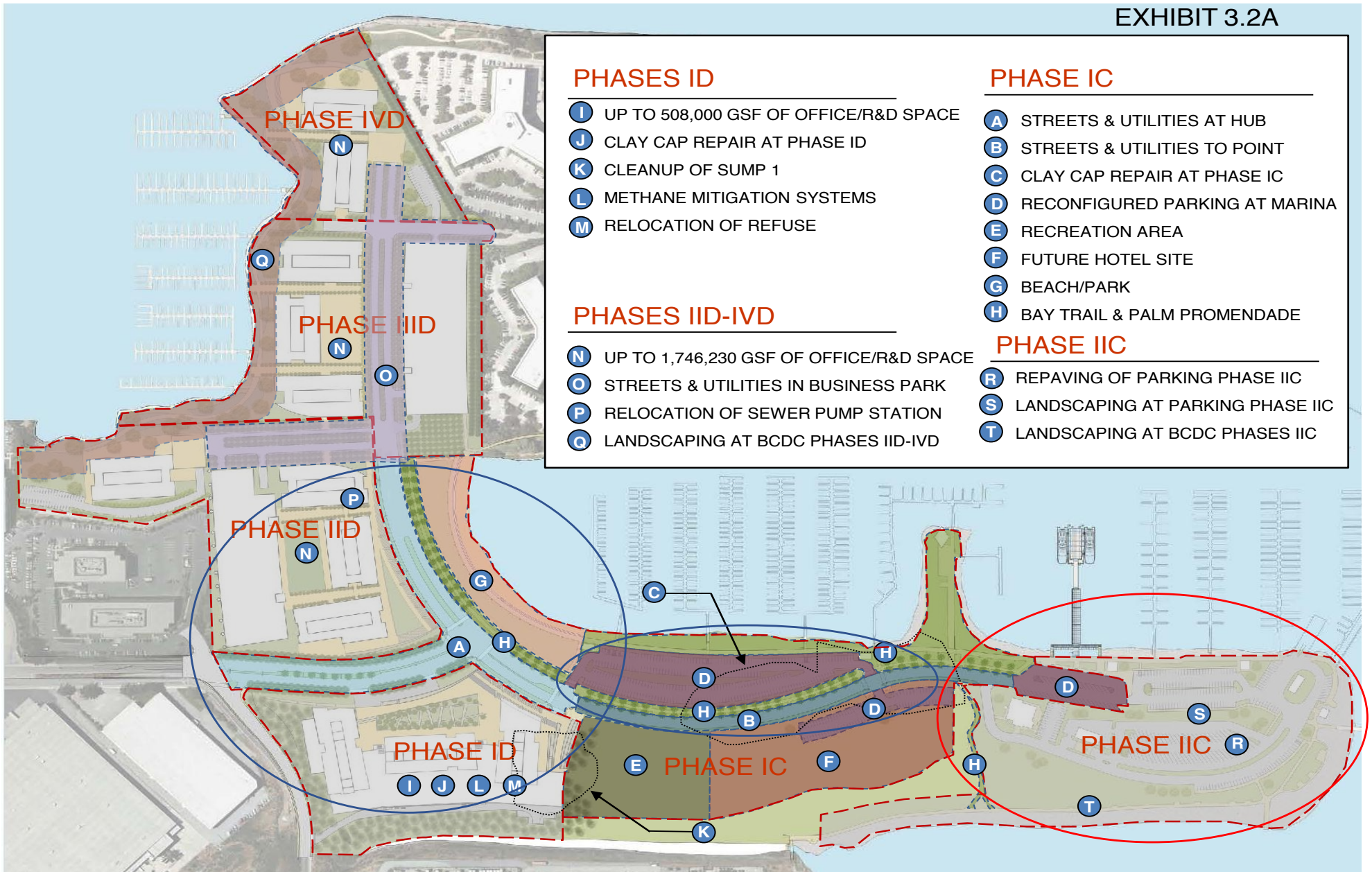
# ROPS 24-25

## \$544,519 REQUESTED

ROPS Item	Requested
Item 12 Oyster Point Project Costs	\$0
Item 14 Oyster Point Project Mgnt	\$177,307
Item 48 Admin Cost Allowance	\$171,677
Item 73 Litigation Costs	\$195,535
<b>Total Requested</b>	<b>\$544,519</b>
<i>Entire Request from Other Funds</i>	

# Oyster Point Site Plan

EXHIBIT 3.2A



## PHASES ID

- I** UP TO 508,000 GSF OF OFFICE/R&D SPACE
- J** CLAY CAP REPAIR AT PHASE ID
- K** CLEANUP OF SUMP 1
- L** METHANE MITIGATION SYSTEMS
- M** RELOCATION OF REFUSE

## PHASES IID-IVD

- N** UP TO 1,746,230 GSF OF OFFICE/R&D SPACE
- O** STREETS & UTILITIES IN BUSINESS PARK
- P** RELOCATION OF SEWER PUMP STATION
- Q** LANDSCAPING AT BCDC PHASES IID-IVD

## PHASE IC

- A** STREETS & UTILITIES AT HUB
- B** STREETS & UTILITIES TO POINT
- C** CLAY CAP REPAIR AT PHASE IC
- D** RECONFIGURED PARKING AT MARINA
- E** RECREATION AREA
- F** FUTURE HOTEL SITE
- G** BEACH/PARK
- H** BAY TRAIL & PALM PROMENADE

## PHASE IIC

- R** REPAVING OF PARKING PHASE IIC
- S** LANDSCAPING AT PARKING PHASE IIC
- T** LANDSCAPING AT BCDC PHASES IIC





# Vision for Oyster Point Kilroy Realty





# Oyster Point IIC Existing Conditions



# Oyster Point IIC Improvement Plan



# OYSTER POINT DDA PROPERTY TAX IMPACT

## Property Tax Estimates

### Annual

**2011: \$840,000**

**2024: \$24 million**

**2043: \$35 million**

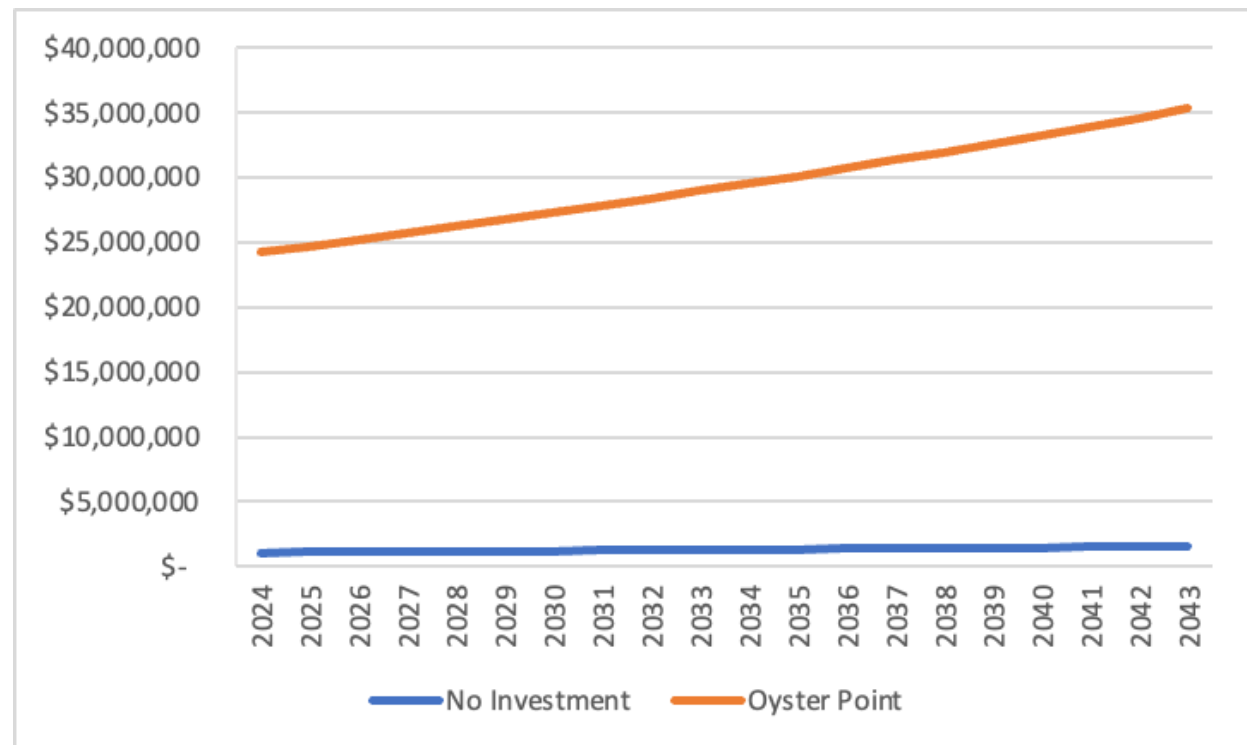
### Cumulative

*(2% Growth from 2024)*

**2030: \$180 million**

**2040: \$484 million**

**2050: \$855 million**



# OYSTER POINT DDA PROJECT MANAGEMENT (ITEM 14)

Position	Tasks	Average Hrs/Mo	Fully Loaded Hr Rate	Total Annual Cost
Deputy Capital Improvement Projects Director	Project and contract management specific to Oyster Point DDA project	10	\$171.06	\$10,264
Public Works Director	Project and contract management specific to Oyster Point DDA project	10	\$243.51	\$29,221
Project Management Services (WC-3)	Daily project management; cost management; coordination with contractor, developer and other regulatory agencies	40	\$225.00	\$108,000
City Manager / Successor Agency Executive Director	Overall project management, coordination with developer, staff and legal counsel	1	\$301.73	\$3,621
Director of Economic & Community Development	Overall project management, coordination with developer, staff and legal counsel	4	\$238.04	\$11,426
Financial Services Manager	Support cost/contract management, payment of project invoices, transfers between escrow accounts	2	\$152.16	\$3,652
Legal Services (Meyers Nave)	Contract interpretation, implementation and dispute resolution for all contracts related to the enforceable obligations included in the DDA	2	\$463.50	\$11,124
<b>Total Estimated Budget</b>				<b>\$177,307</b>

# ADMINISTRATIVE BUDGET

## FY 2024-25 (ITEM 48)

Description of Cost/Expense	Amount
Staff salaries, benefits, and payroll taxes	\$104,677
Professional Services – Successor Agency Consulting (RSG, Inc.)	25,000
Professional Services – Auditors (Maze & Associates)	4,000
Professional Services – Legal (Meyers Nave)	30,000
Professional Services – Oyster Point Escrow Account Trustee & Continuing Disclosure	8,000
<b>Total Budget</b>	<b>\$171,677</b>

# LITIGATION EXPENSES

## FY 2024-25 (ITEM 73)

---

Description of Cost/Expense	Amount
Total Legal Fees and Costs for Arbitration	\$218,816
Costs Reimbursed by District	( 23,281)
<b>Remaining Obligation</b>	<b>\$195,535</b>

Enforceable obligation under HSC 34171(d)(1)(F)(ii)

*Contracts or agreements necessary for successor agency administration or operation including agreements concerning litigation expenses related to assets or obligations*

# ROPS 24-25

## \$544,519 REQUESTED

ROPS Item	Requested
Item 12 Oyster Point Project Costs	\$0
Item 14 Oyster Point Project Mgnt	\$177,307
Item 48 Admin Cost Allowance	\$171,677
Item 73 Litigation Costs	\$195,535
<b>Total Requested</b>	<b>\$544,519</b>
<i>Entire Request from Other Funds</i>	



# SAN MATEO COUNTY

## COUNTYWIDE OVERSIGHT BOARD

### *Members*

*Mark Addiego*  
*Aimee Armsby*  
*Chuck Bernstein*  
*Kevin Bultema*  
*Barbara Christensen*  
*Mark Leach*  
*Justin Mates*

### **Agenda Item No. 11**

Date: December 28, 2023

To: San Mateo County Countywide Oversight Board (OB)

From: Kristie Passalacqua Silva, San Mateo County Assistant Controller

Subject: Election of Chairperson and Vice Chairperson

### **Recommendation**

Nominate, choose, and adopt a resolution approving the election of a Chairperson and a Vice Chairperson for the fiscal year 2024-25.

### **Background and Discussion**

Article II of the OB bylaws states that the members of the OB shall elect one member to serve as the Chairperson and may elect one member to serve as the Vice Chairperson for a term of one year from July 1 to June 30. The bylaws further provide that the Chairperson shall preside at all OB meetings, represent the position of the OB, act as spokesperson for the OB and serve as the public contact for the OB. In accordance with the bylaws, the Vice Chairperson shall perform the duties of the Chairperson in the Chairperson's absence or when requested. The current members of the OB from which the Chairperson and Vice Chairperson may be selected are listed below.

Mark Addiego, Councilmember, City of South San Francisco  
Aimee Armsby, Former San Mateo County Deputy County Counsel  
Chuck Bernstein, Member of the Menlo Park Fire District Board  
Kevin Bultema, Deputy Superintendent-Business Services, San Mateo County Office of Education  
Barbara Christensen, Special Advisor and Consultant, San Mateo County Community College District  
Mark Leach, Representative, Teamsters Local Union #856  
Justin Mates, San Mateo County Deputy County Executive

OB Staff recommends that the OB accept nominations for the Chairperson and Vice Chairperson positions and elect a Chairperson and Vice Chairperson for 2024-25 during the OB's January 8, 2024 meeting.

### **Fiscal Impact**

None

### **Exhibit:**

A - Draft OB Resolution Approving the Election of Chairperson and Vice-Chairperson for 2024-25

RESOLUTION NO. 2024-\_\_\_\_\_

**RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD  
APPROVING THE ELECTION OF THE CHAIRPERSON AND VICE CHAIRPERSON FOR  
FISCAL YEAR 2024-25**

**WHEREAS**, pursuant to California Health and Safety Code (HSC) Section 34179(j) the San Mateo County Countywide Oversight Board was created to oversee the Successor Agencies tasked with winding down the affairs of the former redevelopment agencies; and

**WHEREAS**, HSC Section 34179(a) requires the election of a member to serve as Chairperson of the oversight board and while there is no requirement to elect a Vice Chairperson, the oversight board is not precluded from doing so; and

**WHEREAS**, Article II Section 1 of the San Mateo County Countywide Oversight Board Bylaws requires the election of a Chairperson and allows for the election of a Vice Chairperson both of whom shall serve for one year effective July 1; and

**WHEREAS**, the election of Chairperson and Vice Chairperson will further the Oversight Board's ability to perform its fiduciary duty to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other related revenues;

**NOW, THEREFORE, BE IT RESOLVED**, the San Mateo County Countywide Oversight Board hereby determines as follows:

1. Oversight Board member \_\_\_\_\_ is hereby elected as Chairperson of the San Mateo County Countywide Oversight Board; and
2. Oversight Board member \_\_\_\_\_ is hereby elected as Vice Chairperson of the San Mateo County Countywide Oversight Board.

\* \* \*

# SAN MATEO COUNTY

## COUNTYWIDE OVERSIGHT BOARD

### *Members*

*Mark Addiego*

*Aimee Armsby*

*Chuck Bernstein*

*Kevin Bultema*

*Barbara Christensen*

*Mark Leach*

*Justin Mates*

### Agenda Item No. 12

Date: December 28, 2023

To: San Mateo County Countywide Oversight Board (OB)

From: Kristie Passalacqua Silva, Assistant Controller

Subject: Fiscal Year 2024-25 OB Meeting Calendar

#### **Recommendation**

Adopt a Resolution establishing the date, time, and location for regular meetings for Fiscal Year 2024-25 of the OB.

#### **Background and Discussion**

The OB Bylaws require the Board to adopt its regular meeting schedule for the upcoming fiscal year prior to the end of each fiscal year. The proposed FY 2024-25 meeting dates for the OB are provided on the attached (Exhibit A) for the OB's consideration and approval. Staff further proposes that, as in the prior year, regular meetings be held every second Monday of the month except that when it is a holiday the meeting is moved to the first Monday of that month. The currently anticipated potential business items for next year are:

1. Approval of the Annual Recognized Obligations Payment Schedules ("ROPS")
2. Approval of Amendments to ROPS
3. Disposal of Properties
4. Last and Final ROPS Approval
5. Approval of Amendment to Last and Final ROPS

Since the exact timing of items 3 through 5 is not known, Staff recommends the OB schedule meetings throughout the year to accommodate these items as they arise, as set forth in the attached proposed schedule. In addition, to the extent that urgent matters may arise which require the immediate attention of the OB, special meetings may be scheduled as necessary.

#### **Fiscal Impact**

None

#### **Exhibits**

A-Proposed FY 2024-25 OB Meeting Calendar

B-Draft Resolution of the OB Adopting the FY 2024-25 Meeting Calendar

**Exhibit A**

**San Mateo County  
Countywide Oversight Board**

**2024-25 Meeting Schedule**

All meetings to be held at:  
Board of Supervisors' Chambers  
Hall of Justice - 400 County Center, 1<sup>st</sup> Floor  
Redwood City, California 94063

**2024**

<b>Day</b>	<b>Date</b>	<b>Starting Time</b>
Monday	July 8	9:00 a.m.
Monday	August 12	9:00 a.m.
Monday	September 9	9:00 a.m.
Monday	October 7	9:00 a.m.
Monday	November 4	9:00 a.m.
Monday	December 9	9:00 a.m.

**2025**

Monday	January 6 *	9:00 a.m.
Monday	January 13 *	9:00 a.m.
Monday	February 10	9:00 a.m.
Monday	March 10	9:00 a.m.
Monday	April 14	9:00 a.m.
Monday	May 12	9:00 a.m.
Monday	June 9	9:00 a.m.

\*These meetings are necessary to meet the DOF's February 1<sup>st</sup> deadline for Annual ROPS.

RESOLUTION NO. 2024-\_\_\_\_\_

**RESOLUTION OF THE SAN MATEO COUNTY COUNTYWIDE OVERSIGHT BOARD ADOPTING THE FISCAL YEAR 2024-25 MEETING CALENDAR**

**WHEREAS**, California Health and Safety Code Section (HSC) 34179(e) requires all action items of Countywide Oversight Boards, including the San Mateo County Countywide Oversight Board (the “Board”), be accomplished by resolution; and

**WHEREAS**, establishing a regular meeting schedule will further the ability of the Board, the Successor Agencies, and the public to address matters concerning the winding down of the former redevelopment agencies within the county and will enable the Board to better perform its fiduciary duties pursuant to HSC 34179(i); and

**WHEREAS**, the Board has been presented a proposed Fiscal Year 2024-25 regular meeting calendar, attached hereto as Exhibit A and incorporated herein by this reference, and desires to approve the same; and

**NOW, THEREFORE, BE IT RESOLVED**, the San Mateo County Countywide Oversight Board hereby adopts said regular meeting calendar for Fiscal Year 2024-25.

\* \* \*