

**SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY**  
**OVERSIGHT BOARD – ~~SPECIAL~~<sup>\*</sup> MEETING**  
**AGENDA**

**Governmental Center Building**  
**701 Ocean Street, Room 525, Santa Cruz, CA**  
**Tuesday, January 17, 2017**  
**9:00 a.m.**

- 
1. Call to Order/Roll Call
  2. Consideration of Late Additions to the Agenda; additions and deletions to the Agenda
  3. ORAL COMMUNICATIONS - Opportunity for members of the public to address the Board on matters which are within the jurisdiction of the Board but not on today's agenda
  4. Consider adoption of a resolution approving the minutes of March 29, 2016
  5. Consider adoption of a resolution approving the meeting schedule for 2017-18
  6. Consider adoption of a resolution electing a Chairperson and Vice-Chairperson
  7. Consider adoption of a resolution accepting and filing a status report on the 2016 Tax Allocation Refunding Bonds, Series A, Basic Financial Statements of the Santa Cruz County Redevelopment Successor Agency for the period ended June 30, 2015, and Long Range Property Management Plan Update.
  8. Consider adoption of a resolution approving the administrative budgets of the Santa Cruz County Redevelopment Successor Agency for 6 month periods July 1, 2017 thru December 31, 2017, and January 1, 2018 through June 30, 2018
  9. Consider adoption of a resolution approving the Recognized Obligation Payment Schedule July 1, 2017 thru June 30, 2018 (ROPS 17-18)

**ADJOURNMENT**

**\*NOTE:** this is a regular meeting, per schedule adopted by the RSA Oversight Board on March 29, 2016 (Item No. 5)

BEFORE THE SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD  
RESOLUTION NO. \_\_\_\_\_

On the motion of \_\_\_\_\_ duly seconded by \_\_\_\_\_ the following resolution is adopted:

RESOLUTION APPROVING MEETING MINUTES OF THE  
OVERSIGHT BOARD

WHEREAS, the Santa Cruz County Redevelopment Successor Agency Oversight Board ("Oversight Board") has been established to direct the Santa Cruz County Redevelopment Successor Agency ("Successor Agency") to take certain actions to wind down the affairs of the former Santa Cruz County Redevelopment Agency ("Agency") in accordance with the requirements of Assembly Bill 26 ("ABx1 26"), also known as chapter 5, Statutes 2011, First Extraordinary Session, which added Part 1.8 and Part 1.85 of Division 24 of the California Health and Safety Code, Assembly Bill 1484, also known as chapter 26, Statutes of 2012, and Senate Bill 107, 2015-16 Legislative Session, which made certain revisions to the statutes added by ABx1 26; and

WHEREAS, Health and Safety Code Section 34179 (e) requires that all actions taken by the Oversight Board shall be adopted by resolution; and

WHEREAS, the Oversight Board conducted a public meeting on March 29, 2016, the minutes of which are attached as Exhibit 1; and

WHEREAS, these meeting minutes reflect the actions of the Oversight Board;

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED by the Santa Cruz County Redevelopment Successor Agency Oversight Board as follows:

SECTION 1. The above Recitals are true and correct.

SECTION 2. The meeting minutes of the Oversight Board meeting on March 29, 2016, are hereby approved.

PASSED, APPROVED and ADOPTED by the Santa Cruz County Redevelopment Successor Agency Oversight Board, this \_\_\_\_ day of \_\_\_\_\_, 2017 by the following vote:

AYES:  
NOES:  
ABSENT:

\_\_\_\_\_  
Chairperson of the Santa Cruz County Redevelopment  
Successor Agency Oversight Board



**PROCEEDINGS OF THE  
SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY  
OVERSIGHT BOARD**

**VOLUME 2016, NUMBER 2  
March 29, 2016 – Special Meeting**

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**ACTION SUMMARY MINUTES**

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**VOTING KEY:**

C = Cirillo  
G = Geisreiter (VC)  
H = Hart  
L = Leopold (Chair)  
M = Maxwell  
Ro = Rozario  
Re = Reece

First Initial indicates maker of motion, second initial indicates the "second"; upper case letter = "yes" vote; lower case letter = "no" vote; ( ) = abstain; // = absent

- 
1. **Call to Order/Roll Call** - Meeting called to order at 9:04 a.m. Members present: Geisreiter, Hart, Maxwell, and Reece. Absent: Cirillo, Leopold and Rozario
  
  2. **Consideration of Late Additions to the Agenda; additions and deletions to Consent and Regular Agendas** - none
  
  3. **Oral Communications** – no one addressed the Board.
  
  4. ADOPTED Resolution No. 5-2016OB approving the meeting minutes of January 19, 2016  
  
MReHG/CLRo/
  
  5. ADOPTED Resolution No. 6-2016OB accepting and approving the upcoming meeting schedule of Thursday, September 15, 2016; and Tuesday, January 17, 2017  
  
HMGRe/CLRo/
  
  6. ADOPTED Resolution No. 7-2016OB approving the sale of tax allocation refunding bonds  
  
MReGH/CLRo/

Item 4

Approved: \_\_\_\_\_  
Chair, Oversight Board

Attest: \_\_\_\_\_  
Secretary of the Oversight Board

NOTE: This set of Santa Cruz County Redevelopment Successor Agency Oversight Board minutes is scheduled to be approved September 15, 2016.



# County of Santa Cruz

## SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY

701 OCEAN STREET, ROOM 510, SANTA CRUZ, CA 95060-4073

(831) 454-2280 FAX: (831) 454-3420 TDD: (831) 454-2123

January 4, 2017

Agenda: January 17, 2017

Oversight Board  
Santa Cruz County Redevelopment Successor Agency  
701 Ocean Street  
Santa Cruz, CA 95060

### APPROVAL OF 2017-18 OVERSIGHT BOARD MEETING DATES

Dear Members of the Board:

At this time, it is necessary to re-schedule further meetings for calendar years 2017 and 2018. The meetings will be held in the Board Chambers on the 5<sup>th</sup> floor of the County Government Center at 701 Ocean Street, Santa Cruz, at 9:00 a.m. The proposed meeting dates are Tuesday, September 5, 2017, and Tuesday, January 16, 2018.

It is therefore RECOMMENDED that your Board adopt the attached resolution approving the meeting schedule for calendar years 2017 and 2018.

Very truly yours,



Betsey Lynberg  
Director of Capital Projects

RECOMMENDED:



Susan A. Mauriello  
County Administrative Officer

Attachment: Resolution

cc: CAO, Auditor-Controller, County Counsel, Successor Agency, Planning

BEFORE THE SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD  
RESOLUTION NO. \_\_\_\_\_

On the motion of \_\_\_\_\_ duly seconded by \_\_\_\_\_ the following resolution is adopted:

RESOLUTION SCHEDULING MEETINGS  
OF THE OVERSIGHT BOARD

WHEREAS, the Santa Cruz County Redevelopment Successor Agency Oversight Board ("Oversight Board") has been established to direct the Santa Cruz County Redevelopment Successor Agency ("Successor Agency") to take certain actions to wind down the affairs of the former Santa Cruz County Redevelopment Agency ("Agency") in accordance with the requirements of Assembly Bill 26 ("ABx1 26"), also known as chapter 5, Statutes 2011, First Extraordinary Session, which added Part 1.8 and Part 1.85 of Division 24 of the California Health and Safety Code, Assembly Bill 1484, also known as chapter 26, Statutes of 2012, and Senate Bill 107, 2015-16 Legislative Session, which made certain revisions to the statutes added by ABx1 26; and

WHEREAS, Health and Safety Code Section 34179 (e) requires that all actions taken by the Oversight Board shall be adopted by resolution; and

WHEREAS, it is necessary to schedule meetings of the Oversight Board for the 2017 and 2018 calendar year;

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED by the Santa Cruz County Redevelopment Successor Agency Oversight Board as follows:

SECTION 1. The above Recitals are true and correct.

SECTION 2. The Oversight Board shall meet on Tuesday, September 5, 2017, and on Tuesday, January 16, 2018, at 9 am in the Board Chambers on the 5<sup>th</sup> Floor of the County Government Center at 701 Ocean Street, Santa Cruz.

PASSED, APPROVED and ADOPTED by the Santa Cruz County Redevelopment Successor Agency Oversight Board, this \_\_\_ day of \_\_\_\_\_, 2017 by the following vote:

AYES:

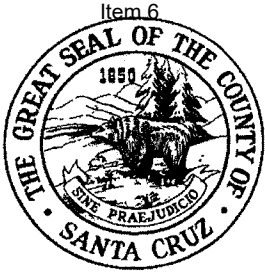
NOES:

ABSENT:

\_\_\_\_\_  
Chairperson of the Santa Cruz County Redevelopment  
Successor Agency Oversight Board







# County of Santa Cruz

## SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY

701 OCEAN STREET, ROOM 510, SANTA CRUZ, CA 95060-4073

(831) 454-2280 FAX: (831) 454-3420 TDD: (831) 454-2123

January 4, 2017

Agenda: January 17, 2017

Oversight Board  
Santa Cruz County Redevelopment Successor Agency  
701 Ocean Street  
Santa Cruz, CA 95060

### ELECTION OF CHAIRPERSON AND VICE CHAIRPERSON

Dear Members of the Board:

At this time, it is necessary to select a Chairperson of the Oversight Board to preside over the Oversight Board's meetings for the next one year term. A Vice Chairperson should also be selected to preside over the meeting when the Chair is unavailable.

It is therefore RECOMMENDED that your Board adopt the attached resolution electing one member to serve as Chairperson and one person to serve as Vice Chairperson for the Santa Cruz County Redevelopment Successor Agency Oversight Board.

Very truly yours,



Betsey Lynberg  
Director of Capital Projects

RECOMMENDED:



Susan A. Mauriello  
County Administrative Officer

BL:kn

BEFORE THE SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD  
RESOLUTION NO. \_\_\_\_\_

On the motion of \_\_\_\_\_ duly seconded by \_\_\_\_\_ the following  
resolution is adopted:

RESOLUTION ELECTING A CHAIRPERSON AND VICE  
CHAIRPERSON OF THE OVERSIGHT BOARD

WHEREAS, the Santa Cruz County Redevelopment Successor Agency Oversight Board ("Oversight Board") has been established to direct the Santa Cruz County Redevelopment Successor Agency ("Successor Agency") to take certain actions to wind down the affairs of the former Santa Cruz County Redevelopment Agency ("Agency") in accordance with the requirements of Assembly Bill 26 ("ABx1 26"), also known as chapter 5, Statutes 2011, First Extraordinary Session, which added Part 1.8 and Part 1.85 of Division 24 of the California Health and Safety Code, and Assembly Bill 1484, also known as chapter 26, Statutes of 2012, which made certain revisions to the statutes added by ABx1 26; and

WHEREAS, Health and Safety Code Section 34179 (e) requires that all actions taken by the Oversight Board shall be adopted by resolution; and

WHEREAS, the Oversight Board conducted a public meeting on January 17, 2017, and elected \_\_\_\_\_ as Chairperson and \_\_\_\_\_ as Vice Chairperson, each to serve a one year term.

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED by the Santa Cruz County Redevelopment Successor Agency Oversight Board as follows:

SECTION 1. The above Recitals are true and correct.

SECTION 2. \_\_\_\_\_ is elected as Chairperson and \_\_\_\_\_ is elected as Vice Chairperson, each to serve a one year term.

PASSED, APPROVED and ADOPTED by the Santa Cruz County Redevelopment Successor Agency Oversight Board, this \_\_ day of \_\_\_\_\_, 2017 by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Chairperson of the Santa Cruz County Redevelopment  
Successor Agency Oversight Board

ATTEST:

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Clerk of the Oversight Board

Approved as to form:

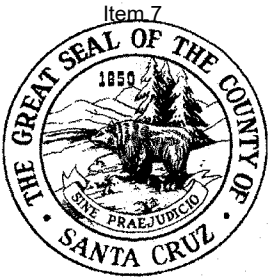
  

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County Counsel

Distribution:

- Auditor-Controller
- CAO
- County Counsel
- Successor Agency
- State Department of Finance



# County of Santa Cruz

## SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY

701 OCEAN STREET, ROOM 510, SANTA CRUZ, CA 95060-4073

(831) 454-2280 FAX: (831) 454-3420 TDD: (831) 454-2123

January 4, 2017

Agenda: January 17, 2017

Oversight Board  
Santa Cruz County Redevelopment Successor Agency  
701 Ocean Street  
Santa Cruz, CA 95060

### **REPORT ON 2016 TAX ALLOCATION REFUNDING BONDS, SERIES A, BASIC FINANCIAL STATEMENTS OF THE SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY FOR THE PERIOD ENDED JUNE 30, 2016, AND LONG RANGE PROPERTY MANAGEMENT PLAN UPDATE**

Dear Members of the Board:

This report provides the Board with an update on the issuance of the 2016 Tax Allocation Refunding Bonds, the Redevelopment Successor Agency Financial Statements, and the implementation of the Long Range Property Management Plan (LRPMP).

#### **2016 Tax Allocation Refunding Bonds**

On March 22, 2016, your Board authorized the issuance of Tax Allocation Refunding Bonds, Series A, in an amount not to exceed \$60 million non-taxable, by the Santa Cruz County Redevelopment Successor Agency (Successor Agency) to reduce debt service on the outstanding 2009A tax allocation bonds issued by the former Redevelopment Agency, with the debt service savings to be shared among the affected taxing agencies. At that time, it was estimated that total bond debt service could be reduced with a combined 14.5% savings on a present value basis. On July 6, 2016, the 2016 Tax Allocation Refunding Bonds, Series A, was successfully issued in the amount of \$49,200,000, resulting in a 31.3% savings, or \$16.7 million, on a present value basis. Attachment 1 shows the total savings over the 20 years of the refunding.

#### **RSA Financial Statements**

Pursuant to Section 33080.1 of the Health and Safety Code of the State of California, attached are the Annual Basic Financial Statements and Independent Auditors' Reports of the Santa Cruz County Redevelopment Successor Agency for the period ended June 30, 2016. The audit opinion was unqualified in stating that the financial position of the

Santa Cruz County Redevelopment Successor Agency is presented fairly, in all material respects, and that the results of its operations for the period ended June 30, 2016, are in conformity with generally accepted accounting principles.

### **LONG RANGE PROPERTY MANAGEMENT PLAN**

County Office of Economic Development staff continues to work on the disposal of the remaining Redevelopment Successor Agency owned properties on Capitola Road and 7<sup>th</sup> Avenue per the LRPMP. On June 28, 2016, the Board of Supervisors issued a Request for Qualifications (RFQ) for the 7<sup>th</sup> Avenue Visitor Accommodation Site. Only one response was received, and on September 20, 2016, the Board rejected all responses due to inadequate response to the RFQ.

It is therefore **RECOMMENDED** that your Board adopt the attached resolution accepting and filing the report.

Very truly yours,



Betsey Lynberg  
Director of Capital Projects

**RECOMMENDED:**



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Susan A. Mauriello  
County Administrative Officer

BL:kn

Attachments:

1. 2016A Tax Allocation Refunding Bonds Savings
2. Basic Financial Statements and Independent Auditors' Reports of the Santa Cruz County Redevelopment Successor Agency for the year ended June 30, 2016
3. June 28, 2016 Board of Supervisors Agenda Item DOC-2016-574
4. September 20, 2016 Board of Supervisors Agenda Item DOC-2016-797

cc: CAO, Auditor-Controller, County Counsel, Successor Agency, DOF

BEFORE THE SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD  
RESOLUTION NO. \_\_\_\_\_

On the motion of \_\_\_\_\_ duly seconded by \_\_\_\_\_ the following resolution is adopted:

RESOLUTION ACCEPTING AND FILING STATUS REPORT

WHEREAS, the Santa Cruz County Redevelopment Successor Agency Oversight Board ("Oversight Board") has been established to direct the Santa Cruz County Redevelopment Successor Agency ("Successor Agency") to take certain actions to wind down the affairs of the former Santa Cruz County Redevelopment Agency ("Agency") in accordance with the requirements of Assembly Bill 26 ("ABx1 26"), also known as chapter 5, Statutes 2011, First Extraordinary Session, which added Part 1.8 and Part 1.85 of Division 24 of the California Health and Safety Code, Assembly Bill 1484, also known as chapter 26, Statutes of 2012, and Senate Bill 107, 2015-16 Legislative Session, which made certain revisions to the statutes added by ABx1 26; and

WHEREAS, Health and Safety Code Section 34179 (e) requires that all actions taken by the Oversight Board shall be adopted by resolution; and

WHEREAS, on January 17, 2017, the Santa Cruz County Redevelopment Successor Agency Oversight Board received a status report on the 2016 Tax Allocation Refunding Bonds, Series A, and Basic Financial Statements of the Santa Cruz County Redevelopment Successor Agency for the period ended June 30, 2016.

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED by the Santa Cruz County Redevelopment Successor Agency Oversight Board as follows:

SECTION 1. The above Recitals are true and correct.

SECTION 2. The status report on the 2016 Tax Allocation Refunding Bonds, Series A, Basic Financial Statements of the Santa Cruz County Redevelopment Successor Agency for the period ended June 30, 2016, and Long Range Property Management Plan is hereby accepted and filed.

PASSED, APPROVED and ADOPTED by the Santa Cruz County Redevelopment Successor Agency Oversight Board, this \_\_ day of \_\_\_\_\_, 2017 by the following vote:

AYES:  
NOES:  
ABSENT:

\_\_\_\_\_  
Chairperson of the Santa Cruz County Redevelopment  
Successor Agency Oversight Board

ATTEST:

Clerk of the Oversight Board

Approved as to form:

  
County Counsel

Distribution:

- Auditor-Controller
- CAO
- County Counsel
- Successor Agency
- State Department of Finance

## SAVINGS

Santa Cruz County Redevelopment Successor Agency  
Tax Allocation Refunding Bonds, 2016 Series A

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings
09/01/2016	2,313,796.88	2,313,796.88			
09/01/2017	4,142,737.50		4,142,737.50	3,032,202.78	1,110,534.72
09/01/2018	4,140,325.00		4,140,325.00	3,032,300.00	1,108,025.00
09/01/2019	4,145,231.26		4,145,231.26	3,033,700.00	1,111,531.26
09/01/2020	4,146,743.76		4,146,743.76	3,035,200.00	1,111,543.76
09/01/2021	4,139,687.50		4,139,687.50	3,031,000.00	1,108,687.50
09/01/2022	3,717,618.76		3,717,618.76	2,720,400.00	997,218.76
09/01/2023	3,980,725.00		3,980,725.00	2,915,600.00	1,065,125.00
09/01/2024	3,960,281.26		3,960,281.26	2,896,800.00	1,063,481.26
09/01/2025	4,678,843.76		4,678,843.76	3,427,200.00	1,251,643.76
09/01/2026	4,602,387.50		4,602,387.50	3,369,200.00	1,233,187.50
09/01/2027	4,525,268.76		4,525,268.76	3,310,200.00	1,215,068.76
09/01/2028	6,582,487.50		6,582,487.50	4,820,200.00	1,762,287.50
09/01/2029	6,522,600.00		6,522,600.00	4,775,700.00	1,746,900.00
09/01/2030	6,516,450.00		6,516,450.00	4,770,450.00	1,746,000.00
09/01/2031	6,520,200.00		6,520,200.00	4,771,850.00	1,748,350.00
09/01/2032	6,514,700.00		6,514,700.00	4,766,600.00	1,748,100.00
09/01/2033	6,524,250.00		6,524,250.00	4,777,600.00	1,746,650.00
09/01/2034	6,521,400.00		6,521,400.00	4,773,400.00	1,748,000.00
09/01/2035	6,515,450.00		6,515,450.00	4,768,000.00	1,747,450.00
09/01/2036	10,700,000.00		10,700,000.00	7,831,200.00	2,868,800.00
	111,411,184.44	2,313,796.88	109,097,387.56	79,858,802.78	29,238,584.78

Savings Summary

Savings PV date	07/06/2016
Savings PV rate	2.337055%
PV of savings from cash flow	22,387,018.19
Less: Prior funds on hand	(5,603,485.29)
Net PV Savings	16,783,532.90

Note: FINAL



**SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY**

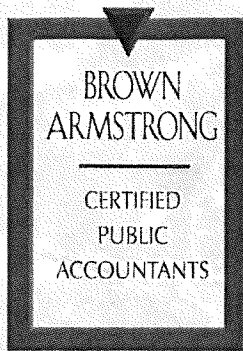
**BASIC FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORTS**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2016**

SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY  
JUNE 30, 2016

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# BROWN ARMSTRONG

*Certified Public Accountants*

## INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Supervisors of the  
Santa Cruz County Redevelopment Successor Agency  
County of Santa Cruz, California

### **BAKERSFIELD OFFICE (MAIN OFFICE)**

4200 TRUXTUN AVENUE  
SUITE 300  
BAKERSFIELD, CA 93309  
TEL 661.324.4971  
FAX 661.324.4997  
EMAIL [info@bar.pas.com](mailto:info@bar.pas.com)

### **FRESNO OFFICE**

7673 N. INGRAM AVENUE  
SUITE 101  
FRESNO, CA 93711  
TEL 559.476.3592  
FAX 559.476.3593

### **PASADENA OFFICE**

260 S. LOS ROBLES AVENUE  
SUITE 310  
PASADENA, CA 91101  
TEL 626.204.6542  
FAX 626.204.6547

### **STOCKTON OFFICE**

5250 CLAREMONT AVENUE  
SUITE 150  
STOCKTON, CA 95207  
TEL 209.451.4833

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Santa Cruz County Redevelopment Successor Agency (the Agency) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether these financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency, as of June 30, 2016, and the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

## Emphasis of Matters

As discussed in Note 1, the financial statements present only the Agency and do not purport to, and do not, present fairly the financial position of the County of Santa Cruz as of June 30, 2016, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Management has omitted the Management's Discussion and Analysis (MD&A) that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2016, on our consideration of the County of Santa Cruz's internal control over financial reporting relating to the Agency and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Santa Cruz's internal control over financial reporting and compliance relating to the Agency.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong*  
*Accountancy Corporation*

Bakersfield, California  
December 2, 2016

**BASIC FINANCIAL STATEMENTS**

**SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2016**

<u>ASSETS</u>	<u>2016</u>
Current Assets:	
Cash and investments	\$ 13,725,531
Total Current Assets	<u>13,725,531</u>
Noncurrent Assets:	
Restricted cash with fiscal agent	9,080,134
Prepaid insurance	1,042,640
Capital assets, net	<u>9,118,080</u>
Total Noncurrent Assets	<u>19,240,854</u>
Total Assets	<u>32,966,385</u>
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Loss on refunding of debt	<u>323,993</u>
Total Deferred Outflows of Resources	<u>323,993</u>
 <u>LIABILITIES</u>	
Current Liabilities:	
Accounts payable - claims	5,532
Interest payable	2,848,041
Notes payable - due within one year	924,346
Long-term debt - due within one year	<u>6,539,502</u>
Total Current Liabilities	<u>10,317,421</u>
Long-Term Liabilities:	
Notes payable - due in more than one year	117,987
Long-term debt - due in more than one year	<u>215,694,147</u>
Total Long-Term Liabilities	<u>215,812,134</u>
Total Liabilities	<u>226,129,555</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred tax increment revenue	5,385,696
Gain on refunding of debt	<u>109,829</u>
Total Deferred Inflows of Resources	<u>5,495,525</u>
 <u>NET POSITION</u>	
Net investment in capital assets	5,690,272
Restricted for:	
Capital projects	38,673
Low and moderate income housing projects	158
Debt service	16,882,844
Unrestricted	<u>(220,946,649)</u>
Total Net Position	<u>\$ (198,334,702)</u>

See accompanying notes to the basic financial statements.

**SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	2016
<b>Additions:</b>	
Incremental property taxes	\$ 20,163,666
Interest earnings	55,593
Other additions:	
Contributions from other agencies	21,087
Other revenue	70,248
	20,310,594
<b>Deductions:</b>	
Payments in accordance with enforceable obligations	11,089,384
	11,089,384
Change in Net Position	9,221,210
Net Position - Beginning	(207,555,912)
Net Position - Ending	\$(198,334,702)

See accompanying notes to the basic financial statements.

**NOTES TO BASIC FINANCIAL STATEMENTS**



**SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the Santa Cruz County Redevelopment Successor Agency (the Agency), a fiduciary fund, have been prepared in conformity with accounting principles generally accepted in the United States of America as they apply to private purpose trust funds. Private purpose trust funds report resources of trust arrangements in which principal and income benefit individuals, private organizations, or other governments. Private purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. This fund is used to report the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, and activities of the Agency. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Agency's accounting policies are described below.

**A. Reporting Entity**

The County of Santa Cruz (the County) was incorporated in 1850 under the provisions of Article II, Section 3 of the California State Constitution and is a general law county. The Redevelopment Agency was activated by the Board of Supervisors with the adoption of Ordinance No. 3736 on April 1, 1986. The Board of Supervisors established the Live Oak/Soquel Community Improvement Project on May 12, 1987, by Ordinance No. 3836, pursuant to the California Community Redevelopment Law. The Redevelopment Agency was dissolved per Assembly Bill X1 26 on January 31, 2012. On January 10, 2012, per Resolution No. 5-2012, the County elected to assume the duties of the Santa Cruz County Redevelopment Successor Agency.

The Agency is governed by the County Board of Supervisors serving in a separate capacity as the governing board of the Agency.

**B. Basis of Accounting and Measurement Focus**

The accounts of the Agency are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for in a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenditures/expenses. Agency resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

**Government-Wide Financial Statements**

The Agency's Government-Wide Financial Statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. These statements present summaries of Governmental Activities for the Agency.

The Government-Wide Financial Statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Agency's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position are included in the accompanying Statement of Fiduciary Net Position. The Statement of Changes in Fiduciary Net Position presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Fiduciary Net Position have been eliminated. The following interfund activities have been eliminated:

- Due to and from other funds
- Transfers in and out

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**C. Cash, Cash Equivalents, and Investments**

The Agency maintains a cash balance in the County investment pool to meet current operating requirements. Cash in excess of current requirements is invested by the County Treasury in various interest-bearing securities and disclosed as part of the Agency's investments.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

In accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures* (Amendment of GASB Statement No. 3), certain disclosure requirements, if applicable, for Deposits and Investment Risks are specified in the following areas:

- Interest Rate Risk
- Credit Risk
  - Overall
  - Custodial Credit Risk
  - Concentrations of Credit Risk
- Foreign Currency Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end, and other disclosures.

**D. Restricted Cash and Investments for Debt Service**

Certain restricted cash and investments are held by fiscal agents for the redemption of bonded debt.

**E. Interfund Transactions**

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds."

**F. Capital Assets**

The Agency's assets are capitalized at historical cost or estimated historical cost. The Agency's policy has set the capitalization threshold for reporting capital assets at \$5,000 (for equipment and vehicles) and \$25,000 (for buildings and structures). Gifts or contributions of capital assets are recorded at fair market value when received.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings and structures	10-50 years
Equipment and vehicles	3-15 years

The Agency had no infrastructure assets at June 30, 2016.

**G. Deferred Outflows and Inflows of Resources**

The Agency recognizes deferred outflows of resources and deferred inflows of resources as prescribed by GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. They are distinguished from assets and liabilities, and are defined as "a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period."

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**H. Long-Term Liabilities**

Long-term debt and other financed obligations are reported as liabilities in the Government-Wide Financial Statements. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable premium or discount. Issuance costs are expensed as incurred.

**I. Compensated Absences**

At June 30, 2016, there were no Agency liabilities for compensated absences, as the Agency no longer has any direct employees.

**J. Fiduciary Net Position**

In the Government-Wide Financial Statements, fiduciary net position is classified in the following categories:

*Net Investment in Capital Assets* – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the capital assets.

*Restricted Net Position* – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

*Unrestricted Net Position* – This amount is net position that does not meet the definition of “net investment in capital assets” or “restricted net position.”

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the Agency’s policy is to apply restricted net position first.

**K. Property Taxes**

All property taxes are levied, collected, and allocated by the County to the various taxing entities including the Agency. All property taxes are determined annually on July 1 and attached as an enforceable lien on January 1. Secured property taxes are due in two installments on November 1 and February 1 and become delinquent, if unpaid, on December 10 and April 10, respectively. Property tax revenues include only property taxes resulting from increased assessed values within the boundaries of the Agency and are recognized in the fiscal year for which the taxes have been levied and apportioned to the Agency’s accounts by the County. The County bills and collects property taxes and remits them to the Agency.

Incremental property tax revenues represent excess taxes levied in the former redevelopment project area over that amount levied in the base year (the inception year of the former redevelopment project area). Starting January 2012, pursuant to Assembly Bill X1 26 and Assembly Bill 1484, the Agency must prepare Recognized Obligation Payment Schedules (ROPS), listing enforceable obligations of the Agency, for each six month period. The County allocates to the Agency only the portion of incremental property tax revenues the Agency claims as necessary to pay the estimated installment payments on enforceable obligations on the ROPS for each six month period.

The Agency participates in the County “Teeter Plan” method of property tax distribution. Under the Teeter Plan, the County remits property taxes to the Agency based upon assessments, not collections. Property tax revenue is recognized when it is available and measurable.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**L. Use of Estimates**

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**M. Effect of New GASB Pronouncements**

During the fiscal year ending June 30, 2016, the Agency implemented the following standards:

**GASB Statement No. 72 – *Fair Value Measurement and Application*.** The provisions of this statement are effective for financial statements for reporting periods beginning after June 15, 2015. There was no impact on the Agency's financial statements after implementing this statement.

**GASB Statement No. 73 – *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68*.** The provisions of this statement are effective for fiscal years beginning after June 15, 2015 – except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of GASB Statement No. 68, which are effective for fiscal years beginning after June 15, 2016. There was no impact on the Agency's financial statements after implementing this statement.

**GASB Statement No. 76 – *Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*.** The provisions of this statement are effective for fiscal years beginning after June 15, 2015. There was no impact on the Agency's financial statements after implementing this statement.

**N. Future GASB Pronouncements**

**GASB Statement No. 74 – *Financial Reporting for Postemployment Benefits Other than Pension Plans*.** The provisions of this statement are effective for fiscal years beginning after June 15, 2016. The Agency has not fully judged the effect of the implementation of GASB Statement No. 74 as of the date of the basic financial statements.

**GASB Statement No. 75 – *Accounting and Financial Reporting for Postemployment Benefits Other than Pension Plans*.** The provisions of this statement are effective for fiscal years beginning after June 15, 2017. The Agency has not fully judged the effect of the implementation of GASB Statement No. 75 as of the date of the basic financial statements.

**GASB Statement No. 77 – *Tax Abatement Disclosures*.** The requirements of this statement are effective for reporting periods beginning after December 15, 2015. The Agency has not fully judged the effect of the implementation of GASB Statement No. 77 as of the date of the basic financial statements.

**GASB Statement No. 78 – *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*.** The requirements of this statement are effective for reporting periods beginning after December 15, 2015. The Agency has not fully judged the effect of the implementation of GASB Statement No. 78 as of the date of the basic financial statements.

**GASB Statement No. 79 – *Certain External Investment Pools and Pool Participants*.** The requirements of this statement are effective for fiscal years beginning after June 15, 2015, except for the provisions in paragraphs 18, 19, 23–26, and 40, which are effective for reporting periods beginning after December 15, 2015. The Agency has not fully judged the effect of the implementation of GASB Statement No. 79 as of the date of the basic financial statements.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)**N. Future Governmental Accounting Standards Board Pronouncements** (Continued)

**GASB Statement No. 80 – Blending Requirements for Certain Component Units—***an amendment of GASB Statement No. 14.* The requirements of this statement are effective for reporting periods beginning after June 15, 2016. The Agency has not fully judged the effect of the implementation of GASB Statement No. 80 as of the date of the basic financial statements.

**GASB Statement No. 81 – Irrevocable Split-Interest Agreements.** The requirements of this statement are effective for reporting periods beginning after December 15, 2016. The Agency has not fully judged the effect of the implementation of GASB Statement No. 81 as of the date of the basic financial statements.

**GASB Statement No. 82 – Pension Issues—***an amendment of GASB Statements No. 67, No. 68, and No. 73.* The requirements of this statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of paragraph 7 in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements of paragraph 7 are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Earlier application is encouraged. The Agency has not fully judged the effect of the implementation of GASB Statement No. 82 as of the date of the basic financial statements.

**NOTE 2 – CASH AND INVESTMENTS****A. Summary of Deposit and Investment Balances**

Cash and investments consisted of the following at June 30, 2016:

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>
Pooled cash and investments held by the County of Santa Cruz	\$ -	\$ 13,725,531	\$ 13,725,531
Cash with fiscal agent	<u>9,080,134</u>	<u>-</u>	<u>9,080,134</u>
Total	<u>\$ 9,080,134</u>	<u>\$ 13,725,531</u>	<u>\$ 22,805,665</u>

**B. Cash Held with the Santa Cruz County Treasury**

The Agency pools cash from all sources and all funds except cash and investments with fiscal agents with the County Treasurer so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time. The County Treasury Oversight Committee oversees the Treasurer's investments and policies.

The California Government Code requires California banks and savings and loan associations to secure the County's cash deposits by pledging securities as collateral. This code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the County's name.

The market value of pledged securities must equal at least 110% of the County's cash deposits. California law also allows institutions to secure County deposits by pledging first trust deed mortgage notes having a value of 150% of the County's total cash deposits. The County may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The County, however, has not waived the collateralization requirements.

**NOTE 2 – CASH AND INVESTMENTS** (Continued)**C. Investments**

The following table identifies the investment types that are authorized for the County by the California Government Code or the County's investment policy, where more restrictive. The table also identifies certain provisions of the County's investment policy that address interest rate risk, credit risk, and concentration risk.

Authorized Investment Types	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local agency bonds	5 years	10%	None
U.S. Treasury obligations	5 years	100%	None
U.S. Governmental Agency obligations	5 years	100%	25%
Bankers' acceptances	180 days	40%	10%
Commercial paper	270 days	25%	10%
Negotiable certificates of deposits	5 years	30%	10%
Bank deposits	5 years	10%	10%
Repurchase agreements	1 year	100%	10%
Medium-term notes	5 years	30%	10%
Mutual funds/money market mutual funds	N/A	20%	10%
Local Agency Investment Fund (LAIF)	N/A	\$50 million	None
Joint Powers Authority investment funds	N/A	25%	None
Supranationals	5 years	30%	None

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments are stated at cost, as the fair market value adjustment at the year-end was immaterial.

Investments of debt proceeds held by the bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the County's investment policy.

**D. Interest Rate Risk**

The County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less in accordance with its investment policy.

**E. Concentration of Credit Risk**

At June 30, 2016, in accordance with State law and the County's Investment Policy, the County did not have 5% or more of its net investment in commercial paper, corporate bonds, or medium-term notes of a single organization, nor did it have 10% or more of its net investment in any one money market mutual fund. Investments in obligations of the U.S. government, U.S. government agencies, or government-sponsored enterprises are exempt from these limitations.

**F. Custodial Credit Risk**

For investments and deposits held with fiscal agents, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or deposits that are in the possession of an outside party. At year-end, the County's investment pool and cash with fiscal agents had no securities exposed to custodial credit risk.

**NOTE 2 – CASH AND INVESTMENTS** (Continued)**G. Local Agency Investment Fund**

The County is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The County's investments with LAIF at June 30, 2016, included a portion of the pooled funds invested in Structured Notes and Asset-Backed Securities:

Structured Notes: Debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or have embedded forwards or options.

Asset-Backed Securities: Generally mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2016, the County invested in LAIF, which had invested 0.08% of the pooled investment funds in Structured Notes and Asset-Backed Securities. As of June 30, 2016, the LAIF fair value factor of 1.000621222 was used to calculate the fair values of the investments in LAIF; however, a fair market value adjustment was considered immaterial. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute.

**H. Restricted Cash Held with Fiscal Agent**

Restricted cash with fiscal agents in the amount of \$9,080,134 included certain amounts which are held by fiscal agents to be used for payment of long-term debt. These funds have been invested as permitted by applicable County ordinance and resolutions.

**NOTE 3 – CAPITAL ASSETS**

Capital assets of the Agency for the year ended June 30, 2016, are presented in the table below.

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
Non-depreciable assets:				
Land	\$ 9,113,386	\$ -	\$ -	\$ 9,113,386
Total non-depreciable assets	9,113,386	-	-	9,113,386
Depreciable assets:				
Buildings and improvement	35,204	-	-	35,204
Total depreciable assets	35,204	-	-	35,204
Less: accumulated depreciation for:				
Buildings and improvement	(29,336)	(1,174)	-	(30,510)
Total accumulated depreciation	(29,336)	(1,174)	-	(30,510)
Total depreciable assets, net	5,868	(1,174)	-	4,694
Total capital assets, net	\$ 9,119,254	\$ (1,174)	\$ -	\$ 9,118,080

**NOTE 3 – CAPITAL ASSETS (Continued)**

Depreciation expense was charged to functions/programs of the governmental activities as follows:

**Governmental activities:**

Public ways and facilities	\$ 1,174
Total depreciation expense - governmental activities	<u>\$ 1,174</u>

**NOTE 4 – RELATED PARTY TRANSACTIONS**

County personnel provide management, accounting, computer support, and legal services to the Agency. Total charges for such services for the fiscal year ended June 30, 2016, were approximately \$405,414.

**NOTE 5 – LONG-TERM DEBT**

Activity in long-term debt for the year ended June 30, 2016, was as follows:

Description	Original Issue Amount	Beginning Balance July 1, 2015	Additions	Retirements	Ending Balance June 30, 2016	Amounts Due Within One Year	Amounts Due In More Than One Year
<b>Tax Allocation Bonds</b>							
2007 Refunding	\$ 10,755,000	\$ 10,000,000	\$ -	\$ (100,000)	\$ 9,900,000	\$ 110,000	\$ 9,790,000
2007 Series A Refunding	7,370,000	4,460,000	-	(475,000)	3,985,000	495,000	3,490,000
Unamortized bond premium	224,669	110,139	-	(14,978)	95,161	14,978	80,183
2009 Series A	55,970,000	53,935,000	-	(465,000)	53,470,000	485,000	52,985,000
Unamortized bond discount	(180,815)	(138,101)	-	6,697	(131,404)	(6,697)	(124,707)
2010 Taxable Series	18,500,000	18,025,000	-	(175,000)	17,850,000	170,000	17,680,000
Unamortized bond discount	(462,750)	(388,709)	-	18,510	(370,199)	(18,510)	(351,689)
2011 Series A Taxable	11,315,000	9,985,000	-	(480,000)	9,505,000	510,000	8,995,000
Unamortized bond discount	(247,945)	(185,959)	-	15,496	(170,463)	(15,497)	(154,966)
2011 Series B Taxable	5,595,000	5,335,000	-	(95,000)	5,240,000	100,000	5,140,000
Unamortized bond discount	(203,574)	(171,002)	-	8,143	(162,859)	(8,143)	(154,716)
2014 Refunding	38,880,000	36,080,000	-	(3,195,000)	32,885,000	3,285,000	29,600,000
Unamortized bond premium	4,140,092	3,552,539	-	(414,009)	3,138,530	414,009	2,724,521
2015 Series A Refunding	59,390,000	59,390,000	-	(575,000)	58,815,000	30,000	58,785,000
Unamortized bond premium	9,687,149	9,622,125	-	(484,357)	9,137,768	484,357	8,653,411
2015 Series B Refunding	19,860,000	19,860,000	-	(530,000)	19,330,000	505,000	18,825,000
Unamortized bond discount	(299,892)	(297,880)	-	14,995	(282,885)	(14,995)	(267,890)
<b>Total Tax Allocation Bonds</b>		229,173,152	-	(6,939,503)	222,233,649	6,539,502	215,694,147
Loans Payable - SERAF		1,487,929	-	(445,596)	1,042,333	924,346	117,987
<b>Total Governmental Activities</b>		<u>\$ 230,661,081</u>	<u>\$ -</u>	<u>\$ (7,385,099)</u>	<u>\$ 223,275,982</u>	<u>\$ 7,463,848</u>	<u>\$ 215,812,134</u>

**2007 Taxable Subordinate Tax Allocation Refunding Bonds**

On May 8, 2007, the former Redevelopment Agency issued Subordinate Tax Allocation Refunding Bonds, 2007 Taxable (Live Oak/Soquel Community Improvement Project Area) in the original amount of \$10,755,000. Interest from 5.208% to 5.495% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2016, the total principal balance was \$9,900,000. Principal and interest paid for the current period was \$645,963.

**2007 Series A Tax Allocation Refunding Bonds**

On November 7, 2007, the former Redevelopment Agency issued Tax Allocation Refunding Bonds, 2007 Series A (Live Oak/Soquel Community Improvement Project Area) in the original amount of \$7,370,000. Interest from 4.00% to 5.25% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2016, the total principal balance was \$3,985,000 and the unamortized bond premium was \$95,161. Principal and interest paid for the current period was \$656,588.



**NOTE 5 – LONG-TERM DEBT** (Continued)

2009 Series A Tax Allocation Bonds

On February 12, 2009, the former Redevelopment Agency issued Tax Allocation Bonds, 2009 Series A (Live Oak/Soquel Community Improvement Project Area) in the original amount of \$55,970,000. Interest from 3.25% to 7.00% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2016, the total principal balance was \$53,470,000 and the unamortized bond discount was \$131,404. Principal and interest paid for the current period was \$4,133,928.

2010 Taxable Housing Tax Allocation Bonds

On July 22, 2010, the former Redevelopment Agency issued Tax Allocation Bonds, 2010 Taxable Housing Tax Allocation Bonds (Live Oak/Soquel Community Improvement Project Area) in the original amount of \$18,500,000. Interest from 2.95% to 7.40% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2016, the total principal balance was \$17,850,000 and the unamortized bond discount was \$370,199. Principal and interest paid for the current period was \$1,472,399.

2011 Series A Taxable Tax Allocation Bonds

On March 9, 2011, the former Redevelopment Agency issued Tax Allocation Bonds, 2011 Series A Taxable Tax Allocation Bonds in the original amount of \$11,315,000. Interest from 3.10% to 9.00% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2016, the total principal balance was \$9,505,000 and the unamortized bond discount was \$170,463. Principal and interest paid for the current period was \$1,291,375.

2011 Series B Taxable Housing Tax Allocation Bonds

On March 9, 2011, the former Redevelopment Agency issued Tax Allocation Bonds, 2011 Series B Taxable Housing Tax Allocation Bonds in the original amount of \$5,595,000. Interest from 3.10% to 9.25% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2016, the total principal balance was \$5,240,000 and the unamortized bond discount was \$162,859. Principal and interest paid for the current period was \$563,356.

2014 Tax Allocation Refunding Bonds

On January 28, 2014, the Agency issued 2014 Tax Allocation Refunding Bonds in the original amount of \$38,880,000. Interest from 3.00% to 5.00% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2016, the total principal balance was \$32,885,000 and the unamortized bond premium was \$3,138,530. Principal and interest paid for the current period was \$4,854,325.

2015 Series A Tax Allocation Refunding Bonds

On May 12, 2015, the Agency issued 2015 Series A Tax Allocation Refunding Bonds in the original amount of \$59,390,000. Interest from 2.00% to 5.00% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2016, the total principal balance was \$58,815,000 and the unamortized bond premium was \$9,137,768. Principal and interest paid for the current period was \$2,937,324.

2015 Series B Taxable Tax Allocation Refunding Bonds

On May 12, 2015, the Agency issued 2015 Series B Taxable Tax Allocation Refunding Bonds in the original amount of \$19,860,000. Interest from 0.65% to 4.25% is paid semi-annually and principal payments are made at September 1<sup>st</sup>. Payments are secured by the pledge of tax revenues. As of June 30, 2016, the total principal balance was \$19,330,000 and the unamortized bond discount was \$282,885. Principal and interest paid for the current period was \$1,110,953.

**NOTE 5 – LONG-TERM DEBT** (Continued)

The debt service requirement to maturity for all tax allocation bonds combined, including interest, is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 5,690,000	\$ 12,081,156	\$ 17,771,156
2018	5,925,000	11,814,486	17,739,486
2019	6,225,000	11,514,760	17,739,760
2020	6,530,000	11,193,357	17,723,357
2021	6,865,000	10,847,127	17,712,127
2022-2026	39,225,000	48,149,987	87,374,987
2027-2031	52,250,000	35,123,659	87,373,659
2032-2036	73,425,000	16,704,681	90,129,681
2037	14,845,000	534,075	15,379,075
Total	<u>210,980,000</u>	<u>\$ 157,963,288</u>	<u>\$ 368,943,288</u>
Unamortized Discounts	12,371,459		
Unamortized Premiums	<u>(1,117,810)</u>		
Tax Allocation Bonds	<u>\$ 222,233,649</u>		

Pledges of Future Revenues

The Agency has pledged to the repayment of the 2007 Taxable Subordinate Refunding Bonds, the 2007 Series A Refunding Bonds, the 2009 Series A Bonds, the 2010 Taxable Housing Bonds, the 2011 Series A Taxable Bonds, the 2011 Series B Taxable Housing Bonds, the 2014 Refunding Bonds, the 2015 Series A Tax Allocation Refunding Bonds, and the 2015 Series B Taxable Tax Allocation Refunding Bonds (the "Bonds") Tax Revenues of the Agency's Live Oak/Soquel Community Improvement Project Area pursuant to the various applicable Indentures of Trust, through the final maturity of the Bonds on March 1, 2037, or early retirement of the Bonds, whichever occurs first. Tax Revenues consist of tax increment revenues allocated to the Agency with respect to the Live Oak/Soquel Community Improvement Project Area pursuant to Section 34183 of the California Health and Safety Code. Annual principal and interest payments on the Bonds are expected to require 79.68% of tax revenues. The total principal and interest remaining to be paid on the Bonds is \$368,943,288.

At June 30, 2016, the total tax revenues for the current period were \$20,163,666, and the total debt service payment was \$17,666,211. During the period ended June 30, 2016, bond debt service payments required 87.61% of the total tax increment revenues. The ratio of tax revenues to the bonds debt service payments due during the period ended June 30, 2016, was 1.1414 (114.14%).

Supplemental Education Revenue Augmentation Fund (SERAF)

On July 28, 2009, the State adopted Assembly Bill 26 4x, which includes provisions that required the Agency to pay from the Tax Increment Revenue Fund to the SERAF \$2,245,594 on or before May 10, 2011. Pursuant to Health and Safety Code Section 33690(c)(1), the former Redevelopment Agency borrowed \$2,245,594 from its Low and Moderate-Income Housing Fund at 0% interest to meet the obligation. With the subsequent dissolution of the former Redevelopment Agency, the SERAF loan became a liability of the Agency to the County, who assumed the housing responsibilities and assets as the housing successor entity. Pursuant to the State Department of Finance's interpretation of Health and Safety Code Sections 34176(e)(6)(B) and 34191.4(b)(2)(A), loan repayments started in fiscal year 2014-15, and were equal to one-half of the increase between the residual amount distributed to taxing entities in that fiscal year compared to the residual amount distributed to taxing entities in fiscal year 2013-14. As of June 30, 2016, the outstanding balance was \$1,042,333.

**NOTE 6 – RISK MANAGEMENT**

The Agency is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Agency is covered under the County's insurance policies. The County is self-insured for its general and auto liability, workers' compensation, medical malpractice, and employees' dental coverage. The County has chosen to establish risk-financing internal service funds where funds are set aside for claim settlements associated with the above risk of loss up to certain limits. Excess coverage is provided by the California State Association of Counties (CSAC) Excess Insurance Authority (Insurance Authority), a joint powers authority whose purpose is to develop and fund programs of excess insurance for its member counties. The Insurance Authority is governed by a Board of Directors consisting of representatives of the member counties. Self-insurance limits per occurrence and Insurance Authority limits per year are presented in the County's financial statement. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years for the Agency.

County-wide information concerning risks, insurance policy limits, deductible, and designation for the year ended June 30, 2016, may be found in the notes of the County's basic financial statements.

**NOTE 7 – ARBITRAGE REBATE PAYABLE**

Section 148 of the Internal Revenue Code requires issuers of most types of tax-exempt bonds to rebate investment earnings in excess of bond yield to the United States Internal Revenue Service in installment payments made at least once every five years, with the final installment made when the last bond in the issue is redeemed.

The 2000 Series A Tax Allocation Bonds were subject to this requirement. The Final Arbitrage Rebate Analysis was completed September 1, 2015. There was no rebate due to the government.

The 2005 Series A Tax Allocation Bonds were subject to this requirement. The Final Arbitrage Rebate Analysis was completed September 1, 2015. There was no rebate due to the government.

Future computations of the rebate requirement for the tax allocation bonds and new bond issues will be calculated by a consulting firm as Agency management considers appropriate. Agency management, as of June 30, 2016, believes there are no arbitrage rebate liabilities.

**NOTE 8 – COMMITMENTS AND CONTINGENCIES****A. *Lawsuits***

The Agency is presently involved in certain matters of litigation that have arisen in the normal course of conducting Agency business. Agency management believes, based upon consultation with the Agency Attorney, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the Agency. Additionally, Agency management believes that the Agency's insurance programs are sufficient to cover any potential losses should an unfavorable outcome materialize.

**B. *Commitments***

The following is a list of commitments at June 30, 2016:

The Farm Park	\$	3,233
East Cliff Bluff Stabilization		6,388
		<hr/>
Total	\$	<u>9,621</u>

As of June 30, 2016, in the opinion of Agency management, there were no additional outstanding matters that would have a significant effect on the financial position of the funds of the Agency.

**NOTE 9 – RESTRICTED NET POSITION**

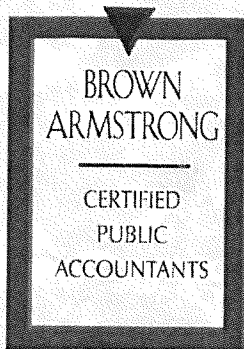
Restricted net position is net position whose use is subject to constraints that are either (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation. At June 30, 2016, the Agency had \$158 restricted for low income housing, which is restricted by enabling legislation, \$38,673 restricted for capital projects, and \$16,882,844 restricted for debt service.

**NOTE 10 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 2, 2016, the date the financial statements were available to be issued, noting the following event:

On July 6, 2016, the Agency issued 2016 Tax Allocation Refunding Bonds, Series A, in the original amount of \$49,200,000, to refinance the 2009 Series A Tax Allocation Bonds. The interest rate on the bonds ranges from 2.00% to 5.00% and the final maturity date is September 1, 2036.

**OTHER REPORTS**



# BROWN ARMSTRONG

*Certified Public Accountants*

## **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

### **BAKERSFIELD OFFICE (MAIN OFFICE)**

4200 TRUXTON AVENUE  
SUITE 300  
BAKERSFIELD, CA 93309  
TEL 661.324.4971  
FAX 661.324.4997  
EMAIL [info@bacpas.com](mailto:info@bacpas.com)

### **FRESNO OFFICE**

7673 N. INGRAM AVENUE  
SUITE 101  
FRESNO, CA 93711  
TEL 559.476.3592  
FAX 559.476.3593

### **PASADENA OFFICE**

260 S. LOS ROBLES AVENUE  
SUITE 310  
PASADENA, CA 91101  
TEL 626.204.6542  
FAX 626.204.6547

### **STOCKTON OFFICE**

5250 CLAREMONT AVENUE  
SUITE 150  
STOCKTON, CA 95207  
TEL 209.451.4833

To the Members of the Board of Supervisors of the  
Santa Cruz County Redevelopment Successor Agency  
Santa Cruz, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Santa Cruz County Redevelopment Successor Agency (the Agency), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated December 2, 2016.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the County of Santa Cruz's internal control over financial reporting (internal control) relating to the Agency to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County of Santa Cruz's internal control relating to the Agency. Accordingly, we do not express an opinion on the effectiveness the County of Santa Cruz's internal control relating to the Agency.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of the County of Santa Cruz's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County of Santa Cruz's internal control or on compliance relating to the Agency. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Santa Cruz's internal control and compliance relating to the Agency. Accordingly, this report is not suitable for any other purpose.

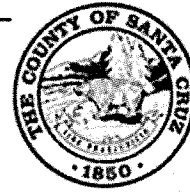
BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong*  
*Accountancy Corporation*

Bakersfield, California  
December 2, 2016

COUNTY OF SANTA CRUZ

STATE OF CALIFORNIA



Minute Order / Vote Result

AT THE BOARD OF SUPERVISORS MEETING

on the Date of June 28, 2016

CONSENT AGENDA Item No. 23

DOC-2016-574

*Approve a Request for Qualifications for the 7th Avenue Visitor Accommodation Site and direct the Office of Economic Development to return with an exclusive negotiation agreement with a qualified developer, as recommended by the County Administrative Officer and the General Services Director*

Upon the motion of Supervisor Leopold, duly seconded by Supervisor Coonerty, the Board, by unanimous vote:

- 1) Approved Request for Qualifications for the 7th Avenue Visitor Accommodation Site and directed the Office of Economic Development to return with an exclusive negotiation agreement with a qualified developer;
- 2) Directed staff to return no later than the first meeting in October with a report on how local funds will be spent as part of this measure, and with additional direction that staff return on September 27, 2016 with a proposed exclusive negotiation agreement

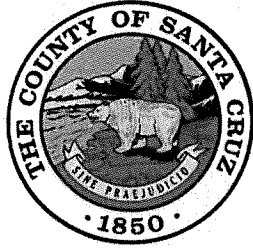
cc: General Services Department  
County Administrative Office  
County Counsel

State of California, County of Santa Cruz

*I, Susan A. Mauriello, Ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing is a true and correct copy of the order made and entered in the Minutes of said Board of Supervisors. In witness thereof I have hereunto set my hand and affixed the seal of said Board of Supervisors.*

by *Susan Malloway* , Deputy Clerk, ON AUGUST 26, 2016





# County of Santa Cruz

## General Services Department

701 Ocean Street, Suite 330, Santa Cruz, CA 95060-4073  
Phone: (831) 454-2210 Fax: (831) 454-2710 TDD: (831) 454-2123  
Nancy Gordon, Director

**Meeting Date:** June 28, 2016  
**Date:** June 13, 2016  
**To:** The Board of Supervisors  
**From:** Nancy Gordon, General Services Director, Susan Mauriello, County Administrative Officer  
**Subject:** RFQ for the 7th Avenue Visitor Accommodation Site

The Santa Cruz County Redevelopment Agency (RDA) acquired three parcels of land known as the 7th Avenue Visitor Accommodation Site (Site) in two separate actions in June 2000 and July 2007. The purpose of the acquisitions was to assemble the Site to promote development of visitor-serving accommodations and other beneficial mixed uses to enhance the economic vitality and environmental quality of life amenities in the vicinity of the Santa Cruz Small Craft Harbor.

In June 2011, the State eliminated redevelopment agencies and officially dissolved them on February 1, 2012. On January 10, 2012, the County of Santa Cruz Board of Supervisors adopted a resolution to become the Successor Agency to the RDA and assumed the responsibility for ownership and management of real property owned by the former RDA.

In June 2012, all redevelopment successor agencies were required to prepare a Long-Range Property Management Plan. The Redevelopment Successor Agency (RSA) adopted the Long-Range Property Management Plan in September 2013 and directed the managed sale of the Site to maximize sale proceeds and long-term economic and community benefit.

To facilitate the sale and development of the site, the Office of Economic Development prepared the attached Request for Qualifications (RFQ) for your approval. The RFQ was crafted to attract qualified and experienced developers to enter into an exclusive negotiation agreement and development disposition agreement for the purchase and development of the Site for a landmark visitor-serving commercial project.

It is, therefore, RECOMMENDED that your Board approve the attached request for qualifications for the 7th Avenue Visitor Accommodation Site and direct the Office of Economic Development to return with an exclusive negotiation agreement with a

qualified developer.

**Submitted by:**

  
Name: Gordon, General Services Director 6/14/2016

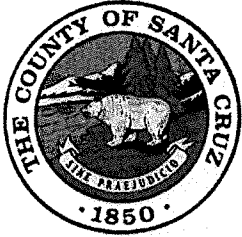
  
Susan A. Mauriello, County Administrative Officer 6/22/2016

**Recommended:**

Susan A. Mauriello, County Administrative Officer

**Attachments:**

- a Santa Cruz RFQ 15Q1-009 Final



# County of Santa Cruz

## County Administrative Office

701 Ocean Street, Suite 520, Santa Cruz, CA 95060-4073  
Phone: (831) 454-2100 Fax: (831) 454-3420 TDD: (831) 454-2123  
Susan A. Mauriello, J.D., County Administrative Officer

APPROVED AND FILED  
BOARD OF SUPERVISORS

DATE: 9/20/16  
COUNTY OF SANTA CRUZ  
SUSAN A. MAURIELLO  
EX-OFFICIO CLERK OF THE BOARD  
BY: *[Signature]* DEPUTY

**Meeting Date:** September 20, 2016  
**Date:** September 1, 2016  
**To:** The Board of Supervisors  
**From:** Susan Mauriello, County Administrative Officer  
**Subject:** RFQ for the 7th Avenue Visitor Accommodation Site

On June 28, 2016, your Board approved a request for qualifications (RFQ) related to the 7th Avenue Visitor Accommodation Site (Site) and directed the Office of Economic Development to return with an exclusive negotiation agreement with a qualified developer.

The RFQ was designed to implement the managed sale of the Site in accordance with the Long Range Property Management Plan, adopted by the Redevelopment Successor Agency in September 2013, to maximize sale proceeds and long-term economic and community benefit of the Site. The County received only one response to the RFQ. Staff has concluded that the single response does not provide sufficient market comparison for the overall value and economic potential of the Site and that market conditions are not suitable at this time to move forward with an exclusive negotiation agreement. Staff recommends rejecting all responses as allowed for within the RFQ and reevaluate when market conditions for the Site have improved.

It is, therefore, RECOMMENDED that your Board reject all responses to the RFQ for the 7th Avenue Visitor Accommodation Site.

**Submitted by:**

*[Signature]*  
Susan A. Mauriello, County Administrative Officer 9/6/2016

#12 Related Correspondence

**From:** John Leopold  
**Sent:** Monday, September 19, 2016 8:43 AM  
**To:** Susan Galloway <[Susan.Galloway@santacruzcounty.us](mailto:Susan.Galloway@santacruzcounty.us)>  
**Subject:** FW: Agenda item 9/20/16 BoS

John Leopold  
Santa Cruz County Supervisor, 1st District  
831-454-2200  
[John.Leopold@santacruzcounty.us](mailto:John.Leopold@santacruzcounty.us)

**From:** Eve Roberson [<mailto:roberson.eve@gmail.com>]  
**Sent:** Sunday, September 18, 2016 3:22 PM  
**To:** John Leopold <[John.Leopold@santacruzcounty.us](mailto:John.Leopold@santacruzcounty.us)>; [Zach.Friend@santacruzcounty.us](mailto:Zach.Friend@santacruzcounty.us); Ryan Coonerty <[Ryan.Coonerty@santacruzcounty.us](mailto:Ryan.Coonerty@santacruzcounty.us)>; Greg Caput <[Greg.Caput@santacruzcounty.us](mailto:Greg.Caput@santacruzcounty.us)>; [Bruce.MacPherson@santacruzcounty.us](mailto:Bruce.MacPherson@santacruzcounty.us)  
**Subject:** Agenda item 9/20/16 BoS

To: Hon. Members of the Board of Supervisors  
Santa Cruz County

Re: Agenda Item 9/20/16 Meeting  
Proposed Development at 7th Ave. and Brommer St.

Dear Board Members,

Our Board of Directors at its meeting on 9/17/16 unanimously supported the Board of Supervisors delaying going forward with this project until more public input is available.

Our older persons townhouse complex located on 7th Ave. (just off Highway 1) is on this heavily traveled 2 lane road and is only a few miles from the proposed project. This kind of development would undoubtedly create even more traffic for our area than we already have. There are many school children who have to cross 7th Ave. to schools and many yachts ferried regularly up and down this busy street. Because 7th Ave. is a main feeder street to Twin Lakes Beach, our older drivers already experience significant delays in safely accessing 7th Ave. from time to time.

Thank you for considering our request that this project be delayed for further public input.

Respectfully submitted,

Laurie McCann, President  
CASA LA FAMILIA TOWNHOMES  
2320 7th Ave.  
Santa Cruz, CA 95062



# County of Santa Cruz

## SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY

701 OCEAN STREET, ROOM 510, SANTA CRUZ, CA 95060-4073

(831) 454-2280 FAX: (831) 454-3420 TDD: (831) 454-2123

January 4, 2017

Agenda: January 17, 2017

Oversight Board  
Santa Cruz County Redevelopment Successor Agency  
701 Ocean Street  
Santa Cruz, CA 95060

**APPROVAL OF THE ADMINISTRATIVE BUDGET FOR THE 6-MONTH PERIODS:  
JULY 1, 2017 THROUGH DECEMBER 31, 2017, AND JANUARY 1, 2018 THROUGH JUNE  
30, 2018**

Dear Members of the Board:

California Health & Safety Code Section 34177(j) requires that the Administrative Budget be prepared for each six month period by the Successor Agency for approval by the Oversight Board. However, SB 107 modified the Recognized Obligation Payment Schedule (ROPS) period from 6-months to annual, and it is now necessary to prepare and approve Administrative Budgets for two 6-month periods at the same time, for inclusion on the annual ROPS.

As detailed in Exhibit 1 of the attached Resolution, the budgets include appropriations for services and supplies, including services provided by other County departments. Services from other departments include the staff time to wind down the former Redevelopment Agency, and the administrative costs of the Oversight Board.

Redevelopment Dissolution Law, as modified by SB 107, provides for a minimum Administrative Cost Allowance of \$250,000, and maximum of up to 3% of the actual property tax distributed to the successor agency in the preceding fiscal year, excluding the prior fiscal year administrative cost allowance and loan repayments made to the city or county that created the former redevelopment agency. At this time, the \$250,000 minimum Administrative Cost Allowance is sufficient for the anticipated 2016-17 cost of services, with \$125,000 budgeted for each six month period.

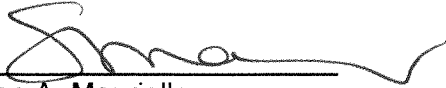
It is therefore **RECOMMENDED** that your Board adopt the attached resolution approving the Administrative Budgets for the 6-month periods: July 1, 2017 through December 31, 2017, and January 1, 2018 through June 30, 2018.

Very truly yours,

Betsey Lynberg  
Director of Capital Projects

RECOMMENDED:

Item 8  
Oversight Board  
January 4, 2017  
Page 2



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Susan A. Mauriello  
County Administrative Officer

BL:kn

Attachment

cc: CAO, Auditor-Controller, County Counsel, Successor Agency

BEFORE THE OVERSIGHT BOARD OF THE SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY  
RESOLUTION NO. \_\_\_\_\_

On the motion of Oversight Board Member \_\_\_\_\_ duly seconded by Oversight Board Member \_\_\_\_\_ the following resolution is adopted:

RESOLUTION APPROVING THE ADMINISTRATIVE BUDGET  
OF THE SANTA CRUZ COUNTY REDEVELOPMENT  
SUCCESSOR AGENCY FOR THE 6-MONTH PERIODS: JULY  
2017 THROUGH DECEMBER 2017, AND JANUARY 2018  
THROUGH JUNE 2018

WHEREAS, the Santa Cruz County Redevelopment Successor Agency Oversight Board ("Oversight Board") has been established to direct the Santa Cruz County Redevelopment Successor Agency ("Successor Agency") to take certain actions to wind down the affairs of the former Santa Cruz County Redevelopment Agency ("Agency") in accordance with the requirements of Assembly Bill 26 ("ABx1 26"), also known as chapter 5, Statutes 2011, First Extraordinary Session, which added Part 1.8 and Part 1.85 of Division 24 of the California Health and Safety Code, Assembly Bill 1484, also known as chapter 26, Statutes of 2012, and Senate Bill 107, 2015-16 Legislative Session, which made certain revisions to the statutes added by ABx1 26; and

WHEREAS, Health and Safety Code Section 34179 (e) requires that all actions taken by the Oversight Board shall be adopted by resolution; and

WHEREAS, Health and Safety Code Section 34177(j) requires the Oversight Board to approve the Administrative Budget of the Santa Cruz County Redevelopment Successor Agency for the 6-month periods, July 2017 through December 2017, and January 2018 through June 2018;

WHEREAS, the Administrative Budget of the Santa Cruz County Redevelopment Successor Agency for the 6-month periods, July 2017 through December 2017, and January 2018 through June 2018, is attached as Exhibit 1; and

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED by the Oversight Board of the Santa Cruz County Redevelopment Successor Agency as follows:

SECTION 1. The above Recitals are true and correct.

SECTION 2. The Administrative Budget of the Santa Cruz County Redevelopment Successor Agency for the 6-month periods, July 2017 through December 2017, and January 2018 through June 2018, is approved.

PASSED, APPROVED and ADOPTED by the Oversight Board of the Santa Cruz County  
Redevelopment Successor Agency, this \_\_\_ day of \_\_\_\_\_, 2017 by the following vote:

AYES:  
NOES:  
ABSENT:

\_\_\_\_\_  
Chairperson of the Oversight Board of the Santa Cruz  
County Redevelopment Successor Agency

ATTEST:

\_\_\_\_\_  
Clerk of the Oversight Board

Approved as to form:

  
\_\_\_\_\_  
County Counsel

Distribution:  
County Counsel  
Successor Agency  
CAO  
State Department of Finance  
Auditor-Controller



Santa Cruz County Redevelopment Successor Agency  
 Administrative Budget for the period July 1, 2017 - June 30, 2018

Account #	Account Title	RSA 2016-17 Budget	RSA 2016-17 Estimated Actual Expenditures	RSA 2017-18 Proposed Budget	RSA Admin. Budget July-Dec 2017	RSA Admin. Budget Jan-Jun 2018
<b>REVENUES</b>						
	Property Tax	250,000	250,000	250,000	125,000	125,000
	Interest	0	2,700	2,700	1,350	1,350
	<b>TOTAL REVENUES</b>	<b>250,000</b>	<b>252,700</b>	<b>252,700</b>	<b>126,350</b>	<b>126,350</b>
<b>EXPENDITURES</b>						
	Salaries and Employee Benefits	0	0	0	0	0
	Total	0	0	0	0	0
	Services and Supplies	277,058	277,058	279,316	139,658	139,658
	Total	277,058	277,058	279,316	139,658	139,658
	Other Charges	0	0	0	0	0
	County Overhead A87/CP EFF 0809	(24,959)	(24,959)	(26,616)	(13,308)	(13,308)
	Total	(24,959)	(24,959)	(26,616)	(13,308)	(13,308)
	<b>TOTAL EXPENDITURES</b>	<b>252,099</b>	<b>252,099</b>	<b>252,700</b>	<b>126,350</b>	<b>126,350</b>

Narrative:

Revenues are funded by Property Taxes, as approved on the ROPS, and interest. The administrative budget includes costs for administrative expenses from other County departments, including Parks, Auditor-Controller, Clerk of the Board, Planning, Public Works, County Administrative Office, and County Counsel. Other indirect County costs related to activities of the Successor Agency are paid through County overhead charges. Costs for the Oversight Board, such as notices and meetings, are included in the administrative budget.

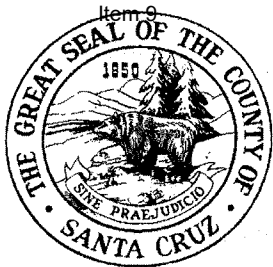
Item 8, Attachment 1

Budget Worksheet

Criteria: Fiscal Year = 2018; GL Key = 610110; Rev/Exp = B

GL Key	Object	Object Title	Actual 2015-16	Allow 2016-17	YTD Actual 2016-17	Est-Act 2016-17	Request 2017-18	Recommend 2017-18	Change from Allow	Change from Allow (%)	1st 6 months July-Dec	2nd 6 months Jan-Jun
GL Key 610110 - RDA ADMIN - LO/SOQ CAP PROJ												
Expenditures												
Character 60 - SERVICES AND SUPPLIES												
610110	61220	TELECOM SERVICES	324	400	108	324	400	400	-	-	200	200
610110	62219	PC SOFTWARE PURCHASES	790	-	-	-	-	-	-	-	-	-
610110	62223	SUPPLIES	57	-	-	-	-	-	-	-	-	-
610110	62325	DATA PROCESSING SERVICES	165	-	-	-	-	-	-	-	-	-
610110	62360	LEGAL SERVICES	688	1,500	-	1,500	1,500	1,500	-	-	-	-
610110	62381	PROF & SPECIAL SERV-OTHER	195,726	273,658	193	273,974	275,916	275,916	2,258	1%	750	750
610110	62610	RENTS/LEASES-STRUC IMP & GRNDS	1,156	1,500	329	1,260	1,500	1,500	-	-	137,958	137,958
Total SERVICES AND SUPPLIES			198,906	277,058	630	277,058	279,316	279,316	2,258	1%	750	750
Character 70 - OTHER CHARGES												
610110	75315	COUNTY OVERHEAD A87/CP	50,723	(24,959)	(12,480)	(24,959)	(26,616)	(26,616)	(1,657)	7%	139,658	139,658
Total OTHER CHARGES			50,723	(24,959)	(12,480)	(24,959)	(26,616)	(26,616)	(1,657)	7%	(13,308)	(13,308)
Total Expenditures			249,629	252,099	(11,850)	252,099	252,700	252,700	601	0%	(13,308)	(13,308)
Revenues												
Character 01 - TAXES												
610110	40100	PROPERTY TAX-CURRENT SEC-GEN	250,000	250,000	125,000	250,000	250,000	250,000	-	-	126,350	126,350
Total TAXES			250,000	250,000	125,000	250,000	250,000	250,000	-	-	125,000	125,000
Character 10 - REV FROM USE OF MONEY & PROP												
610110	40430	INTEREST	2,506	-	1,348	2,700	2,700	2,700	2,700	-	-	-
Total REV FROM USE OF MONEY & PROP			2,506	-	1,348	2,700	2,700	2,700	2,700	-	1,350	1,350
Total Revenues			252,506	250,000	126,348	252,700	252,700	252,700	2,700	1%	1,350	1,350
Total RDA ADMIN - LO/SOQ CAP PROJ			(2,877)	2,099	(138,198)	(601)	-	-	(2,099)	(1)	126,350	126,350
Total Expenditures less Revenues			(2,877)	2,099	(138,198)	(601)	-	-	(2,099)	(1)	-	-

Run: 12/19/2016 11:47 AM Includes FAMIS transactions posted through: 12/16/2016



# County of Santa Cruz

## SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY

701 OCEAN STREET, ROOM 510, SANTA CRUZ, CA 95060-4073

(831) 454-2280 FAX: (831) 454-3420 TDD: (831) 454-2123

January 4, 2017

Agenda: January 17, 2017

Oversight Board  
Santa Cruz County Redevelopment Successor Agency  
701 Ocean Street  
Santa Cruz, CA 95060

### APPROVAL OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2017 THROUGH JUNE 30, 2018 (ROPS 17-18)

Dear Members of the Board:

California Health & Safety Code Sections 34177(l) & (o) and 34180(g) require that the Recognized Obligation Payment Schedule (ROPS) be approved by the Oversight Board. AB 1484 added a \$10,000/day penalty for each day a ROPS is late. SB 107 modified Section 34177, replacing the 6-month ROPS with an annual ROPS, and moving the due date from March 1<sup>st</sup> to February 1<sup>st</sup>.

The next ROPS, covering the period July 1, 2017 through June 30, 2018 (ROPS 17-18), is due to the Department of Finance by February 1, 2017. This ROPS has been prepared using the revised form issued by the Department of Finance. Although the ROPS covers an annual period, it is divided into two 6-month sections, to match the two distribution dates in January and June of each year. No new projects or debt obligations have been added to the ROPS and most obligations are related to debt service. Item number 44 of the ROPS continues the contract between the Redevelopment Successor Agency and the County of Santa Cruz for property management and disposition services for the remaining RSA owned properties on Capitola Road and 7<sup>th</sup> Avenue. County Economic Development staff continues to work on disposing of these properties as outlined in the Long-range Property Management Plan, and as approved by the Department of Finance.


The Board of Supervisors, acting as the Santa Cruz County Redevelopment Successor Agency, approved the ROPS (Exhibit 1 to the resolution) on January 10, 2017. The Department of Finance letter approving the previous ROPS covering the period July 1, 2016 through June 30, 2017 (ROPS 16-17) is attached (Attachment 2).

It is therefore RECOMMENDED that your Board adopt the attached resolution approving the Recognized Obligation Payment Schedule 17-18 for the period July 1, 2017 through June 30, 2018.

Very truly yours,

  
Betsey Lynberg  
Director of Capital Projects

RECOMMENDED:

A handwritten signature in black ink, appearing to read "Sma", written over a horizontal line.

Susan A. Mauriello  
County Administrative Officer

BL:kn

Attachment

cc: CAO, Auditor-Controller, County Counsel, Successor Agency, DOF, SCO

BEFORE THE OVERSIGHT BOARD OF THE SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY  
RESOLUTION NO. \_\_\_\_\_

On the motion of Oversight Board Member \_\_\_\_\_ duly seconded by Oversight Board Member \_\_\_\_\_ the following resolution is adopted:

RESOLUTION APPROVING THE RECOGNIZED OBLIGATION  
PAYMENT SCHEDULE OF THE SANTA CRUZ COUNTY  
REDEVELOPMENT SUCCESSOR AGENCY FOR JULY 2017  
THROUGH JUNE 2018 (ROPS 17-18)

WHEREAS, the Santa Cruz County Redevelopment Successor Agency Oversight Board ("Oversight Board") has been established to direct the Santa Cruz County Redevelopment Successor Agency ("Successor Agency") to take certain actions to wind down the affairs of the former Santa Cruz County Redevelopment Agency ("Agency") in accordance with the requirements of Assembly Bill 26 ("ABx1 26"), also known as chapter 5, Statutes 2011, First Extraordinary Session, which added Part 1.8 and Part 1.85 of Division 24 of the California Health and Safety Code, Assembly Bill 1484, also known as chapter 26, Statutes of 2012, and Senate Bill 107, 2015-16 Legislative Session, which made certain revisions to the statutes added by ABx1 26; and

WHEREAS, Health and Safety Code Section 34179 (e) requires that all actions taken by the Oversight Board shall be adopted by resolution; and

WHEREAS, Health and Safety Code Section 34177(l) & (o) and 34180(g) requires the Oversight Board to approve the Recognized Obligation Payment Schedule of the Santa Cruz County Redevelopment Successor Agency for the period July 1, 2017 through June 30, 2018 (ROPS 17-18);

WHEREAS, the Recognized Obligation Payment Schedule of the Santa Cruz County Redevelopment Successor Agency for the period July 1, 2017 through June 30, 2018 (ROPS 17-18) is attached as Exhibit 1; and

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED by the Oversight Board of the Santa Cruz County Redevelopment Successor Agency as follows:

SECTION 1. The above Recitals are true and correct.

SECTION 2. The Recognized Obligation Payment Schedule of the Santa Cruz County Redevelopment Successor Agency for the period July 1, 2017 through June 30, 2018 (ROPS 17-18) is approved.

PASSED, APPROVED and ADOPTED by the Oversight Board of the Santa Cruz County Redevelopment Successor Agency, this \_\_\_ day of \_\_\_\_\_, 2017 by the following vote, to wit:

AYES:  
NOES:  
ABSENT:

\_\_\_\_\_  
Chairperson of the Oversight Board of the Santa Cruz  
County Redevelopment Successor Agency

ATTEST:

\_\_\_\_\_  
Clerk of the Oversight Board

Approved as to form:

  
\_\_\_\_\_  
County Counsel

Distribution:  
Auditor-Controller  
CAO  
County Counsel  
Successor Agency  
State Department of Finance  
State Controller's Office

### Recognized Obligation Payment Schedule (ROPS 17-18) - Summary

Filed for the July 1, 2017 through June 30, 2018 Period

Successor Agency: Santa Cruz County  
 County: Santa Cruz

<u>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</u>	<u>17-18A Total (July - December)</u>	<u>17-18B Total (January - June)</u>	<u>ROPS 17-18 Total</u>
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ 8,167,385</b>	<b>\$ -</b>	<b>\$ 8,167,385</b>
B Bond Proceeds	39,122	-	39,122
C Reserve Balance	8,128,263	-	8,128,263
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 3,823,126</b>	<b>\$ 15,451,913</b>	<b>\$ 19,275,039</b>
F RPTTF	3,698,126	15,326,913	19,025,039
G Administrative RPTTF	125,000	125,000	250,000
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 11,990,511</b>	<b>\$ 15,451,913</b>	<b>\$ 27,442,424</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

Santa Cruz County Recognized Obligation Payment Schedule (ROPS 17-18) - ROPS Detail

July 1, 2017 through June 30, 2018

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L			M	N
											17-18A (July - Dec)				
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	ROPS 17-18 Total	Bond Proceeds	Reserve Balance	Other Funds	Fund Sources	
8	2007 Taxable Housing Ref TAB / Bonds	Bonds Issued On or Before 12/31/10	5/8/2007	9/1/2030	BNY Mellon Trust Co	Refunding bonds for housing projects	Live Oak/Soquel	\$ 655,445,124		\$ 27,442,424	\$ 39,122	\$ 8,128,263	\$ -		
9	2007 Refunding TAB, Series A / Bonds	Bonds Issued On or Before 12/31/10	11/7/2007	9/1/2022	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Soquel	14,844,136	N	\$ 649,636		383,815			
10	2007 Refunding TAB, Series A / Bonds	Bonds Issued On or Before 12/31/10	11/7/2007	9/1/2022	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel	1,031,768	N	\$ 171,360		155,759			
11	2009 TAB, Series A / Bonds	Bonds Issued On or Before 12/31/10	2/12/2009	9/1/2036	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Soquel	2,896,682	N	\$ 481,090		437,291			
12	2010 Taxable Housing TAB / Bonds	Bonds Issued On or Before 12/31/10	7/22/2010	9/1/2036	BNY Mellon Trust Co	Bonds for housing projects	Live Oak/Soquel	-	Y	\$ -					
13	2011 Taxable TAB, Series A / Bonds	Bonds Issued After 12/31/10	3/9/2011	9/1/2027	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Soquel	37,051,347	N	\$ 1,460,007		822,415			
14	2011 Taxable Hsg TAB, Series B / Bonds	Bonds Issued After 12/31/10	3/9/2011	9/1/2036	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Soquel	13,999,800	N	\$ 1,287,475		922,850			
22	2007 Taxable Hsg Ref TAB / Bonds	Reserves	5/8/2007	9/1/2030	BNY Mellon Trust Co	Bonds for housing projects	Live Oak/Soquel	11,076,313	N	\$ 560,832		334,688			
23	2007 Ref TAB, Series A / Bonds	Reserves	11/7/2007	9/1/2022	BNY Mellon Trust Co	Refunding bonds for housing projects	Live Oak/Soquel	14,844,136	N	\$ 385,821					
24	2007 Ref TAB, Series A / Bonds	Reserves	11/7/2007	9/1/2022	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Soquel	1,031,768	N	\$ 160,053					
25	2009 TAB, Series A / Bonds	Reserves	2/12/2009	9/1/2036	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel	2,896,682	N	\$ 449,347					
26	2010 Taxable Hsg TAB / Bonds	Reserves	7/22/2010	9/1/2036	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Soquel	-	Y	\$ -					
27	2011 Taxable TAB, Series A / Bonds	Reserves	3/9/2011	9/1/2027	BNY Mellon Trust Co	Bonds for housing projects	Live Oak/Soquel	37,051,347	N	\$ 827,592					
28	2011 Taxable Hsg TAB, Series B / Bonds	Reserves	3/9/2011	9/1/2027	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Soquel	13,999,800	N	\$ 944,625					
29	Fiscal agent fees / Bonds	Fees	8/29/2000	9/1/2036	BNY Mellon Trust Co	Bonds for housing projects	Live Oak/Soquel	11,076,313	N	\$ 341,144					
30	Annual Continuing Disclosure / Bonds	Fees	8/29/2000	4/1/2037	Harrell and Company	Annual bond account administration fees	Live Oak/Soquel	374,750	N	\$ 25,750					
31	Annual Audit / Bonds	Fees	8/29/2000	12/1/2037	Caporicci & Larson, Inc.	Continuing Disclosure fees	Live Oak/Soquel	100,000	N	\$ 5,000					
32	Periodic Arbitrage Services / Bonds	Fees	8/29/2000	1/1/2036	BLX Group, LLC	audit services	Live Oak/Soquel	140,000	N	\$ 7,000					
37	Farm Park Project / Contract	Professional Services	3/18/2008	6/30/2017	Davis Langdon, an AECOM Company	Arbitrage services	Live Oak/Soquel	64,000	N	\$ 4,000					
40	East Cliff Bluff Stabilization Project / Contract	Professional Services	3/18/2008	6/30/2017	Davis Langdon, an AECOM Company	Contract for professional services	Live Oak/Soquel	6,388	N	\$ 6,388	6,388				
44	Contract for the Provision of Property Management and Disposition Services	Property Dispositions	7/1/2013	6/30/2017	ESA PWA	Contract for professional services	Live Oak/Soquel	3,234	N	\$ 3,234	3,234				
45	Administrative Budget / Contracts for operation	Admin Costs	7/1/2016	6/30/2017	County of Santa Cruz	Property Management Maintenance and Disposition services	Live Oak/Soquel	4,869,639	N	\$ 454,122					
70	2010-11 SERAF Loan	SERAF/ERAF	3/8/2011	6/30/2018	Various (County, Employees, Vendors)	Salaries/Benefits and Services/Supplies	Live Oak/Soquel	5,000,000	N	\$ 250,000					
73	Heart of Soquel, Upper Porter Street, and Twin Lakes Beachfront Projects	Improvement/Infrastructure	3/8/2011	6/30/2018	County of Santa Cruz	Loan for 2010-11 SERAF Payment from the LMIH Fund	Live Oak/Soquel	117,987	N	\$ 117,987					
74	2014 Refunding TAB / Bonds	Bonds Issued After 12/31/10	1/28/2014	9/1/2024	County of Santa Cruz	Contract for capital improvements services	Live Oak/Soquel	29,500	N	\$ 29,500	29,500				
75	2014 Refunding TAB / Bonds	Bonds Issued After 12/31/10	1/28/2014	9/1/2024	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Soquel	6,355,184	N	\$ 861,404		744,161			
77	2015A Refunding TAB / Bonds	Bonds Issued After 12/31/10	5/12/2015	9/1/2035	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel	29,128,816	N	\$ 3,948,222		2,675,184			
78	2015B Refunding TAB / Bonds	Bonds Issued After 12/31/10	5/12/2015	9/1/2035	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel	98,995,325	N	\$ 2,967,300					
79	2014 Refunding TAB / Bonds	Reserves	1/28/2014	9/1/2024	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Soquel	28,511,742	N	\$ 1,223,132					
80	2014 Refunding TAB / Bonds	Reserves	1/28/2014	9/1/2024	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Soquel	6,355,184	N	\$ 760,212					
81	2016A Refunding TAB / Bonds	Bonds Issued After 12/31/10	7/6/2016	9/1/2036	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel	29,128,816	N	\$ 3,484,413					
82	2015A Refunding TAB / Bonds	Reserves	5/12/2015	9/1/2035	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel	78,478,700	N	\$ 2,703,250		1,652,100			
83	2015B Refunding TAB / Bonds	Reserves	5/12/2015	9/1/2035	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel	98,995,325	N	\$ 1,498,425					
84	2016A Refunding TAB / Bonds	Reserves	7/6/2016	9/1/2036	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Soquel	28,511,742	N	\$ 869,896					
85					BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Soquel	78,478,700	N	\$ 504,207					



A	B	O	P	Q	R	S	T	U	V	W
Item #	Project Name/Debt Obligation	mber)		17-18A Total	17-18B (January - June)					17-18B Total
		Fund Sources								
		RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
		\$ 3,698,126	\$ 125,000	\$ 11,990,511	\$ -	\$ -	\$ -	\$ 15,326,913	\$ 125,000	\$ 15,451,913
8	2007 Taxable Housing Ref TAB / Bonds			\$ 383,815				265,821		\$ 265,821
9	2007 Refunding TAB, Series A / Bonds			\$ 155,759				15,601		\$ 15,601
10	2007 Refunding TAB, Series A / Bonds			\$ 437,291				43,799		\$ 43,799
11	2009 TAB, Series A / Bonds			\$ -						\$ -
12	2010 Taxable Housing TAB / Bonds			\$ 822,415				637,592		\$ 637,592
13	2011 Taxable TAB, Series A / Bonds			\$ 922,850				364,625		\$ 364,625
14	2011 Taxable Hsg TAB, Series B / Bonds			\$ 334,688				226,144		\$ 226,144
22	2007 Taxable Hsg Ref TAB / Bonds			\$ -				385,821		\$ 385,821
23	2007 Ref TAB, Series A / Bonds			\$ -				160,053		\$ 160,053
24	2007 Ref TAB, Series A / Bonds			\$ -				449,347		\$ 449,347
25	2009 TAB, Series A / Bonds			\$ -						\$ -
26	2010 Taxable Hsg TAB / Bonds			\$ -				827,592		\$ 827,592
27	2011 Taxable TAB, Series A / Bonds			\$ -				944,625		\$ 944,625
28	2011 Taxable Hsg TAB, Series B / Bonds			\$ -				341,144		\$ 341,144
29	Fiscal agent fees / Bonds	12,250		\$ 12,250				13,500		\$ 13,500
30	Annual Continuing Disclosure / Bonds			\$ -				5,000		\$ 5,000
31	Annual Audit / Bonds	7,000		\$ 7,000						\$ -
32	Periodic Arbitrage Services / Bonds	4,000		\$ 4,000						\$ -
37	Farm Park Project / Contract			\$ 6,388						\$ -
40	East Cliff Bluff Stabilization Project / Contract			\$ 3,234						\$ -
44	Contract for the Provision of Property Management and Disposition Services	454,122		\$ 454,122						\$ -
45	Administrative Budget / Contracts for operation		125,000	\$ 125,000					125,000	\$ 125,000
70	2010-11 SERAF Loan	117,987		\$ 117,987						\$ -
73	Heart of Soquel, Upper Porter Street, and Twin Lakes Beachfront Projects			\$ 29,500						\$ -
74	2014 Refunding TAB / Bonds			\$ 744,161				117,243		\$ 117,243
75	2014 Refunding TAB / Bonds	735,656		\$ 3,410,840				537,382		\$ 537,382
77	2015A Refunding TAB / Bonds	1,498,875		\$ 1,498,875				1,468,425		\$ 1,468,425
78	2015B Refunding TAB / Bonds	868,236		\$ 868,236				354,896		\$ 354,896
79	2014 Refunding TAB / Bonds			\$ -				760,212		\$ 760,212
80	2014 Refunding TAB / Bonds			\$ -				3,484,413		\$ 3,484,413
81	2016A Refunding TAB / Bonds			\$ 1,652,100				1,051,150		\$ 1,051,150
82	2015A Refunding TAB / Bonds			\$ -				1,498,425		\$ 1,498,425
83	2015B Refunding TAB / Bonds			\$ -				869,896		\$ 869,896
84	2016A Refunding TAB / Bonds			\$ -				504,207		\$ 504,207
85				\$ -						\$ -

**Santa Cruz County Recognized Obligation Payment Schedule (ROPS 17-18) - 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 [Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H	I	
		Fund Sources							
		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		
Cash Balance Information by ROPS Period								Comments	
<b>ROPS 15-16B Actuals (01/01/16 - 06/30/16)</b>									
1	Beginning Available Cash Balance (Actual 01/01/16)								
2	Revenue/Income (Actual 06/30/16) RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during June 2016	20,449			879,195	231,338	-		
3	Expenditures for ROPS 15-16B Enforceable Obligations (Actual 06/30/16)	21,202			-	46,093	13,438,617		
4	Retention of Available Cash Balance (Actual 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	2,820			641,345	126,027	5,574,514		
5	ROPS 15-16B RPTTF Balances Remaining	9,622			2,100		7,611,115		
		No entry required							
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ 29,209	\$ -	\$ -	\$ 235,750	\$ 151,404	\$ 252,988		