

**RESOLUTION NO. 108-14-OB**

**RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF SUNNYVALE APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR THE PERIOD JANUARY THROUGH JUNE 2015, MAKING RELATED FINDINGS AND DECLARATIONS, AND TAKING RELATED ACTIONS**

WHEREAS, the California state legislature enacted Assembly Bill x1 26 (the “Dissolution Act”) to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.); and

WHEREAS, on January 10, 2012 the City Council of the City of Sunnyvale (the “City Council”) declared that the City of Sunnyvale (the “City”), would act as successor agency (the “Successor Agency”) for the dissolved Redevelopment Agency of the City of Sunnyvale (the “Dissolved RDA”) effective February 1, 2012, pursuant to Health and Safety Code Section 34173; and

WHEREAS, on February 1, 2012, the RDA was dissolved pursuant to Health and Safety Code Section 34172; and

WHEREAS, the Dissolution Act provides for the appointment of an oversight board (the “Oversight Board”) with specific duties to approve certain Successor Agency actions, such as approve the establishment of recognized obligation payment schedules (“ROPS”) of the Successor Agency and to direct the Successor Agency in certain other actions (pursuant to Health & S.C. § 34080 and 34181); and

WHEREAS, pursuant to AB 1484 (“AB 1484”), enacted June 27, 2012 to amend various provisions of the Dissolution Act, the Successor Agency is now declared to be a separate legal entity from the City; and

WHEREAS, the Successor Agency submitted the Proposed ROPS 14-15B to the Santa Clara County Administrative Officer, the Santa Clara County Auditor-Controller, and the State Department of Finance (pursuant to Health & S.C. §34179.6), and under the Dissolution Act, the Proposed ROPS 14-15B must be submitted to Oversight Board for the Oversight Board’s approval.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board hereby finds, resolves, and determines that 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.

BE IT FURTHER RESOLVED that the Oversight Board has examined the items on the Approved ROPS 14-15B and finds that each of them is necessary for the continued maintenance and preservation of property owned by the Successor Agency until disposition in accordance with the Dissolution Act, the continued administration of the ongoing agreements herein

approved by the Oversight Board, or the expeditious wind-down of the affairs of the Dissolved RDA by the Successor Agency.

BE IT FURTHER RESOLVED that the Oversight Board hereby approves the Proposed ROPS 14-15B in the form presented to the Oversight Board and attached hereto as Exhibit A (the “Approved ROPS 14-15B”).

BE IT FURTHER RESOLVED that the Oversight Board must also approve the Administrative Budget for the Successor Agency (Health & S.C. § 34177(j)) and that the Oversight Board does hereby approve the Proposed Administrative Budget in the form attached hereto as Exhibit B (the “Administrative Budget”), and further authorizes the Successor Agency to incur costs for the general administrative activities and functions described in the Administrative Budget, provided that the Administrative Cost Allowance to pay such costs shall not exceed the amounts allowed pursuant to Health and Safety Code Section 34171(b).

BE IT FURTHER RESOLVED that the Oversight Board finds that the Administrative Budget supports a FY 2014-15 Administrative Cost Allowance to the Successor Agency in an amount up to three percent of the property tax allocated or the minimum authorized amount of \$125,000 for the six-month period of January through June 2015.

BE IT FURTHER RESOLVED that the Successor Agency is authorized and directed to enter into any agreements and amendments to agreements necessary to memorialize and implement the agreements and obligations in the Administrative Budget herein approved by the Oversight Board.

BE IT FURTHER RESOLVED that the Oversight Board hereby authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to file, post, mail or otherwise deliver via electronic mail, internet posting, and/or hardcopy, all notices and transmittals necessary or convenient in connection with the approval of the Approved ROPS 14-15B and the approved Administrative Budget, and to take any other administrative actions necessary to ensure the validity of the ROPS 14-15B and the validity of any enforceable obligation approved by the Oversight Board in this Resolution. In addition, the Oversight Board authorizes and directs the Successor Agency staff to make such non-substantive revisions to the Approved ROPS 14-15B as may be necessary to submit the Approved ROPS 14-15B in any modified form required by the Department of Finance, and the Approved ROPS 14-15B as modified shall thereupon constitute the Approved ROPS 14-15B as approved by the Oversight Board pursuant to this Resolution.

This Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

Adopted by the Oversight Board of the Successor Agency to the Redevelopment Agency at a regular meeting held on September 29, 2014, by the following vote:

AYES: LEZOTTE, MCELROY, LEUNG, BRADLEY

NOES: MEDINA, MARTIN (ALTERNATE), SNOW

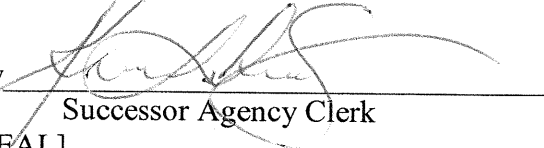
ABSTAIN:

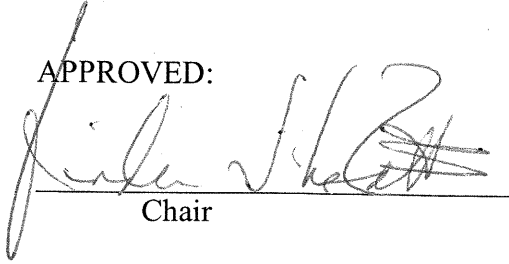
ABSENT:

ATTEST:

APPROVED:

By

  
\_\_\_\_\_  
Successor Agency Clerk

  
\_\_\_\_\_  
Chair

[SEAL]

**Recognized Obligation Payment Schedule (ROPS 14-15B) - Summary**  
 Filed for the January 1, 2015 through June 30, 2015 Period

**Name of Successor Agency:** Sunnyvale  
**Name of County:** Santa Clara

<u>Current Period Requested Funding for Outstanding Debt or Obligation</u>	<u>Six-Month Total</u>
<b>Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding</b>	
<b>A Sources (B+C+D):</b>	<b>\$ -</b>
B Bond Proceeds Funding (ROPS Detail)	-
C Reserve Balance Funding (ROPS Detail)	-
D Other Funding (ROPS Detail)	-
<b>E Enforceable Obligations Funded with RPTTF Funding (F+G):</b>	<b>\$ 954,685</b>
F Non-Administrative Costs (ROPS Detail)	829,685
G Administrative Costs (ROPS Detail)	125,000
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 954,685</b>

<u>Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding</u>	
I Enforceable Obligations funded with RPTTF (E):	954,685
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(79,966)
<b>K Adjusted Current Period RPTTF Requested Funding (I-J)</b>	<b>\$ 874,719</b>

<u>County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding</u>	
L Enforceable Obligations funded with RPTTF (E):	954,685
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
<b>N Adjusted Current Period RPTTF Requested Funding (L-M)</b>	<b>954,685</b>

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177 (m) 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 agency.

LINDA J. LEZOTTE CHAIR  
 Name Title  
 /s/ [Signature] 9-29-14  
 Signature Date

# EXHIBIT A

## Recognized Obligation Payment Schedule (ROPS 14-15B) - ROPS Detail January 1, 2015 through June 30, 2015 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K					P	
										M						Six-Month Total
										Funding Source						
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF			
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin		
1	2003 Tax Allocation Refunding Bonds	Bonds Issued On or Before 12/31/10	11/6/2003	8/1/2022	U S Bank	1977 Bonds issued to fund redevelopment projects in the Central Core Project area, refunded in 1992 and again in 2003.	Central Core	\$ 51,673,814 4,896,096	N	\$ -	\$ -	\$ -	\$ 829,685 86,821	\$ 125,000	\$ 954,685 86,821	
2	1998 Certificates of Participation (Parking Facility Refunding)	Bonds Issued On or Before 12/31/10	3/6/1998	10/1/2022	U S Bank	1978 Bonds issued to fund redevelopment projects in the Central Core Project area, refunded in 1992 and 1998.	Central Core		N							
3	Bond Covenants Other Than Principal and Interest Debt Service Payments	Bonds Issued On or Before 12/31/10	11/6/2003	10/1/2022	Professional services	Fees for trustee services, rebate analysis, disclosure consulting.	Central Core	32,549	N							
4	Repayment Obligations-1977 Loan Repayment Agreement	City/County Loans On or Before 6/27/11	6/1/1977	6/30/2015	City of Sunnysvale	Pursuant to the resolution that authorized the issuance of the 1977 Central Core Bonds, the Agency is obligated to use moneys from tax revenue to repay the City, with interest, for all rental payments under the Project Lease and for all other contributions (including transfer of land) which aided in the planning, acquisition, and construction of the Project.	Central Core		N							
5	2010 Amended Disposition and Development and Owner Participation Agreement Article 8	OPA/DDA/Construction	8/2/2010	6/30/2026	Town Center Developer	Annual payment in consideration for the developer constructing and operating the required public improvements.	Central Core		N							
6	2010 Amended Disposition and Development and Owner Participation Agreement Article 4	OPA/DDA/Construction	8/2/2010	6/30/2026	State Water Resources Control Board, legal fees and environmental work costs	Investigation and remediation of hazardous materials.	Central Core	1,001,536	N				69,000		69,000	
7	2010 Amended Disposition and Development and Owner Participation Agreement Management	Project Management Costs	8/2/2010	6/30/2026	Agency staff and professional services	To monitor and administer rights and obligations under the ADDOPA	Central Core	492,788	N				15,000		15,000	
8	RDA Special Projects	Property Dispositions	7/1/2014	6/30/2015	Professional services	Technical and outside legal counsel services	Central Core	137,549	N				15,000		15,000	
9	Administration and operation of Successor Agency	Admin Costs	7/1/2014	6/30/2015	Agency staff and professional services	Administrative and legal services; audit fees; General Fund in-lieu payments for treasury and accounting support.	Central Core	125,000	N					125,000	125,000	
10	Amended and Restated Reimbursement Agreement for 1998 Certificates of Participation	City/County Loans After 6/27/11	4/24/2012	10/1/2022	City of Sunnysvale	Under Section 34178(a), the Oversight Board authorized the RSA to reenter into an existing agreement to repay the City for all Lease Payments paid by the City for the construction of the parking facilities required by the RDA under the TownCenter DDA.	Central Core		N							
11	Legal fees	Legal	7/1/2014	6/30/2015	Goldfarb & Lipman	Litigation regarding enforceable obligations	Central Core		N							
12	Low and Moderate Income Housing Fund Deferral Repayment	Miscellaneous	8/26/1986	6/30/2015	Housing Successor Agency	Under Section 34171(d)(1)(G), deferrals to the Low and Moderate Income Housing Fund are enforceable obligations. Pursuant to 34176(e)(6)(B), the repayment amount is equal to one half of the increase in residual tax revenue over the FY 2012/13 base year.	Central Core	\$14,673,336	N				442,239		442,239	
13	Amended and Restated Reimbursement Agreement for 1998 Certificates of Participation	City/County Loans After 6/27/11	4/24/2012	10/1/2022	City of Sunnysvale	Under Section 34178(a), the Oversight Board authorized the RSA to reenter into an existing agreement to repay the City for all Lease Payments paid by the City for the construction of the parking facilities required by the RDA under the TownCenter DDA.	Central Core	\$30,314,960	N				201,625		201,625	

# EXHIBIT A

## Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Cash Balances

(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. For tips on how to complete the Report of Cash Balances Form, see <a href="https://rad.dof.ca.gov/rad-sa/pdf/Cash_Balance_Agency_Tips_Sheet.pdf">https://rad.dof.ca.gov/rad-sa/pdf/Cash_Balance_Agency_Tips_Sheet.pdf</a> .									
A	B	C	D	E	F	G	H	I	
Cash Balance Information by ROPS Period		Fund Sources						Comments	
		Bond Proceeds		Reserve Balance		Other	RPTTF		
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, Grants, Interest, Etc.	Non-Admin and Admin		
<b>ROPS 13-14B Actuals (01/01/14 - 06/30/14)</b>									
1	<b>Beginning Available Cash Balance (Actual 01/01/14)</b>	1,932,135					76,510	Column C Bond proceeds include Central Core TAB and 1998 Parking COP.	
2	<b>Revenue/Income (Actual 06/30/14)</b> RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014	319,946				308,003	549,569		
3	<b>Expenditures for ROPS 13-14B Enforceable Obligations (Actual 06/30/14)</b> RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q	316,180				244,615	489,610		
4	<b>Retention of Available Cash Balance (Actual 06/30/14)</b> RPTTF amount retained should only include the amounts distributed for debt service reserve(s) approved in ROPS 13-14B								
5	<b>ROPS 13-14B RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the self-reported ROPS 13-14B PPA in the Report of PPA, Column S	No entry required						79,966	Please see the Notes tab.
6	<b>Ending Actual Available Cash Balance</b> <b>C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)</b>	1,935,901	-	-	-	63,388	56,503		
<b>ROPS 14-15A Estimate (07/01/14 - 12/31/14)</b>									
7	<b>Beginning Available Cash Balance (Actual 07/01/14)</b> <b>(C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)</b>	1,935,901	-	-	-	63,388	136,469		
8	<b>Revenue/Income (Estimate 12/31/14)</b> RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor-Controller during June 2014	1,521,180					624,413		
9	<b>Expenditures for ROPS 14-15A Enforceable Obligations (Estimate 12/31/14)</b>	1,521,180				63,388	684,766		
10	<b>Retention of Available Cash Balance (Estimate 12/31/14)</b> RPTTF amount retained should only include the amount distributed for debt service reserve(s) approved in ROPS 14-15A								
11	<b>Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)</b>	1,935,901	-	-	-	-	76,116	Please see the Notes tab.	







EXHIBIT A

**Recognized Obligation Payment Schedule (ROPS 14-15B) - Notes**

January 1, 2015 through June 30, 2015

Item #	Notes/Comments
<b>ROPS Item 3</b>	Please refer to Tab "Cash Balances" Column H Lines 5 and 11.
trustee fees	Difference between \$79,966 and \$76,116 is \$3,850 (\$1,925X2), which was caused by the County's change of Successor Agency-reported prior period
	adjustment number from negative \$58,429 to negative \$60,354 on the Summary tab of ROPS 14-15A.
	Between July and December in 2013, Successor Agency spent \$4,025 on Central Core TAB trustee fees, exceeding the authorized amount of \$2,100 by \$1,925.
	Will the County adjust the Successor Agency-reported prior period adjustment on 14-15B from negative \$79,966 to negative \$76,116?
	Currently Successor Agency only has \$250 available for the period from July to December in 2014, compared with the approved amount of \$4,100 for
	the same period. That is a shortage of \$3,850.

**EXHIBIT B  
REDEVELOPMENT SUCCESSOR AGENCY  
CITY OF SUNNYVALE  
ROPS 14-15B ADMINISTRATIVE BUDGET  
January 1, 2015 – June 30, 2015**

This document constitutes the ROPS 14-15B Administrative Budget of the Redevelopment Successor Agency of the City of Sunnyvale. This Administrative Budget has been prepared by the Redevelopment Successor Agency (RSA) of the City of Sunnyvale and submitted to the Sunnyvale Oversight Board for approval in accordance with the requirements of Health and Safety Code Section 34177(j). The Administrative Budget accompanies the 14-15B Recognized Obligation Payment Schedule (ROPS) prepared pursuant to Health and Safety Code Section 34177(l) for the period January through June 2015.

This Administrative Budget is prepared in three parts to correspond to the three elements described for the Administrative Budget in Health and Safety Code Section 34177(j) (1), (2), and (3).

1. Estimated Amounts For Successor Agency Administrative Cost For January 1, 2015 – June 30, 2015 (Health and Safety Code Section 34177(j)(1).

Administrative Activities	Job Classification Services & Expenditures	Hours	6-month Budget
<b>705320/706250/723125 – Successor Agency Administration</b>			
- Prepare Administrative Budget	Director of Finance	25	\$4,706
- Prepare Recognized Obligation Payment Schedule (ROPS)	Senior Management Analyst	475	\$52,559
- Correspondence/Coordination with County re: Inquiries/Requests	Principal Accountant	100	\$9,560
- Correspondence/coordination with State re: Inquiries/Requests	City Clerk	10	\$1,162
- Oversight of property liquidation	Financial Services		\$6,000
- Oversight Board Staff Support	Allocations Charges (Space, IT, Supplies, Administrative Support)		\$6,659
- Annual Reporting			
- Annual Audit			
- Contract Management and Bill Payment			
<b>750180 – Legal Advice for RSA Issues – ROPS Administration</b>			
- Legal Services Administration	City Attorney	50	\$10,312
	Allocations Charges (Space, IT, Supplies, Administrative Support)		\$928
<b>750330/750331 – RSA – ROPS Administration</b>			
- Contract Legal Services to Assist in Winding Down the Former RDA	Legal Services	90	\$24,750

Administrative Activities (Continued)	Job Classification Services & Expenditures	Hours	6-month Budget
<b>City Wide Overhead – In Lieu</b>			
- City Overhead Charges (Human Resources, Office of City Manager, Liability & Property Insurance)	City Overhead Charges		\$12,333
<b>Total Administrative Budget</b>			<b>\$128,969</b>
Minimum Administrative Cost Allowance (3% of RPTTF allocated or \$125,000 whichever is greater).			\$125,000

This Administrative Budget documents that the RSA's "administrative cost allowance", as defined and authorized pursuant to Health and Safety Code Section 24171(b), for Fiscal Year 2014/15 is an amount up to three percent of the property tax allocated or the minimum authorized amount of \$250,000, whichever is greater. As called for in Health and Safety Code Section 34177(k), and as documented in this Administrative Budget and the January – June 2015 ROPS, the Successor Agency will report to the County Auditor-Controller that its administrative cost allowance to be paid from property taxes deposited in the Redevelopment Property Tax Trust Fund (as further described in Part 2 below) pursuant to Health and Safety Code Section 34183(a)(3) is the amount of \$125,000 for this six month period.

Activities may be added, revised, or deleted from this listing as necessary and appropriate during the course of the Redevelopment Agency wind-down process. Costs shown for each activity are estimates only. Actual costs required for each activity may be higher or lower than the amount shown, not to exceed the aggregate total amount.

2. Proposed Source of Payment For Above-Identified Administrative Costs (Health and Safety Code Section 34177(j)(2).

As authorized pursuant to Health and Safety Code Section 34183(a)(3), the proposed source of payment for the administrative costs identified in Part 1 above is the Redevelopment Property Tax Trust Fund established and maintained by the County Auditor-Controller pursuant to Health and Safety Code Section 34170.5(b).

3. Proposals For Arrangements For Administration and Operations Services (Health and Safety Code Section 34177(j)(3).

The RSA has arranged with the City of Sunnyvale to provide the staff services and office materials and equipment to administer the responsibilities of the RSA, and will draw upon services of outside legal and financial consultants (Goldfarb & Lipman LLP and Keyser Marston Associates), to provide special services for the wind-down of the former RDA to the extent City staff lacks the necessary expertise or capacity.