

**SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY  
OVERSIGHT BOARD AGENDA  
Governmental Center Building**

**701 Ocean Street, Room 525, Santa Cruz, CA  
Tuesday, August 28, 2012  
9:00 a.m.**

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1. Call to Order/Roll Call
2. Consideration of Late Additions to the Agenda; additions and deletions to Consent and Regular Agendas
3. ORAL COMMUNICATIONS - Opportunity for persons to address the Board on matters which are within the jurisdiction of the Board but not on today's agenda.

**CONSENT AGENDA**

4. Adopt resolution approving the minutes of April 24, 2012 and June 27, 2012
5. Accept report on Assembly Bill 1484 and adopt resolution approving a revised meeting schedule for 2012
6. Adopt resolution approving the Administrative Budget for the period January 1, 2013 through June 30, 2013
7. Adopt resolution approving the Recognized Obligation Payment Schedule for January 1, 2013 through June 30, 2013

**REGULAR AGENDA**

8. Consider adoption of resolution accepting the report on applying agreed-upon procedures to the Successor Agency of the County of Santa Cruz Redevelopment Agency
9. Consider adoption of resolution approving in concept that park and public parking properties acquired by the former redevelopment agency are intended for governmental use and should remain in the possession of the County of Santa Cruz, and related actions

**ADJOURNMENT**

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 MEETING MINUTES OF THE  
OVERSIGHT BOARD

WHEREAS, the Oversight Board of the Santa Cruz County Redevelopment Successor Agency ("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 public meetings on April 24, 2012 and June 27, 2012 the minutes of which are attached as Exhibits 1 and 2; and

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

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 meeting minutes of the Oversight Board meetings on April 24 and June 27 are hereby approved.

PASSED, APPROVED and ADOPTED by the Oversight Board of the Santa Cruz County Redevelopment Successor Agency, this \_\_\_<sup>th</sup> day of \_\_\_\_\_, 2012 by the following vote:

- AYES: Oversight Board Member
- NOES: Oversight Board Member
- ABSENT: Oversight Board Member

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

ATTEST:

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Clerk of the Oversight Board

Approved as to form:

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Assistant County Counsel

Distribution:

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

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

**VOLUME 2012, NUMBER 2  
April 24, 2012**

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**ACTION SUMMARY MINUTES**

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**VOTING KEY:**

C = Coonerty  
D = Deming  
G = Geisreiter  
L = Leopold  
M = Maxwell  
R = Rozario  
T=True

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

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1. **Call to Order/Roll Call** - Meeting called to order at 9:00 a.m. All members present.
  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.

**CONSENT AGENDA**

GRCDMTL

4. APPROVED minutes of March 27, 2012
5. SEE ITEM 8.1 REGULAR AGENDA
6. ACCEPTED AND FILED status report regarding Successor Agency Projects

**REGULAR AGENDA**

7. CONSIDERED and ADOPTED Administrative Budget for July 1, 2012 through December 31, 2012

GTCDMRL

- 8. CONSIDERED and ADOPTED the Recognized Obligation Payment Schedule for the period July 1, 2012 through December 31, 2012

MRCDGTL

- 8.1 ADOPTED RESOLUTION NO. 3-2012OB making certain acknowledgements and approvals with respect to certain housing assets of the County of Santa Cruz related to the Canterbury Affordable Housing Project; and ADOPTED RESOLUTION NO. 4-2012OB making certain acknowledgements with respect to certain housing assets of the County of Santa Cruz Redevelopment Successor Agency related to the Agency Felton Notes and Deeds of Trust.

CTDGMRTL

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 August 28, 2012

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

**VOLUME 2012, NUMBER 3  
June 27, 2012**

**ACTION SUMMARY MINUTES**

**VOTING KEY:**

C = Coonerty  
D = Deming  
G = Geisreiter  
L = Leopold  
M = Maxwell  
R = Rozario  
T=True

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 9:03 a.m. Members present: Coonerty, Geisreiter, Maxwell, Rozario, True, Leopold. Member absent: Deming
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.

**REGULAR AGENDA**

4. **CONSIDERED and ADOPTED RESOLUTION NO. 5-2012OB** regarding the housing assets and obligations of the County of Santa Cruz

MCGRTL/D/

June 27, 2012

0006

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 August 28, 2012



# 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

August 22, 2012

Agenda: August 28, 2012

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

### ASSEMBLY BILL 1484 AND APPROVAL OF ADDITIONAL 2012 OVERSIGHT BOARD MEETINGS

Dear Members of the Board:

Since dissolution of the Santa Cruz County Redevelopment Agency on February 1, 2011, numerous actions have been taken by the Board of Supervisors, as the Board to the Successor Agency, and by your Board as the Oversight Board to wind-down the affairs of the former redevelopment agency as required by AB x1 26 (the Dissolution Act). On June 27, 2012, the legislature adopted and Governor Brown signed AB 1484, a budget trailer bill that took effect immediately and makes technical and substantive amendments to the Dissolution Act. This report provides an overview of AB 1484, and requests approval of additional Oversight Board meetings in 2012 to meet new deadlines established in AB 1484.

#### **AB 1484 Redevelopment Dissolution/Unwind Trailer Bill**

While AB 1484 clarifies some important elements of the Dissolution Act, not all inconsistencies and ambiguities have been addressed, and new requirements and processes, some with specific deadlines, have been added. Furthermore, the County could face stiff financial penalties should those deadlines be missed. Key elements of AB 1484 as summarized below. A checklist prepared by Goldfarb and Lipman Attorneys of upcoming key milestone actions under the Dissolution Act as amended by AB 1484 is attached, as is the legislation.

#### Affordable Housing

- AB 1484 significantly modifies and provides some clarifications to the treatment of housing assets under the Dissolution Act. Specifically, AB 1484 now includes a definition of housing assets, sets forth explicit procedures with respect to transfer of housing assets which must occur by August 1, 2012, provides some greater flexibility and procedural steps regarding the use of housing bond proceeds, establishes a new Low and Moderate Income Housing Asset Fund to



be administered by the Housing Successor, and clarifies that no future deposits are required to be made to the Low and Moderate Income Housing Fund.

- New procedures and oversight established for the use of housing bond proceeds. A Low and Moderate Income Housing Asset Fund is established with funds generated from housing assets (e.g. rent and loan repayments) deposited into this fund. These changes will provide for a limited but on-going source of funds for low and moderate income housing activities.

#### Successor Agency and Oversight Board

- AB 1484 declares that “a successor agency is a separate legal entity from the public agency that provides for its governance”.
- AB 1484 grants the Successor Agency the authority to hold reserves when required by bond indenture or when the next property tax allocation will be insufficient to pay all bond debt obligations due the following six-month period.
- Authorities of the Successor Agency to wind-down activities of the Dissolved RDA are more clearly set forth.
- An annual post-audit of a Successor Agency’s financial transactions is required, and other limitations on the actions of the Successor Agency are clarified. Costs that may and may not be attributed to Administrative Costs are defined.
- AB 1484 provides that Oversight Board decisions on matters within its purview supersede decisions of a Successor Agency.
- All actions taken by an Oversight Board must be adopted by resolution and transmitted to the Department of Finance (DOF). New, extended timeframes for the review of Oversight Board actions by the DOF are established.

#### Enforceable Obligations and Recognized Obligation Payment Schedule (ROPS)

- Amounts borrowed from and payments owing to the Low and Moderate Income Housing Fund (including SERAF loans) are enforceable obligations and are payable to the Housing Successor.
- Changes are made to the process and timing for preparation and approval of each ROPS extending the review period and authority of the DOF.
- Failure to approve and submit a timely ROPS may result in the assessment of various penalties to a Successor Agency and/or to the Sponsoring Community including a \$10,000 per day civil penalty assessed to the Sponsoring Community for each day the ROPS is delinquent.

### Flow of Funds and Financial Issues

- AB 1484 includes a process for payment of FY 2011-12 passthrough payments to taxing entities if such payments were not made, and clarifies the intent of the legislature to not reduce or adjust passthrough payments.
- Procedures for distribution of any residential amounts of funds in the Redevelopment Property Tax Trust Fund (RPTTF) are established including penalties if the Successor Agency fails to make payment demanded by the County Auditor Controller. If the amounts owed are not paid on July 12, 2012 the Sponsoring Community will not receive a distribution of sales and use tax on July 18, 2012, or any future distributions up to the full amount owed.
- New procedures leading to a Finding of Completion by the DOF are established. The goal is to distribute any available cash assets to the taxing entities in FY 2012-13. The review related to the LMIHF must be complete by October 1, 2012 and for all other funds by December 15, 2012. The Oversight Board must approve the review for LMIHF and non-housing assets by October 15, 2012 and January 15, 2013 respectively.
- Numerous changes to the role and responsibilities of the County Auditor Controller and instructions for the distribution of RPTTF are included.
- AB 1484 provides much greater flexibility in the refunding of bonds
- Once a Finding of Completion is attained from the DOF, new benefits may be available to the Successor Agency and Sponsoring Community including:
  - Use of property in accordance with an approved property management plan enables the Successor Agency and the Sponsoring Community to direct the use of specified properties and revenues generated from those properties for community development activities. However, if the property management plan calls for the liquidation of the property or use of revenues from the property for purposes other than a project identified in a redevelopment plan, the proceeds from the sale are to be distributed as property taxes to the taxing entities.
  - Authorization to spend, in a manner consistent with the original bond covenants, excess bond proceeds from bonds issued prior to 2011.

### **2012 Oversight Board Meeting Schedule**

AB 1484 requires the preparation of a due diligence review of housing and non-housing unobligated fund balances of the former redevelopment agency. The due diligence review of housing assets must be approved by the Oversight Board prior to October 15,

2012. A two step approval process is required. First, the public is invited to comment on the due diligence review and then the review may be approved by the Oversight Board at a subsequent meeting a minimum of five business days following the public comment meeting. This process is repeated for the non-housing due diligence review which is due to the state by January 15, 2013. The following meeting schedule, which accomplishes these approvals prior to the holidays, is proposed:

October 2, 2012 at 9 am (new meeting)

October 11, 2012 at 9 am (new meeting)

November 13, 2012 at 9 am (currently scheduled)

November 27, 2012 at 9 am (new meeting)

All meetings are proposed to be held in the Board Chambers on the 5<sup>th</sup> floor of the County Government Center at 701 Ocean Street, Santa Cruz.

### **Recommendations**

Staff continues to work diligently to interpret the Dissolution Act and AB 1484 amendments, and to submit required information by the legal deadlines. Working relationships are being established with representatives in the Department of Finance and the State Controllers Office as we navigate the process of winding down the affairs of the former redevelopment agency. The County Auditor-Controller and her staff have also been instrumental.

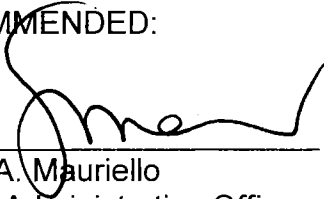
It is therefore RECOMMENDED that your Board take the following actions:

1. Receive this report; and
2. Adopt the attached resolution approving a revised meeting schedule for 2012.

Very truly yours,

  
Betsey Lynberg  
Assistant Public Works Director - Parks

RECOMMENDED:



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Susan A. Mauriello  
County Administrative Officer

Attachments:

1. AB 1484 Milestone Actions
2. AB 1484
3. Resolution

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

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 ADOPTING A REVISED MEETING SCHEDULE  
FOR 2012

WHEREAS, the Oversight Board of the Santa Cruz County Redevelopment Successor Agency ("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, it is necessary to schedule additional meetings of the Oversight Board to meet deadlines established in AB 1484.

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 Oversight Board shall meet on the dates listed below. All meetings shall begin at 9 am and shall be conducted in the Board Chambers on the 5<sup>th</sup> Floor of the County Government Center at 701 Ocean Street, Santa Cruz.

- October 2, 2012
- October 11, 2012
- November 13, 2012
- November 27, 2012

PASSED, APPROVED and ADOPTED by the Oversight Board of the Santa Cruz County Redevelopment Successor Agency, this \_\_\_<sup>th</sup> day of \_\_\_\_\_, 2012 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:

  
\_\_\_\_\_  
~~Assistant~~ County Counsel

Distribution:

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

## AB 1484 MILESTONE ACTIONS

Following is a checklist of upcoming key milestone actions under the Dissolution Act as amended by AB 1484.

<u>Date</u>	<u>Action</u>
July 9, 2012	Successor Agency to receive from the CAC determination of amount owed, if any, for distributions pursuant to the Section 34183(a)(4) for the initial ROPS period (Section 34183.5(b)(2)(A)).
July 12, 2012	Successor Agency to pay to the CAC any amounts identified as owed to the taxing entities (Section 34183.5(b)(2)(A)).
July 16, 2012	The CAC distributes to the taxing entities amounts received from the Successor Agency on July 12, 2012 (Section 34183.5(b)(2)(A)).
July 18, 2012	The DOF can order offset of sales and use tax due to Sponsoring Community if the Successor Agency has failed to make payments due on July 12, 2012 (Section 34183.5(b)(2)(A)).
August 1, 2012	Housing Successor must submit to DOF list of all housing assets transferred to it by the Dissolved RDA, with explanation of how assets meet criteria set forth in law. DOF to prescribe format for list (Section 34176(a)(2)).
August 10, 2012	Housing Successor provides notice to the Successor Agency of any designations of use or commitments of funds specified in 34176(g)(1)(A) that the Housing Successor empowers the Successor Agency to retain (Section 34179.6(c)).
September 1, 2012	The Successor Agency submits the ROPS for January 1, 2013 through June 30, 2013 to the DOF after Oversight Board approval (Section 34177(m)). Note, the Successor Agency will be assessed a \$10,000 per day penalty for failure to timely submit the ROPS (Section 34177(m)(2)).

<u>Date</u>	<u>Action</u>
September 11, 2012	If the Successor Agency has not submitted a ROPS, the maximum administrative cost allowance for the fiscal year covered by the ROPS will be reduced 25% (Section 34177(m)).
October 1, 2012	The Successor Agency to provide to the Oversight Board, the CAC, the DOF, and the SCO results of the 34179.5 review for the LMIHF balances of a Dissolved RDA conducted by a licensed accountant. Accountant must be approved by the CAC (Section 34179.6(a)).
October 1, 2012	The CAC to complete agreed-upon procedures audit of each Dissolved RDA (Section 34182(a)(1)).
October 1, 2012	The CAC to provide notice to the Successor Agency of any objections to items included on the Third ROPS (Section 34182.5).
October 1, 2012	The CAC to prepare and provide estimates to the DOF and fund recipients of amounts to be allocated and distributed from RPTTF on January 2, 2013 for Third ROPS period (Section 34182(c)(3)).
October 1, 2012	The CAC to report to the SCO and the DOF specified information about property tax distributions (Section 34182(d)).
October 5, 2012	The CAC to provide to the SCO and the DOF results of agreed-upon procedures audit of each Dissolved RDA (Section 34182(b)).
October 15, 2012	The Oversight Board to review, approve and transmit the results of the 34179.5 Review for the LMIHF account balances of the Dissolved RDA and notify the CAC and the DOF (Section 34179.6(c)). Note, that the Oversight Board must hold a public session at least five business days in advance of the meeting to consider approval of the Review (Section 34179.6(b)).
No later than November 9, 2012	The DOF completes review of 34179.5 Review of LMIHF balances and reports findings, determinations, and decisions to overturn Oversight Board decision to allow retention of Successor Agency assets (Section 34179.6(d)).



## goldfarb &amp; lipman llp

<u>Date</u>	<u>Action</u>
No later than April 1, 2013	The DOF completes reviews of 34179.5 Review of other fund balances and reports findings, determinations and decisions to overturn Oversight Board decision to allow retention of Successor Agency assets. (Section 34179.6(a)).
April 1, 2013	The CAC provides estimates to the DOF and all fund recipients of amounts to be allocated and distributed from the RPTTF on June 1 for the July 1, 2013 through December 31, 2013 ROPS period (Section 34182(c)(3)).
Within 5 days of receipt of initial determination from the DOF	Successor Agency/Sponsoring Community deadline to request meet and confer with the DOF over any dispute regarding amount of other fund balances to be distributed to the taxing entities under 34179.5 Review process. The DOF must meet and confer with Successor Agency and confirm or modify findings within 30 days of request (Section 34179.6(e)).
Within 5 days of receipt of final determination from the DOF	The Successor Agency to transfer to the CAC cash and other assets determined to be available pursuant to Section 34179.5 Review of other funds (if meet and confer process is complete). Sponsoring Community sales and use tax may be offset for unfunded amounts (Section 34179.6(f)).
April 20, 2013	The CAC provides the DOF a report specifying the amount remitted by Successor Agencies pursuant to the Section 34179.5 Review of other balances (Section 34179.6(g)).
May 1, 2013	The Successor Agency reports to the CAC if total amount of available revenues (including RPTTF, other revenues, proceeds from sale of assets) will be insufficient to fund enforceable obligations (Section 34183(b)).
June 1, 2013	The CAC to make distributions from the RPTTF for the ROPS period July-December 2013 (Section 34284(c)).



*California*  
LEGISLATIVE INFORMATION

0017

AB-1484 Community redevelopment. (2011-2012)

AMENDED IN SENATE JUNE 25, 2012

CALIFORNIA LEGISLATURE— 2011-2012 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1484**

**Introduced by Committee on Budget (Blumenfield (Chair), Alejo, Bonilla, Brownley, Buchanan, Butler, Cedillo, Chesbro, Dickinson, Feuer, Gordon, Huffman, Mitchell, Monning, and Swanson)**

January 10, 2012

**~~An act relating to the Budget Act of 2012.~~ An act to amend Section 53760.1 of the Government Code, and to amend Sections 33500, 33501, 34163, 34171, 34173, 34175, 34176, 34177, 34178, 34179, 34180, 34181, 34182, 34183, 34185, 34186, 34187, 34188, and 34189 of, to add Sections 34167.10, 34177.3, 34177.5, 34178.8, 34179.5, 34179.6, 34179.7, 34179.8, 34182.5, 34183.5, 34189.1, 34189.2, and 34189.3 to, to add Chapter 9 (commencing with Section 34191.1) to Part 1.85 of Division 24 of, and to add and repeal Section 34176.5 of, the Health and Safety Code, relating to community redevelopment, and making an appropriation therefor, to take effect immediately, bill related to the budget.**

LEGISLATIVE COUNSEL'S DIGEST

AB 1484, as amended, Committee on Budget. ~~Budget Act of 2012—Community redevelopment.~~

*The Community Redevelopment Law authorizes the establishment of redevelopment agencies in communities to address the effects of blight, and, among other things, provides that an action may be brought to review the validity of specified agency actions, findings, or determinations that occurred after January 1, 2011, within 2 years of the triggering event.*

*This bill would toll the time limit for bringing an action until the Department of Finance issues a finding of completion to the successor agency.*

*Existing law dissolved redevelopment agencies and community development agencies, as of February 1, 2012, and provides for the designation of successor agencies, as defined. Existing law requires successor agencies to wind down the affairs of the dissolved redevelopment agencies and to, among other things, make payments due for enforceable obligations, as defined, perform obligations required pursuant to any enforceable obligation, dispose of all assets of the former redevelopment agency, and to remit unencumbered balances of redevelopment agency funds, including housing funds, to the county auditor-controller for distribution to taxing entities.*

*Existing law authorizes the city, county, or city and county that authorized the creation of a redevelopment agency to retain the housing assets, functions, and powers previously performed by the redevelopment agency, excluding amounts on deposit in the Low and Moderate Income Housing Fund.*

*The bill would modify provisions relating to the transfer of housing responsibilities associated with dissolved redevelopment agencies and would define the term "housing asset" for these purposes. The bill would impose new requirements on successor agencies with regard to the submittal of the Recognized Obligation Payment Schedule, the conducting of a due diligence review to determine the unobligated balances available for transfer to affected taxing entities, and the recovery and subsequent remittance of funds determined to have been transferred absent an enforceable obligation. The bill would authorize the Department of Finance to issue a finding of completion to a successor agency that completes the due diligence review and meets other requirements. Upon receiving a finding of completion, the bill would authorize the successor agency to participate in a loan repayment program and limited property management activities.*

*Existing law authorizes the Department of Finance and the Controller to require any documents associated with enforceable obligations to be provided to them in a manner of their choosing.*

*The bill would authorize the county auditor-controller and the department, under specified circumstances, to require the return of funds improperly spent or transferred to a public entity and would authorize the department and the Controller to require the State Board of Equalization and the county auditor-controller to offset sales and use tax and property tax allocations, respectively, to the local agency. The bill would authorize the Controller to review the activities of a successor agency to determine if an improper asset transfer had occurred between the successor agency and the city or county that created the former redevelopment agency, and would require the Controller to order the return of these assets if such an asset transfer did occur.*

*The bill would impose new requirements on the county auditor-controller relating to the allocation of property tax revenues to affected taxing entities during a specified timeframe. By imposing additional duties upon local public officials, the bill would create a state-mandated local program.*

*The bill would appropriate up to \$22,000,000 to the Department of Finance from the General Fund for costs associated with the bill, as specified.*

*The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that no reimbursement is required by this act for a specified reason.*

*This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.*

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2012.~~

Vote: majority Appropriation: ~~no~~yes Fiscal Committee: ~~no~~yes Local Program: ~~no~~yes

## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** *Section 53760.1 of the Government Code is amended to read:*

**53760.1.** As used in this article the following terms have the following meanings:

(a) "Chapter 9" means Chapter 9 (commencing with Section 901) of Title 11 of the United States Code.

(b) "Creditor" means either of the following:

(1) An entity that has a noncontingent claim against a municipality that arose at the time of or before the commencement of the neutral evaluation process and whose claim represents at least five million dollars (\$5,000,000) or comprises more than 5 percent of the local public entity's debt or obligations, whichever is less.

(2) An entity that would have a noncontingent claim against the municipality upon the rejection of an executory contract or unexpired lease in a Chapter 9 case and whose claim would represent at least five million dollars (\$5,000,000) or comprises more than 5 percent of the local public entity's debt or obligations, whichever is less.

(c) "Debtor" means a local public entity that may file for bankruptcy under Chapter 9.

(d) "Good faith" means participation by a party in the neutral evaluation process with the intent to negotiate toward a resolution of the issues that are the subject of the neutral evaluation process, including the timely provision of complete and accurate information to provide the relevant parties through the neutral evaluation process with sufficient information, in a confidential manner, to negotiate the readjustment of the municipality's debt. 0019

(e) "Interested party" means a trustee, a committee of creditors, an affected creditor, an indenture trustee, a pension fund, a bondholder, a union that, under its collective bargaining agreements, has standing to initiate contract or debt restructuring negotiations with the municipality, or a representative selected by an association of retired employees of the public entity who receive income from the public entity convening the neutral evaluation. A local public entity may invite holders of contingent claims to participate as interested parties in the neutral evaluation if the local public entity determines that the contingency is likely to occur and the claim may represent five million dollars (\$5,000,000) or comprise more than 5 percent of the local public entity's debt or obligations, whichever is less.

(f) "Local public entity" means any county, city, district, public authority, public agency, or other entity, without limitation, that is a municipality as defined in Section 101(40) of Title 11 of the United States Code (bankruptcy), or that qualifies as a debtor under any other federal bankruptcy law applicable to local public entities, and also includes a successor agency to a redevelopment agency created pursuant to Part 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code. For purposes of this article, "local public entity" does not include a school district.

(g) "Local public entity representative" means the person or persons designated by the local public agency with authority to make recommendations and to attend the neutral evaluation on behalf of the governing body of the municipality.

(h) "Neutral evaluation" is a form of alternative dispute resolution that may be known as mandatory mediation. A "neutral evaluator" may also be known as a mediator.

**SEC. 2.** *Section 33500 of the Health and Safety Code is amended to read:*

**33500.** (a) Notwithstanding any other provision of law, including Section 33501, an action may be brought to review the validity of the adoption or amendment of a redevelopment plan at any time within 90 days after the date of the adoption of the ordinance adopting or amending the plan, if the adoption of the ordinance occurred prior to January 1, 2011.

(b) Notwithstanding any other provision of law, including Section 33501, an action may be brought to review the validity of any findings or determinations by the agency or the legislative body at any time within 90 days after the date on which the agency or the legislative body made those findings or determinations, if the findings or determinations occurred prior to January 1, 2011.

(c) Notwithstanding any other law, including Section 33501, an action may be brought to review the validity of the adoption or amendment of a redevelopment plan at any time within two years after the date of the adoption of the ordinance adopting or amending the plan, if the adoption of the ordinance occurred after January 1, 2011.

(d) Notwithstanding any other law, including Section 33501, an action may be brought to review the validity of any findings or determinations by the agency or the legislative body at any time within two years after the date on which the agency or the legislative body made those findings or determinations, if the findings or determinations occurred after January 1, 2011.

(e) *The time limit for bringing an action under subdivision (c) or (d) shall be tolled with respect to the adoptions, findings, and determinations of any former redevelopment agency or its legislative body until the Department of Finance has issued a finding of completion to the successor agency of that former redevelopment agency pursuant to Section 34179.7. Subdivisions (c) and (d) shall not apply to any adoption, finding, or determination of any former redevelopment agency or its legislative body after the department has issued a finding of completion to the successor agency of that former redevelopment agency pursuant to Section 34179.7.*

**SEC. 3.** *Section 33501 of the Health and Safety Code is amended to read:*

**33501.** (a) An action may be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure to determine the validity of bonds and the redevelopment plan to be financed or

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refinanced, in whole or in part, by the bonds, or to determine the validity of a redevelopment plan not financed by bonds, including without limiting the generality of the foregoing, the legality and validity of all proceedings theretofore taken for or in any way connected with the establishment of the agency, its authority to transact business and exercise its powers, the designation of the survey area, the selection of the project area, the formulation of the preliminary plan, the validity of the finding and determination that the project area is predominantly urbanized, and the validity of the adoption of the redevelopment plan, and also including the legality and validity of all proceedings theretofore taken and (as provided in the bond resolution) proposed to be taken for the authorization, issuance, sale, and delivery of the bonds, and for the payment of the principal thereof and interest thereon.

(b) Notwithstanding subdivision (a), an action to determine the validity of a redevelopment plan, or amendment to a redevelopment plan that was adopted prior to January 1, 2011, may be brought within 90 days after the date of the adoption of the ordinance adopting or amending the plan.

(c) Any action that is commenced on or after January 1, 2011, which is brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure to determine the validity or legality of any issue, document, or action described in subdivision (a), may be brought within two years after any triggering event that occurred after January 1, 2011. *The time limit for bringing an action under this subdivision shall be tolled with respect to the validity or legality of any issue, document, or action described in subdivision (a) of any former redevelopment agency or its legislative body until the Department of Finance has issued a finding of completion to the successor agency of that former redevelopment agency pursuant to Section 34179.7. This subdivision shall not apply to any adoption, finding, or determination of any former redevelopment agency or its legislative body after the department has issued a finding of completion to the successor agency of that former redevelopment agency pursuant to Section 34179.7.*

(d) For the purposes of protecting the interests of the state, the Attorney General and the Department of Finance are interested persons pursuant to Section 863 of the Code of Civil Procedure in any action brought with respect to the validity of an ordinance adopting or amending a redevelopment plan pursuant to this section.

(e) For purposes of contesting the inclusion in a project area of lands that are enforceably restricted, as that term is defined in Sections 422 and 422.5 of the Revenue and Taxation Code, or lands that are in agricultural use, as defined in subdivision (b) of Section 51201 of the Government Code, the Department of Conservation, the county agricultural commissioner, the county farm bureau, the California Farm Bureau Federation, and agricultural entities and general farm organizations that provide a written request for notice, are interested persons pursuant to Section 863 of the Code of Civil Procedure, in any action brought with respect to the validity of an ordinance adopting or amending a redevelopment plan pursuant to this section.

**SEC. 4.** *Section 34163 of the Health and Safety Code is amended to read:*

**34163.** Notwithstanding Part 1 (commencing with Section 33000), Part 1.5 (commencing with Section 34000), Part 1.6 (commencing with Section 34050), and Part 1.7 (commencing with Section 34100), or any other law, commencing on the effective date of this part, an agency shall not have the authority to, and shall not, do any of the following:

(a) Make loans or advances or grant or enter into agreements to provide funds or provide financial assistance of any sort to any entity or person for any purpose, including, but not limited to, all of the following:

(1) Loans of moneys or any other thing of value or commitments to provide financing to nonprofit organizations to provide those organizations with financing for the acquisition, construction, rehabilitation, refinancing, or development of multifamily rental housing or the acquisition of commercial property for lease, each pursuant to Chapter 7.5 (commencing with Section 33741) of Part 1.

(2) Loans of moneys or any other thing of value for residential construction, improvement, or rehabilitation pursuant to Chapter 8 (commencing with Section 33750) of Part 1. These include, but are not limited to, construction loans to purchasers of residential housing, mortgage loans to purchasers of residential housing, and loans to mortgage lenders, or any other entity, to aid in financing pursuant to Chapter 8 (commencing with Section 33750).

(3) The purchase, by an agency, of mortgage or construction loans from mortgage lenders or from any other entities.

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(b) Enter into contracts with, incur obligations, or make commitments to, any entity, whether governmental, tribal, or private, or any individual or groups of individuals for any purpose, including, but not limited to, loan agreements, passthrough agreements, regulatory agreements, services contracts, leases, disposition and development agreements, joint exercise of powers agreements, contracts for the purchase of capital equipment, agreements for redevelopment activities, including, but not limited to, agreements for planning, design, redesign, development, demolition, alteration, construction, reconstruction, rehabilitation, site remediation, site development or improvement, removal of graffiti, land clearance, and seismic retrofits.

(c) Amend or modify existing agreements, obligations, or commitments with any entity, for any purpose, including, but not limited to, any of the following:

(1) Renewing or extending term of leases or other agreements, except that the agency may extend lease space for its own use to a date not to exceed six months after the effective date of the act adding this part and for a rate no more than 5 percent above the rate the agency currently pays on a monthly basis.

(2) Modifying terms and conditions of existing agreements, obligations, or commitments.

(3) Forgiving all or any part of the balance owed to the agency on existing loans or extend the term or change the terms and conditions of existing loans.

(4) ~~Increasing its~~ Making any future deposits to the Low and Moderate Income Housing Fund created pursuant to Section 33334.3 beyond the minimum level that applied to it as of January 1, 2011.

(5) Transferring funds out of the Low and Moderate Income Housing Fund, except to meet the minimum housing-related obligations that existed as of January 1, 2011, to make required payments under Sections 33690 and 33690.5, and to borrow funds pursuant to Section 34168.5.

(d) Dispose of assets by sale, long-term lease, gift, grant, exchange, transfer, assignment, or otherwise, for any purpose, including, but not limited to, any of the following:

(1) Assets, including, but not limited to, real property, deeds of trust, and mortgages held by the agency, moneys, accounts receivable, contract rights, proceeds of insurance claims, grant proceeds, settlement payments, rights to receive rents, and any other rights to payment of whatever kind.

(2) Real property, including, but not limited to, land, land under water and waterfront property, buildings, structures, fixtures, and improvements on the land, any property appurtenant to, or used in connection with, the land, every estate, interest, privilege, easement, franchise, and right in land, including rights-of-way, terms for years, and liens, charges, or encumbrances by way of judgment, mortgage, or otherwise, and the indebtedness secured by the liens.

(e) Acquire real property by any means for any purpose, including, but not limited to, the purchase, lease, or exercising of an option to purchase or lease, exchange, subdivide, transfer, assume, obtain option upon, acquire by gift, grant, bequest, devise, or otherwise acquire any real property, any interest in real property, and any improvements on it, including the repurchase of developed property previously owned by the agency and the acquisition of real property by eminent domain; provided, however, that nothing in this subdivision is intended to prohibit the acceptance or transfer of title for real property acquired prior to the effective date of this part.

(f) Transfer, assign, vest, or delegate any of its assets, funds, rights, powers, ownership interests, or obligations for any purpose to any entity, including, but not limited to, the community, the legislative body, another member of a joint powers authority, a trustee, a receiver, a partner entity, another agency, a nonprofit corporation, a contractual counterparty, a public body, a limited-equity housing cooperative, the state, a political subdivision of the state, the federal government, any private entity, or an individual or group of individuals.

(g) Accept financial or other assistance from the state or federal government or any public or private source if the acceptance necessitates or is conditioned upon the agency incurring indebtedness as that term is described in this part.

**SEC. 5.** Section 34167.10 is added to the Health and Safety Code, to read:

**34167.10.** (a) Notwithstanding any other law, for purposes of this part and Part 1.85 (commencing with Section 34170), the definition of a city, county, or city and county includes, but is not limited to, the following entities:

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(1) Any reporting entity of the city, county, or city and county for purposes of its comprehensive annual financial report or similar report.

(2) Any component unit of the city, county, or city and county.

(3) Any entity which is controlled by the city, county, or city and county, or for which the city, county, or city and county is financially responsible or accountable.

(b) The following factors shall be considered in determining that an entity is controlled by the city, county, or city and county, and are therefore included in the definition of a city, county, or city and county for purposes of this part and Part 1.85 (commencing with Section 34170):

(1) The city, county, or city and county exercises substantial municipal control over the entity's operations, revenues, or expenditures.

(2) The city, county, or city and county has ownership or control over the entity's property or facilities.

(3) The city, county, or city and county and the entity share common or overlapping governing boards, or coterminous boundaries.

(4) The city, county, or city and county was involved in the creation or formation of the entity.

(5) The entity performs functions customarily or historically performed by municipalities and financed through levies of property taxes.

(6) The city, county, or city and county provides administrative and related business support for the entity, or assumes the expenses incurred in the normal daily operations of the entity.

(c) For purposes of this section, it shall not be relevant that the entity is formed as a separate legal entity, nonprofit corporation, or otherwise, or is not subject to the constitution debt limitation otherwise applicable to a city, county, or city and county. The provisions in this section are declarative of existing law as the entities described herein are and were intended to be included within the requirements of this part and Part 1.85 (commencing with Section 34170) and any attempt to determine otherwise would thwart the intent of these two parts.

**SEC. 6.** Section 34171 of the Health and Safety Code is amended to read:

**34171.** The following terms shall have the following meanings:

(a) "Administrative budget" means the budget for administrative costs of the successor agencies as provided in Section 34177.

(b) "Administrative cost allowance" means an amount that, subject to the approval of the oversight board, is payable from property tax revenues of up to 5 percent of the property tax allocated to the successor agency ~~for the 2011-12 fiscal year~~ on the Recognized Obligation Payment Schedule covering the period January 1, 2012, through June 30, 2012, and up to 3 percent of the property tax allocated to the Redevelopment Obligation Retirement Fund money that is allocated to the successor agency for each fiscal year thereafter; provided, however, that the amount shall not be less than two hundred fifty thousand dollars (\$250,000), unless the oversight board reduces this amount, for any fiscal year or such lesser amount as agreed to by the successor agency. However, the allowance amount shall exclude, and shall not apply to, any administrative costs that can be paid from bond proceeds or from sources other than property tax. Administrative cost allowances shall exclude any litigation expenses related to assets or obligations, settlements and judgments, and the costs of maintaining assets prior to disposition. Employee costs associated with work on specific project implementation activities, including, but not limited to, construction inspection, project management, or actual construction, shall be considered project-specific costs and shall not constitute administrative costs.

(c) "Designated local authority" shall mean a public entity formed pursuant to subdivision (d) of Section 34173.

(d) (1) "Enforceable obligation" means any of the following:

(A) Bonds, as defined by Section 33602 and bonds issued pursuant to ~~Section 58393~~ Chapter 10.5 (commencing with Section 5850) of Division 6 of Title 1 of the Government Code, including the required debt service, reserve set-asides, and any other payments required under the indenture or similar documents governing the issuance of the outstanding bonds of the former redevelopment agency. A reserve may be held when required by the bond indenture or when the next property tax allocation will be insufficient to pay all

*obligations due under the provisions of the bond for the next payment due in the following half of the calendar year.*

(B) Loans of moneys borrowed by the redevelopment agency for a lawful purpose, to the extent they are legally required to be repaid pursuant to a required repayment schedule or other mandatory loan terms.

(C) Payments required by the federal government, preexisting obligations to the state or obligations imposed by state law, other than passthrough payments that are made by the county auditor-controller pursuant to Section 34183, or legally enforceable payments required in connection with the agencies' employees, including, but not limited to, pension payments, pension obligation debt service, unemployment payments, or other obligations conferred through a collective bargaining agreement. *Costs incurred to fulfill collective bargaining agreements for layoffs or terminations of city employees who performed work directly on behalf of the former redevelopment agency shall be considered enforceable obligations payable from property tax funds. The obligations to employees specified in this subparagraph shall remain enforceable obligations payable from property tax funds for any employee to whom those obligations apply if that employee is transferred to the entity assuming the housing functions of the former redevelopment agency pursuant to Section 34176. The successor agency or designated local authority shall enter into an agreement with the housing entity to reimburse it for any costs of the employee obligations.*

(D) Judgments or settlements entered by a competent court of law or binding arbitration decisions against the former redevelopment agency, other than passthrough payments that are made by the county auditor-controller pursuant to Section 34183. Along with the successor agency, the oversight board shall have the authority and standing to appeal any judgment or to set aside any settlement or arbitration decision.

(E) Any legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy. However, nothing in this act shall prohibit either the successor agency, with the approval or at the direction of the oversight board, or the oversight board itself from terminating any existing agreements or contracts and providing any necessary and required compensation or remediation for such termination. *Titles of or headings used on or in a document shall not be relevant in determining the existence of an enforceable obligation.*

(F) Contracts or agreements necessary for the administration or operation of the successor agency, in accordance with this part, including, but not limited to, *agreements concerning litigation expenses related to assets or obligations, settlements and judgements, and the costs of maintaining assets prior to disposition, and agreements to purchase or rent office space, equipment and supplies, and pay-related expenses pursuant to Section 33127 and for carrying insurance pursuant to Section 33134.*

(G) Amounts borrowed from, or payments owing to, the Low and Moderate Income Housing Fund of a redevelopment agency, which had been deferred as of the effective date of the act adding this part; provided, however, that the repayment schedule is approved by the oversight board. *Repayments shall be transferred to the Low and Moderate Income Housing Asset Fund established pursuant to subdivision (d) of Section 34176 as a housing asset and shall be used in a manner consistent with the affordable housing requirements of the Community Redevelopment Law (Part 1 (commencing with Section 33000)).*

(2) For purposes of this part, "enforceable obligation" does not include any agreements, contracts, or arrangements between the city, county, or city and county that created the redevelopment agency and the former redevelopment agency. However, written agreements entered into (A) at the time of issuance, but in no event later than December 31, 2010, of indebtedness obligations, and (B) solely for the purpose of securing or repaying those indebtedness obligations may be deemed enforceable obligations for purposes of this part. Notwithstanding this paragraph, loan agreements entered into between the redevelopment agency and the city, county, or city and county that created it, within two years of the date of creation of the redevelopment agency, may be deemed to be enforceable obligations.

(3) Contracts or agreements between the former redevelopment agency and other public agencies, to perform services or provide funding for governmental or private services or capital projects outside of redevelopment project areas that do not provide benefit to the redevelopment project and thus were not properly authorized under Part 1 (commencing with Section 33000) shall be deemed void on the effective date of this part; provided, however, that such contracts or agreements for the provision of housing properly authorized under Part 1 (commencing with Section 33000) shall not be deemed void.

(e) "Indebtedness obligations" means bonds, notes, certificates of participation, or other evidence of indebtedness, issued or delivered by the redevelopment agency, or by a joint exercise of powers authority created by the redevelopment agency, to third-party investors or bondholders to finance or refinance

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redevelopment projects undertaken by the redevelopment agency in compliance with the Community Redevelopment Law (Part 1 (commencing with Section 33000)).

(f) "Oversight board" shall mean each entity established pursuant to Section 34179.

(g) "Recognized obligation" means an obligation listed in the Recognized Obligation Payment Schedule.

(h) "Recognized Obligation Payment Schedule" means the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each six-month fiscal period as provided in subdivision (m) of Section 34177.

(i) "School entity" means any entity defined as such in subdivision (f) of Section 95 of the Revenue and Taxation Code.

(j) "Successor agency" means ~~the county, city, or city and county that authorized the creation of each redevelopment agency or another entity~~ *successor entity to the former redevelopment agency as provided described in Section 34173.*

(k) "Taxing entities" means cities, counties, a city and county, special districts, and school entities, as defined in subdivision (f) of Section 95 of the Revenue and Taxation Code, that receive passthrough payments and distributions of property taxes pursuant to the provisions of this part.

(l) "Property taxes" include all property tax revenues, including those from unitary and supplemental and roll corrections applicable to tax increment.

(m) "Department" means the Department of Finance unless the context clearly refers to another state agency.

(n) "Sponsoring entity" means the city, county, or city and county, or other entity that authorized the creation of each redevelopment agency.

(o) "Final judicial determination" means a final judicial determination made by any state court that is not appealed, or by a court of appellate jurisdiction that is not further appealed, in an action by any party.

**SEC. 7.** Section 34173 of the Health and Safety Code is amended to read:

**34173.** (a) Successor agencies, as defined in this part, are hereby designated as successor entities to the former redevelopment agencies.

(b) Except for those provisions of the Community Redevelopment Law that are repealed, restricted, or revised pursuant to the act adding this part, all authority, rights, powers, duties, and obligations previously vested with the former redevelopment agencies, under the Community Redevelopment Law, are hereby vested in the successor agencies.

(c) (1) ~~Where~~ *If* the redevelopment agency was in the form of a joint powers authority, and ~~where if~~ the joint powers agreement governing the formation of the joint powers authority addresses the allocation of assets and liabilities upon dissolution of the joint powers authority, then each of the entities that created the former redevelopment agency may be a successor agency within the meaning of this part and each shall have a share of assets and liabilities based on the provisions of the joint powers agreement.

(2) ~~Where~~ *If* the redevelopment agency was in the form of a joint powers authority, and ~~where if~~ the joint powers agreement governing the formation of the joint powers authority does not address the allocation of assets and liabilities upon dissolution of the joint powers authority, then each of the entities that created the former redevelopment agency may be a successor agency within the meaning of this part, a proportionate share of the assets and liabilities shall be based on the assessed value in the project areas within each entity's jurisdiction, as determined by the county assessor, in its jurisdiction as compared to the assessed value of land within the boundaries of the project areas of the former redevelopment agency.

(d) (1) A city, county, city and county, or the entities forming the joint powers authority that authorized the creation of each redevelopment agency may elect not to serve as a successor agency under this part. A city, county, city and county, or any member of a joint powers authority that elects not to serve as a successor agency under this part must file a copy of a duly authorized resolution of its governing board to that effect with the county auditor-controller no later than January 13, 2012.

(2) The determination of the first local agency that elects to become the successor agency shall be made by the county auditor-controller based on the earliest receipt by the county auditor-controller of a copy of a duly

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adopted resolution of the local agency's governing board authorizing such an election. As used in this section, "local agency" means any city, county, city and county, or special district in the county of the former redevelopment agency.

(3) (A) If no local agency elects to serve as a successor agency for a dissolved redevelopment agency, a public body, referred to herein as a "designated local authority" shall be immediately formed, pursuant to this part, in the county and shall be vested with all the powers and duties of a successor agency as described in this part. The Governor shall appoint three residents of the county to serve as the governing board of the authority. The designated local authority shall serve as successor agency until a local agency elects to become the successor agency in accordance with this section.

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(B) Designated local authority members are protected by the immunities applicable to public entities and public employees governed by Part 1 (commencing with Section 810) and Part 2 (commencing with Section 814) of Division 3.6 of Title 1 of the Government Code.

(4) A city, county, or city and county, or the entities forming the joint powers authority that authorized the creation of a redevelopment agency and that elected not to serve as the successor agency under this part, may subsequently reverse this decision and agree to serve as the successor agency pursuant to this section. Any reversal of this decision shall not become effective for 60 days after notice has been given to the current successor agency and the oversight board and shall not invalidate any action of the successor agency or oversight board taken prior to the effective date of the transfer of responsibility.

(e) The liability of any successor agency, acting pursuant to the powers granted under the act adding this part, shall be limited to the extent of the total sum of property tax revenues it receives pursuant to this part and the value of assets transferred to it as a successor agency for a dissolved redevelopment agency.

(f) Any existing cleanup plans and liability limits authorized under the Polanco Redevelopment Act (Article 12.5 (commencing with Section 33459) of Chapter 4 of Part 1) shall be transferred to the successor agency and may be transferred to the successor housing entity at that entity's request.

(g) A successor agency is a separate public entity from the public agency that provides for its governance and the two entities shall not merge. The liabilities of the former redevelopment agency shall not be transferred to the sponsoring entity and the assets shall not become assets of the sponsoring entity. A successor agency has its own name, can be sued, and can sue. All litigation involving a redevelopment agency shall automatically be transferred to the successor agency. The separate former redevelopment agency employees shall not automatically become sponsoring entity employees of the sponsoring entity and the successor agency shall retain its own collective bargaining status. As successor entities, successor agencies succeed to the organizational status of the former redevelopment agency, but without any legal authority to participate in redevelopment activities, except to complete any work related to an approved enforceable obligation. Each successor agency shall be deemed to be a local entity for purposes of the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code).

(h) The city, county, or city and county that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.

(i) At the request of the city, county, or city and county, notwithstanding Section 33205, all land use related plans and functions of the former redevelopment agency are hereby transferred to the city, county, or city and county that authorized the creation of a redevelopment agency; provided, however, that the city, county, or city and county shall not create a new project area, add territory to, or expand or change the boundaries of a project area, or take any action that would increase the amount of obligated property tax (formerly tax increment) necessary to fulfill any existing enforceable obligation beyond what was authorized as of June 27, 2011.

**SEC. 8.** Section 34175 of the Health and Safety Code is amended to read:

**34175.** (a) It is the intent of this part that pledges of revenues associated with enforceable obligations of the former redevelopment agencies are to be honored. It is intended that the cessation of any redevelopment agency shall not affect either the pledge, the legal existence of that pledge, or the stream of revenues available to meet the requirements of the pledge.

(b) All assets, properties, contracts, leases, books and records, buildings, and equipment of the former redevelopment agency are transferred on February 1, 2012, to the control of the successor agency, for administration pursuant to the provisions of this part. This includes all cash or cash equivalents and amounts owed to the redevelopment agency as of February 1, 2012. *Any legal or contractual restrictions on the use of these funds or assets shall also be transferred to the successor agency.*

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**SEC. 9.** *Section 34176 of the Health and Safety Code is amended to read:*

**34176.** (a) (1) The city, county, or city and county that authorized the creation of a redevelopment agency may elect to retain the housing assets and functions previously performed by the redevelopment agency. If a city, county, or city and county elects to retain the ~~responsibility for performing~~ *authority to perform* housing functions previously performed by a redevelopment agency, all rights, powers, duties, ~~and~~ obligations, ~~and housing assets, as defined in subdivision (e),~~ excluding any amounts on deposit in the Low and Moderate Income Housing Fund ~~and enforceable obligations retained by the successor agency,~~ shall be transferred to the city, county, or city and county.

(2) *The entity assuming the housing functions of the former redevelopment agency shall submit to the Department of Finance by August 1, 2012, a list of all housing assets that contains an explanation of how the assets meet the criteria specified in subdivision (e). The Department of Finance shall prescribe the format for the submission of the list. The list shall include assets transferred between February 1, 2012, and the date upon which the list is created. The department shall have up to 30 days from the date of receipt of the list to object to any of the assets or transfers of assets identified on the list. If the Department of Finance objects to assets on the list, the entity assuming the housing functions of the former redevelopment agency may request a meet and confer process within five business days of receiving the department objection. If the transferred asset is deemed not to be a housing asset as defined in subdivision (e), it shall be returned to the successor agency and the provision of Section 34178.8 may apply. If a housing asset has been previously pledged to pay for bonded indebtedness, the successor agency shall maintain control of the asset in order to pay for the bond debt.*

(b) If a city, county, or city and county does not elect to retain the responsibility for performing housing functions previously performed by a redevelopment agency, all rights, powers, assets, ~~liabilities,~~ duties, and obligations associated with the housing activities of the agency, excluding *enforceable obligations retained by the successor agency* and any amounts in the Low and Moderate Income Housing Fund, shall be transferred as follows:

(1) ~~Where~~ *If* there is no local housing authority in the territorial jurisdiction of the former redevelopment agency, to the Department of Housing and Community Development.

(2) ~~Where~~ *If* there is one local housing authority in the territorial jurisdiction of the former redevelopment agency, to that local housing authority.

(3) ~~Where~~ *If* there is more than one local housing authority in the territorial jurisdiction of the former redevelopment agency, to the local housing authority selected by the city, county, or city and county that authorized the creation of the redevelopment agency.

(c) Commencing on the operative date of this part, the entity ~~assuming that assumes~~ *that assumes* the housing functions formerly performed by the redevelopment agency ~~and receives the transferred housing assets~~ may enforce affordability covenants and perform related activities pursuant to applicable provisions of the Community Redevelopment Law (Part 1 (commencing with Section ~~33000~~ 33000)), including, but not limited to, Section 33418.

(d) *Except as specifically provided in Section 34191.4, any funds transferred to the city, county, or city and county or designated entity pursuant to this section, together with any funds generated from housing assets, as defined in subdivision (e), shall be maintained in a separate Low and Moderate Income Housing Asset Fund which is hereby created in the accounts of the entity assuming the housing functions pursuant to this section. Funds in this account shall be used in accordance with applicable housing-related provisions of the Community Redevelopment Law (Part 1 (commencing with Section 33000)).*

(e) *For purposes of this part, "housing asset" includes all of the following:*

(1) *Any real property, interest in, or restriction on the use of real property, whether improved or not, and any personal property provided in residences, including furniture and appliances, all housing-related files and loan documents, office supplies, software licenses, and mapping programs, that were acquired for low- and*

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*moderate-income housing purposes, either by purchase or through a loan, in whole or in part, with any source of funds.*

*(2) Any funds that are encumbered by an enforceable obligation to build or acquire low- and moderate-income housing, as defined by the Community Redevelopment Law (Part 1 (commencing with Section 33000)) unless required in the bond covenants to be used for repayment purposes of the bond.*

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*(3) Any loan or grant receivable, funded from the Low and Moderate Income Housing Fund, from homebuyers, homeowners, nonprofit or for-profit developers, and other parties that require occupancy by persons of low or moderate income as defined by the Community Redevelopment Law (Part 1 (commencing with Section 33000)).*

*(4) Any funds derived from rents or operation of properties acquired for low- and moderate-income housing purposes by other parties that were financed with any source of funds, including residual receipt payments from developers, conditional grant repayments, cost savings and proceeds from refinancing, and principal and interest payments from homebuyers subject to enforceable income limits.*

*(5) A stream of rents or other payments from housing tenants or operators of low- and moderate-income housing financed with any source of funds that are used to maintain, operate, and enforce the affordability of housing or for enforceable obligations associated with low- and moderate-income housing.*

*(6) (A) Repayments of loans or deferrals owed to the Low and Moderate Income Housing Fund pursuant to subparagraph (G) of paragraph (1) of subdivision (d) of Section 34171, which shall be used consistent with the affordable housing requirements in the Community Redevelopment Law (Part 1 (commencing with Section 33000)).*

*(B) Loan or deferral repayments shall not be made prior to the 2013-14 fiscal year. Beginning in the 2013-14 fiscal year, the maximum repayment amount authorized each fiscal year for repayments made pursuant to this paragraph and subdivision (b) of Section 34191.4 combined shall be equal to one-half of the increase between the amount distributed to taxing entities pursuant to paragraph (4) of subdivision (a) of Section 34183 in that fiscal year and the amount distributed to taxing entities pursuant to that paragraph in the 2012-13 base year. Loan or deferral repayments made pursuant to this paragraph shall take priority over amounts to be repaid pursuant to subdivision (b) of Section 34191.4.*

*(f) If a development includes both low- and moderate-income housing that meets the definition of a housing asset under subdivision (e) and other types of property use, including, but not limited to, commercial use, governmental use, open space, and parks, the oversight board shall consider the overall value to the community as well as the benefit to taxing entities of keeping the entire development intact or dividing the title and control over the property between the housing successor and the successor agency or other public or private agencies. The disposition of those assets may be accomplished by a revenue-sharing arrangement as approved by the oversight board on behalf of the affected taxing entities.*

*(g) (1) (A) The entity assuming the housing functions pursuant to this section may designate the use of and commit indebtedness obligation proceeds that remain after the satisfaction of enforceable obligations that have been approved in a Recognized Obligation Payment Schedule and that are consistent with the indebtedness obligation covenants. The proceeds shall be derived from indebtedness obligations that were issued for the purposes of affordable housing prior to January 1, 2011, and were backed by the Low and Moderate Income Housing Fund. Enforceable obligations may be satisfied by the creation of reserves for the projects that are the subject of the enforceable obligation that are consistent with the contractual obligations for those projects, or by expending funds to complete the projects.*

*(B) The entity assuming the housing functions pursuant to this section shall provide notice to the successor agency of any designations of use or commitments of funds specified in subparagraph (A) that it wishes to make at least 20 days before the deadline for submission of the Recognized Obligation Payment Schedule to the oversight board. Commitments and designations shall not be valid and binding on any party until they are included in an approved and valid Recognized Obligation Payment Schedule. The review of these designations and commitments by the successor agency, oversight board, and Department of Finance shall be limited to a determination that the designations and commitments are consistent with bond covenants and that there are sufficient funds available.*

*(2) Funds shall be used and committed in a manner consistent with the purposes of the Low and Moderate Income Housing Asset Fund. Notwithstanding any other law, the successor agency shall retain and expend the excess housing obligation proceeds at the discretion of the succeeding housing entity, provided that the successor agency ensures that the proceeds are expended in a manner consistent with the indebtedness obligation covenants and with any requirements relating to the tax status of those obligations. The amount*

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*expended shall not exceed the amount of indebtedness obligation proceeds available and such expenditure shall constitute the creation of excess housing proceeds expenditures to be paid from the excess proceeds. Excess housing proceeds expenditures shall be listed separately on the Recognized Obligation Payment Schedule submitted by the successor agency.*

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**SEC. 10.** *Section 34176.5 is added to the Health and Safety Code, to read:*

**34176.5.** (a) Notwithstanding any other law, the Director of Finance is authorized to contract with auditors, lawyers, and other types of advisors and consultants to assist, advise, and represent the director and the Department of Finance in any matter or action arising out of or contemplated by this part or Part 1.8 (commencing with Section 34161). In furtherance of this authorization, Sections 14827.1, 14827.2, and 14838 of the Government Code, and Article 4 (commencing with Section 10335) of Chapter 2 of Part 2 of Division 2 of and Section 10295 of, the Public Contract Code shall not apply to any agreement entered into by the director pursuant to this section.

(b) In addition to the waivers of statute provided in subdivision (a), Section 6072 of the Business and Professions Code shall not apply to the legal services agreement entered into by the director pursuant to this section.

(c) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

**SEC. 11.** *Section 34177 of the Health and Safety Code is amended to read:*

**34177.** Successor agencies are required to do all of the following:

(a) Continue to make payments due for enforceable obligations.

(1) On and after February 1, 2012, and until a Recognized Obligation Payment Schedule becomes operative, only payments required pursuant to an enforceable obligations payment schedule shall be made. The initial enforceable obligation payment schedule shall be the last schedule adopted by the redevelopment agency under Section 34169. However, payments associated with obligations excluded from the definition of enforceable obligations by paragraph (2) of subdivision ~~(e)~~ (d) of Section 34171 shall be excluded from the enforceable obligations payment schedule and be removed from the last schedule adopted by the redevelopment agency under Section 34169 prior to the successor agency adopting it as its enforceable obligations payment schedule pursuant to this subdivision. The enforceable obligation payment schedule may be amended by the successor agency at any public meeting and shall be subject to the approval of the oversight board as soon as the board has sufficient members to form a quorum. *In recognition of the fact that the timing of the California Supreme Court's ruling in the case California Redevelopment Association v. Matosantos (2011) 53 Cal.4th 231 delayed the preparation by successor agencies and the approval by oversight boards of the January 1, 2012, through June 30, 2012, Recognized Obligation Payment Schedule, a successor agency may amend the Enforceable Obligation Payment Schedule to authorize the continued payment of enforceable obligations until the time that the January 1, 2012, through June 30, 2012, Recognized Obligation Payment Schedule has been approved by the oversight board and by the Department of Finance.*

(2) The Department of Finance and the Controller shall each have the authority to require any documents associated with the enforceable obligations to be provided to them in a manner of their choosing. Any taxing entity, the department, and the Controller shall each have standing to file a judicial action to prevent a violation under this part and to obtain injunctive or other appropriate relief.

(3) Commencing on ~~May 1, 2012~~ *the date the Recognized Obligation Payment Schedule is valid pursuant to subdivision (1)*, only those payments listed in the Recognized Obligation Payment Schedule may be made by the successor agency from the funds specified in the Recognized Obligation Payment Schedule. In addition, ~~commencing May 1, 2012~~ *after it becomes valid*, the Recognized Obligation Payment Schedule shall supersede the Statement of Indebtedness, which shall no longer be prepared nor have any effect under the Community Redevelopment Law (*Part 1 (commencing with Section 33000)*).

(4) Nothing in the act adding this part is to be construed as preventing a successor agency, with the prior approval of the oversight board, as described in Section 34179, from making payments for enforceable obligations from sources other than those listed in the Recognized Obligation Payment Schedule.

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(5) From February 1, 2012, to July 1, 2012, a successor agency shall have no authority and is hereby prohibited from accelerating payment or making any lump-sum payments that are intended to prepay loans unless such accelerated repayments were required prior to the effective date of this part.

(b) Maintain reserves in the amount required by indentures, trust indentures, or similar documents governing the issuance of outstanding redevelopment agency bonds.

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(c) Perform obligations required pursuant to any enforceable obligation.

(d) Remit unencumbered balances of redevelopment agency funds to the county auditor-controller for distribution to the taxing entities, including, but not limited to, the unencumbered balance of the Low and Moderate Income Housing Fund of a former redevelopment agency. In making the distribution, the county auditor-controller shall utilize the same methodology for allocation and distribution of property tax revenues provided in Section 34188.

(e) Dispose of assets and properties of the former redevelopment agency as directed by the oversight board; provided, however, that the oversight board may instead direct the successor agency to transfer ownership of certain assets pursuant to subdivision (a) of Section 34181. The disposal is to be done expeditiously and in a manner aimed at maximizing value. Proceeds from asset sales and related funds that are no longer needed for approved development projects or to otherwise wind down the affairs of the agency, each as determined by the oversight board, shall be transferred to the county auditor-controller for distribution as property tax proceeds under Section 34188. *The requirements of this subdivision shall not apply to a successor agency that has been issued a finding of completion by the Department of Finance pursuant to Section 34179.7.*

(f) Enforce all former redevelopment agency rights for the benefit of the taxing entities, including, but not limited to, continuing to collect loans, rents, and other revenues that were due to the redevelopment agency.

(g) Effectuate transfer of housing functions and assets to the appropriate entity designated pursuant to Section 34176.

(h) Expeditiously wind down the affairs of the redevelopment agency pursuant to the provisions of this part and in accordance with the direction of the oversight board.

(i) Continue to oversee development of properties until the contracted work has been completed or the contractual obligations of the former redevelopment agency can be transferred to other parties. Bond proceeds shall be used for the purposes for which bonds were sold unless the purposes can no longer be achieved, in which case, the proceeds may be used to defease the bonds.

(j) Prepare a proposed administrative budget and submit it to the oversight board for its approval. The proposed administrative budget shall include all of the following:

(1) Estimated amounts for successor agency administrative costs for the upcoming six-month fiscal period.

(2) Proposed sources of payment for the costs identified in paragraph (1).

(3) Proposals for arrangements for administrative and operations services provided by a city, county, city and county, or other entity.

(k) Provide administrative cost estimates, from its approved administrative budget that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the county auditor-controller for each six-month fiscal period.

(l) (1) Before each six-month fiscal period, prepare a Recognized Obligation Payment Schedule in accordance with the requirements of this paragraph. For each recognized obligation, the Recognized Obligation Payment Schedule shall identify one or more of the following sources of payment:

(A) Low and Moderate Income Housing Fund.

(B) Bond proceeds.

(C) Reserve balances.

(D) Administrative cost allowance.

(E) The Redevelopment Property Tax Trust Fund, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation or by the provisions of this part.

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(F) Other revenue sources, including rents, concessions, asset sale proceeds, interest earnings, and any other revenues derived from the former redevelopment agency, as approved by the oversight board in accordance with this part.

(2) A Recognized Obligation Payment Schedule shall not be deemed valid unless all of the following conditions have been met:

(A) ~~A draft~~ Recognized Obligation Payment Schedule is prepared by the successor agency for the enforceable obligations of the former redevelopment agency ~~by March 1, 2012. From October 1, 2011, to July 1, 2012, the~~. The initial ~~draft of that~~ schedule shall project the dates and amounts of scheduled payments for each enforceable obligation for the remainder of the time period during which the redevelopment agency would have been authorized to obligate property tax increment had ~~such the~~ a redevelopment agency not been dissolved, ~~and shall be reviewed and certified, as to its accuracy, by an external auditor designated pursuant to Section 34182.~~

(B) ~~The certified~~ Recognized Obligation Payment Schedule is submitted to and duly approved by the oversight board. ~~The successor agency shall submit a copy of the Recognized Obligation Payment Schedule to the county administrative officer, the county auditor-controller, and the Department of Finance at the same time that the successor agency submits the Recognized Obligation Payment Schedule to the oversight board for approval.~~

(C) A copy of the approved Recognized Obligation Payment Schedule is submitted to the county auditor-controller and both the Controller's office and the Department of Finance and be posted on the successor agency's Internet Web site.

(3) The Recognized Obligation Payment Schedule shall be forward looking to the next six months. The first Recognized Obligation Payment Schedule shall be submitted to the Controller's office and the Department of Finance by April 15, 2012, for the period of January 1, 2012, to June 30, 2012, inclusive. ~~This Recognized Obligation Payment Schedule shall include all payments made by the former redevelopment agency between January 1, 2012, through January 31, 2012, and shall include all payments proposed to be made by the successor agency from February 1, 2012, through June 30, 2012.~~ Former redevelopment agency enforceable obligation payments due, and reasonable or necessary administrative costs due or incurred, prior to January 1, 2012, shall be made from property tax revenues received in the spring of 2011 property tax distribution, and from other revenues and balances transferred to the successor agency.

~~(m) The Recognized Obligation Payment Schedule for the period of January 1, 2013, to June 30, 2013, shall be submitted by the successor agency, after approval by the oversight board, no later than September 1, 2012. Commencing with the Recognized Obligation Payment Schedule covering the period July 1, 2013, through December 31, 2013, successor agencies shall submit an oversight board-approved Recognized Obligation Payment Schedule to the Department of Finance and to the county auditor-controller no fewer than 90 days before the date of property tax distribution. The Department of Finance shall make its determination of the enforceable obligations and the amounts and funding sources of the enforceable obligations no later than 45 days after the Recognized Obligation Payment Schedule is submitted. Within five business days of the department's determination, a successor agency may request additional review by the department and an opportunity to meet and confer on disputed items. The meet and confer period may vary; an untimely submittal of a Recognized Obligation Payment Schedule may result in a meet and confer period of less than 30 days. The department shall notify the successor agency and the county auditor-controllers as to the outcome of its review at least 15 days before the date of property tax distribution.~~

~~(1) The successor agency shall submit a copy of the Recognized Obligation Payment Schedule to the Department of Finance electronically, and the successor agency shall complete the Recognized Obligation Payment Schedule in the manner provided for by the department. A successor agency shall be in noncompliance with this paragraph if it only submits to the department an electronic message or a letter stating that the oversight board has approved a Recognized Obligation Payment Schedule.~~

~~(2) If a successor agency does not submit a Recognized Obligation Payment Schedule by the deadlines provided in this subdivision, the city, county, or city and county that created the redevelopment agency shall be subject to a civil penalty equal to ten thousand dollars (\$10,000) per day for every day the schedule is not submitted to the department. The civil penalty shall be paid to the county auditor-controller for allocation to the taxing entities under Section 34183. If a successor agency fails to submit a Recognized Obligation Payment Schedule by the deadline, any creditor of the successor agency or the Department of Finance or any affected taxing entity shall have standing to and may request a writ of mandate to require the successor agency to immediately perform this duty. Those actions may be filed only in the County of Sacramento and shall have priority over other civil matters. Additionally, if an agency does not submit a Recognized Obligation Payment Schedule within~~

ten days of the deadline, the maximum administrative cost allowance for that period shall be reduced by 25 percent.

(3) If a successor agency fails to submit to the department an oversight board-approved Recognized Obligation Payment Schedule that complies with all requirements of this subdivision within five business days of the date upon which the Recognized Obligation Payment Schedule is to be used to determine the amount of property tax allocations, the department may determine if any amount should be withheld by the county auditor-controller for payments for enforceable obligations from distribution to taxing entities, pending approval of a Recognized Obligation Payment Schedule. The county auditor-controller shall distribute the portion of any of the sums withheld pursuant to this paragraph to the affected taxing entities in accordance with paragraph (4) of subdivision (a) of Section 34183 upon notice by the department that a portion of the withheld balances are in excess of the amount of enforceable obligations. The county auditor-controller shall distribute withheld funds to the successor agency only in accordance with a Recognized Obligation Payment Schedule approved by the department. County auditor-controllers shall lack the authority to withhold any other amounts from the allocations provided for under Section 34183 or 34188 unless required by a court order.

(n) Cause a postaudit of the financial transactions and records of the successor agency to be made at least annually by a certified public accountant.

**SEC. 12.** Section 34177.3 is added to the Health and Safety Code, to read:

**34177.3.** (a) Successor agencies shall lack the authority to, and shall not, create new enforceable obligations under the authority of the Community Redevelopment Law (Part 1 (commencing with Section 33000)) or begin new redevelopment work, except in compliance with an enforceable obligation that existed prior to June 28, 2011.

(b) Successor agencies may create enforceable obligations to conduct the work of winding down the redevelopment agency, including hiring staff, acquiring necessary professional administrative services and legal counsel, and procuring insurance.

(c) Successor agencies shall lack the authority to, and shall not, transfer any powers or revenues of the successor agency to any other party, public or private, except pursuant to an enforceable obligation on a Recognized Obligation Payment Schedule approved by the department. Any such transfers of authority or revenues that are not made pursuant to an enforceable obligation on a Recognized Obligation Payment Schedule approved by the Department of Finance are hereby declared to be void, and the successor agency shall take action to reverse any of those transfers. The Controller may audit any transfer of authority or revenues prohibited by this section and may order the prompt return of any money or other things of value from the receiving party.

(d) Redevelopment agencies that resolved to participate in the Voluntary Alternative Redevelopment Program under Chapter 6 of the First Extraordinary Session of the Statutes of 2011 were and are subject to the provisions of Part 1.8 (commencing with Section 34161). Any actions taken by redevelopment agencies to create obligations after June 27, 2011, are ultra vires and do not create enforceable obligations.

(e) The Legislature finds and declares that the provisions of this section are declaratory of existing law.

**SEC. 13.** Section 34177.5 is added to the Health and Safety Code, to read:

**34177.5.** (a) In addition to the powers granted to each successor agency, and notwithstanding anything in the act adding this part, including, but not limited to, Sections 34162 and 34189, a successor agency shall have the authority, rights, and powers of the redevelopment agency to which it succeeded solely for the following purposes:

(1) For the purpose of issuing bonds or incurring other indebtedness to refund the bonds or other indebtedness of its former redevelopment agency or of the successor agency to provide savings to the successor agency, provided that (A) the total interest cost to maturity on the refunding bonds or other indebtedness plus the principal amount of the refunding bonds or other indebtedness shall not exceed the total remaining interest cost to maturity on the bonds or other indebtedness to be refunded plus the remaining principal of the bonds or other indebtedness to be refunded, and (B) the principal amount of the refunding bonds or other indebtedness shall not exceed the amount required to defease the refunded bonds or other indebtedness, to establish customary debt service reserves, and to pay related costs of issuance. If the foregoing conditions are satisfied, the initial principal amount of the refunding bonds or other indebtedness may be greater than the outstanding principal amount of the bonds or other indebtedness to be refunded. The successor agency may pledge to the

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refunding bonds or other indebtedness the revenues pledged to the bonds or other indebtedness being refunded, and that pledge, when made in connection with the issuance of such refunding bonds or other indebtedness, shall have the same lien priority as the pledge of the bonds or other obligations to be refunded, and shall be valid, binding, and enforceable in accordance with its terms.

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(2) For the purpose of issuing bonds or other indebtedness to finance debt service spikes, including balloon maturities, provided that (A) the existing indebtedness is not accelerated, except to the extent necessary to achieve substantially level debt service, and (B) the principal amount of the bonds or other indebtedness shall not exceed the amount required to finance the debt service spikes, including establishing customary debt service reserves and paying related costs of issuance.

(3) For the purpose of amending an existing enforceable obligation under which the successor agency is obligated to reimburse a political subdivision of the state for the payment of debt service on a bond or other obligation of the political subdivision, or to pay all or a portion of the debt service on the bond or other obligation of the political subdivision to provide savings to the successor agency, provided that (A) the enforceable obligation is amended in connection with a refunding of the bonds or other obligations of the political subdivision so that the enforceable obligation will apply to the refunding bonds or other refunding indebtedness of the political subdivision, (B) the total interest cost to maturity on the refunding bonds or other indebtedness plus the principal amount of the refunding bonds or other indebtedness shall not exceed the total remaining interest cost to maturity on the bonds or other indebtedness to be refunded plus the remaining principal of the bonds or other indebtedness to be refunded, and (C) the principal amount of the refunding bonds or other indebtedness shall not exceed the amount required to defease the refunded bonds or other indebtedness, to establish customary debt service reserves and to pay related costs of issuance. The pledge set forth in that amended enforceable obligation, when made in connection with the execution of the amendment of the enforceable obligation, shall have the same lien priority as the pledge in the enforceable obligation prior to its amendment and shall be valid, binding, and enforceable in accordance with its terms.

(4) For the purpose of issuing bonds or incurring other indebtedness to make payments under enforceable obligations when the enforceable obligations include the irrevocable pledge of property tax increment, formerly tax increment revenues prior to the effective date of this part, or other funds and the obligation to issue bonds secured by that pledge. The successor agency may pledge to the bonds or other indebtedness the property tax revenues and other funds described in the enforceable obligation, and that pledge, when made in connection with the issuance of the bonds or the incurring of other indebtedness, shall be valid, binding, and enforceable in accordance with its terms. This paragraph shall not be deemed to authorize a successor agency to increase the amount of property tax revenues pledged under an enforceable obligation or to pledge any property tax revenue not already pledged pursuant to an enforceable obligation. This paragraph does not constitute a change in, but is declaratory of, the existing law.

(b) The refunding bonds authorized under this section may be issued under the authority of Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, and the refunding bonds may be sold at public or private sale, or to a joint powers authority pursuant to the Marks-Roos Local Bond Pooling Act (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code).

(c) (1) Prior to incurring any bonds or other indebtedness pursuant to this section, the successor agency may subordinate to the bonds or other indebtedness the amount required to be paid to an affected taxing entity pursuant to paragraph (1) of subdivision (a) of Section 34183, provided that the affected taxing entity has approved the subordinations pursuant to this subdivision.

(2) At the time the successor agency requests an affected taxing entity to subordinate the amount to be paid to it, the successor agency shall provide the affected taxing entity with substantial evidence that sufficient funds will be available to pay both the debt service on the bonds or other indebtedness and the payments required by paragraph (1) of subdivision (a) of Section 34183, when due.

(3) Within 45 days after receipt of the agency's request, the affected taxing entity shall approve or disapprove the request for subordination. An affected taxing entity may disapprove a request for subordination only if it finds, based upon substantial evidence, that the successor agency will not be able to pay the debt service payments and the amount required to be paid to the affected taxing entity. If the affected taxing entity does not act within 45 days after receipt of the agency's request, the request to subordinate shall be deemed approved and shall be final and conclusive.

(d) An action may be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure to determine the validity of bonds or other obligations authorized by this section, the

pledge of revenues to those bonds or other obligations authorized by this section, the legality and validity of all proceedings theretofore taken and, as provided in the resolution of the legislative body of the successor agency authorizing the bonds or other obligations authorized by this section, proposed to be taken for the authorization, execution, issuance, sale, and delivery of the bonds or other obligations authorized by this section, and for the payment of debt service on the bonds or the payment of amounts under other obligations authorized by this section. Subdivision (c) of Section 33501 shall not apply to any such action. The Department of Finance shall be notified of the filing of any action as an affected party.

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(e) Notwithstanding any other law, including, but not limited to, Section 33501, an action to challenge the issuance of bonds, the incurrence of indebtedness, the amendment of an enforceable obligation, or the execution of a financing agreement by a successor agency shall be brought within 30 days after the date on which the oversight board approves the resolution of the successor agency approving the issuance of bonds, the incurrence of indebtedness, the amendment of an enforceable obligation, or the execution of a financing agreement authorized under this section.

(f) The actions authorized in this section shall be subject to the approval of the oversight board, as provided in Section 34180. Additionally, an oversight board may direct the successor agency to commence any of the transactions described in subdivision (a) so long as the successor agency is able to recover its related costs in connection with the transaction. After a successor agency, with approval of the oversight board, issues any bonds, incurs any indebtedness, or executes an amended enforceable obligation pursuant to subdivision (a), the oversight board shall not unilaterally approve any amendments to or early termination of the bonds, indebtedness, or enforceable obligation. If, under the authority granted to it by subdivision (h) of Section 34179, the Department of Finance either reviews and approves or fails to request review within five business days of an oversight board approval of an action authorized by this section, the scheduled payments on the bonds or other indebtedness shall be listed in the Recognized Obligation Payment Schedule and shall not be subject to further review and approval by the department or the Controller. The department may extend its review time to 60 days for actions authorized in this section and may seek the assistance of the Treasurer in evaluating proposed actions under this section.

(g) Any bonds, indebtedness, or amended enforceable obligation authorized by this section shall be considered indebtedness incurred by the dissolved redevelopment agency, with the same legal effect as if the bonds, indebtedness, financing agreement, or amended enforceable obligation had been issued, incurred, or entered into prior to June 29, 2011, in full conformity with the applicable provisions of the Community Redevelopment Law that existed prior to that date, shall be included in the successor agency's Recognized Obligation Payment Schedule, and shall be secured by a pledge of, and lien on, and shall be repaid from moneys deposited from time to time in the Redevelopment Property Tax Trust Fund established pursuant to subdivision (c) of Section 34172, as provided in paragraph (2) of subdivision (a) of Section 34183. Property tax revenues pledged to any bonds, indebtedness, or amended enforceable obligations authorized by this section are taxes allocated to the successor agency pursuant to subdivision (b) of Section 33670 and Section 16 of Article XVI of the California Constitution.

(h) The successor agency shall make diligent efforts to ensure that the lowest long-term cost financing is obtained. The financing shall not provide for any bullets or spikes and shall not use variable rates. The successor agency shall make use of an independent financial advisor in developing financing proposals and shall make the work products of the financial advisor available to the Department of Finance at its request.

(i) If an enforceable obligation provides for an irrevocable commitment of property tax revenue and where allocation of such revenues is expected to occur over time, the successor agency may petition the Department of Finance to provide written confirmation that its determination of such enforceable obligation as approved in a Recognized Obligation Payment Schedule is final and conclusive, and reflects the department's approval of subsequent payments made pursuant to the enforceable obligation. If the confirmation is granted, then the department's review of such payments in future Recognized Obligation Payment Schedules shall be limited to confirming that they are required by the prior enforceable obligation.

(j) The successor agency may request that the department provide a written determination to waive the two-year statute of limitations on an action to review the validity of the adoption or amendment of a redevelopment plan pursuant to subdivision (c) of Section 33500 or on any findings or determinations made by the agency pursuant to subdivision (d) of Section 33500. The department at its discretion may provide a waiver if it determines it is necessary for the agency to fulfill an enforceable obligation.

**SEC. 14.** Section 34178 of the Health and Safety Code is amended to read:

**34178.** (a) Commencing on the operative date of this part, agreements, contracts, or arrangements between the city or county, or city and county that created the redevelopment agency and the redevelopment agency are invalid and shall not be binding on the successor agency; provided, however, that a successor entity wishing to enter or reenter into agreements with the city, county, or city and county that formed the redevelopment agency that it is succeeding may do so upon obtaining the approval of its oversight board. *A successor agency or an oversight board shall not exercise the powers granted by this subdivision to restore funding for an enforceable obligation that was deleted or reduced by the Department of Finance pursuant to subdivision (h) of Section 34179 unless it reflects the decisions made during the meet and confer process with the Department of Finance or pursuant to a court order.*

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(b) Notwithstanding subdivision (a), any of the following agreements are not invalid and may bind the successor agency:

(1) A duly authorized written agreement entered into at the time of issuance, but in no event later than December 31, 2010, of indebtedness obligations, and solely for the purpose of securing or repaying those indebtedness obligations.

(2) A written agreement between a redevelopment agency and the city, county, or city and county that created it that provided loans or other startup funds for the redevelopment agency that were entered into within two years of the formation of the redevelopment agency.

(3) A joint exercise of powers agreement in which the redevelopment agency is a member of the joint powers authority. However, upon assignment to the successor agency by operation of the act adding this part, the successor agency's rights, duties, and performance obligations under that joint exercise of powers agreement shall be limited by the constraints imposed on successor agencies by the act adding this part.

**SEC. 15.** *Section 34178.8 is added to the Health and Safety Code, to read:*

**34178.8.** *Commencing on the effective date of the act adding this section, the Controller shall review the activities of successor agencies in the state to determine if an asset transfer has occurred after January 31, 2012, between the successor agency and the city, county, or city and county that created a redevelopment agency, or any other public agency, that was not made pursuant to an enforceable obligation on an approved and valid Recognized Obligation Payment Schedule. If such an asset transfer did occur, to the extent not prohibited by state and federal law, the Controller shall order the available assets to be returned to the successor agency. Upon receiving that order from the Controller, an affected local agency shall, as soon as practicable, reverse the transfer and return the applicable assets to the successor agency. This section shall not apply to housing assets as defined in subdivision (e) of Section 34176.*

**SEC. 16.** *Section 34179 of the Health and Safety Code is amended to read:*

**34179.** (a) Each successor agency shall have an oversight board composed of seven members. The members shall elect one of their members as the chairperson and shall report the name of the chairperson and other members to the Department of Finance on or before May 1, 2012. Members shall be selected as follows:

(1) One member appointed by the county board of supervisors.

(2) One member appointed by the mayor for the city that formed the redevelopment agency.

(3) (A) One member appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the former redevelopment agency, which is of the type of special district that is eligible to receive property tax revenues pursuant to Section 34188.

(B) *On or after the effective date of this subparagraph, the county auditor-controller may determine which is the largest special district for purposes of this section.*

(4) One member appointed by the county superintendent of education to represent schools if the superintendent is elected. If the county superintendent of education is appointed, then the appointment made pursuant to this paragraph shall be made by the county board of education.

(5) One member appointed by the Chancellor of the California Community Colleges to represent community college districts in the county.

(6) One member of the public appointed by the county board of supervisors.

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(7) One member representing the employees of the former redevelopment agency appointed by the mayor or chair of the board of supervisors, as the case may be, from the recognized employee organization representing the largest number of former redevelopment agency employees employed by the successor agency at that time. *In the case where city or county employees performed administrative duties of the former redevelopment agency, the appointment shall be made from the recognized employee organization representing those employees. If a recognized employee organization does not exist for either the employees of the former redevelopment agency or the city or county employees performing administrative duties of the former redevelopment agency, the appointment shall be made from among the employees of the successor agency. In voting to approve a contract as an enforceable obligation, a member appointed pursuant to this paragraph shall not be deemed to be interested in the contract by virtue of being an employee of the successor agency or community for purposes of Section 1090 of the Government Code.*

(8) If the county or a joint powers agency formed the redevelopment agency, then the largest city by acreage in the territorial jurisdiction of the former redevelopment agency may select one member. If there are no cities with territory in a project area of the redevelopment agency, the county superintendent of education may appoint an additional member to represent the public.

(9) If there are no special districts of the type that are eligible to receive property tax pursuant to Section 34188, within the territorial jurisdiction of the former redevelopment agency, then the county may appoint one member to represent the public.

(10) ~~Where~~ *If a redevelopment agency was formed by an entity that is both a charter city and a county, the oversight board shall be composed of seven members selected as follows: three members appointed by the mayor of the city, where such if that appointment is subject to confirmation by the county board of supervisors, one member appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the former redevelopment agency, which is the type of special district that is eligible to receive property tax revenues pursuant to Section 34188, one member appointed by the county superintendent of education to represent schools, one member appointed by the Chancellor of the California Community Colleges to represent community college districts, and one member representing employees of the former redevelopment agency appointed by the mayor of the city where such an if that appointment is subject to confirmation by the county board of supervisors, to represent the largest number of former redevelopment agency employees employed by the successor agency at that time.*

(b) The Governor may appoint individuals to fill any oversight board member position described in subdivision (a) that has not been filled by May 15, 2012, or any member position that remains vacant for more than 60 days.

(c) The oversight board may direct the staff of the successor agency to perform work in furtherance of the oversight board's duties and responsibilities under this part. The successor agency shall pay for all of the costs of meetings of the oversight board and may include such costs in its administrative budget. Oversight board members shall serve without compensation or reimbursement for expenses.

(d) ~~Oversight board members shall have personal immunity from suit for their actions taken within the scope of their responsibilities as oversight board members.~~ *are protected by the immunities applicable to public entities and public employees governed by Part 1 (commencing with Section 810) and Part 2 (commencing with Section 814) of Division 3.6 of Title 1 of the Government Code.*

(e) A majority of the total membership of the oversight board shall constitute a quorum for the transaction of business. A majority vote of the total membership of the oversight board is required for the oversight board to take action. The oversight board shall be deemed to be a local entity for purposes of the Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act of 1974. *All actions taken by the oversight board shall be adopted by resolution.*

(f) All notices required by law for proposed oversight board actions shall also be posted on the successor agency's Internet Web site or the oversight board's Internet Web site.

(g) Each member of an oversight board shall serve at the pleasure of the entity that appointed such member.

(h) ~~The Department of Finance may review an oversight board action taken pursuant to the act adding this part. As such, all oversight board actions shall not be effective for three business days, pending a request for review by the department. Written notice and information about all actions taken by an oversight board shall be provided to the department by electronic means and in a manner of the department's choosing. An action shall become effective five business days after notice in the manner specified by the department is provided unless the department requests a review.~~ Each oversight board shall designate an official to whom the department

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may make ~~such~~ those requests and who shall provide the department with the telephone number and e-mail contact information for the purpose of communicating with the department pursuant to this subdivision. ~~In~~ Except as otherwise provided in this part, in the event that the department requests a review of a given oversight board action, it shall have ~~10~~ 40 days from the date of its request to approve the oversight board action or return it to the oversight board for reconsideration and ~~such~~ the oversight board action shall not be effective until approved by the department. In the event that the department returns the oversight board action to the oversight board for reconsideration, the oversight board shall resubmit the modified action for department approval and the modified oversight board action shall not become effective until approved by the department. *If the department reviews a Recognized Obligation Payment Schedule, the department may eliminate or modify any item on that schedule prior to its approval. The county auditor-controller shall reflect the actions of the department in determining the amount of property tax revenues to allocate to the successor agency. The department shall provide notice to the successor agency and the county auditor-controller as to the reasons for its actions. To the extent that an oversight board continues to dispute a determination with the department, one or more future recognized obligation schedules may reflect any resolution of that dispute. The department may also agree to an amendment to a Recognized Obligation Payment Schedule to reflect a resolution of a disputed item; however, this shall not affect a past allocation of property tax or create a liability for any affected taxing entity.*

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(i) Oversight boards shall have fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188. Further, the provisions of Division 4 (commencing with Section 1000) of the Government Code shall apply to oversight boards. Notwithstanding Section 1099 of the Government Code, or any other law, any individual may simultaneously be appointed to up to five oversight boards and may hold an office in a city, county, city and county, special district, school district, or community college district.

(j) Commencing on and after July 1, 2016, in each county where more than one oversight board was created by operation of the act adding this part, there shall be only one oversight board appointed as follows:

(1) One member may be appointed by the county board of supervisors.

(2) One member may be appointed by the city selection committee established pursuant to Section 50270 of the Government Code. In a city and county, the mayor may appoint one member.

(3) One member may be appointed by the independent special district selection committee established pursuant to Section 56332 of the Government Code, for the types of special districts that are eligible to receive property tax revenues pursuant to Section 34188.

(4) One member may be appointed by the county superintendent of education to represent schools if the superintendent is elected. If the county superintendent of education is appointed, then the appointment made pursuant to this paragraph shall be made by the county board of education.

(5) One member may be appointed by the Chancellor of the California Community Colleges to represent community college districts in the county.

(6) One member of the public may be appointed by the county board of supervisors.

(7) One member may be appointed by the recognized employee organization representing the largest number of successor agency employees in the county.

(k) The Governor may appoint individuals to fill any oversight board member position described in subdivision (j) that has not been filled by July 15, 2016, or any member position that remains vacant for more than 60 days.

(l) Commencing on and after July 1, 2016, in each county where only one oversight board was created by operation of the act adding this part, then there will be no change to the composition of that oversight board as a result of the operation of subdivision (b).

(m) Any oversight board for a given successor agency shall cease to exist when all of the indebtedness of the dissolved redevelopment agency has been repaid.

(n) *An oversight board may direct a successor agency to provide additional legal or financial advice than what was given by agency staff.*

(o) *An oversight board is authorized to contract with the county or other public or private agencies for administrative support.*

(p) On matters within the purview of the oversight board, decisions made by the oversight board supersede those made by the successor agency or the staff of the successor agency.

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**SEC. 17.** Section 34179.5 is added to the Health and Safety Code, to read:

**34179.5.** (a) In furtherance of subdivision (d) of Section 34177, each successor agency shall employ a licensed accountant, approved by the county auditor-controller and with experience and expertise in local government accounting, to conduct a due diligence review to determine the unobligated balances available for transfer to taxing entities. As an alternative, an audit provided by the county auditor-controller that provides the information required by this section may be used to comply with this section with the concurrence of the oversight board.

(b) For purposes of this section the following terms shall have the following meanings:

(1) "Cash" and "cash equivalents" includes, but is not limited to, cash in hand, bank deposits, Local Agency Investment Fund deposits, deposits in the city or county treasury or any other pool, marketable securities, commercial paper, United States Treasury bills, banker's acceptances, payables on demand and amounts due from other parties as defined in subdivision (c), and any other money owned by the successor agency.

(2) "Enforceable obligation" includes any of the items listed in subdivision (d) of Section 34171, contracts detailing specific work to be performed that were entered into by the former redevelopment agency prior to June 28, 2011, with a third party that is other than the city, county, or city and county that created the former redevelopment agency, and indebtedness obligations as defined in subdivision (e) of Section 34171.

(3) "Transferred" means the transmission of money to another party that is not in payment for goods or services or an investment or where the payment is de minimus. Transfer also means where the payments are ultimately merely a restriction on the use of the money.

(c) At a minimum, the review required by this section shall include the following:

(1) The dollar value of assets transferred from the former redevelopment agency to the successor agency on or about February 1, 2012.

(2) The dollar value of assets and cash and cash equivalents transferred after January 1, 2011, through June 30, 2012, by the redevelopment agency or the successor agency to the city, county, or city and county that formed the redevelopment agency and the purpose of each transfer. The review shall provide documentation of any enforceable obligation that required the transfer.

(3) The dollar value of any cash or cash equivalents transferred after January 1, 2011, through June 30, 2012, by the redevelopment agency or the successor agency to any other public agency or private party and the purpose of each transfer. The review shall provide documentation of any enforceable obligation that required the transfer.

(4) The review shall provide expenditure and revenue accounting information and identify transfers and funding sources for the 2010-11 and 2011-12 fiscal years that reconciles balances, assets, and liabilities of the successor agency on June 30, 2012 to those reported to the Controller for the 2009-10 fiscal year.

(5) A separate accounting for the balance for the Low and Moderate Income Housing Fund for all other funds and accounts combined shall be made as follows:

(A) A statement of the total value of each fund as of June 30, 2012.

(B) An itemized statement listing any amounts that are legally restricted as to purpose and cannot be provided to taxing entities. This could include the proceeds of any bonds, grant funds, or funds provided by other governmental entities that place conditions on their use.

(C) An itemized statement of the values of any assets that are not cash or cash equivalents. This may include physical assets, land, records, and equipment. For the purpose of this accounting, physical assets may be valued at purchase cost or at any recently estimated market value. The statement shall list separately housing-related assets.

(D) An itemized listing of any current balances that are legally or contractually dedicated or restricted for the funding of an enforceable obligation that identifies the nature of the dedication or restriction and the specific enforceable obligation. In addition, the successor agency shall provide a listing of all approved enforceable obligations that includes a projection of annual spending requirements to satisfy each obligation and a

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projection of annual revenues available to fund those requirements. If a review finds that future revenues together with dedicated or restricted balances are insufficient to fund future obligations and thus retention of current balances is required, it shall identify the amount of current balances necessary for retention. The review shall also detail the projected property tax revenues and other general purpose revenues to be received by the successor agency, together with both the amount and timing of the bond debt service payments of the successor agency, for the period in which the oversight board anticipates the successor agency will have insufficient property tax revenue to pay the specified obligations.

(E) An itemized list and analysis of any amounts of current balances that are needed to satisfy obligations that will be placed on the Recognized Obligation Payment Schedules for the current fiscal year.

(6) The review shall total the net balances available after deducting the total amounts described in subparagraphs (B) to (E), inclusive, of paragraph (5). The review shall add any amounts that were transferred as identified in paragraphs (2) and (3) of subdivision (c) if an enforceable obligation to make that transfer did not exist. The resulting sum shall be available for allocation to affected taxing entities pursuant to Section 34179.6. It shall be a rebuttable presumption that cash and cash equivalent balances available to the successor agency are available and sufficient to disburse the amount determined in this paragraph to taxing entities. If the review finds that there are insufficient cash balances to transfer or that cash or cash equivalents are specifically obligated to the purposes described in subparagraphs (B), (D), and (E) of paragraph (5) in such amounts that there is insufficient cash to provide the full amount determined pursuant to this paragraph, that amount shall be demonstrated in an additional itemized schedule.

**SEC. 18.** Section 34179.6 is added to the Health and Safety Code, to read:

**34179.6.** The review required pursuant to Section 34179.5 shall be submitted to the oversight board for review. The successor agency shall submit a copy of the Recognized Obligation Payment Schedule to the county administrative officer, the county auditor-controller, and the Department of Finance at the same time that the successor agency submits the review to the oversight board for review.

(a) By October 1, 2012, each successor agency shall provide to the oversight board, the county auditor-controller, the Controller, and the Department of Finance the results of the review conducted pursuant to Section 34179.5 for the Low and Moderate Income Housing Fund and specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities. By December 15, 2012, each successor agency shall provide to the oversight board, the county auditor-controller, the Controller, and the department the results of the review conducted pursuant to Section 34179.5 for all of the other fund and account balances and specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities. The department may request any supporting documentation and review results to assist in its review under subdivision (d). The department may specify the form and manner information about the review shall be provided to it.

(b) Upon receipt of the review, the oversight board shall convene a public comment session to take place at least five business days before the oversight board holds the approval vote specified in subdivision (c). The oversight board also shall consider any opinions offered by the county auditor-controller on the review results submitted by the successor agencies.

(c) By October 15, 2012, for the Low and Moderate Income Housing Fund and by January 15, 2013, for all other funds and accounts, the oversight board shall review, approve, and transmit to the department and the county auditor-controller the determination of the amount of cash and cash equivalents that are available for disbursement to taxing entities as determined according to the method provided in Section 34179.5. The oversight board may adjust any amount provided in the review to reflect additional information and analysis. The review and approval shall occur in public sessions. The oversight board may request from the successor agency any materials it deems necessary to assist in its review and approval of the determination. The oversight board shall be empowered to authorize a successor agency to retain assets or funds identified in subparagraphs (B) to (E), inclusive, of paragraph (5) of subdivision (c) of Section 34179.5. An oversight board that makes that authorization also shall identify to the department the amount of funds authorized for retention, the source of those funds, and the purposes for which those funds are being retained. The determination and authorization to retain funds and assets shall be subject to the review and approval of the department pursuant to subdivision (d).

(d) The department may adjust any amount associated with the determination of the resulting amount described in paragraph (6) of subdivision (c) of Section 34179.5 based on its analysis and information provided by the successor agency and others. The department shall consider any findings or opinions of the county

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auditor-controllers and the Controller. The department shall complete its review of the determinations provided pursuant to subdivision (c) no later than November 9, 2012, for the Low and Moderate Income Housing Fund and also shall notify the oversight board and the successor agency of its decision to overturn any decision of the oversight board to authorize a successor agency to retain assets or funds made pursuant to subdivision (c). The department shall complete its review of the determinations provided pursuant to subdivision (c) no later than April 1, 2013, for the other funds and accounts and also shall notify the oversight board and the successor agency of its decision to overturn any oversight board authorizations made pursuant to subdivision (c). The department shall provide the oversight board and the successor agency an explanation of its basis for overturning or modifying any findings, determinations, or authorizations of the oversight board made pursuant to subdivision (c).

(e) The successor agency and the entity or entities that created the former redevelopment agency may request to meet and confer with the department to resolve any disputes regarding the amounts or sources of funds identified as determined by the department. The request shall be made within five business days of the transmission, and no later than November 16, 2012, for the determination regarding the Low and Moderate Income Housing Fund, to the successor agency or the designated local authority of the department's determination, decisions, and explanations and shall be accompanied by an explanation and documentation of the basis of the dispute. The department shall meet and confer with the requesting party and modify its determinations and decisions accordingly. The department shall either confirm or modify its determinations and decisions within 30 days of the request to meet and confer.

(f) Each successor agency shall transmit to the county auditor-controller the amount of funds required pursuant to the determination of the department within five working days of receipt of the notification under subdivision (c) or (e) if a meet and confer request is made. Successor agencies shall make diligent efforts to recover any money determined to have been transferred without an enforceable obligation as described in paragraphs (2) and (3) of subdivision (c) of Section 34179.5. The department shall notify the county auditor-controllers of its actions and the county auditor-controllers shall disburse the funds received from successor agencies to taxing entities pursuant to Section 34188 within five working days of receipt. Amounts received after November 28, 2012, and April 10, 2013, may be held and disbursed with the regular payments to taxing entities pursuant to Section 34183.

(g) By December 1, 2012, the county auditor-controller shall provide the department a report specifying the amount submitted by each successor agency pursuant to subdivision (d) for low- and moderate-income housing funds, and specifically noting those successor agencies that failed to remit the full required amount. By April 20, 2013, the county auditor-controller shall provide the department a report detailing the amount submitted by each successor agency pursuant to subdivision (d) for all other funds and accounts, and specifically noting those successor agencies that failed to remit the full required amount.

(h) If a successor agency fails to remit to the county auditor-controller the sums identified in subdivisions (d) and (f), by the deadlines specified in those subdivisions, the following remedies are available:

(1) (A) If the successor agency cannot promptly recover the funds that have been transferred to another public agency without an enforceable obligation as described in paragraphs (2) and (3) of subdivision (c) of Section 34179.5, the funds may be recovered through an offset of sales and use tax or property tax allocations to the local agency to which the funds were transferred. To recover such funds, the Department of Finance may order the State Board of Equalization to make an offset pursuant to subdivision (a) of Section 34179.8. If the Department of Finance does not order a sales tax offset, the county auditor-controller may reduce the property tax allocations to any local agency in the county that fails to repay funds pursuant to subdivision (c) of Section 34179.8.

(B) The county auditor-controller and the department shall each have the authority to demand the return of funds improperly spent or transferred to a private person or other private entity. If funds are not repaid within 60 days, they may be recovered through any lawful means of collection and are subject to a ten percent penalty plus interest at the rate charged for late personal income tax payments from the date the improper payment was made to the date the money is repaid.

(C) If the city, county, or city and county that created the former redevelopment agency is also performing the duties of the successor agency, the Department of Finance may order an offset to the distribution provided to the sales and use tax revenue to that agency pursuant to subdivision (a) of Section 34179.8. This offset shall be equal to the amount the successor fails to remit pursuant to subdivision (f). If the Department of Finance does not order a sales tax offset, the county auditor-controller may reduce the property tax allocations of the city, county, or city and county that created the former redevelopment agency pursuant to subdivision (c) of Section 34179.8.



*(D) The department and the county auditor-controller shall coordinate their actions undertaken pursuant to this paragraph.*

*(2) Alternatively or in addition to the remedies provided in paragraph (1), the department may direct the county auditor-controller to deduct the unpaid amount from future allocations of property tax to the successor agency under Section 34183 until the amount of payment required pursuant to subdivision (d) is accomplished.*

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*(3) If the Department of Finance determines that payment of the full amount required under subdivision (d) is not currently feasible or would jeopardize the ability of the successor agency to pay enforceable obligations in a timely manner, it may agree to an installment payment plan.*

*(i) (1) If a legal action contesting a withholding effectuated by the State Board of Equalization pursuant to subparagraphs (B), (C), or (B) and (C) of paragraph (2) of subdivision (b) of Section 34183.5 is successful and results in a final judicial determination, the court shall order the state to pay to the prevailing party a penalty equal to a percentage of the amount of funds found by the court to be improperly withheld, as provided in Section 34179.8. This percentage shall be equivalent to the number of months the funds have been found by the court to be improperly withheld, not to exceed 10 percent.*

*(2) If a legal action contesting an offset effectuated by the State Board of Equalization or the county auditor-controller pursuant to subdivision (h) is successful and results in a final judicial determination, the court shall order the state or the county auditor-controller to pay to the prevailing party a penalty equal to 10 percent of the amount of funds found by the court to be improperly offset, as provided in Section 34179.8.*

*(j) If a legal challenge to invalidate any provision in subdivision (h) or subparagraph (B) or (C), or subparagraphs (B) and (C) of paragraph (2) of subdivision (b) of Section 34183.5 is successful and results in a final judicial determination, the invalidated provision shall become inoperative and subdivision (i) shall become inoperative with respect to the invalidated provision.*

**SEC. 19.** *Section 34179.7 is added to the Health and Safety Code, to read:*

**34179.7.** *Upon full payment of the amounts determined in subdivision (d) or (e) of Section 34179.6 as reported by the county auditor-controller pursuant to subdivision (g) of Section 34179.6 and of any amounts due as determined by Section 34183.5, or upon a final judicial determination of the amounts due and confirmation that those amounts have been paid by the county auditor-controller, the department shall issue, within five business days, a finding of completion of the requirements of Section 34179.6 to the successor agency.*

**SEC. 20.** *Section 34179.8 is added to the Health and Safety Code, to read:*

**34179.8.** (a) *If an offset or withholding of sales and use tax is ordered by the Department of Finance pursuant to this part, the State Board of Equalization shall reduce the distribution of sales and use taxes collected under Chapter 1 (commencing with Section 7200) of Part 1.5 of Division 2 of the Revenue and Taxation Code to the entity that is the subject of the offset or withholding and shall direct the Controller to issue a warrant in the amount of any offset pursuant to subdivision (h) of Section 34179.6 to the county auditor-controller. The county auditor-controller shall distribute this amount to the taxing entities for the former redevelopment area according to Section 34188.*

(b) (1) *If a court has issued a final judicial determination or the department determines that some or all of the amount collected through the offset of sales and use tax has been paid by another means and no additional amount is owed, the court or the department shall notify the State Board of Equalization of that determination. Upon notification, the State Board of Equalization shall reverse the relevant amount of sales and use tax offset, add any penalty payable under subdivision (i) of Section 34179.6, and adjust the next distribution of sales and use tax to the affected local entity by reducing the allocation of tax to the General Fund and increasing the distribution to the local entity by that sum.*

(2) *The board shall inform the Controller of the reversal of the offset of sales and use tax undertaken pursuant to paragraph (1). The Controller shall send a demand for payment to the county auditor-controller for the amount of the offset reversal, excluding any penalty amount determined by the court pursuant to subdivision (i) of Section 34179.6 to be applicable to the offset. The auditor-controller shall reduce allocations to taxing entities in the next distributions under Section 34188 until the amount of the reversed offset is recovered and shall pay such recovered amounts to the State Controller for deposit in the General Fund.*

(c) (1) If an offset of property tax is ordered by the county auditor-controller pursuant to this part, the auditor-controller shall reduce the distribution of property taxes to the entity that is the subject of the offset and shall distribute the amount to the taxing entities for the former redevelopment area according to Section 34188.

(2) If a court has issued a final judicial determination or the department determines that some or all of the amount collected through the offset made pursuant to paragraph (1) has been paid by another means and no additional amount is owed, the court or the department shall notify the county auditor-controller of that determination. Upon notification, the county auditor-controller shall reverse the relevant amount of property tax revenues offset in the next distribution of property tax to the affected local entity by reducing the allocation of tax to the taxing entities of the former redevelopment area under Section 34188 and increasing the distribution of property taxes to the local entity that was subject to the offset.

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**SEC. 21.** *Section 34180 of the Health and Safety Code is amended to read:*

**34180.** All of the following successor agency actions shall first be approved by the oversight board:

(a) The establishment of new repayment terms for outstanding loans where the terms have not been specified prior to the date of this part. *An oversight board shall not have the authority to reestablish loan agreements between the successor agency and the city, county, or city and county that formed the redevelopment agency except as provided in Chapter 9 (commencing with Section 34191.1).*

~~(b) Refunding of outstanding bonds or other debt of the former redevelopment agency by successor agencies in order to provide for savings or to finance debt service spikes; provided, however, that no additional debt is created and debt service is not accelerated.~~

*(b) The issuance of bonds or other indebtedness or the pledge or agreement for the pledge of property tax revenues (formerly tax increment prior to the effective date of this part) pursuant to subdivision (a) of Section 34177.5.*

(c) Setting aside of amounts in reserves as required by indentures, trust indentures, or similar documents governing the issuance of outstanding redevelopment agency bonds.

(d) Merging of project areas.

(e) Continuing the acceptance of federal or state grants, or other forms of financial assistance from either public or private sources, ~~where if that~~ assistance is conditioned upon the provision of matching funds, by the successor entity as successor to the former redevelopment agency, in an amount greater than 5 percent.

(f) (1) If a city, county, or city and county wishes to retain any properties or other assets for future redevelopment activities, funded from its own funds and under its own auspices, it must reach a compensation agreement with the other taxing entities to provide payments to them in proportion to their shares of the base property tax, as determined pursuant to Section 34188, for the value of the property retained.

(2) If no other agreement is reached on valuation of the retained assets, the value will be the fair market value as of the 2011 property tax lien date as determined by ~~the county assessor~~ *an independent appraiser approved by the oversight board.*

(g) Establishment of the Recognized Obligation Payment Schedule.

(h) A request by the successor agency to enter into an agreement with the city, county, or city and county that formed the redevelopment agency that it is succeeding. *An oversight board shall not have the authority to reestablish loan agreements between the successor agency and the city, county, or city and county that formed the redevelopment agency except as provided in Chapter 9 (commencing with Section 34191.1). Any actions to reestablish any other agreements that are in furtherance of enforceable obligations, with the city, county, or city and county that formed the redevelopment agency are invalid until they are included in an approved and valid Recognized Obligation Payment Schedule.*

(i) A request by a successor agency or taxing entity to pledge, or to enter into an agreement for the pledge of, property tax revenues pursuant to subdivision (b) of Section 34178.

(j) Any document submitted by a successor agency to an oversight board for approval by any provision of this part shall also be submitted to the county administrative officer, the county auditor-controller, and the Department of Finance at the same time that the successor agency submits the document to the oversight board.

**SEC. 22.** *Section 34181 of the Health and Safety Code is amended to read:*

**34181.** The oversight board shall direct the successor agency to do all of the following:

(a) Dispose of all assets and properties of the former redevelopment agency ~~that were funded by tax increment revenues of the dissolved redevelopment agency~~; provided, however, that the oversight board may instead direct the successor agency to transfer ownership of those assets that were constructed and used for a governmental purpose, such as roads, school buildings, parks, *police and fire stations, libraries, and local agency administrative buildings*, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset. Any compensation to be provided to the successor agency for the transfer of the asset shall be governed by the agreements relating to the construction or use of that asset. Disposal shall be done expeditiously and in a manner aimed at maximizing value. *Asset disposition may be accomplished by a distribution of income to taxing entities proportionate to their property tax share from one or more properties that may be transferred to a public or private agency for management pursuant to the direction of the oversight board.*

(b) Cease performance in connection with and terminate all existing agreements that do not qualify as enforceable obligations.

(c) Transfer housing responsibilities and all rights, powers, duties, and obligations along with any amounts on deposit in the Low and Moderate Income Housing Fund to the appropriate entity assets pursuant to Section 34176.

(d) Terminate any agreement, between the dissolved redevelopment agency and any public entity located in the same county, obligating the redevelopment agency to provide funding for any debt service obligations of the public entity or for the construction, or operation of facilities owned or operated by such public entity, in any instance where the oversight board has found that early termination would be in the best interests of the taxing entities.

(e) Determine whether any contracts, agreements, or other arrangements between the dissolved redevelopment agency and any private parties should be terminated or renegotiated to reduce liabilities and increase net revenues to the taxing entities, and present proposed termination or amendment agreements to the oversight board for its approval. The board may approve any amendments to or early termination of ~~such those agreements where~~ if it finds that amendments or early termination would be in the best interests of the taxing entities.

(f) *All actions taken pursuant to subdivisions (a) and (c) shall be approved by resolution of the oversight board at a public meeting after at least 10 days' notice to the public of the specific proposed actions. The actions shall be subject to review by the Department of Finance pursuant to Section 34179 except that the department may extend its review period by up to 60 days. If the department does not object to an action subject to this section, and if no action challenging an action is commenced within 60 days of the approval of the action by the oversight board, the action of the oversight board shall be considered final and can be relied upon as conclusive by any person. If an action is brought to challenge an action involving title to or an interest in real property, a notice of pendency of action shall be recorded by the claimant as provided in Title 4.5 (commencing with Section 405) of Part 2 of the Code of Civil Procedure within a 60-day period.*

**SEC. 23.** *Section 34182 of the Health and Safety Code is amended to read:*

**34182.** (a) (1) The county auditor-controller shall conduct or cause to be conducted an agreed-upon procedures audit of each redevelopment agency in the county that is subject to this part, to be completed by ~~July~~ *October* 1, 2012.

(2) The purpose of the audits shall be to establish each redevelopment agency's assets and liabilities, to document and determine each redevelopment agency's passthrough payment obligations to other taxing ~~agencies~~ *entities*, and to document and determine both the amount and the terms of any indebtedness incurred by the redevelopment agency ~~and certify~~ *pursuant to* the initial Recognized Obligation Payment Schedule.

(3) The county auditor-controller may charge the Redevelopment Property Tax Trust Fund for any costs incurred by the county auditor-controller pursuant to this part.

(b) ~~By July 15~~ *October 5, 2012*, the county auditor-controller shall provide the Controller's office *and the Department of Finance* a copy of all audits performed pursuant to this section. The county auditor-controller shall maintain a copy of all documentation and working papers for use by the Controller.

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(c) (1) The county auditor-controller shall determine the amount of property taxes that would have been allocated to each redevelopment agency in the county had the redevelopment agency not been dissolved pursuant to the operation of the act adding this part. These amounts are deemed property tax revenues within the meaning of subdivision (a) of Section 1 of Article XIII A of the California Constitution and are available for allocation and distribution in accordance with the provisions of the act adding this part. The county auditor-controller shall calculate the property tax revenues using current assessed values on the last equalized roll on August 20, pursuant to Section 2052 of the Revenue and Taxation Code, and pursuant to statutory formulas or contractual agreements with other taxing ~~agencies~~ *entities*, as of the effective date of this section, and shall deposit that amount in the Redevelopment Property Tax Trust Fund.

(2) Each county auditor-controller shall administer the Redevelopment Property Tax Trust Fund for the benefit of the holders of former redevelopment agency enforceable obligations and the taxing entities that receive passthrough payments and distributions of property taxes pursuant to this part.

(3) In connection with the allocation and distribution by the county auditor-controller of property tax revenues deposited in the Redevelopment Property Tax Trust Fund, in compliance with this part, the county auditor-controller shall prepare estimates of amounts of *property tax* to be allocated and distributed, ~~and the amounts of passthrough payments to be made in the upcoming six-month period~~, and provide those estimates to both the entities receiving the distributions and the Department of Finance, no later than ~~November~~ *October* 1 and ~~May~~ *April* 1 of each year.

(4) Each county auditor-controller shall disburse proceeds of asset sales or reserve balances, which have been received from the successor entities pursuant to Sections 34177 and 34187, to the taxing entities. In making such a distribution, the county auditor-controller shall utilize the same methodology for allocation and distribution of property tax revenues provided in Section 34188.

(d) By October 1, 2012, the county auditor-controller shall report the following information to the Controller's office and the Director of Finance:

(1) The sums of property tax revenues remitted to the Redevelopment Property Tax Trust Fund related to each former redevelopment agency.

(2) The sums of property tax revenues remitted to each agency under paragraph (1) of subdivision (a) of Section 34183.

(3) The sums of property tax revenues remitted to each successor agency pursuant to paragraph (2) of subdivision (a) of Section 34183.

(4) The sums of property tax revenues paid to each successor agency pursuant to paragraph (3) of subdivision (a) of Section 34183.

(5) The sums paid to each city, county, and special district, and the total amount allocated for schools pursuant to paragraph (4) of subdivision (a) of Section 34183.

(6) Any amounts deducted from other distributions pursuant to subdivision (b) of Section 34183.

(e) A county auditor-controller may charge the Redevelopment Property Tax Trust Fund for the costs of administering the provisions of this part.

(f) The Controller may audit and review any county auditor-controller action taken pursuant to the act adding this part. As such, all county auditor-controller actions shall not be effective for three business days, pending a request for review by the Controller. In the event that the Controller requests a review of a given county auditor-controller action, he or she shall have 10 days from the date of his or her request to approve the county auditor-controller's action or return it to the county auditor-controller for reconsideration and ~~such the county auditor-controller~~ *auditor-controller's* action shall not be effective until approved by the Controller. In the event that the Controller returns the county auditor-controller's action to the county auditor-controller for reconsideration, the county auditor-controller must resubmit the modified action for Controller approval and ~~such the modified county-auditor-controller~~ *auditor-controller's* action shall not become effective until approved by the Controller.

**SEC. 24.** *Section 34182.5 is added to the Health and Safety Code, to read:*

**34182.5.** *A county auditor-controller may review the Recognized Obligation Payment Schedules and object to the inclusion of any items that are not demonstrated to be enforceable obligations and may object to the funding*

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source proposed for any items. This review may take place prior to the submission of the Recognized Obligation Payment Schedule to the oversight board or subsequent to oversight board action. The county auditor-controller shall promptly transmit notice of any of those objections to the successor agency, the oversight board, and the Department of Finance. Notice shall be given at least 60 days prior to an allocation date specified in Section 34183, except that for the January 1, 2013 to June 30, 2013 Recognized Obligation Payment Schedule, notice shall be given no later than October 1, 2012. If an oversight board disputes the finding of the county auditor-controller, it may refer the matter to the Department of Finance for a determination of what will be approved for inclusion in the Recognized Obligation Payment Schedule.

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**SEC. 25.** Section 34183 of the Health and Safety Code is amended to read:

**34183.** (a) Notwithstanding any other law, from February 1, 2012, to July 1, 2012, and for each fiscal year thereafter, the county auditor-controller shall, after deducting administrative costs allowed under Section 34182 and Section 95.3 of the Revenue and Taxation Code, allocate moneys in each Redevelopment Property Tax Trust Fund as follows:

(1) Subject to any prior deductions required by subdivision (b), first, the county auditor-controller shall remit from the Redevelopment Property Tax Trust Fund to each local agency and school entity an amount of property tax revenues in an amount equal to that which would have been received under Section 33401, 33492.140, 33607, 33607.5, 33607.7, or 33676, as those sections read on January 1, 2011, or pursuant to any passthrough agreement between a redevelopment agency and a taxing-jurisdiction entity that was entered into prior to January 1, 1994, that would be in force during that fiscal year, had the redevelopment agency existed at that time. The amount of the payments made pursuant to this paragraph shall be calculated solely on the basis of passthrough payment obligations, existing prior to the effective date of this part and continuing as obligations of successor entities, shall occur no later than May 16, 2012, and no later than June 1, 2012, and each January 16 2 and June 1 thereafter. Notwithstanding subdivision (e) of Section 33670, that portion of the taxes in excess of the amount identified in subdivision (a) of Section 33670, which are attributable to a tax rate levied by a taxing-agency entity for the purpose of producing revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness for the acquisition or improvement of real property shall be allocated to, and when collected shall be paid into, the fund of that taxing agency entity. The amount of passthrough payments computed pursuant to this section, including any passthrough agreements, shall be computed as though the requirement to set aside funds for the Low and Moderate Income Housing Fund was still in effect.

(2) Second, on ~~May 16, 2012,~~ and June 1, 2012, and each January ~~16 2~~ and June 1 thereafter, to each successor agency for payments listed in its Recognized Obligation Payment Schedule for the six-month fiscal period beginning January 1, 2012, ~~or~~ and July 1, 2012, and each January ~~16 2~~ and June 1 thereafter, in the following order of priority:

(A) Debt service payments scheduled to be made for tax allocation bonds.

(B) Payments scheduled to be made on revenue bonds, but only to the extent the revenues pledged for them are insufficient to make the payments and only ~~where~~ if the agency's tax increment revenues were also pledged for the repayment of the bonds.

(C) Payments scheduled for other debts and obligations listed in the Recognized Obligation Payment Schedule that are required to be paid from former tax increment revenue.

(3) Third, on ~~May 16, 2012,~~ and June 1, 2012, and each January ~~16 2~~ and June 1 thereafter, to each successor agency for the administrative cost allowance, as defined in Section 34171, for administrative costs set forth in an approved administrative budget for those payments required to be paid from former tax increment revenues.

(4) Fourth, on ~~May 16, 2012,~~ and June 1, 2012, and each January ~~16 2~~ and June 1 thereafter, any moneys remaining in the Redevelopment Property Tax Trust Fund after the payments and transfers authorized by paragraphs (1) to (3), inclusive, shall be distributed to local agencies and school entities in accordance with Section 34188.

(b) If the successor agency reports, no later than April 1, 2012, and May 1, 2012, and each December 1 and May 1 thereafter, to the county auditor-controller that the total amount available to the successor agency from the Redevelopment Property Tax Trust Fund allocation to that successor agency's Redevelopment Obligation Retirement Fund, from other funds transferred from each redevelopment agency, and from funds that have or will become available through asset sales and all redevelopment operations, are insufficient to fund the

payments required by paragraphs (1) to (3), inclusive, of subdivision (a) in the next six-month fiscal period, the county auditor-controller shall notify the Controller and the Department of Finance no later than 10 days from the date of that notification. The county auditor-controller shall verify whether the successor agency will have sufficient funds from which to service debts according to the Recognized Obligation Payment Schedule and shall report the findings to the Controller. If the Controller concurs that there are insufficient funds to pay required debt service, the amount of the deficiency shall be deducted first from the amount remaining to be distributed to taxing entities pursuant to paragraph (4), and if that amount is exhausted, from amounts available for distribution for administrative costs in paragraph (3). If an agency, pursuant to the provisions of Section 33492.15, 33492.72, 33607.5, 33671.5, 33681.15, or 33688, or as expressly provided in a passthrough agreement entered into pursuant to Section 33401, made passthrough payment obligations subordinate to debt service payments required for enforceable obligations, funds for servicing bond debt may be deducted from the amounts for passthrough payments under paragraph (1), as provided in those sections, but only to the extent that the amounts remaining to be distributed to taxing entities pursuant to paragraph (4) and the amounts available for distribution for administrative costs in paragraph (3) have all been exhausted.

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(c) The county treasurer may loan any funds from the county treasury to the Redevelopment Property Tax Trust Fund of the successor agency for the purpose of paying an item approved on the Recognized Obligation Payment Schedule at the request of the Department of Finance that are necessary to ensure prompt payments of redevelopment agency debts. An enforceable obligation is created for repayment of those loans.

(d) The Controller may recover the costs of audit and oversight required under this part from the Redevelopment Property Tax Trust Fund by presenting an invoice therefor to the county auditor-controller who shall set aside sufficient funds for and disburse the claimed amounts prior to making the next distributions to the taxing jurisdictions entities pursuant to Section 34188. Subject to the approval of the Director of Finance, the budget of the Controller may be augmented to reflect the reimbursement, pursuant to Section 28.00 of the Budget Act.

(e) Within 10 days of each distribution of property tax, the county auditor-controller shall provide a report to the department regarding the distribution for each successor agency that includes information on the total available for allocation, the passthrough amounts and how they were calculated, the amounts distributed to successor agencies, and the amounts distributed to taxing entities in a manner and form specified by the department. This reporting requirement shall also apply to distributions required under subdivision (b) of Section 34183.5.

**SEC. 26.** Section 34183.5 is added to the Health and Safety Code, to read:

**34183.5.** (a) The Legislature hereby finds and declares that due to the delayed implementation of this part due to the California Supreme Court's ruling in the case California Redevelopment Association v. Matosantos et al. (2011) 53 Cal.4th 231, some disruption to the intended application of this part and other law with respect to passthrough payments may have occurred.

(1) If a redevelopment agency or successor agency did not pay any portion of an amount owed for the 2011-12 fiscal year to an affected taxing entity pursuant to Section 33401, 33492.140, 33607, 33607.5, 33607.7, or 33676, or pursuant to any passthrough agreement entered into before January 1, 1994, between a redevelopment agency and an affected taxing entity, and to the extent the county auditor-controller did not remit the amounts owed for passthrough payments during the 2011-12 fiscal year, the county auditor-controller shall make the required payments to the taxing entities owed passthrough payments and shall reduce the amounts to which the successor agency would otherwise be entitled pursuant to paragraph (2) of subdivision (a) of Section 34183 at the next allocation of property tax under this part, subject to the provisions of subdivision (b) of Section 34183. If the amount of available property tax allocation to the successor agency is not sufficient to make the required payment, the county auditor-controller shall continue to reduce allocations to the successor agency under paragraph (2) of subdivision (a) of Section 34183 until the time that the owed amount is fully paid. Alternately, the county auditor-controller may accept payment from the successor agency's reserve funds for payments of passthrough payments owed as defined in this subdivision.

(2) If a redevelopment agency did not pay any portion of the amount owed for the 2011-12 fiscal year to an affected taxing entity pursuant to Section 33401, 33492.140, 33607, 33607.5, 33607.7, or 33676, or pursuant to any passthrough agreement entered into before January 1, 1994, between a redevelopment agency and an affected taxing entity, but the county auditor-controller did pay the difference that was owing, the auditor controller shall deduct from the next allocation of property tax to the successor agency under paragraph (2) of subdivision (a) of Section 34183, the amount of the payment made on behalf of the successor agency by the county auditor-controller, not to exceed one-half the amount of passthrough payments owed for the 2011-12

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fiscal year. If the amount of available property tax allocation to the successor agency is not sufficient to make the required deduction, the county auditor-controller shall continue to reduce allocations to the successor agency under paragraph (2) of subdivision (a) of Section 34183 until the time that the amount is fully deducted. Alternatively, the auditor-controller may accept payment from the successor agency's reserve funds for deductions of passthrough payments owed as defined in this subdivision. Amounts reduced from successor agency payments under this paragraph are available for the purposes of paragraphs (2) to (4), inclusive, of subdivision (a) of Section 34183 for the six-month period for which the property tax revenues are being allocated.

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(b) In recognition of the fact that county auditor-controllers were unable to make the payments required by paragraph (4) of subdivision (a) of Section 34183 for the period January 1, 2012, through June 30, 2012, on January 16, 2012, due to the California Supreme Court's ruling in the case of California Redevelopment Association v. Matosantos (2011) 53 Cal.4th 231, in addition to taking the actions specified in Section 34183 with respect to the June 1 property tax allocations, county auditor-controllers should have made allocations as provided in paragraph (1).

(1) From the allocations made on June 1, 2012, for the Recognized Obligation Payment Schedule covering the period July 1, 2012, through December 31, 2012, deduct from the amount that otherwise would be deposited in the Redevelopment Property Tax Trust Fund on behalf of the successor agency an amount equivalent to the amount that each affected taxing entity was entitled to pursuant to paragraph (4) of subdivision (a) of Section 34183 for the period January 1, 2012, through June 30, 2012. The amount to be retained by taxing entities pursuant to paragraph (4) of subdivision (a) of Section 34183 for the January 1, 2012, through June 30, 2012, period is determined based on the Recognized Obligation Payment Schedule approved by the Department of Finance pursuant to subdivision (h) of Section 34179 and any amount determined to be owed pursuant to subdivision (b). Any amounts so computed shall not be offset by any shortages in funding for recognized obligations for the period covering July 1, 2012, through December 31, 2012.

(2) (A) If an affected taxing entity has not received the full amount to which it was entitled pursuant to paragraph (4) of subdivision (a) of Section 34183 of the property tax distributed for the period January 1, 2012, through June 30, 2012, and paragraph (1), no later than July 9, 2012, the county auditor-controller shall determine the amount, if any, that is owed by each successor agency to taxing entities and send a demand for payment from the funds of the successor agency for the amount owed to taxing entities if it has distributed the June 1, 2012, allocation to the successor agencies. No later than July 12, 2012, successor agencies shall make payment of the amounts demanded to the county auditor-controller for deposit into the Redevelopment Property Tax Trust Fund and subsequent distribution to taxing entities. No later than July 16, 2012, the county auditor-controller shall make allocations of all money received by that date from successor agencies in amounts owed to taxing entities under this paragraph to taxing entities in accordance with Section 34183. The county auditor-controller shall make allocations of any money received after that date under this paragraph within five business days of receipt. These duties are not discretionary and shall be carried out with due diligence.

(B) If a county auditor-controller fails to determine the amounts owed to taxing entities and present a demand for payment by July 9, 2012, to the successor agencies, the Department of Finance or any affected taxing entity may request a writ of mandate to require the county auditor-controller to immediately perform this duty. Such actions may be filed only in the County of Sacramento and shall have priority over other civil matters. Any county in which the county auditor-controller fails to perform the duties under this paragraph shall be subject to a civil penalty of 10 percent of the amount owed to taxing entities plus 1.5 percent of the amount owed to taxing entities for each month that the duties are not performed. The civil penalties shall be payable to the taxing entities under Section 34183. Additionally, any county in which the county auditor-controller fails to make the required determinations and demands for payment under this paragraph by July 9, 2012, or fails to distribute the full amount of funds received from successor agencies as required by this paragraph shall not receive the distribution of sales and use tax scheduled for July 18, 2012, or any subsequent payment, up to the amount owed to taxing entities, until the county auditor-controller performs the duties required by this paragraph.

(C) If a successor agency fails to make the payment demanded under subparagraph (A) by July 12, 2012, the Department of Finance or any affected taxing entity may file for a writ of mandate to require the successor agency to immediately make this payment. Such actions may be filed only in the County of Sacramento and shall have priority over other civil matters. Any successor agency that fails to make payment by July 12, 2012, under this paragraph shall be subject to a civil penalty of 10 percent of the amount owed to taxing entities plus one and one-half percent of the amount owed to taxing entities for each month that the payments are not made. Additionally, the city or county or city and county that created the redevelopment agency shall also be subject to a civil penalty of 10 percent of the amount owed to taxing entities plus 1.5 percent of the amount

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owed to taxing entities for each month the payment is late. The civil penalties shall be payable to the taxing entities under Section 34183. If the Department of Finance finds that the imposition of penalties will jeopardize the payment of enforceable obligations it may request the court to waive some or all of the penalties. A successor agency that does not pay the amount required under this subparagraph by July 12, 2012, shall not pay any obligations other than bond debt service until full payment is made to the county auditor-controller. Additionally, any city, county or city and county that created the redevelopment agency that fails to make the required payment under this paragraph by July 12, 2012, shall not receive the distribution of sales and use tax scheduled for July 18, 2012, or any subsequent payment, up to the amount owed to taxing entities, until the payment required by this paragraph is made.

(D) The Legislature hereby finds and declares that time is of the essence. Funds that should have been received and were expected and spent in anticipation of receipt by community colleges, schools, counties, cities, and special districts have not been received resulting in significant fiscal impact to the state and taxing entities. Continued delay and uncertainty whether funds will be received warrants the availability of extraordinary relief as authorized herein.

(3) If an affected taxing entity has not received the full amount to which it was entitled pursuant to paragraph (4) of subdivision (a) of Section 34183 for the period January 1, 2012, through June 30, 2012, and paragraph (1), the county auditor-controller shall reapply the provisions of paragraph (1) to each subsequent property tax allocation until such time as the affected taxing entity has received the full amount to which it was entitled pursuant to paragraph (4) of subdivision (a) of Section 34183 for the period January 1, 2012, through June 30, 2012.

**SEC. 27.** *Section 34185 of the Health and Safety Code is amended to read:*

**34185.** Commencing on ~~May 16, 2012~~ June 1, 2012, and on each January 1 and June 1 thereafter, the county auditor-controller shall transfer, from the Redevelopment Property Tax Trust Fund of each successor agency into the Redevelopment Obligation Retirement Fund of that agency, an amount of property tax revenues equal to that specified in the Recognized Obligation Payment Schedule for that successor agency as payable from the Redevelopment Property Tax Trust Fund subject to the limitations of ~~Sections 34173 and subdivision (l) of Section 34177 and Section 34183.~~

**SEC. 28.** *Section 34186 of the Health and Safety Code is amended to read:*

**34186.** (a) Differences between actual payments and past estimated obligations on recognized obligation payment schedules ~~must~~ shall be reported in subsequent recognized obligation payment schedules and shall adjust the amount to be transferred to the Redevelopment Obligation Retirement Fund pursuant to this part. These estimates and accounts shall be subject to audit by county auditor-controllers and the Controller.

(b) Differences between actual passthrough obligations and property tax amounts and the amounts used by the county auditor-controller in determining the amounts to be allocated under Sections 34183 and 34188 for a prior six-month period shall be applied as adjustments to the property tax and passthrough amounts in subsequent periods as they become known. County auditor-controllers shall not delay payments under this part to successor agencies or taxing entities based on pending transactions, disputes, or for any other reason, other than a court order, and shall use the Recognized Obligation Payment Schedule approved by the Department of Finance and the most current data for passthroughs and property tax available prior to the statutory distribution dates to make the allocations required on the dates required.

**SEC. 29.** *Section 34187 of the Health and Safety Code is amended to read:*

**34187.** (a) (1) Commencing May 1, 2012, whenever a recognized obligation that had been identified in the Recognized Payment Obligation Schedule is paid off or retired, either through early payment or payment at maturity, the county auditor-controller shall distribute to the taxing entities, in accordance with the provisions of the Revenue and Taxation Code, all property tax revenues that were associated with the payment of the recognized obligation.

(2) Notwithstanding paragraph (1), the Department of Finance may authorize a successor agency to retain property tax that otherwise would be distributed to affected taxing entities pursuant to this subdivision, to the extent the department determines the successor agency requires those funds for the payment of enforceable obligations. Upon making a determination, the department shall provide the county auditor-controller with information detailing the amounts that it has authorized the successor agency to retain. Upon determining the successor agency no longer requires additional funds pursuant to this subdivision, the department shall notify



*the successor agency and the county auditor-controller. The county auditor-controller shall then distribute the funds in question to the affected taxing entities in accordance with the provisions of the Revenue and Taxation Code.*

*(b) When all of the debt of a redevelopment agency has been retired or paid off, the successor agency shall dispose of all remaining assets and terminate its existence within one year of the final debt payment. When the successor agency is terminated, all passthrough payment obligations shall cease and no property tax shall be allocated to the Redevelopment Property Tax Trust Fund for that agency.*

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**SEC. 30.** *Section 34188 of the Health and Safety Code is amended to read:*

**34188.** For all distributions of property tax revenues and other moneys pursuant to this part, the distribution to each taxing entity shall be in an amount proportionate to its share of property tax revenues in the tax rate area in that fiscal year, as follows:

(a) (1) For distributions from the Redevelopment Property Tax Trust Fund, the share of each taxing entity shall be applied to the amount of property tax available in the Redevelopment Property Tax Trust Fund after deducting the amount of any distributions under paragraphs (2) and (3) of subdivision (a) of Section 34183.

(2) For each taxing entity that receives passthrough payments, that agency shall receive the amount of any passthrough payments identified under paragraph (1) of subdivision (a) of Section 34183, in an amount not to exceed the amount that it would receive pursuant to this section in the absence of the passthrough agreement. However, to the extent that the passthrough payments received by the taxing entity are less than the amount that the taxing entity would receive pursuant to this section in the absence of a passthrough agreement, the taxing entity shall receive an additional payment that is equivalent to the difference between those amounts.

(b) Property tax shares of local agencies shall be determined based on property tax allocation laws in effect on the date of distribution, without the revenue exchange amounts allocated pursuant to Section 97.68 of the Revenue and Taxation Code, and without the property taxes allocated pursuant to Section 97.70 of the Revenue and Taxation Code.

(c) The total school share, including passthroughs, shall be the share of the property taxes that would have been received by school entities, as defined in subdivision (f) of Section 95 of the Revenue and Taxation Code, in the jurisdictional territory of the former redevelopment agency, including, but not limited to, the amounts specified in Sections 97.68 and 97.70 of the Revenue and Taxation Code.

*(d) This section shall not be construed to increase any allocations of excess, additional, or remaining funds that would otherwise have been allocated to cities, counties, cities and counties, or special districts pursuant to clause (i) of subparagraph (B) of paragraph (4) of subdivision (d) of Section 97.2, clause (i) of subparagraph (B) of paragraph (4) of subdivision (d) of Section 97.3, or Article 4 (commencing with Section 98) of Chapter 6 of Part 0.5 of Division 1, of the Revenue and Taxation Code, had this section not been enacted.*

**SEC. 31.** *Section 34189 of the Health and Safety Code is amended to read:*

**34189.** (a) Commencing on the effective date of this part, all provisions of the Community Redevelopment Law that depend on the allocation of tax increment to redevelopment agencies, including, but not limited to, Sections 33445, 33640, 33641, 33645, and subdivision (b) of Section 33670, shall be inoperative, except as those sections apply to a redevelopment agency operating pursuant to Part 1.9 (commencing with Section 34192).

~~(b) The California Law Revision Commission shall draft a Community Redevelopment Law cleanup bill for consideration by the Legislature no later than January 1, 2013.~~

~~(c)~~

(b) To the extent that a provision of Part 1 (commencing with Section 33000), Part 1.5 (commencing with Section 34000), Part 1.6 (commencing with Section 34050), and Part 1.7 (commencing with Section 34100) conflicts with this part, the provisions of this part shall control. Further, if a provision of Part 1 (commencing with Section 33000), Part 1.5 (commencing with Section 34000), Part 1.6 (commencing with Section 34050), or Part 1.7 (commencing with Section 34100) provides an authority that the act adding this part is restricting or eliminating, the restriction and elimination provisions of the act adding this part shall control.

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(c) It is intended that the provisions of this part shall be read in a manner as to avoid duplication of payments.

**SEC. 32.** Section 34189.1 is added to the Health and Safety Code, to read:

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**34189.1.** No party, public or private, may pursue, nor does a court have jurisdiction over, a validation action with respect to any action of a redevelopment agency or a successor agency to a redevelopment agency that took place on or after January 1, 2011, unless the Department of Finance and the Controller, representing interests of the State of California and each of the taxing entities who could be affected financially by the action, has been properly noticed. All actions shall be filed in the County of Sacramento.

**SEC. 33.** Section 34189.2 is added to the Health and Safety Code, to read:

**34189.2.** A successor agency or any party to an enforceable obligation as defined under this part shall properly notice the state with respect to a validation action involving any enforceable obligation or matter of title to an asset that belonged to a redevelopment agency. For such an action to be properly filed, both the Controller and the Director of Finance shall be noticed and actions shall be filed in the County of Sacramento.

**SEC. 34.** Section 34189.3 is added to the Health and Safety Code, to read:

**34189.3.** An action contesting any act taken or determinations or decisions made pursuant to this part or Part 1.8 (commencing with Section 34161) may be brought in superior court and shall be filed in the County of Sacramento.

**SEC. 35.** Chapter 9 (commencing with Section 34191.1) is added to Part 1.85 of Division 24 of the Health and Safety Code, to read:

**CHAPTER 9. Postcompliance Provisions**

**34191.1.** The provisions of this chapter shall apply to a successor agency upon that agency's receipt of a finding of completion by the Department of Finance pursuant to Section 34179.7.

**34191.3.** Notwithstanding Section 34191.1, the requirements specified in subdivision (e) of Section 34177 and subdivision (a) of Section 34181 shall be suspended, except as those provisions apply to the transfers for governmental use, until the Department of Finance has approved a long-range property management plan pursuant to subdivision (b) of Section 34191.5, at which point the plan shall govern, and supersede all other provisions relating to, the disposition and use of the real property assets of the former redevelopment agency. If the department has not approved a plan by January 1, 2015, subdivision (e) of Section 34177 and subdivision (a) of Section 34181 shall be operative with respect to that successor agency.

**34191.4.** The following provisions shall apply to any successor agency that has been issued a finding of completion by the Department of Finance:

(a) All real property and interests in real property identified in subparagraph (C) of paragraph (5) of subdivision (c) of Section 34179.5 shall be transferred to the Community Redevelopment Property Trust Fund of the successor agency upon approval by the Department of Finance of the long-range property management plan submitted by the successor agency pursuant to subdivision (b) of Section 34191.7 unless that property is subject to the requirements of any existing enforceable obligation.

(b) (1) Notwithstanding subdivision (d) of Section 34171, upon application by the successor agency and approval by the oversight board, loan agreements entered into between the redevelopment agency and the city, county, or city and county that created by the redevelopment agency shall be deemed to be enforceable obligations provided that the oversight board makes a finding that the loan was for legitimate redevelopment purposes.

(2) If the oversight board finds that the loan is an enforceable obligation, the accumulated interest on the remaining principal amount of the loan shall be recalculated from origination at the interest rate earned by funds deposited into the Local Agency Investment Fund. The loan shall be repaid to the city, county, or city and county in accordance with a defined schedule over a reasonable term of years at an interest rate not to exceed the interest rate earned by funds deposited into the Local Agency Investment Fund. The annual loan repayments provided for in the recognized obligations payment schedules shall be subject to all of the following limitations:

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(A) Loan repayments shall not be made prior to the 2013-14 fiscal year. Beginning in the 2013-14 fiscal year, the maximum repayment amount authorized each fiscal year for repayments made pursuant to this subdivision and paragraph (7) of subdivision (e) of Section 34176 combined shall be equal to one-half of the increase between the amount distributed to the taxing entities pursuant to paragraph (4) of subdivision (a) of Section 34183 in that fiscal year and the amount distributed to taxing entities pursuant to that paragraph in the 2012-13 base year. Loan or deferral repayments made pursuant to this subdivision shall be second in priority to amounts to be repaid pursuant to paragraph (7) of subdivision (e) of Section 34176.

(B) Repayments received by the city, county or city and county that formed the redevelopment agency shall first be used to retire any outstanding amounts borrowed and owed to the Low and Moderate Income Housing Fund of the former redevelopment agency for purposes of the Supplemental Educational Revenue Augmentation Fund and shall be distributed to the Low and Moderate Income Housing Asset Fund established by subdivision (d) of Section 34176.

(C) Twenty percent of any loan repayment shall be deducted from the loan repayment amount and shall be transferred to the Low and Moderate Income Housing Asset Fund, after all outstanding loans from the Low and Moderate Income Housing Fund for purposes of the Supplemental Educational Revenue Augmentation Fund have been paid.

(c) (1) Bond proceeds derived from bonds issued on or before December 31, 2010, shall be used for the purposes for which the bonds were sold.

(2) (A) Notwithstanding Section 34177.3 or any other conflicting provision of law, bond proceeds in excess of the amounts needed to satisfy approved enforceable obligations shall thereafter be expended in a manner consistent with the original bond covenants. Enforceable obligations may be satisfied by the creation of reserves for projects that are the subject of the enforceable obligation and that are consistent with the contractual obligations for those projects, or by expending funds to complete the projects. An expenditure made pursuant to this paragraph shall constitute the creation of excess bond proceeds obligations to be paid from the excess proceeds. Excess bond proceeds obligations shall be listed separately on the Recognized Obligation Payment Schedule submitted by the successor agency.

(B) If remaining bond proceeds cannot be spent in a manner consistent with the bond covenants pursuant to subparagraph (A), the proceeds shall be used to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation.

**34191.5.** (a) There is hereby established a Community Redevelopment Property Trust Fund, administered by the successor agency, to serve as the repository of the former redevelopment agency's real properties identified in subparagraph (C) of paragraph (5) of subdivision (c) of Section 34179.5.

(b) The successor agency shall prepare a long-range property management plan that addresses the disposition and use of the real properties of the former redevelopment agency. The report shall be submitted to the oversight board and the Department of Finance for approval no later than six months following the issuance to the successor agency of the finding of completion.

(c) The long-range property management plan shall do all of the following:

(1) Include an inventory of all properties in the trust. The inventory shall consist of all of the following information:

(A) The date of the acquisition of the property and the value of the property at that time, and an estimate of the current value of the property.

(B) The purpose for which the property was acquired.

(C) Parcel data, including address, lot size, and current zoning in the former agency redevelopment plan or specific, community, or general plan.

(D) An estimate of the current value of the parcel including, if available, any appraisal information.

(E) An estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.

(F) The history of environmental contamination, including designation as a brownfield site, any related environmental studies, and history of any remediation efforts.

(G) A description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency.

(H) A brief history of previous development proposals and activity, including the rental or lease of property.

(2) Address the use or disposition of all of the properties in the trust. Permissible uses include the retention of the property for governmental use pursuant to subdivision (a) of Section 34181, the retention of the property for future development, the sale of the property, or the use of the property to fulfill an enforceable obligation. The plan shall separately identify and list properties in the trust dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation. With respect to the use or disposition of all other properties, all of the following shall apply:

(A) If the plan directs the use or liquidation of the property for a project identified in an approved redevelopment plan, the property shall transfer to the city, county, or city and county.

(B) If the plan directs the liquidation of the property or the use of revenues generated from the property, such as lease or parking revenues, for any purpose other than to fulfill an enforceable obligation or other than that specified in subparagraph (A), the proceeds from the sale shall be distributed as property tax to the taxing entities.

(C) Property shall not be transferred to a successor agency, city, county, or city and county, unless the long-range property management plan has been approved by the oversight board and the Department of Finance.

**SEC. 36.** The Legislature finds and declares as follows:

(a) Certain provisions of Assembly Bill 26 of the 2011-12 First Extraordinary Session of 2011 (Ch. 5, 2011-12 First Ex. Sess.) are internally inconsistent, or uncertain in their meaning, with regard to the calculation of the amount to be paid by a county auditor-controller from the Redevelopment Property Tax Trust Fund to meet passthrough payment obligations to local agencies and school entities.

(b) Consistent with the statement in Section 34183 of the Health and Safety Code, as added by the measure identified in subdivision (a), that the provisions of that section are to apply "[n]otwithstanding any other law," it was the intent of the Legislature in enacting that measure that the amount of the passthrough payments that are addressed by that section be determined in the manner specified by paragraph (1) of subdivision (a) of Section 34183 of the Health and Safety Code, and that the amount so calculated not be reduced or adjusted pursuant to the operation of any other provision of that measure.

**SEC. 37.** If any provision of this act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this act which can be given effect without the invalid provision or application and to this end, the provisions of this act are severable.

**SEC. 38.** There is hereby appropriated up to twenty-two million dollars (\$22,000,000) from the General Fund, for allocation to departments by the Director of Finance in furtherance of the objectives of this act. Up to two million dollars (\$2,000,000) of this amount may be allocated to the Director of the Trial Court Trust Fund for allocation by the Administrative Office of the Courts to the Superior Court of California, County of Sacramento for work associated with Part 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code. An allocation of funds approved by the Director of Finance under this item shall become effective no sooner than 30 days after the director files written notification thereof with the Chairperson of the Joint Legislative Budget Committee, and the chairpersons of the fiscal committees in each house of the Legislature, or no sooner than any lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine.

**SEC. 39.** No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because this act provides for offsetting savings to local agencies or school districts that result in no net costs to the local agencies or school districts, within the meaning of Section 17556 of the Government Code.

**SEC. 40.** This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.

**SECTION 1.** It is the intent of the Legislature to enact statutory changes relating to the Budget Act of 2012.

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# 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

0052

August 22, 2012

Agenda: August 28, 2012

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

### APPROVAL OF THE ADMINISTRATIVE BUDGET FOR JANUARY 1, 2013 THROUGH JUNE 30, 2013

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. Your Board previously requested a report accounting for actual administrative costs for the six month period ending June 30, 2012. That information is provided as Attachment 1.

The Board of Supervisors, acting as the Santa Cruz County Redevelopment Successor Agency, approved the Administrative Budget (Attachment 2), covering the period January 1, 2013 through June 30, 2013, on August 21, 2012. As detailed in Attachment 3, it includes appropriations for salaries and employee benefits for the one remaining staff person, as well as appropriations for services and supplies, including services provided by other County departments. Services from other departments include the increased staff time to wind down the former Redevelopment Agency, and the administrative costs of the Oversight Board.

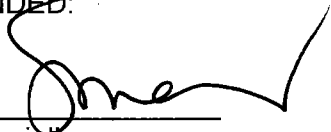
AB x1 26 provides for an Administrative Cost Allowance of up to 3% of the property tax allocated to the successor agency for 2012-13. Based upon estimated taxes to be received for the full fiscal year 2012-13, the Administrative Cost Allowance for 2012-13 is approximately \$580,319, of which \$310,382, is budgeted for the second six months.

It is therefore RECOMMENDED that your Board adopt the attached resolution approving the Administrative Budget for the period January 1, 2013 through June 30, 2013.

Very truly yours,

  
Betsy Lynberg  
Assistant Public Works Director - Parks

RECOMMENDED:



---

Susan A. Mauriello  
County Administrative Officer

BL:kn

Attachments

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

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 JANUARY 2013 THROUGH JUNE  
2013

WHEREAS, the Oversight Board of the Santa Cruz County Redevelopment Successor Agency ("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, 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 period January 2013 through June 2013;

WHEREAS, the Administrative Budget of the Santa Cruz County Redevelopment Successor Agency for the period January 2013 through June 2013 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 period January 2013 through June 2013 is approved.

PASSED, APPROVED and ADOPTED by the Oversight Board of the Santa Cruz County Redevelopment Successor Agency, this \_\_\_<sup>th</sup> day of \_\_\_\_\_, 2012 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:

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

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



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## February-June 2012 Admin. Budget vs. Actual Expenditures

Account #	Account Title	Successor Agency Admin. Budget Feb-June 2012	Successor Agency Actual Expend. Feb-June 2012	Difference
<b>REVENUES</b>				
430	Interest	770.12	522.60	247.52
436	Interest Loan Payments	0.00	0.00	0.00
440	Rents & Concessions	0.00	0.00	0.00
2020	Copy Charges	0.00	0.00	0.00
2366	Contributions from General Fund	0.00	0.00	0.00
2374	Housing-Rehab-Prod Loan Repayments	0.00	0.00	0.00
2380	NSF Checks	0.00	0.00	0.00
2384	Other Revenue	0.00	0.00	0.00
2450	Sale of Fixed Assets-Non Taxable	0.00	0.00	0.00
2462	Operating Transfers In	115,160.00	0.00	115,160.00
		<u>115,930.12</u>	<u>522.60</u>	<u>115,407.52</u>
<b>EXPENDITURES</b>				
	<b>Salaries and Employee Benefits</b>			
3100	Regular Pay-Permanent	44,533.15	44,728.20	(195.05)
3105	Overtime Pay-Permanent	0.00	0.00	0.00
3110	Regular Pay-Extra Help	0.00	0.00	0.00
3140	Differential Pay	6.99	0.00	6.99
3150	OASDI-Social Security	22,139.46	3,336.27	18,803.19
3155	PERS	6,267.78	5,885.13	382.65
3160	Employee Insurance and Benefits	16,080.56	7,912.14	8,168.42
3165	Unemployment Insurance	0.00	0.00	0.00
3170	Workers Compensation Insurance	0.00	0.00	0.00
3182	License Reimbursements	0.00	0.00	0.00
	<b>Total</b>	<u>89,027.94</u>	<u>61,861.74</u>	<u>27,166.20</u>
3195	Labor Clearing Crosswalk	0.00	0.00	0.00
	<b>Total</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
		<u>89,027.94</u>	<u>61,861.74</u>	<u>27,166.20</u>
	<b>Services and Supplies</b>			
3235	Radio	0.00	0.00	0.00
3240	Telephone & Telegraph	0.00	(216.95)	216.95
3305	Other Insurance	0.00	0.00	0.00
3440	Employee Certificates & Licenses	0.00	0.00	0.00
3450	Memberships	0.00	0.00	0.00
3451	Miscellaneous Expense	0.00	0.00	0.00
3484	Duplicating Expense	2,935.66	0.00	2,935.66
3489	PC Software	0.00	840.09	(840.09)
3491	Postage	2,453.20	65.76	2,387.44
3493	Supplies	4,835.27	114.88	4,720.39
3494	Warrants	100.00	0.00	100.00
3496	Inventoriable Items less than 1500	0.00	0.00	0.00
3545	Consulting/Mgt/PC Services	3,375.00	0.00	3,375.00
3575	Data Processing Services	8,131.71	2,268.00	5,863.71
3576	Data Processing Printing	15.00	0.00	15.00
3590	DPW Services	0.00	0.00	0.00
3612	Fiscal Agents Fees	24,847.70	15,668.00	9,179.70
3630	Legal Services	20,000.00	0.00	20,000.00
3635	Management Services	0.00	0.00	0.00
3665	Prof & Special Serv-Other	300,597.92	109,615.23	190,982.69
3670	GIS Services	0.00	0.00	0.00
3785	Publication Printing Costs	0.00	0.00	0.00
3790	Legal Notices	0.00	0.00	0.00
3800	Equipment Lease & Rent	1,862.88	0.00	1,862.88
3810	Rents & Leases-Structures & Imp	0.00	399.12	(399.12)
3975	Special Misc Exp	0.00	0.00	0.00
4105	Special District Expense	0.00	0.00	0.00

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4110	Subscriptions Books & Ed Materials	0.00	0.00	0.00
4150	Air Fare	0.00	0.00	0.00
4154	Education & Training	0.00	0.00	0.00
4162	Lodging	0.00	0.00	0.00
4164	Meals	0.00	0.00	0.00
4166	Mileage	151.71	0.00	151.71
4168	Travel-Other	0.00	0.00	0.00
4170	Registrations	0.00	0.00	0.00
4175	Service Center Charges	0.00	0.00	0.00
4178	Service Center Pool Vehicle Charges	0.00	0.00	0.00
		<u>369,306.05</u>	<u>128,754.13</u>	<u>240,551.92</u>
	Other Charges			
5980	County Overhead A87/CP EFF 0809	0.00	0.00	0.00
		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Fixed Assets			
6610	Structures & Improvements	0.00	0.00	0.00
8404	Equipment	0.00	0.00	0.00
		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Intra-Fund Trf or Control Accounts			
9215	Intra-Fund Trf-Live Oak RDA	0.00	0.00	0.00
		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	RDA Projects and Programs			
9810	RDA Administrative Costs	0.00	0.00	0.00
9821	RDA Professional Services	0.00	3,655.23	(3,655.23)
9822	RDA Accounting Services	0.00	0.00	0.00
9823	RDA Legal Services	0.00	0.00	0.00
9825	RDA DPW Services	0.00	0.00	0.00
9827	RDA Planning, Survey and Design	0.00	0.00	0.00
9832	RDA Acquisition Costs	0.00	0.00	0.00
9834	RDA Operation of Acquired Property	0.00	0.00	0.00
9836	RDA Relocation Costs	0.00	0.00	0.00
9838	RDA Relocation Payments	0.00	0.00	0.00
9855	RDA Fixed Assets Acquisition	0.00	0.00	0.00
9865	RDA Operating Transfers Out	0.00	0.00	0.00
		<u>0.00</u>	<u>3,655.23</u>	<u>(3,655.23)</u>
	<b>TOTAL EXPENDITURES</b>	<u>458,333.99</u>	<u>194,271.10</u>	<u>264,062.89</u>

Note: It is anticipated that additional invoices for the period through June 30, 2012, will be received and will need to be accrued to the 2011-12 fiscal year.

Santa Cruz County Redevelopment Successor Agency  
 Administrative Budget for the period January 1, 2013 - June 30, 2013

Account #	Account Title	RDA/RSA 2011-12 Budget	RDA/RSA 2011-12 Estimated Actual Expenditures	RSA 2012-13 Proposed Budget	RSA Admin. Budget July-Dec 2012	RSA Admin. Budget Jan-Jun 2013
REVENUES	Revenue (Interest & Operating Transfers In)	990,008.00	989,988.00	539,874.00	243,841.00	336,478.00
	TOTAL REVENUES	990,008.00	989,988.00	539,874.00	243,841.00	336,478.00
EXPENDITURES	Salaries and Employee Benefits	438,928.00	411,111.57	147,224.00	73,612.00	73,612.00
	Labor Clearing Crosswalk	(438,928.00)	(349,900.06)	0.00	0.00	0.00
	Total	0.00	61,211.51	147,224.00	73,612.00	73,612.00
	Services and Supplies	402,427.00	578,621.60	392,650.00	196,325.00	236,770.00
	Intra-Fund Transfer or Control Accounts	(402,427.00)	(123,895.00)	0.00	0.00	0.00
	Total	0.00	454,726.60	392,650.00	196,325.00	236,770.00
	RDA Projects and Programs	989,755.00	473,795.47	0.00	0.00	0.00
	TOTAL EXPENDITURES	989,755.00	989,733.58	539,874.00	269,937.00	310,382.00

Narrative:

Revenues are funded by transfers from the Capital Projects Tax Increment Fund and interest. The administrative budget includes costs for one remaining staff person, as well as administrative expenses from other County departments, including the Auditor-Controller, Clerk of the Board, Information Services, 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.

Proposed Administrative Budget Detail

Account #	Account Title	2010-11 Actual	2011-12 Allowed	2011-12 Est/Act	2012-13 Request	2012-13 Recommend	2012-13 Recommend Change	1st 6 months July-Dec	2nd 6 months Jan-Jun	50%
<b>BEGINNING FUND BALANCE</b>										
<b>REVENUES</b>										
430	Interest	8,703.85	0.00	(254.55)	0.00	0.00	254.55			
436	Interest Loan Payments	0.00	0.00	0.00	0.00	0.00	0.00			
440	Rents & Concessions	0.00	0.00	0.00	0.00	0.00	0.00			
2020	Copy Charges	20.86	20.00	0.00	0.00	0.00	(20.00)			
2366	Contributions from General Fund	0.00	0.00	0.00	0.00	0.00	0.00			
2374	Housing-Rehab-Prod Loan Repayments	0.00	0.00	0.00	0.00	0.00	0.00			
2380	NSF Checks	0.00	0.00	0.00	0.00	0.00	0.00			
2384	Other Revenue	54.85	0.00	0.00	0.00	0.00	0.00			
2450	Sale of Fixed Assets-Non Taxable	0.00	0.00	0.00	0.00	0.00	0.00			
2462	Operating Transfers In	3,119,685.42	989,988.00	989,988.00	539,874.00	539,874.00	(450,114.00)	243,841.00	336,478.00	269,937.00
		3,119,464.98	990,008.00	989,988.00	539,874.00	539,874.00	(450,134.00)	243,841.00	336,478.00	269,937.00
<b>EXPENDITURES</b>										
<b>Salaries and Employee Benefits</b>										
3100	Regular Pay-Permanent	1,478,783.62	304,998.00	304,339.65	102,049.00	102,049.00	(202,949.00)	51,024.50	51,024.50	0.00
3105	Overtime Pay-Permanent	0.00	177.00	0.00	0.00	0.00	(177.00)	0.00	0.00	0.00
3110	Regular Pay-Extra Help	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3140	Differential Pay	1,672.91	0.00	170.01	0.00	0.00	0.00	0.00	0.00	0.00
3150	OASDI-Social Security	109,815.27	42,056.00	23,256.69	7,726.00	7,726.00	(34,330.00)	3,863.00	3,863.00	0.00
3155	PERS	193,859.75	34,356.00	33,209.20	13,802.00	13,802.00	(20,554.00)	6,901.00	6,901.00	0.00
3160	Employee Insurance and Benefits	240,313.40	42,670.00	35,465.01	23,647.00	23,647.00	(19,023.00)	11,823.50	11,823.50	0.00
3165	Unemployment Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3170	Workers Compensation Insurance	13,972.00	14,671.00	14,671.00	0.00	0.00	(14,671.00)	0.00	0.00	0.00
3182	License Reimbursements	400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3195	Labor Clearing Crosswalk	(2,038,816.95)	(438,928.00)	(349,900.06)	0.00	0.00	438,928.00	0.00	0.00	0.00
		0.00	0.00	61,211.51	147,224.00	147,224.00	147,224.00	73,612.00	73,612.00	73,612.00
<b>Services and Supplies</b>										
3235	Radio	1,365.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3240	Telephone & Telegraph	7,734.58	2,000.00	3,261.69	1,200.00	1,200.00	(800.00)	600.00	600.00	0.00
3305	Other Insurance	11,022.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3440	Employee Certificates & Licenses	125.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3450	Memberships	18,495.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3451	Miscellaneous Expense	2,616.91	0.00	20.00	0.00	0.00	0.00	0.00	0.00	0.00
3484	Duplicating Expense	13,336.55	3,500.00	564.34	2,000.00	2,000.00	(1,500.00)	1,000.00	1,000.00	0.00
3489	PC Software	1,738.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3491	Postage	11,439.65	3,500.00	1,950.00	1,000.00	1,000.00	(2,500.00)	500.00	500.00	0.00
3493	Supplies	19,049.83	6,378.00	1,604.81	2,575.00	2,575.00	(3,803.00)	1,287.50	1,287.50	0.00
3494	Warrants	93.18	100.00	0.00	0.00	0.00	(100.00)	0.00	0.00	0.00
3496	Inventoriable Items less than 1500	8,297.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3545	Consult/Mgt/PC Services	3,375.00	0.00	(3,375.00)	0.00	0.00	0.00	0.00	0.00	0.00
3575	Data Processing Services	38,820.34	8,630.00	3,874.18	4,793.00	4,793.00	(3,837.00)	2,396.50	2,396.50	0.00
3576	Data Processing Printing	3.24	15.00	0.00	0.00	0.00	(15.00)	0.00	0.00	0.00
3590	DPW Services	93,638.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Proposed Administrative Budget Detail

3612	Fiscal Agents Fees	35,511.60	42,000.00	42,000.00	0.00	0.00	(42,000.00)	0.00	0.00
3630	Legal Services	0.00	20,000.00	0.00	70,000.00	70,000.00	50,000.00	35,000.00	35,000.00
3635	Management Services	12,947.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3665	Prof & Special Serv-Other	148,773.29	312,519.00	528,160.53	309,082.00	309,082.00	(3,437.00)	154,541.00	194,986.00
3670	GIS Services	(112.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3785	Publication Printing Costs	3,618.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3790	Legal Notices	1,690.26	0.00	0.00	1,000.00	1,000.00	1,000.00	500.00	500.00
3800	Equipment Lease & Rent	3,575.65	3,485.00	0.00	0.00	0.00	(3,485.00)	0.00	0.00
3810	Rents & Leases-Structures & Imp	104.64	100.00	228.12	500.00	500.00	400.00	250.00	250.00
3975	Special Misc Exp	387.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4105	Special District Expense	11,361.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4110	Subscriptions Books & Ed Materials	979.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4150	Air Fare	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4154	Education & Training	10,759.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4162	Lodging	765.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4164	Meals	561.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4166	Mileage	1,623.26	200.00	96.58	500.00	500.00	300.00	250.00	250.00
4168	Travel-Other	570.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4170	Registrations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4175	Service Center Charges	(33.60)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4178	Service Center Pool Vehicle Charges	3,121.16	0.00	1,136.35	0.00	0.00	0.00	0.00	0.00
	Other Charges	467,355.74	402,427.00	578,621.60	392,650.00	392,650.00	(9,777.00)	196,325.00	236,770.00
5980	County Overhead A87/CP EFF 0809	208,688.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		208,688.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Fixed Assets								
6610	Structures & Improvements	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8404	Equipment	1,693.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		1,693.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Intra-Fund Trf or Control Accounts								
9215	Intra-Fund Trf-Live Oak RDA	(677,737.16)	(402,427.00)	(123,895.00)	0.00	0.00	402,427.00	0.00	0.00
		(677,737.16)	(402,427.00)	(123,895.00)	0.00	0.00	402,427.00	0.00	0.00
	RDA Projects and Programs								
9810	RDA Administrative Costs	2,719,800.78	466,836.00	358,361.47	0.00	0.00	(466,836.00)	0.00	0.00
9821	RDA Professional Services	242,865.23	437,744.00	105,259.00	0.00	0.00	(437,744.00)	0.00	0.00
9822	RDA Accounting Services	16,692.24	15,175.00	10,175.00	0.00	0.00	(15,175.00)	0.00	0.00
9823	RDA Legal Services	104,156.21	70,000.00	0.00	0.00	0.00	(70,000.00)	0.00	0.00
9825	RDA DPW Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9827	RDA Planning, Survey and Design	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9832	RDA Acquisition Costs	11,361.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9834	RDA Operation of Acquired Property	12,947.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9836	RDA Relocation Costs	10,203.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9838	RDA Relocation Payments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9855	RDA Fixed Assets Acquisition	1,693.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9865	RDA Operating Transfers Out	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL EXPENDITURES	3,119,719.53	989,755.00	473,795.47	0.00	0.00	(989,755.00)	0.00	0.00
		3,119,719.53	989,755.00	989,733.58	539,874.00	539,874.00	(449,881.00)	269,937.00	269,937.00
	ENDING FUND BALANCE	(254.55)	(1.55)	(0.13)	0.00	0.00	1.55	(26,096.00)	26,096.00





# 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

August 22, 2012

Agenda: August 28, 2012

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

### APPROVAL OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JANUARY 1, 2013 THROUGH JUNE 30, 2013

Dear Members of the Board:

California Health & Safety Code Sections 34177(l) & (m) and 34180(g) require that the establishment of a Recognized Obligation Payment Schedule (ROPS) be approved by the Oversight Board. AB 1484, which became effective June 28, 2012, modifies Section 34177(l) & (m), requiring earlier deadlines for the ROPS and a \$10,000/day penalty for each day it is late. The next ROPS, covering the period January 1, 2013 through June 30, 2013 (ROPS III), is due to the Department of Finance by September 1, 2012. This ROPS has been prepared using a new form issued by the Department of Finance. The Board of Supervisors, acting as the Santa Cruz County Redevelopment Successor Agency, approved the ROPS (Attachment 1) on August 21, 2012. It is not required that the Santa Cruz County Auditor-Controller certify the ROPS for this or any subsequent period.

It is therefore RECOMMENDED that your Board adopt the attached resolution approving the Recognized Obligation Payment Schedule for the period January 1, 2013 through June 30, 2013.

Very truly yours,

  
 Betsey Lynberg  
 Assistant Public Works Director - Parks

RECOMMENDED:

  
 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 JANUARY  
2013 THROUGH JUNE 2013 (ROPSIII)

WHEREAS, the Oversight Board of the Santa Cruz County Redevelopment Successor Agency ("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, Health and Safety Code Section 34177(l) & (m) 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 January 2013 through June 2013 (ROPS III);

WHEREAS, the Recognized Obligation Payment Schedule of the Santa Cruz County Redevelopment Successor Agency for the period January 2013 through June 2013 (ROPS III) 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 January 2013 through June 2013 (ROPS III) is approved.

PASSED, APPROVED and ADOPTED by the Oversight Board of the Santa Cruz County Redevelopment Successor Agency, this \_\_\_<sup>th</sup> day of \_\_\_\_\_, 2012 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:

  
Assistant County Counsel

Distribution:

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



**SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE**  
 Filed for the January 1, 2013 to June 30, 2013 Period

Name of Successor Agency: Santa Cruz County Redevelopment Successor Agency

		Total Outstanding Debt or Obligation
<b>Outstanding Debt or Obligation</b>		<b>\$ 458,468,642</b>
<b>Current Period Outstanding Debt or Obligation</b>		<b>Six-Month Total</b>
A	Available Revenues Other Than Anticipated RPTTF Funding	1,351,458
B	Enforceable Obligations Funded with RPTTF	12,049,631
C	Administrative Allowance Funded with RPTTF	336,478
D	Total RPTTF Funded (B + C = D)	12,386,109
Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be same amount as ROPS form six-month total</i>		\$ 13,737,567
E	Enter Total Six-Month Anticipated RPTTF Funding <i>(Obtain from county auditor-controller)</i>	12,386,109
F	Variance (E - D = F) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	\$ -
<b>Prior Period (January 1, 2012 through June 30, 2012) Estimated vs. Actual Payments</b> (as required in HSC section 34-186 (a)) *		
G	Enter Estimated Obligations Funded by RPTTF <i>(Should be the lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)</i>	0
H	Enter Actual Obligations Paid with RPTTF	0
I	Enter Actual Administrative Expenses Paid with RPTTF	0
J	Adjustment to Redevelopment Obligation Retirement Fund (G - (H + I) = J)	-
K	<b>Adjusted RPTTF</b> <i>(The total RPTTF requested shall be adjusted if actual obligations paid with RPTTF are less than the estimated obligation amount.)</i>	<b>\$ 12,386,109.00</b>

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177(m) of the Health and Safety code,  
 I hereby certify that the above is a true and accurate Recognized  
 Obligation Payment Schedule for the above named agency.

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

\_\_\_\_\_  
 Signature  
 Date

\* The presentation of Prior Period (January 1, 2012 through June 30, 2012) Estimated vs. Actual Payments may be adjusted as further information from the Department of Finance becomes available.

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS II)  
January 1, 2013 through June 30, 2013

Item #	Project Name / Debt Obligation	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Obligations	Total Due During Fiscal Year 2012-13	Funding Source				Six Month Total
									LMWHF	Bond Proceeds	Reserve Balance	Admin Allowance	
1	2000 Refunding TAB / Bonds	8/29/2000	9/1/2022	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Southern	\$ 2,659,982.00	\$ 265,982.00	\$ -	\$ -	\$ -	\$ -	\$ 2,659,982.00
2	2000 Refunding TAB / Bonds	8/29/2000	9/1/2022	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Southern	10,767,928.00	1,062,728.00	\$ -	\$ -	\$ -	\$ -	210,142
3	2000 TAB, Series A / Bonds	7/25/2000	9/1/2024	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	43,645,219.00	1,573,813.00	\$ -	\$ -	\$ -	\$ -	674,019
4	2003 Refunding TAB / Bonds	8/28/2003	9/1/2024	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Southern	9,397,064.00	717,245.00	\$ -	\$ -	\$ -	\$ -	145,063
5	2003 Refunding TAB / Bonds	8/28/2003	9/1/2024	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	33,968,216.00	2,968,877.00	\$ -	\$ -	\$ -	\$ -	580,252
6	2005 TAB, Series A / Bonds	11/17/2005	9/1/2024	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	93,741,019.00	2,346,657.00	\$ -	\$ -	\$ -	\$ -	1,173,329
7	2005 TAB, Series B / Bonds	11/17/2005	9/1/2024	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	37,362,310.00	1,345,720.00	\$ -	\$ -	\$ -	\$ -	537,048
8	2007 Refunding TAB, Series A / Bonds	5/8/2007	9/1/2024	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Southern	17,716,856.00	650,807.00	\$ -	\$ -	\$ -	\$ -	279,232
9	2007 Refunding TAB, Series A / Bonds	11/17/2007	9/1/2024	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Southern	4,754,139.00	173,467.00	\$ -	\$ -	\$ -	\$ -	29,822
10	2009 TAB, Series A / Bonds	2/12/2009	9/1/2026	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	4,818,113.00	497,091.00	\$ -	\$ -	\$ -	\$ -	63,723
11	2010 Tradable Housing TAB / Bonds	7/22/2010	9/1/2026	BNY Mellon Trust Co	Bonds for housing projects	Live Oak/Southern	125,660,139.00	4,137,298.00	\$ -	\$ -	\$ -	\$ -	1,859,594
12	2011 Tradable Housing TAB / Bonds	3/9/2011	9/1/2027	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	43,690,971.00	1,468,194.00	\$ -	\$ -	\$ -	\$ -	656,991
13	2011 Tradable TAB, Series A / Bonds	3/9/2011	9/1/2026	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	19,610,689.00	1,303,156.00	\$ -	\$ -	\$ -	\$ -	433,247
14	2011 Tradable TAB, Series B / Bonds	3/9/2011	9/1/2026	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	13,697,550.00	565,445.00	\$ -	\$ -	\$ -	\$ -	239,564
15	2000 Refunding TAB / Bonds (1)	8/28/2000	9/1/2022	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Southern	same as above	217,538.00	\$ -	\$ -	\$ -	\$ -	217,536
16	2000 Refunding TAB / Bonds (1)	8/28/2000	9/1/2022	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	same as above	870,142.00	\$ -	\$ -	\$ -	\$ -	870,142
17	2000 TAB, Series A / Bonds (1)	7/25/2000	9/1/2024	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Southern	same as above	904,019.00	\$ -	\$ -	\$ -	\$ -	904,019
18	2003 Refunding TAB / Bonds (1)	8/28/2003	9/1/2024	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Southern	same as above	581,063.00	\$ -	\$ -	\$ -	\$ -	581,063
19	2005 TAB, Series A / Bonds (1)	11/17/2005	9/1/2024	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	same as above	2,324,252.00	\$ -	\$ -	\$ -	\$ -	2,324,252
20	2005 TAB, Series B / Bonds (1)	11/17/2005	9/1/2024	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	same as above	0.00	\$ -	\$ -	\$ -	\$ -	-
21	2007 Tradable Hsg Ref TAB / Bonds (1)	5/8/2007	9/1/2024	BNY Mellon Trust Co	Refunding bonds for housing projects	Live Oak/Southern	same as above	0.00	\$ -	\$ -	\$ -	\$ -	-
22	2007 Tradable Hsg Ref TAB / Bonds (1)	11/17/2007	9/1/2024	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Southern	same as above	0.00	\$ -	\$ -	\$ -	\$ -	-
23	2007 Ref TAB, Series A / Bonds (1)	11/17/2007	9/1/2024	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Southern	same as above	0.00	\$ -	\$ -	\$ -	\$ -	-
24	2009 Ref TAB, Series A / Bonds (1)	11/17/2009	9/1/2026	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	same as above	0.00	\$ -	\$ -	\$ -	\$ -	-
25	2009 TAB, Series A / Bonds (1)	2/12/2009	9/1/2026	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	same as above	0.00	\$ -	\$ -	\$ -	\$ -	-
26	2010 Tradable Hsg TAB / Bonds (1)	7/22/2010	9/1/2026	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	same as above	0.00	\$ -	\$ -	\$ -	\$ -	-
27	2011 Tradable Hsg TAB / Bonds (1)	3/9/2011	9/1/2027	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	same as above	0.00	\$ -	\$ -	\$ -	\$ -	-
28	2011 Tradable Hsg TAB, Series B / Bonds (1)	3/9/2011	9/1/2026	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	same as above	0.00	\$ -	\$ -	\$ -	\$ -	-
29	2011 Tradable Hsg TAB, Series B / Bonds (1)	3/9/2011	9/1/2026	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Southern	same as above	0.00	\$ -	\$ -	\$ -	\$ -	-
30	Annual Compiling Discharge / Bonds (4)	8/28/2000	4/1/2037	Parent end Company	Annual bond account administration fees	Live Oak/Southern	same as above	0.00	\$ -	\$ -	\$ -	\$ -	-
31	Annual AWR / Bonds (4)	8/28/2000	4/1/2037	Corporate & Lenson, Inc	Continued Discharge fees	Live Oak/Southern	same as above	0.00	\$ -	\$ -	\$ -	\$ -	-
32	Periodic Airbrake Services / Bonds (4)	8/28/2000	12/1/2035	PK Group, LLC	Airbrake services	Live Oak/Southern	same as above	0.00	\$ -	\$ -	\$ -	\$ -	-
33	1200 Rodriguez Street Association / Payment	5/17/2005 (2)	Unit Completion	Unit Completion	Refunding payments	Live Oak/Southern	147,000.00	16,277.00	16,277.00	\$ -	\$ -	\$ -	29,882
34	LOFT Program / Contract	5/27/2010	Unit Completion	Community Bridges	Contract for professional services	Live Oak/Southern	10,000.00	10,000.00	\$ -	\$ -	\$ -	\$ -	5,000
35	Firm Park Project / Contract	9/18/2008	Unit Completion	Moore, Iacolino & Goldman	Contract for design services	Live Oak/Southern	7,687.00	7,687.00	\$ -	\$ -	\$ -	\$ -	10,175
36	East Cliff Parkway Project / Contract	5/24/2011	Unit Completion	Parkway Development	Contract for construction services	Live Oak/Southern	606,548.00	606,548.00	\$ -	\$ -	\$ -	\$ -	6,000
37	East Cliff Parkway Project / Contract	5/24/2011	Unit Completion	RRM Design Group	Contract for design services	Live Oak/Southern	10,104.00	10,104.00	\$ -	\$ -	\$ -	\$ -	10,104
38	East Cliff Bluff Stabilization Project / Contract	5/23/2011	Unit Completion	ES&PWA	Contract for professional services	Live Oak/Southern	44,229.00	44,229.00	\$ -	\$ -	\$ -	\$ -	44,229
39	East Cliff Bluff Stabilization Project / Contract	5/23/2011	Unit Completion	Gilbane Building Company	Contract for professional services	Live Oak/Southern	13,272.00	13,272.00	\$ -	\$ -	\$ -	\$ -	13,272
40	St. Stephens Senior Housing project /	8/15/2011	Unit Completion	MidPen Housing Corporation	Lease for housing development	Live Oak/Southern	331,284.00	331,284.00	\$ -	\$ -	\$ -	\$ -	331,284
41	Fell Street Park Pending Contract Chm /	9/14/2010	Unit Completion	Elite Landscaping/Medley, etc	Pending claim on construction contract/associated costs	Live Oak/Southern	246,589.00	246,589.00	\$ -	\$ -	\$ -	\$ -	246,589
42	Property Management costs / Contracts for	Re-occurring annually	Re-occurring annually	Various (PG&E, Water, etc.)	Property Management	Live Oak/Southern	Re-occurring annually	112,000.00	\$ -	\$ -	\$ -	\$ -	56,000
43	Administrative Budget / Jul-Dec / Contracts for	Re-occurring annually	Re-occurring annually	Various County Employees, Vendors	Salaries/Benefits and Services/Supplies	Live Oak/Southern	Re-occurring annually	574,622.00	\$ -	\$ -	\$ -	\$ -	336,478
44	Purchase Order for professional services	7/1/2011	6/30/2012	Snag Harbor	Property Management	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
45	Purchase Order for professional services	7/1/2011	6/30/2012	Eastern	Credit checks	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
46	Purchase Order for professional services	7/1/2011	6/30/2012	Shirley Cruz Record	Property records	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
47	Purchase Order for professional services	7/1/2011	6/30/2012	Bone, Law, Peiffer Architects, Inc	Gamma House remodel project design services	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
48	Purchase Order for professional services	7/1/2011	6/30/2012	The Watsonville Law Center	Legal services	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
49	Purchase Order for professional services	7/1/2011	6/30/2012	Northson and Company	Appraisal services	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
50	Contract for professional services	7/1/2011	6/30/2012	George H. Wilson Inc	Property Management	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
51	Purchase Order for professional services	7/1/2011	6/30/2012	Fall Creek Engineering Inc	Gamma House remodel project	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
52	Purchase Order for professional services	7/1/2011	6/30/2012	Landscapes Acquisition Co	Property Management	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
53	Purchase Order for professional services	7/1/2011	6/30/2012	Arroyo Verde Homeowners Assoc	Property Management	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
54	Purchase Order for professional services	7/1/2011	6/30/2012	Carroll's Creek Homeowners Assoc	Property Management	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
55	Purchase Order for professional services	7/1/2011	6/30/2012	Westbrook Owners Association	Property Management	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
56	Purchase Order for professional services	7/1/2011	6/30/2012	R.C. Barton & Sons Inc	Remodel of Gamma House	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
57	Purchase Order for professional services	7/1/2011	6/30/2012	Various (PG&E, Water, etc.)	Property Management/LMH	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
58	Contract for construction services	7/1/2011	6/30/2012	Express Messenger Systems Inc	Office Administration Expense	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
59	Contract for construction services	7/1/2011	6/30/2012	Staples	Office Administration Expense	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
60	Contract for professional services	7/1/2011	6/30/2012	California Business Systems	Equipment lease	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
61	Associated Property Mgmt Costs	7/1/2011	6/30/2012	ParasMediator, etc	Pending claim on construction contract/associated costs	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
62	Purchase Order for professional services	8/22/2010	6/30/2012	County of Santa Cruz	Project design/construction services	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
63	Purchase Order for professional services	2/9/2011	1/31/2012	County of Santa Cruz	Property Management services	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-
64	Purchase Order for professional services	2/15/2011	6/30/2012	Sandy Lockhart	relocation payments	Live Oak/Southern	0.00	0.00	\$ -	\$ -	\$ -	\$ -	-

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III) -- Notes (Optional)  
 January 1, 2013 through June 30, 2013

Item #	Notes/Comments
15	Bond debt service payments due September 1, 2013 are included as an enforceable obligation in this period to accumulate sufficient reserves to make the payments.
16	Bond debt service payments due September 1, 2013 are included as an enforceable obligation in this period to accumulate sufficient reserves to make the payments.
17	Bond debt service payments due September 1, 2013 are included as an enforceable obligation in this period to accumulate sufficient reserves to make the payments.
18	Bond debt service payments due September 1, 2013 are included as an enforceable obligation in this period to accumulate sufficient reserves to make the payments.
19	Bond debt service payments due September 1, 2013 are included as an enforceable obligation in this period to accumulate sufficient reserves to make the payments.
43	Amount available to cover claim from County construction fund is \$246,599.
44	Funded through rent proceeds.
46	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
47	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
48	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
49	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
50	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
51	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
52	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
53	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
54	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
55	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
56	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
57	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
58	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
59	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
60	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
61	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
62	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
63	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
64	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
65	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
66	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
67	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
68	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
69	Obligation from Jan-June 2012 ROPS has been retired or paid-off.
All	All amounts are estimates.

Purchase to Health and Safety Code section 34186 (b)  
 PRIOR PERIOD ESTIMATED OBLIGATIONS vs. ACTUAL PAYMENTS  
 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS I)  
 January 1, 2012 through June 30, 2012

Pay/Est	Line	Project Name / Debt Obligation	Payee	Description/Project Scope	Project Area	LMIHF		Bonds Proceeds		Reserve Balance		Admin Allowance		RPTTF		Other
						Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	
		<b>Grand Total</b>				\$ 5,598,778	\$ 5,688,778	\$ 3,389,048	\$ 2,059,898	\$ 8,946,628	\$ 6,837,314	\$	\$	\$	\$	\$ 283,092
1	1	2000 Refunding TAB	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Souq	56,147	56,147									
1	2	2000 Refunding TAB	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Souq					224,890	224,890					
1	3	2000 TAB, Series A	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Souq					679,794	679,794					
1	4	2003 Refunding TAB	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Souq	153,182	153,182									
1	5	2003 Refunding TAB	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Souq					612,725	612,725					
1	6	2008 TAB, Series A	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Souq					1,173,938	1,173,938					
1	7	2009 TAB, Series B	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Souq	545,673	545,673									
1	8	2007 Taxable Housing Refunding TAB	BNY Mellon Trust Co	Refunding Bonds for housing projects	Live Oak/Souq	281,575	281,575									
1	9	2007 Refunding TAB, Series A	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Souq	32,054	32,054									
1	10	2007 Refunding TAB, Series A	BNY Mellon Trust Co	Refunding Bonds - Non-housing projects	Live Oak/Souq					89,891	89,891					
1	11	2009 TAB, Series A	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Souq	659,204	659,204			1,888,224	1,888,198					
1	12	2010 Taxable Housing TAB	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Souq					499,910	499,910					
1	13	2011 Taxable Housing TAB, Series A	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Souq											
1	14	2011 Taxable Housing TAB, Series B	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Souq	240,881	240,881									
1	15	2000 Refunding TAB (1)	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Souq	213,147	213,147									
1	16	2000 Refunding TAB (1)	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	Live Oak/Souq					852,866	852,866					
1	17	2000 TAB, Series A (1)	BNY Mellon Trust Co	Bonds for non-housing projects	Live Oak/Souq					280,999	280,999					
1	18	2003 Refunding TAB (1)	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Souq	572,182	572,182									
1	19	2005 TAB, Series B (1)	BNY Mellon Trust Co	Bonds for housing projects	Live Oak/Souq	909,673	909,673									
1	20	(1)	BNY Mellon Trust Co	Refunding bonds for housing projects	Live Oak/Souq	371,575	371,575									
1	21	2007 Refunding TAB, Series A (1)	BNY Mellon Trust Co	Refunding Bonds - Housing portion	Live Oak/Souq	146,676	146,676									
1	22	2010 Taxable Housing TAB (1)	BNY Mellon Trust Co	Bonds for housing projects	Live Oak/Souq	909,204	909,204									
1	23	(1)	BNY Mellon Trust Co	Bonds for housing projects	Live Oak/Souq	326,881	326,881									
1	24	Fiscal agent fees	BNY Mellon Trust Co	Annual bond account administration fees	Live Oak/Souq					30,409	14,527					
1	25	Annual Continuing Disclosure	Herrald and Company	Continuing Disclosure fees	Live Oak/Souq					4,900	4,200					
2	1	2010-11 SERAF Loan	ROA LMI Housing Fund	Loan for 2010-11 SERAF payment	Live Oak/Souq											
2	2	Contract for professional services	Community Builders	LION Program	Live Oak/Souq			10,000								
2	3	Contract for professional services	Morco, Inc/deno & Golsamer	Farm Park Project	Live Oak/Souq			32,380								
2	4	Contract for professional services	Davis Landson	Farm Park Project	Live Oak/Souq			9,458								
2	5	Contract for construction services	Pava Construction	East Cliff Parkway Project	Live Oak/Souq			2,552,531	1,945,882							
2	6	Contract for design services	BSM Design Group	East Cliff Parkway Project	Live Oak/Souq			30,342								
2	7	Contract for professional services	ESA PWA	East Cliff Bluff Stabilization Project	Live Oak/Souq			56,806	12,577							
2	8	Contract for professional services	Gibson Building Company	Live Oak Resource Center Project	Live Oak/Souq			22,927	8,155							
2	9	Purchase Order for professional services	Souq Harbor	Property Management	Live Oak/Souq			3,584	2,408							
2	10	services	Englight	credit checks	Live Oak/Souq			173	54							
2	11	services	Shells Cruz Record	Property records	Live Oak/Souq			510								
2	12	services	Boone, Low, Reliff Architects	Gamma House remodel project design services	Live Oak/Souq			1,273	780							
2	13	Purchase Order for professional services	The Watsonville Law Center	legal services	Live Oak/Souq			7,600	7,600							
2	14	Contract for professional services	Newtonson and Company	appraisal services	Live Oak/Souq			9,600	779							
2	15	Purchase Order for professional services	George H. Wilson Inc	Property Management	Live Oak/Souq			5,000	1,250							
2	16	services	Fall Creek Engineering Inc	Gamma House remodel project	Live Oak/Souq			7,049								
2	17	services	Landscaping Acquisition Co	Property Management	Live Oak/Souq			4,720	130							
2	18	services	Arroyo Verde Homeowners	Property Management	Live Oak/Souq			1,580								
2	19	services	Cabrillo Commons Homeown	Property Management	Live Oak/Souq			5,450	5,112							
2	20	services	Corralitos Creek Homeowne	Property Management	Live Oak/Souq			7,810								
2	21	services	Swart, Lete, Gaudin & San	Property Management	Live Oak/Souq			1,811	1,287							
2	22	services	Westbrook Owners Assoc	Property Management	Live Oak/Souq			2,600	2,600							
2	23	Contract for construction services	R.C. Benson & Sons Inc	Removal of Gamma House	Live Oak/Souq			17,614	17,608							
2	24	Loan for housing development	MelPon Housing Development	St. Stephens Senior Housing project	Live Oak/Souq			331,284								
2	25	Associated Property Mgmt Costs	Various (PG&E, Water, etc)	Property Management-LMIH	Live Oak/Souq			3,718	3,717							
2	26	Purchase Order for professional services	San Jose Blue	Office Administration Expense	Live Oak/Souq					4,735	28					
2	27	services	Express Messenger System	Office Administration Expense	Live Oak/Souq					480						
2	28	services	Staples	Office Administration Expense	Live Oak/Souq					3,950						
2	29	Contract for professional services	Rubin & Tucker, LLP	Legal services	Live Oak/Souq			47,513	5,645							
2	30	Contract for professional services	Capozzi & Larson, Inc	audit services	Live Oak/Souq			10,175	10,175							
2	31	Purchase Order for equipment lease	California Business Systems	equipment lease	Live Oak/Souq			2,127	248							
2	32	Services Contract (Via Auditor)	BLX Group, LLC	Airfrage services (4) (5)	Live Oak/Souq			6,000								
2	33	ABS Cost Plan	County of Santa Cruz	Office Admin Expenses, incl. Rent, services, utilities	Live Oak/Souq					205,049						
2	34	Administrative Budget Feb-June (3)	Various (County, Employee)	Salaries/Benefits and Services/Supplies	Live Oak/Souq			422,456								
2	35	Fall Street Parking Contract	Elita Landscaping/Mediator	Pending claim on construction contract/associated costs	Live Oak/Souq			246,599								

Fiscal Year	Line	Project Name / Debt Obligation	Payee	Description/Project Scope	Project Area	LMHF		Bond Proceeds		Reserve Balance		Admin Allowance		RPITF		Other	
						Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual
3	2)	Soquel Ave. Impr. - Pending Contract Callin	Payee/Manager, etc. County of Santa Cruz	Pending claim on construction contract/associated costs	Live Omb/Socul												
3	3)	Cooperation Agreement	County of Santa Cruz	Project design/construction services	Live Omb/Socul	387,724	387,724	17,694		146,400							100,000
3	4)	Property Mgmt. Cooperation Agreement	County of Santa Cruz	Property Management services	Live Omb/Socul												
3	5)	1512 Capitola Road relocation	Sandy Lockulff	relocation payments	Live Omb/Socul												
3	6)	1240 Rodriguez Street relocation	Krist Taj	relocation payments (4)	Live Omb/Socul			10,000	3,000								2,115

2



**Successor Agency Contact Information**

Name of Successor Agency: Santa Cruz County Redevelopment  
County: Santa Cruz County

Primary Contact Name: Kim Namba  
Primary Contact Title: Administrative Services Manager Santa  
Address: 701 Ocean St, Rm 520 Santa  
Contact Phone Number: Cruz, CA 95060  
Contact E-Mail Address: (831) 454-2214  
[red015@co.santa-cruz.ca.us](mailto:red015@co.santa-cruz.ca.us)

Secondary Contact Name: Carol Kelly  
Secondary Contact Title: Asst. CAO  
Secondary Contact Phone Number: (831) 454-2100  
Secondary Contact E-Mail Address: [cao007@co.santa-cruz.ca.us](mailto:cao007@co.santa-cruz.ca.us)



# 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

August 22, 2012

Agenda: August 28, 2012

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

### INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES TO THE SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY

Dear Members of the Board:

California Health & Safety Code 34182(a) requires county auditor-controllers to conduct or cause to be conducted an agreed-upon procedures audit of each redevelopment agency in the county. Attached is a letter from the Mary Jo Walker, Auditor-Controller and the completed Agreed-Upon Procedures Report.

It is therefore RECOMMENDED that your Board adopt the attached resolution accepting The Report on Applying Agreed-Upon Procedures to the Successor Agency of the County of Santa Cruz County Redevelopment Agency.

Very truly yours,

  
Kelsey Lynberg  
Assistant Public Works Director - Parks

RECOMMENDED:

  
Susan A. Mauriello  
County Administrative Officer

BL:kn

Attachments

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



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 ACCEPTING THE REPORT ON APPLYING  
AGREED-UPON PROCEDURES TO THE SUCCESSOR  
AGENCY OF THE COUNTY OF SANTA CRUZ  
REDEVELOPMENT AGENCY

WHEREAS, the Oversight Board of the Santa Cruz County Redevelopment Successor Agency ("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 has considered a report applying agreed-upon procedures to the Santa Cruz County Redevelopment Successor Agency; 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 Oversight Board accepts the Report on Applying Agreed-Upon Procedures To The Successor Agency Of The County of Santa Cruz Redevelopment Agency.

PASSED, APPROVED and ADOPTED by the Oversight Board of the Santa Cruz County Redevelopment Successor Agency, this \_\_\_<sup>th</sup> day of \_\_\_\_\_, 2012 by the following vote:

AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSENT: \_\_\_\_\_

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





# COUNTY OF SANTA CRUZ

**MARY JO WALKER, AUDITOR-CONTROLLER**  
 701 OCEAN STREET, SUITE 100, SANTA CRUZ, CA 95060-4073  
 (831) 454-2500 FAX (831) 454-2660

Edith Driscoll, Chief Deputy Auditor-Controller  
 Pam Silbaugh, General Accounting Manager  
 Mark Huett, Audit and Systems Manager  
 Marianne Ellis, Property Tax Accounting Manager

June 28, 2012

Oversight Board of the Successor Agency of the  
 County of Santa Cruz Redevelopment Agency  
 Santa Cruz, CA 95060

**SUBJECT: INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING  
 AGREED-UPON PROCEDURES**

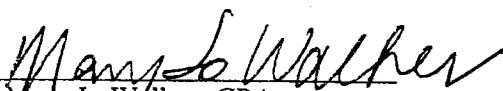
Dear Members of the Oversight Board:

Assembly Bill ABXI 26 §34182(a) requires county auditor-controllers to conduct or cause to be conducted an agreed-upon procedures audit of each redevelopment agency in the county. The purpose of the audit shall be to establish each redevelopment agency's assets and liabilities, to document and determine each redevelopment agency's pass through payment obligations to other taxing agencies, and to document and determine both the amount and the terms of any indebtedness incurred by the redevelopment agency and certify the initial Recognized Obligation Payment.

Attached is our report on applying Agreed-Upon Procedures to the Successor Agency of the County of Santa Cruz Redevelopment Agency.

We would like to thank the Successor Agency management and staff who gave their time, information, and cooperation during this process.

Sincerely,

  
 Mary Jo Walker, CPA  
 Auditor-Controller

Attachment: Independent Accountant's Report on applying Agreed-Upon Procedures

cc: California State Controller's Office, California Department of Finance, Successor Agency of the County of Santa Cruz Redevelopment Agency

**COUNTY OF SANTA CRUZ**

**REPORT ON**  
**APPLYING AGREED-UPON PROCEDURES**  
**TO THE SUCCESSOR AGENCY**  
**OF THE COUNTY OF SANTA CRUZ**  
**REDEVELOPMENT AGENCY**

**Prepared By:**  
**County of Santa Cruz**  
**Auditor-Controller**

**May 2012**

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# COUNTY OF SANTA CRUZ

**MARY JO WALKER, AUDITOR-CONTROLLER**  
 701 OCEAN STREET, SUITE 100, SANTA CRUZ, CA 95060-4073  
 (831) 454-2500 FAX (831) 454-2660

Edith Driscoll, Chief Deputy Auditor-Controller  
 Pam Silbaugh, General Accounting Manager  
 Mark Huett, Audit and Systems Manager  
 Marianne Ellis, Property Tax Accounting Manager

Oversight Board of the Successor Agency of the County of Santa Cruz Redevelopment Agency  
 Santa Cruz, CA 95060

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the minimum required agreed-upon procedures enumerated in Attachment A, which were agreed to by the California State Controller's Office, Department of Finance, and Santa Cruz County Auditor-Controller, solely to assist you in ensuring that the dissolved redevelopment agency is complying with its statutory requirements with respect to ABX1 26. Management of the successor agency is responsible for the accounting records pertaining to statutory compliance pursuant to Health and Safety Code section 34182(a)(1). This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The scope of this engagement was limited to performing the minimum required agreed-upon procedures as set forth in Attachment A. Attachment A also summarizes the results of the agreed upon procedures performed.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion as to the appropriateness of the results summarized in Attachment A. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Santa Cruz County Auditor-Controller, the successor agency, and applicable State agencies, and is not intended to be, and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

*Mary Jo Walker*

Mary Jo Walker, CPA  
 Santa Cruz, California  
 May 7, 2012

cc: California State Controller's Office, California Department of Finance,  
 County of Santa Cruz Auditor-Controller's Office

**ATTACHMENT A—Agreed-Upon Procedures Engagement  
Pursuant to ABX1 26, Community Redevelopment Dissolution**

*Purpose: To establish each redevelopment agency's assets and liabilities, to document and determine each redevelopment agency's pass-through payment obligations to other taxing agencies, and to document and determine both the amount and the terms of any indebtedness incurred by the redevelopment agency and certify the initial recognized obligation payment schedule. [Health and Safety Code section 34182(a)(2)]*

**A. RDA Dissolution and Restrictions.** For each Redevelopment Agency dissolved, perform the following:

1. Obtain a copy of the Enforceable Obligation Payment Schedule (EOPS) for the period of August 1, 2011, through December 31, 2011. Trace the redevelopment project name or area (whichever applies) associated with the obligations, the payee, a description of the nature of the work/service agreed to, and the amount of payments made by month through December 31, 2011, and compare it to the legal document that forms the basis for the obligation. Since amounts could be estimated, determine that they are stated as such and that legal documentation supports those estimates.

*Results:* We performed these procedures and did not identify any exceptions. However, where amounts were estimates, they were not noted as such.

2. Obtain a copy of all amended EOPS filed during the period of January 1, 2012, through June 30, 2012. Trace the redevelopment project name or area (whichever applies) associated with the obligations, the payee, a description of the nature of the work/service agreed to, and the amount of payments to be made by month through June 30, 2012, and compare it to the legal document that forms the basis for the obligation. Again, since amounts could be estimated, determine that they are stated as such and that legal documentation supports those estimates.

*Results:* We performed these procedures and did not identify any exceptions. Where amounts were estimates, they were noted as such.

3. Identify any obligations listed on the EOPS that were entered into after June 29, 2011, by inspecting the date of incurrence specified on Form A of the Statement of Indebtedness filed with the County Auditor-Controller, which was filed on or before October 1, 2011.

*Results:* We performed this procedure and identified two obligations that were entered into after June 29, 2011. However, we noted that these obligations were no longer listed on the EOPS or ROPS for January 2012 through June 2012.

The obligations were:

Administrative Loan from the County of Santa Cruz  
Remittance Agreement with the County of Santa Cruz

**ATTACHMENT A—Agreed-Upon Procedures Engagement  
Pursuant to ABX1 26, Community Redevelopment Dissolution**

**A. RDA Dissolution and Restrictions (continued)**

4. Inquire and specifically state in the report the manner in which the agency did or did not execute a transfer of the Low and Moderate Income Housing Fund to the redevelopment successor agency by February 1, 2012. Procedures to accomplish this might include changing the name of the accounting fund and related bank accounts that are holding these assets for the successor agency. If the successor agency is a party other than the agency that created the redevelopment agency, an examination of bank statements and changing of account titles and fund names evidencing such transfer will be sufficient.

*Results:* We performed this procedure and determined that the agency executed a transfer of the Low and Moderate Income Housing Fund to the Successor Agency by changing the name of the fund within the accounting system. The name change was requested on January 13, 2012, and completed on March 20, 2012.

5. Inquire and specifically state in the report how housing activities (assets and functions, rights, powers, duties, and obligations) were transferred and the manner in which this agency did or did not execute a transfer. Procedures to accomplish this might include changing the name of the accounting fund and related bank accounts that are holding these assets for the other agency. An examination of bank statements and changing of account titles and fund names evidencing such transfer will be sufficient. If the housing successor is a party other than the agency that created the redevelopment agency, an examination of bank statements and re-recording of titles evidencing such transfers will be sufficient.

*Results:* We performed this procedure and determined that the County of Santa Cruz approved the creation of the Successor Agency on January 10, 2012. The Agency executed a transfer of housing assets and obligations by transferring the capital asset owned by the Agency to the Successor Agency in the fixed assets accounting system, and by changing the names of the accounts in the financial accounting system. Rights, functions, powers, and duties were assumed and performed by the County directly as the Successor Agency.

**B. Successor Agency**

1. Inspect evidence that (A) a Successor Agency has been established by February 1, 2012; and (B) the Successor Agency Oversight Board has been appointed, with names of the successor agency oversight board members, which must be submitted to the Department of Finance by May 1, 2012.

*Results:* We performed these procedures and determined that on January 10, 2012, the County of Santa Cruz Adopted Resolution No. 5-2012, confirming the intent of the Board of Supervisors, for the County of Santa Cruz to assume the roles and responsibilities of the Successor Agency to the former Santa Cruz County Redevelopment Agency.



**ATTACHMENT A—Agreed-Upon Procedures Engagement  
Pursuant to ABX1 26, Community Redevelopment Dissolution**

**B. Successor Agency (continued)**

We also determined that the Successor Agency Oversight Board had been appointed, and the names of the Oversight Board members were submitted to the Department of Finance on May 7, 2012.

2. Inquire regarding the procedures accomplished and specifically state in the report the manner in which this agency did or did not execute a transfer of operations for the successor agency, which was due by February 1, 2012. Procedures to accomplish this might include changing the name of the accounting fund and related bank accounts that are holding these assets for the successor agency. If the successor agency is a party other than the agency that created the redevelopment agency, an examination of bank statements and changing of account titles and fund names evidencing such transfer will be sufficient.

*Results:* We performed these procedures and determined that the former Redevelopment Agency executed a transfer of operations to the Successor Agency by changing the name of the accounting funds within the accounting system. The name change was requested on January 13, 2012, and completed on March 20, 2012.

3. Ascertain that the Successor Agency has established the Redevelopment Obligation Retirement Fund(s) in its accounting system.

*Results:* We performed this procedure and determined that the Redevelopment Obligation Retirement Fund was established in the accounting system on May 13, 2011.

4. Inspect the EOPS and ROPS and identify the payments that were due to be paid through the date of the Agreed-Upon-Procedures (AUP) report. Select a sample (based on a dollar amount and/or percentage amount as determined by the Santa Cruz County Auditor-Controller) and compare the payments that were due to be paid through the date of the AUP report to a copy of the cancelled check or other documentation supporting the payment.

*Results:* We performed these procedures and did not identify any exceptions.

5. Obtain listings that supports the asset figures (cash, investments, accounts receivable, notes receivable, fixed assets, etc.) in the audited financial statements as of June 30, 2010, June 30, 2011, and as of January 31, 2012, as determined by the successor agency and include as an attachment to the AUP report.

*Results:* We performed this procedure and included the client provided listings as ATTACHMENT B. ATTACHMENT B on page 21 reflects that on January 31, 2012, unaudited balances were as follows:

**ATTACHMENT A—Agreed-Upon Procedures Engagement  
Pursuant to ABX1 26, Community Redevelopment Dissolution**

**B. Successor Agency (continued)**

Cash in County Treasury	\$ 8,810,310
Cash - restricted debt service fund	20,014,154
Loans receivable	38,350,351
Investments: land held for resale	235,029
Fixed assets	<u>112,145</u>
Total assets	\$ 67,521,989

**C. Recognized Obligation Payment Schedule (Draft ROPS). Obtain a copy of the initial draft of the ROPS from the Successor Agency.**

1. Inspect evidence that the initial draft of the ROPS was prepared by March 1, 2012.

*Results:* We performed this procedure and did not identify any exceptions.

2. Note in the minutes of the Oversight Board that the draft ROPS has been approved by the Oversight Board. If the Oversight Board has not yet approved the draft ROPS as of the date of the AUP, this should be mentioned in the AUP report.

*Results:* We performed this procedure and determined that the certified ROPS was approved by the Oversight Board at the March 27, 2012, Oversight Board meeting. The certified ROPS is included as ATTACHMENT C.

3. Inspect evidence that a copy of the draft ROPS was submitted to the County Auditor-Controller, State Controller, and Department of Finance.

*Results:* We performed this procedure and determined that a copy of the draft ROPS was submitted to the County Auditor-Controller on March 1, 2012.

We also determined that a copy of the certified ROPS was submitted to the State Controller, and Department of Finance. However, an initial draft ROPS was not submitted to the State Controller or the Department of Finance, as this was not a requirement of ABXI 26.

4. Inspect evidence that the draft ROPS includes monthly scheduled payments for each enforceable obligation for the current six-month reporting time period.

*Results:* We performed this procedure and did not identify any exceptions.

5. Select a sample (based on dollar amount and/or percentage amount as determined by the Santa Cruz County Auditor-Controller) and trace enforceable obligations listed on the draft ROPS to the legal document that forms the basis for the obligation.

**ATTACHMENT A—Agreed-Upon Procedures Engagement  
Pursuant to ABX1 26, Community Redevelopment Dissolution**

**C. Recognized Obligation Payment Schedule (Draft ROPS) (continued)**

*Results:* We performed these procedures and did not identify any exceptions. The draft ROPS was amended to agree with the final certified ROPS on March 20, 2012.

6. Trace the obligations enumerated on the draft ROPS to the obligations enumerated on the EOPS (including amendments) and note any material differences as agreed to by the Santa Cruz County Auditor-Controller.

*Results:* We performed this procedure and did not identify any exceptions.

**D. Recognized Obligation Payment Schedule (Final ROPS).** Obtain a copy of the final ROPS (January 1, 2012, through June 30, 2012) from the Successor Agency.

1. Inspect evidence that the final ROPS was submitted to the County Auditor-Controller, the State Controller, and Department of Finance by April 15, 2012, and is posted on the website of the City/County as Successor Agency (Health and Safety Code section 34177 (2)(C)).

*Results:* We performed this procedure and did not identify any exceptions.

2. Inspect the final ROPS and identify the payments that were due to be paid through the date of the AUP report. For payments on the ROPS that were identified as being due through the date of the AUP report, inspect evidence of payment and determine that amounts agree to the purpose of the obligation as amounts could be estimated.

*Results:* We performed these procedures and for payments on the final ROPS that were identified as being due through May 7, 2012, we inspected evidence of payment and determined that amounts agreed to the purpose of the obligation without exception.

3. Select a sample (based on a dollar amount and/or percentage amount as determined by Santa Cruz County Auditor-Controller) and trace enforceable obligations listed on the final ROPS to the legal agreements or documents that form the basis for the obligations.

*Results:* We performed these procedures, and for all items that were not estimates, we were able to trace the enforceable obligations listed on the final ROPS to the legal agreements or documents that formed the basis for the obligation without exception.

**E. Other Procedures.** Obtain a list of pass-through obligations and payment schedules.

1. Obtain a list of pass-through obligations from the Successor Agency from July 1, 2011 through January 31, 2012. Inspect evidence of payment, and note any differences from the list of pass-through obligations and payments made.

*Results:* We performed this procedure and did not identify any exceptions.

June 30, 2010

**Santa Cruz County Redevelopment Agency**  
**Statement of Net Assets**  
**June 30, 2010**

	<u>Governmental</u> <u>Activities</u>
<b>ASSETS</b>	
Current Assets:	
Cash and investments	\$ 114,457,886
Restricted cash with fiscal agent	From pg 8 3,960,000
Intergovernmental receivable	124,000
<b>Total current assets</b>	<u>118,541,886</u>
Noncurrent Assets:	
Restricted cash with fiscal agent	From pg 8 5,504,618
Loans receivable - housing	From pg 9 27,108,587
Land held for resale	From pg 11 2,032,672
Deferred bond issuance costs	3,476,530
Capital assets:	
Non-depreciable	From pg 10 23,585,172
Depreciable, net	From pg 10 328,463
<b>Total capital assets</b>	From pg 10 <u>23,913,635</u>
<b>Total noncurrent assets</b>	<u>62,036,042</u>
<b>Total assets</b>	<u>180,577,928</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable - claims	1,450,379
Accounts payable - payroll	93,205
Interest payable	3,916,499
Compensated absences - due within one year	222,302
Long-term debt - due within one year	3,972,669
<b>Total current liabilities</b>	<u>9,655,054</u>
Long-Term Liabilities:	
Compensated absences - due in more than one year	59,450
Long-term debt - due in more than one year	213,499,730
<b>Total long-term liabilities</b>	<u>213,559,180</u>
<b>Total liabilities</b>	<u>223,214,234</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	16,429,582
Restricted for:	
Capital projects	6,276,693
Low and moderate income housing projects	29,167,669
Debt service	9,464,618
Unrestricted	(103,974,868)
<b>Total net assets (deficit)</b>	<u>\$ (42,636,306)</u>

See accompanying Notes to Basic Financial Statements.

SANTA CRUZ COUNTY REDEVELOPMENT AGENCY  
SUMMARY OF CASH HELD WITH FISCAL AGENTS  
FISCAL YEAR ENDED JUNE 30, 2010

<b>Fiscal Agent</b>	<b>Description</b>	<b>Amount</b>
BNY Mellon	1996 BONDS Debt Service	0.00
BNY Mellon	2000 Ref BONDS Debt Service	1,284,522.30
BNY Mellon	2000 A BONDS Debt Service	2,569,234.05
BNY Mellon	2000 B BONDS Debt Service	2,746.41
BNY Mellon	2003 Ref BOND Debt Service	1.61
BNY Mellon	2005 A BONDS Debt Service	3.20
BNY Mellon	2005 B BOND Debt Service	1.52
BNY Mellon	2007 Ref Debt Service	8,106.58
BNY Mellon	2007 A Ref Debt Service	1.43
BNY Mellon	2009 A Debt Service	5,600,000.45
BNY Mellon	2010 Debt Service	0.00
BNY Mellon	2011 A Debt Service	0.00
BNY Mellon	2011B Debt Service	0.00
		<u>9,464,617.55</u>

Current	3,960,000.00
Noncurrent	5,504,618.00
	<u>9,464,618.00</u>

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**Santa Cruz County Redevelopment Agency**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2010**

**5. LOANS RECEIVABLE**

As of June 30, 2010, loans receivable consisted of the following:

RDA Housing Loan	Special Revenue Funds		Total Governmental Funds
	Tax Increment Revenue	Low and Moderate Income Housing Project	
Felton Housing Site	\$ -	\$ 1,667,863	\$ 1,667,863
First Time Homebuyers	4,997,449	340,192	5,337,641
Golden Torch (Parkhurst Terrace)	-	1,296,239	1,296,239
Housing for Independent People	-	40,940	40,940
Marmo's	1,500,000	-	1,500,000
McGregor	891,748	-	891,748
McGregor II	-	2,886,518	2,886,518
McIntosh Coach Replacement Program	-	112,792	112,792
Mercy - McIntosh (Coach Loan)	-	351,463	351,463
Mercy - McIntosh Rehab	-	93,126	93,126
Mobile Home Change Out Program	5,337,980	-	5,337,980
Mobile Home Rehab	373,841	-	373,841
Pacific Family - SCH	-	1,236,951	1,236,951
Pacific Family Coach Acquisitions	-	309,591	309,591
Pleasant Acres Permanent Financing	-	3,672,019	3,672,019
Pleasant Acres Coach Acquisitions	-	124,875	124,875
San Andreas	-	700,000	700,000
Sorrento Oaks	-	10,000	10,000
Vista Verde Family Housing	-	1,165,000	1,165,000
<b>Total assets</b>	<b>\$ 13,101,018</b>	<b>\$ 14,007,569</b>	<b>\$ 27,108,587</b>

To pg 7

**Santa Cruz County Redevelopment Agency**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2010**

**6. CAPITAL ASSETS**

Capital assets of the Agency for the year ended June 30, 2010, are presented in the table below.

		Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010	
	Non-depreciable assets:					
From pg 11	Land	\$ 19,361,549	\$ -	\$ (100,000)	\$ 19,261,549	
From pg 12	Construction in progress	1,946,772	2,376,851	-	4,323,623	
	Total non-depreciable assets	<u>21,308,321</u>	<u>2,376,851</u>	<u>(100,000)</u>	<u>23,585,172</u>	To pg 7
	Depreciable assets:					
From pg 11	Buildings and improvements	392,913	-	-	392,913	
From pg 13	Equipment and vehicles	73,155	8,759	(4,973)	76,941	
	Total depreciable assets	<u>466,068</u>	<u>8,759</u>	<u>(4,973)</u>	<u>469,854</u>	
	Less accumulated depreciation for:					
From pg 11	Buildings and improvements	(64,854)	(13,107)	-	(77,961)	
From pg 13	Equipment and vehicles	(64,788)	(3,615)	4,973	(63,430)	
	Total accumulated depreciation	<u>(129,642)</u>	<u>(16,722)</u>	<u>4,973</u>	<u>(141,391)</u>	
	Total depreciable assets, net	<u>336,426</u>	<u>(7,963)</u>	<u>-</u>	<u>328,463</u>	To pg 7
	<b>Total Capital Assets</b>	<u><b>\$ 21,644,747</b></u>	<u><b>\$ 2,368,888</b></u>	<u><b>\$ (100,000)</b></u>	<u><b>\$ 23,913,635</b></u>	To pg 7

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

**Governmental activities:**

Public ways and facilities

Total depreciation expense - governmental activities \$ 16,722

On August 11, 2009, the Agency transferred land known as the Hook Overlook property to the County of Santa Cruz for park and recreation purposes. The Agency decreased capital assets by \$100,000.

**7. RELATED PARTY TRANSACTIONS**

County personnel provide management, accounting, and legal services to the Agency. Total charges for such services in the fiscal year ended June 30, 2010, were approximately \$5,394,462.



Santa Cruz County Redevelopment Agency  
 Depreciation Schedule  
 Fiscal Year Ended June 30, 2010

Fixed Asset #	Acquisition Date	Description	How paid		Useful Life (yrs)	Total Historic Cost		Deletions	Additions	Deletions	Expenses	Depreciation Backed out	Book Value as of 6/30/10
			Index	Bond		6/30/09	6/30/10						
<b>Land</b>													
1002507117	08/02/1986	Commercial Way	611102		1990	0	100,000.00						100,000.00
1002611103	05/12/2005	1240 Rodriguez St.	136110			0	1,001,477.90						1,001,477.90
1002619340	12/04/1997	1412 Capitola Road	611138		1990	0	454,936.00						454,936.00
1002619341	12/01/1994	Library Site-Johnson	611138		1990	0	421,005.00						421,005.00
1002619342	07/01/1994	Library Dell Aqua	611138		1990	0	411,495.00						411,495.00
1002619343	06/30/1994	Library Dell Aqua	611138		1990	0	400,000.00						400,000.00
1002626113	06/30/2000	7th & Brommer	611139		1993	0	803,495.39						803,495.39
1002626116	08/27/2007	901 7th Avenue, Santa Cruz	136110&611136		2000A	0	5,870,779.34						5,870,779.34
1002626117	08/27/2007	805 7th Avenue, Santa Cruz	136110&611136		2000A	0	735,714.30						735,714.30
1002630204	07/03/2008	40 Moran Way, East Cliff	136110			0	1,601,920.93						1,601,920.93
1002907138	12/20/1986	1865-1975-1985 Chanticleer	611119		1990	0	901,707.50						901,707.50
1002907166	11/29/2004	1925 Chanticleer	136110			0	1,787,074.50						1,787,074.50
1002910142	08/19/2009	1740 17th Ave, Capitola	136110		n/a	0	738,167.50						738,167.50
1002917105	01/17/1997	2340 Harper St.	611121		1990	0	290,837.25						290,837.25
1003007108	09/01/1989	Soquel Parking Adella	611110		1988	0	219,688.50						219,688.50
1003014118	07/01/1991	Soquel Parking Lot 18	611110		1988	0	20,097.26						20,097.26
1003014232	04/01/1994	Soquel Parking Sobe	611110		1990	0	90,413.75						90,413.75
1003015310	10/01/2007	Athe Property-0 Porter St. St	611220		2005A	0	146,127.60						146,127.60
1003218201	06/01/1998	The Hook-Beach Access	611115		1990	0	100,000.00	100,000.00					0.00
1003225107	08/01/2007	Smith Property, East Cliff	611220		2005A	0	121,078.00						121,078.00
103001124C	02/01/1989	O'Neill Ranch Property	136110			0	238,000.00						238,000.00
103008117A	06/01/1991	Soquel Parking Lot-Lombardl	611102		1988	0	275,452.34						275,452.34
103014233A	04/01/1994	Soquel Parking Chen	611110		1990	0	100,507.50						100,507.50
103015324B	06/01/1993	Heart of Soquel Mobil Home	136110			0	706,326.75						706,326.75
103710151B	07/01/1991	Cunlison Lane Park	611140		1988	0	1,825,246.35						1,825,246.35
<b>Subtotals:</b>							19,361,548.66	0.00	100,000.00	0.00	0.00	0.00	19,261,548.66
To Pg 10													
<b>Land Held for Resale</b>													
2003750103	12/13/2007	2818 Willowbrook Lane #83,	136120		n/a	30	210,437.23	210,437.23					0.00
2003750104	12/13/2007	2819 Willowbrook Lane #93,	136120		n/a	30	10,149.78	10,149.78					0.00
2007815121	10/29/2008	285 Brown Gables Rd #23, V	136120		n/a	30	108,327.61	108,327.61					0.00
2004832156	03/19/2009	103 Pauline Dr, Watsonville	136120		n/a	30	301,394.19	301,394.19					0.00
2004837112	04/03/2009	224 Pejaro Circle, Freedom	136120		n/a	30	280,476.04	280,476.04					0.00
2004837116	05/07/2009	218 Pejaro Circle, Freedom	136120		n/a	30	286,856.81	286,856.81					286,856.81
2003782108	04/21/2009	111 Alherton Loop, Aptos Co	136120		n/a	30	411,544.78	411,544.78					411,544.78
2003782110	04/21/2009	119 Alherton Loop, Aptos Co	136120		n/a	30	411,267.66	411,267.66					411,267.66
2004837127	06/12/2009	178 Pejaro Circle, Freedom	136120		n/a	30	290,618.94	290,618.94					0.00
2004837108	07/22/2009	187 Pejaro Circle, Freedom	136120		n/a	30	295,459.83	295,459.83					0.00
2004837128	08/05/2009	160 Pejaro Circle, Freedom	136120		n/a	30	285,124.58	285,124.58					0.00
2005162105	08/27/2009	209 Amador, Watsonville	136120		n/a	30	261,046.95	261,046.95					0.00
2005159124	10/15/2009	521 Sombra, Watsonville	136120		n/a	30	259,185.44	259,185.44					0.00
2005159114	10/15/2009	321 Sombra, Watsonville	136120		n/a	30	259,185.44	259,185.44					0.00
2004837101	01/12/2010	145 Pejaro Circle, Freedom	136120		n/a	30	280,332.89	280,332.89					280,332.89
2003708258	04/23/2010	513 Soquel Dr, Soquel	136120		n/a	30	339,662.17	339,662.17					339,662.17
2005162101	05/03/2010	201 Amador, Watsonville	136120		n/a	30	303,006.67	303,006.67					303,006.67
<b>Subtotals:</b>							2,321,073.24	2,283,003.95	2,571,406.01	2,032,671.68	0.00	0.00	2,032,671.18
To Pg 7													
<b>Buildings and Structures</b>													
200082198A	06/01/1990	Struct & Imp-Other-RDA	n/a			30	35,204.00	35,204.00					11,735.72
7009080832	03/22/2002	Portable Classroom Unit #80	611113		1993	30	71,936.28	71,936.28					52,369.81
1002608149	10/18/2006	522 Capitola Rd, Ext. S.C.	612200		1998	0	285,772.80	285,772.80					250,845.18
<b>Subtotals:</b>							392,913.08	0.00	84,855.37	13,107.00	0.00	0.00	314,950.69
To Pg 10													



Sanita Cruz County Redevelopment Agency  
Depreciation Schedule  
Fiscal Year Ended June 30, 2010

Fixed Asset #	Acquisition Date	Description	Index	How paid	Useful Life (yrs)	Total Historic Cost		Deletions	Additions	Depreciation as of 6/30/09	09/10 Depreciation Expense	09/10 Depreciation Beaked out	Book Value as of 6/30/10
						6/30/09	6/30/10						
<b>Construction in Progress</b>													
		Charitable Ave Park	611119		30	330,892.93	293,562.01			0.00			624,454.94
		7th & Brommer Site	611139		30	15,981.16	15,981.16			0.00			15,981.16
		Farm Park & Community Cen	611140		30	938,901.13	270,788.04			0.00			1,209,689.17
		Live Oak Resources Center	611215		30	572,193.01	1,811,222.06			0.00			2,383,415.07
		Soquel Creek Linear Park & f	611217		30	34,094.28	1,279.64			0.00			35,373.92
		Parkette Acquisition	611220		30	54,728.92				0.00			54,728.92
						1,946,771.43	2,376,851.75	0.00		0.00	0.00	0.00	4,323,623.18
To pg 10													
<b>Subtotals:</b>													
		IBM Wheelwriter Typewriter f	n/a		3	906.85				906.85			0.00
		Conference Room Table	n/a		5	1,379.18				1,379.18			0.00
		Ricoh Dual Lens Camera S4	n/a		5	0.00				0.00			0.00
		Shew-Walker Furniture comp	n/a		5	2,898.39	2,898.39			2,898.39		(2,898.39)	0.00
		Modular Headset	n/a		3	0.00				0.00			0.00
		Four Section Lateral File	n/a		5	1,082.50				1,082.50			0.00
		Lettering Machine	n/a		5	323.67				323.67			0.00
		Four Section Stack Lateral	n/a		5	809.11				809.11			0.00
		Camera - Polaroid	n/a		5	0.00				0.00			0.00
		Pentax Camera 80E Kit	n/a		5	0.10				0.08			0.02
		Sharp Calculator Compet	n/a		3	0.10				0.09			0.01
		Sharp Calculator Compet	n/a		3	0.10				0.09			0.01
		Nikon Super Cool Scan Scan	n/a		4	1,560.00				1,549.96			0.04
		Fleibed Scanner 9600XL :	n/a		4	0.10				0.10			0.00
		Fax Muretec F360	n/a		3	0.00				0.00			0.00
		DX4900 Zoom Digital Camen	n/a		5	0.00				0.00			0.00
		2002 Remodel Furniture	n/a		5	41,687.89				41,222.80	7.68		457.43
		HP Deskjet 9800CSE	n/a		4	0.00				0.00			0.00
		Palm M130 Handheld PDA	n/a		3	0.00				0.00			0.00
		Palm M130 Handheld PDA	n/a		3	0.00				0.00			0.00
		170FP Monitor 17" Dell Ultra	n/a		4	0.00				0.00			0.00
		170FP Monitor 17" Dell Ultra	n/a		4	0.00				0.00			0.00
		170FP Monitor 17" Dell Ultra	n/a		4	0.00				0.00			0.00
		170FP Monitor 17" Dell Ultra	n/a		4	0.00				0.00			0.00
		170FP Monitor 17" Dell Ultra	n/a		4	0.00				0.00			0.00
		170FP Monitor 17" Dell Ultra	n/a		4	0.00				0.00			0.00
		170FP Monitor 17" Dell Ultra	n/a		4	0.00				0.00			0.00
		170FP Monitor 17" Dell Ultra	n/a		4	0.00				0.00			0.00
		170FP Monitor 17" Dell Ultra	n/a		4	0.00				0.00			0.00
		170FP Monitor 17" Dell Ultra	n/a		4	0.00				0.00			0.00
		Dell Dimension 4550 CPU PC	n/a		4	0.00				0.00			0.00
		170FP Monitor 17" Dell Ultra	n/a		4	0.00				0.00			0.00
		5.0 MP Digital Camera	n/a		5	0.00				0.00			0.00
		Calculator	n/a		3	0.00				0.00			0.00
		Digital Camera 5.0	n/a		5	0.00				0.00			0.00
		Dimension 4600 Dell PC	n/a		4	0.00				0.00			0.00
		17" digital Del Computer Mor	n/a		4	0.00				0.00			0.00
		Dimension 4600 Dell PC	n/a		4	0.00				0.00			0.00
		17" digital Del Computer Mor	n/a		4	0.00				0.00			0.00
		USB 512 Flash Drive	n/a		4	0.00				0.00			0.00
		USB 512 Flash Drive	n/a		4	0.00				0.00			0.00
		Digital Camera-Cannon SD8	n/a		4	0.00				0.00			0.00
		2006 Remodel Add'l Workals	n/a		5	16,108.90				5,591.36	3,221.76		4,295.78
		Dell Flat Panel 17" Monitor	n/a		4	0.00				0.00			0.00



Santa Cruz County Redevelopment Agency  
 Depreciation Schedule  
 Fiscal Year Ended June 30, 2010

Fixed Asset #	Acquisition Date	Description	How paid		Useful Life (yrs)	Total Historic Cost 6/30/09		Deletions	Total Historic Cost 6/30/10	Depreciation as of 6/30/09	Depreciation Expense 08/10	Depreciation Backed out 09/10	Book Value as of 6/30/10
			Index	Bond		Additions	Cost 6/30/10						
0000085176	01/09/2007	Canon Pro 9000 Large Format	n/a		4	0.00	0.00		0.00	0.00			0.00
0000085176	06/14/2007	Laptop-Dell Latitude D620	n/a		4	0.00	0.00		0.00	0.00			0.00
0000085177	06/22/2007	Dell 745 Minitower CPU	n/a		4	0.00	0.00		0.00	0.00			0.00
0000085178	12/10/2007	20" HP Monitor	n/a		5	0.00	0.00		0.00	0.00			0.00
0000085179	12/10/2007	20" HP Monitor	n/a		5	0.00	0.00		0.00	0.00			0.00
0000085674	03/24/2007	Dell CPU	n/a		5	671.15	671.15	671.15	671.15	671.15		(671.15)	0.00
0000085707	06/24/2005	Dell CPU	n/a		5	702.03	702.03	702.03	702.03	702.00		(702.00)	0.00
0000085708	08/24/2005	Dell CPU	n/a		5	702.03	702.03	702.03	702.03	702.00		(702.00)	0.00
0000086830	08/13/2005	Dell XPS CPU	n/a		5	2,491.43	2,491.43		2,491.43	2,335.62		155.81	0.00
0000086831	08/13/2005	Dell Monitor	n/a		5	0.00	0.00		0.00	0.00			0.00
0000087001	12/05/2005	XD60U DLP 1800 Lumen Prc	n/a		4	1,842.03	1,842.03		1,842.03	1,811.66		230.37	0.00
0000088771	11/17/2006	Dell Optiplex GX620 Minilow	n/a		3	0.00	0.00		0.00	0.00			0.00
0000088772	11/17/2006	Dell Optiplex GX620 Minilow	n/a		3	0.00	0.00		0.00	0.00			0.00
0000088855	11/10/2007	HP Compaq DC7700 Minilow	n/a		5	0.00	0.00		0.00	0.00			0.00
0000088895	12/28/2007	Compaq dc7800 PC all	n/a		5	0.00	0.00		0.00	0.00			0.00
0000091400	03/05/2008	Compaq DC7800 PC	n/a		5	0.00	0.00		0.00	0.00			0.00
0000091401	03/05/2008	Compaq DC7800 PC	n/a		5	0.00	0.00		0.00	0.00			0.00
0000091402	03/05/2008	Compaq DC7800 PC	n/a		5	0.00	0.00		0.00	0.00			0.00
0000091416	10/01/2008	File Cabinet-Lateral	n/a		5	0.00	0.00		0.00	0.00			0.00
0000091417	04/01/2009	Lateral File	n/a		5	0.00	0.00		0.00	0.00			0.00
0000091418	04/22/2009	Mod Furniture-overhead cabi	n/a		5	0.00	0.00		0.00	0.00			0.00
0000091419	08/24/2009	HP L1745 LCD Monitor	n/a		5	0.00	0.00	0.00	0.00	0.00			0.00
0000091420	08/24/2009	HP L1745 LCD Monitor	n/a		5	0.00	0.00	0.00	0.00	0.00			0.00
0000091421	08/11/2009	Canon digital camera Powers	n/a		5	0.00	0.00	0.00	0.00	0.00			0.00
0000091422	12/18/2009	Canon PC1355 digital camen	n/a		5	0.00	0.00	0.00	0.00	0.00			0.00
0000091423	02/03/2010	20" LCD Monitor-HP2009m	n/a		4	0.00	0.00	0.00	0.00	0.00			0.00
0000091424	02/03/2010	20" LCD Monitor-HP2009m	n/a		4	0.00	0.00	0.00	0.00	0.00			0.00
0000091425	02/18/2010	DeskJet F4480 Printer	n/a		4	0.00	0.00	0.00	0.00	0.00			0.00
0000093076	08/24/2009	Compaq dc7900 Conv. Minilic	n/a		5	0.00	0.00	0.00	0.00	0.00			0.00
0000083077	08/24/2009	Compaq dc7900 Conv. Minilic	n/a		5	0.00	0.00	0.00	0.00	0.00			0.00
0000093150	09/02/2009	Compaq dc7900 Conv. Minilic	n/a		5	0.00	0.00	0.00	0.00	0.00			0.00
0000093151	09/02/2009	Compaq dc7900 Conv. Minilic	n/a		5	0.00	0.00	0.00	0.00	0.00			0.00
0000093884	06/07/2010	Modular Furniture for Remodi	n/a		5	0.00	0.00	8,759.15	8,759.15	0.00			8,759.15
9000055118	05/01/1990	HP Pocket Calculator	n/a		3	0.00	0.00		0.00	0.00			0.00
<b>Subtotals:</b>													13,512.44
						73,155.58	4,873.60	4,873.60	76,941.11	64,786.61	3,815.80	(4,973.64)	13,512.44
<b>Totals</b>						24,095,461.95	4,668,614.85	2,876,379.61	26,087,697.19	129,641.98	16,722.60	(4,973.54)	25,946,306.15

To pg 10

08/30/2010 Historic Cost - Land  
 08/30/2010 Historic Cost - Land Held for Resale  
 08/30/2010 Historic Cost - Buildings & Structures  
 08/30/2010 Historic Cost - Construction In Progress  
 08/30/2010 Historic Cost - Equipment  
 08/30/2010 Historic Cost - Total  
 Accumulated Depreciation  
 08/30/2010 Net Book Value

19,281,548.86  
 2,032,671.18  
 392,913.06  
 4,323,623.18  
 76,941.11  
 26,087,697.19  
 (146,364.58)  
 25,941,332.61



**June 30, 2011**

**Santa Cruz County Redevelopment Agency**  
**Statement of Net Assets**  
**June 30, 2011**

	Governmental Activities
<b>ASSETS</b>	
Current Assets:	
Cash and investments	\$ 17,934,737
Restricted cash with fiscal agent	From pg 15 3,960,000
Accounts receivable	1,782
<b>Total current assets</b>	<u>21,896,519</u>
Noncurrent Assets:	
Restricted cash with fiscal agent	From pg 15 13,938,385
Loans receivable - housing	From pg 16 31,259,413
Land held for resale	From pg 18 235,029
Deferred bond issuance costs	3,715,831
Capital assets:	
Depreciable, net	From pg 17 19,094
<b>Total capital assets</b>	<u>19,094</u>
<b>Total noncurrent assets</b>	<u>49,167,752</u>
<b>Total assets</b>	<u>71,064,271</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable - claims	389,099
Accounts payable - payroll	115,856
Interest payable	4,738,978
Compensated absences - due within one year	195,922
Long-term debt - due within one year	4,085,519
<b>Total current liabilities</b>	<u>9,525,374</u>
Long-Term Liabilities:	
Compensated absences - due in more than one year	105,496
Long-term debt - due in more than one year	243,909,943
<b>Total long-term liabilities</b>	<u>244,015,439</u>
<b>Total liabilities</b>	<u>253,540,813</u>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	19,094
Restricted for:	
Capital projects	3,774,034
Low and moderate income housing projects	32,172,547
Debt service	17,898,385
Unrestricted	(236,340,602)
<b>Total net assets (deficit)</b>	<u>\$ (182,476,542)</u>

See accompanying Notes to Basic Financial Statements.

SANTA CRUZ COUNTY REDEVELOPMENT AGENCY  
SUMMARY OF CASH HELD WITH FISCAL AGENTS  
FISCAL YEAR ENDED JUNE 30, 2011

<b>Fiscal Agent</b>	<b>Description</b>	<b>Amount</b>	
BNY Mellon	1996 BONDS Debt Service	0.00	
BNY Mellon	2000 Ref BONDS Debt Service	1,551,359.80	
BNY Mellon	2000 A BONDS Debt Service	2,569,530.47	
BNY Mellon	2000 B BONDS Debt Service	2,746.41	
BNY Mellon	2003 Ref BOND Debt Service	717,685.86	
BNY Mellon	2005 A BONDS Debt Service	1.60	
BNY Mellon	2005 B BOND Debt Service	1,343,595.75	
BNY Mellon	2007 Ref Debt Service	658,469.99	
BNY Mellon	2007 A Ref Debt Service	172,605.15	
BNY Mellon	2009 A Debt Service	5,600,644.00	
BNY Mellon	2010 Debt Service	3,149,194.38	
BNY Mellon	2011 A Debt Service	1,117,800.57	
BNY Mellon	2011B Debt Service	1,014,751.36	
		<u>17,898,385.34</u>	
Current		3,960,000.00	To pg 14
Noncurrent		<u>13,938,385.00</u>	To pg 14
		<u>17,898,385.00</u>	

**Santa Cruz County Redevelopment Agency**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2011**

**5. LOANS RECEIVABLE**

As of June 30, 2011, loans receivable consisted of the following:

RDA Housing Loan	Special Revenue Funds		Total Governmental Funds
	Tax Increment Revenue	Low and Moderate Income Housing Project	
Aptos Cottages (Miller)	\$ -	\$ 3,150,000	\$ 3,150,000
Felton Faire Predevelopment	-	1,667,863	1,667,863
First time homebuyer	5,750,014	340,192	6,090,206
Golden Torch	-	1,296,239	1,296,239
Housing for independent people	-	40,940	40,940
Marmo's	1,500,000	142,323	1,642,323
McGregor	891,748	-	891,748
McGregor II	-	2,943,281	2,943,281
McIntosh Coach Purchases	-	107,765	107,765
McIntosh Coach Purchase #12	98,000	-	98,000
Mercy - McIntosh (Coach Loan)	-	348,666	348,666
Mercy - Rehab	-	95,237	95,237
Mobile Home Change Out Program	5,517,980	-	5,517,980
Mobile Home Rehab	368,948	23,069	392,017
Pacific Family - SCH	-	1,043,314	1,043,314
Pacific Family Coach Acquisitions	-	261,940	261,940
Pleasant Acres Permanent Financing	-	3,672,019	3,672,019
Pleasant Acres Coach Acquisitions	-	124,875	124,875
San Andreas	-	700,000	700,000
Sorrento Oaks	-	10,000	10,000
Vista Verde Family Housing	-	1,165,000	1,165,000
<b>Total assets</b>	<b>\$ 14,126,690</b>	<b>\$ 17,132,723</b>	<b>\$ 31,259,413</b>

To pg 14

	Balance June 30, 2010	Increases	Decreases	Balance June 30, 2011
<b>Aptos Cottages (Miller)</b>				
Original amount: \$3,150,000				
Deferred until permanent financing				
Interest: 0.00%				
Principal	\$ -	\$ 3,150,000	\$ -	\$ 3,150,000
<b>Felton Housing Site</b>				
Original amount: \$1,667,863				
Deferred until 6/1/10				
Interest: 3.00%				
Principal	1,667,863	-	-	1,667,863
<b>First Time Homebuyers</b>				
Original amount: \$5,378,523				
Aggregate balance is comprised of multiple loans to individual homebuyers				
Interest: 0.00% - 5.00%				
Principal	5,337,641	757,134	(4,569)	6,090,206

**Santa Cruz County Redevelopment Agency**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2011**

**6. CAPITAL ASSETS**

Capital assets of the Agency for the year ended June 30, 2011 are presented in the table below.

		Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011	
	Non-depreciable assets:					
From pg 18	Land	\$ 19,261,549	\$ -	\$ (19,261,549)	\$ -	
From pg 19	Construction in progress	4,323,623	2,411,908	(6,735,531)	-	
	Total non-depreciable assets:	<u>23,585,172</u>	<u>2,411,908</u>	<u>(25,997,080)</u>	<u>-</u>	
	Depreciable assets:					
From pg 18	Buildings and improvement	392,913	-	(357,709)	35,204	
From pg 19	Machinery and equipment	76,941	-	-	76,941	
	Total depreciable assets:	<u>469,854</u>	<u>-</u>	<u>(357,709)</u>	<u>112,145</u>	
	Less accumulated depreciation for:					
From pg 18	Buildings and improvement	(77,961)	(13,107)	66,428	(24,640)	
From pg 20	Machinery and equipment	(63,430)	(4,981)	-	(68,411)	
	Total accumulated depreciation:	<u>(141,391)</u>	<u>(18,088)</u>	<u>66,428</u>	<u>(93,051)</u>	
	Total depreciable assets, net:	<u>328,463</u>	<u>(18,088)</u>	<u>(291,281)</u>	<u>19,094</u>	
	<b>Total Capital Assets</b>	<u><u>\$ 23,913,635</u></u>	<u><u>\$ 2,393,820</u></u>	<u><u>\$ (26,288,361)</u></u>	<u><u>\$ 19,094</u></u>	To pg 14

On March 8, 2011, the Agency transferred properties, included in Land and in Buildings and Structures, to the County of Santa Cruz for its use in the amount of \$19,619,258. \$6,735,531 in Construction in Progress, associated with the transferred properties, was also transferred to the County of Santa Cruz. The Agency decreased fixed assets by \$26,354,789.

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

**Governmental activities:**

Public ways and facilities

Total depreciation expense - governmental activities \$ 18,088

**7. RELATED PARTY TRANSACTIONS**

County personnel provide management, accounting, and legal services to the Agency. Total charges for such services in the fiscal year ended June 30, 2011 were approximately \$4,396,894.



Santa Cruz County Redevelopment Agency  
 Depreciation Schedule  
 Fiscal Year Ended June 30, 2011

Land	Fixed Asset #	Acquisition Date	Description	How paid		Useful Life (yrs)	Historic Cost 6/30/10	Additions	Deductions	Total Historic Cost 6/30/11	Depreciation as of 6/30/10	Depreciation Expense 10/11	Depreciation Backed out 10/11	Book Value as of 6/30/11
				Index	Bond									
	1002507117	08/02/1986	Commercial Way	611102	1990	0	100,000.00		100,000.00	0.00			0.00	0.00
	1002611103	05/12/2005	1240 Rodriguez St.	136110	--	0	1,001,477.90		1,001,477.90	0.00			0.00	0.00
	1002619340	12/04/1987	1412 Capitola Road	611138	1990	0	454,936.00		454,936.00	0.00			0.00	0.00
	1002619341	12/01/1984	Library Site-Johnson	611138	1990	0	421,005.00		421,005.00	0.00			0.00	0.00
	1002619342	07/01/1984	Library Dell Aquia	611138	1990	0	411,495.00		411,495.00	0.00			0.00	0.00
	1002619343	07/01/1984	Library Dell Aquia	611138	1990	0	400,000.00		400,000.00	0.00			0.00	0.00
	1002621113	06/30/2000	7th & Brommer	611139	1993	0	803,495.39		803,495.39	0.00			0.00	0.00
	1002621116	06/27/2007	901 7th Avenue, Santa Cruz	136110A611136	2000A	0	5,870,779.34		5,870,779.34	0.00			0.00	0.00
	1002626117	06/27/2007	905 7th Avenue, Santa Cruz	136110A611136	2000A	0	735,714.30		735,714.30	0.00			0.00	0.00
	1002630204	07/08/2008	40 Moran Way, East Cliff	136110	--	0	1,601,920.93		1,601,920.93	0.00			0.00	0.00
	1002907138	12/20/1986	1985-1975-1985 Chemiclear	611119	1990	0	901,707.50		901,707.50	0.00			0.00	0.00
	1002907188	11/29/2004	1925 Chemiclear	136110	--	0	1,787,074.50		1,787,074.50	0.00			0.00	0.00
	1002910142	06/18/2009	1740 17th Ave. Capitola	136110	n/a	0	738,167.50		738,167.50	0.00			0.00	0.00
	1002917105	01/17/1987	2340 Harper St	611121	1990	0	290,837.25		290,837.25	0.00			0.00	0.00
	1003007108	09/01/1989	Soquel Parking Adella	611110	1988	0	219,688.50		219,688.50	0.00			0.00	0.00
	1003014118	07/01/1991	Soquel Parking Lot 18	611110	1988	0	20,097.26		20,097.26	0.00			0.00	0.00
	1003014232	04/01/1994	Soquel Parking Sobey	611110	1990	0	90,413.75		90,413.75	0.00			0.00	0.00
	1003015310	10/01/2007	Achie Property-0 Porter St, St	611220	2005A	0	146,127.60		146,127.60	0.00			0.00	0.00
	1003225107	08/01/2007	Smith Property, East Cliff	611220	2005A	0	121,078.00		121,078.00	0.00			0.00	0.00
	103001124C	02/01/1989	ONeill Ranch Property	136110	--	0	238,000.00		238,000.00	0.00			0.00	0.00
	103008117A	06/01/1991	Soquel Parking Lol-Lombardi	611102	1988	0	275,452.34		275,452.34	0.00			0.00	0.00
	103014233A	04/01/1994	Soquel Parking Chen	611110	1990	0	100,507.50		100,507.50	0.00			0.00	0.00
	103015324B	08/01/1993	Heart of Soquel Mobil Home I	136110	--	0	706,328.75		706,328.75	0.00			0.00	0.00
	103710151B	07/01/1991	Cummins Lane Park	611140	1988	0	1,825,246.35		1,825,246.35	0.00			0.00	0.00
							19,281,546.66	0.00	19,281,546.66	0.00	0.00	0.00	0.00	0.00
Subtotals:														0.00
Land Held for Resale														0.00
	2004837115	05/07/2009	218 Pejaro Circle, Freedom T	136120	n/a	30	286,856.81		286,856.81	0.00			0.00	0.00
	2003762106	04/21/2009	111 Alherton Loop, Aplos Co	136120	n/a	30	411,544.78		411,544.78	0.00			0.00	0.00
	2003762110	04/21/2009	119 Alherton Loop, Aplos Co	136120	n/a	30	411,267.86		411,267.86	0.00			0.00	0.00
	2004837101	01/12/2010	145 Pejaro Circle, Freedom	136120	n/a	30	280,332.89		280,332.89	0.00			0.00	0.00
	2003708259	04/23/2010	5313 Soquel Dr, Soquel	136120	n/a	30	339,662.17		339,662.17	0.00			0.00	0.00
	2005162101	05/03/2010	201 Amedor, Watsonville	136120	n/a	30	303,006.67		303,006.67	0.00			0.00	0.00
	2002925103	05/06/2011	1715 Westhaven Ct #C, Santl	136120	n/a	30	235,029.34		235,029.34	0.00			0.00	235,029.34
	2003207516	07/16/2010	560 30th Ave #55, Santa Cru	136120	n/a	30	57,088.01		57,088.01	0.00			0.00	0.00
	2002740108	01/20/2011	755 14th Ave #108, Santa Cr	136120	n/a	30	234,544.08		234,544.08	0.00			0.00	0.00
	2004837119	05/19/2011	210 Pejaro Circle, Freedom	136120	n/a	30	287,045.85		287,045.85	0.00			0.00	0.00
	2005163119	03/22/2011	606 Calle Cuesta, Watsonville	136120	n/a	30	284,708.16		284,708.16	0.00			0.00	0.00
							2,032,871.18	1,098,415.44	2,896,057.28	235,029.34	0.00	0.00	0.00	235,029.34
Subtotals:														0.00
Buildings and Structures														0.00
	200082198A	06/01/1990	Struct & Imp-Other-RDA	n/a	--	30	35,204.00		35,204.00	0.00			0.00	10,562.24
	7000080632	03/22/2002	Portable Classroom Unit #80	611113	1993	30	71,936.26		71,936.26	0.00			0.00	0.00
	1002608149	10/16/2006	522 Capitola Rd. Ext. S.C.	612200	1996	0	285,772.80		285,772.80	0.00			0.00	0.00
							392,913.06	0.00	357,709.06	35,204.00	13,107.00	(66,427.61)	10,562.24	
Subtotals:														0.00
To pg 14														0.00
To pg 17														0.00

To pg 17



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Attachment B

Santa Cruz County Redevelopment Agency  
 Depreciation Schedule  
 Fiscal Year Ended June 30, 2011

Fixed Asset #	Acquisition Date	Description	How paid	Index	Useful Life (yrs)	Total Historic Cost		Deletions	Total Historic Cost 6/30/11	Depreciation as of 6/30/10	10/11 Depreciation Expense	10/11 Depreciation Backed out	Book Value as of 6/30/11
						6/30/10	6/30/11						
<b>Construction in Progress</b>													
						30	874,454.94	624,454.94	0.00	0.00	0.00	0.00	0.00
						30	15,961.16	15,961.16	0.00	0.00	0.00	0.00	0.00
						30	1,209,689.17	1,209,689.17	0.00	0.00	0.00	0.00	0.00
						30	2,383,415.07	4,795,322.98	0.00	0.00	0.00	0.00	0.00
						30	35,373.92	35,373.92	0.00	0.00	0.00	0.00	0.00
						30	54,728.92	54,728.92	0.00	0.00	0.00	0.00	0.00
							<b>4,323,853.18</b>	<b>2,411,907.89</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
To pg 17													
						3	906.85	906.85	906.85	0.00	0.00	0.00	0.00
						5	1,378.18	1,378.18	1,378.18	0.00	0.00	0.00	0.00
						5	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						3	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						5	1,082.50	1,082.50	1,082.50	0.00	0.00	0.00	0.00
						5	323.67	323.67	323.67	0.00	0.00	0.00	0.00
						5	809.11	809.11	809.11	0.00	0.00	0.00	0.00
						5	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						5	0.10	0.10	0.10	0.00	0.00	0.00	0.00
						3	0.10	0.10	0.10	0.00	0.00	0.00	0.00
						3	0.10	0.10	0.10	0.00	0.00	0.00	0.00
						4	1,550.00	1,549.96	1,549.96	0.00	0.00	0.00	0.00
						4	0.10	0.10	0.10	0.00	0.00	0.00	0.00
						3	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						5	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						5	41,887.89	41,230.46	41,887.89	0.00	7.54	0.00	449.89
						3	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						3	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						3	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						5	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						3	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						3	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						5	16,108.90	16,108.90	16,108.90	0.00	3,221.76	0.00	1,074.02
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						3	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						4	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						3	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						5	2,491.43	2,491.43	2,491.43	0.00	0.00	0.00	0.00
						4	1,842.03	1,842.03	1,842.03	0.00	0.00	0.00	0.00
						3	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						3	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						5	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						5	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						5	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						5	0.00	0.00	0.00	0.00	0.00	0.00	0.00
						5	0.00	0.00	0.00	0.00	0.00	0.00	0.00



Sanita Cruz County Redevelopment Agency  
 Depreciation Schedule  
 Fiscal Year Ended June 30, 2011

Fixed Asset #	Acquisition Date	Description	How paid Index	Useful Life (yrs)	Total Historic Cost 6/30/10	Additions	Deletions	Total Historic Cost 6/30/11	Depreciation as of 6/30/10	Depreciation Expense	10/11 Depreciation Backed out	Book Value as of 6/30/11
0000091416	10/01/2008	File Cabinet/Lateral	n/a	5	0.00			0.00	0.00	0.00		0.00
0000091417	04/01/2009	Lateral File	n/a	5	0.00			0.00	0.00	0.00		0.00
0000091418	04/22/2009	Mod Furniture-overhead cabi	n/a	5	0.00			0.00	0.00	0.00		0.00
0000091419	08/24/2009	HP L1745 LCD Monitor	n/a	5	0.00			0.00	0.00	0.00		0.00
0000091421	09/11/2009	Canon digital camera Powers	n/a	5	0.00			0.00	0.00	0.00		0.00
0000091422	12/18/2009	Canon PC1355 digital camen	n/a	5	0.00			0.00	0.00	0.00		0.00
0000091424	02/03/2010	20" LCD Monitor HP2009m	n/a	4	0.00			0.00	0.00	0.00		0.00
0000091425	02/16/2010	DeskJet F4480 Printer	n/a	4	0.00			0.00	0.00	0.00		0.00
0000093076	09/24/2009	Compaq dc7900 Conv. Minlit	n/a	5	0.00			0.00	0.00	0.00		0.00
0000093077	09/24/2009	Compaq dc7900 Conv. Minlit	n/a	5	0.00			0.00	0.00	0.00		0.00
0000093150	09/02/2009	Compaq dc7900 Conv. Minlit	n/a	5	0.00			0.00	0.00	0.00		0.00
0000093151	09/02/2009	Compaq dc7900 Conv. Minlit	n/a	5	0.00			0.00	0.00	0.00		0.00
0000093864	06/07/2010	Modular Furniture for Remodi	n/a	5	8,759.15			8,759.15	0.00	1,751.76		7,007.39
0000093865	02/01/2011	Schwab Fire Safe #2	n/a	5	0.00			0.00	0.00	0.00		0.00
0000093263	12/23/2009	Compaq dc7900 Conv. Minlit	n/a	5	0.00			0.00	0.00	0.00		0.00
0000093264	12/23/2009	Compaq dc7900 Conv. Minlit	n/a	5	0.00			0.00	0.00	0.00		0.00
0000093961	10/07/2010	Compaq 8000 Elite CMT Bus	n/a	5	0.00			0.00	0.00	0.00		0.00
0000093962	10/07/2010	Compaq 8000 Elite CMT Bus	n/a	5	0.00			0.00	0.00	0.00		0.00
<b>Subtotals:</b>												
					76,941.11	0.00	0.00	76,941.11	63,426.67	4,861.06	0.00	6,531.38

Totals 26,067,697.19 3,510,323.33 29,250,846.07 347,174.45 141,391.04 18,088.06 (66,427.61) 254,122.96

06/30/2011 Historic Cost - Land	0.00
06/30/2011 Historic Cost - Land Held for Resale	235,028.34
06/30/2011 Historic Cost - Buildings & Structures	35,204.00
08/30/2011 Historic Cost - Construction in Progress	0.00
06/30/2011 Historic Cost - Equipment	76,941.11
06/30/2011 Historic Cost - Total	347,174.45
Accumulated Depreciation	(93,051.49)
06/30/2011 Net Book Value	254,122.96

January 31, 2012

SANTA CRUZ COUNTY REDEVELOPMENT AGENCY  
BALANCE SHEET - GOVERNMENTAL FUNDS  
ALL FUND TYPES AND ACCOUNT GROUPS  
FOR CLOSE OUT ENDED JANUARY 31, 2012

TOTALS

Unaudited

ASSETS	1/31/2012
Cash in County Treasury	\$ 8,810,310.00
Cash in Investment Bank	
Cash-Restricted D/S Fund	From pg 22 20,014,154.00
Loans Receivable	
Aptos Cottages (Miller)	3,150,000.00
Felton Faire Predevelopment	1,667,863.00
First Time Homebuyer Program	6,068,988.00
Golden Torch	1,296,239.00
Housing for Independent People	40,940.00
Marmo's	1,642,323.00
Mercy - McIntosh (Coach Loan)	348,666.00
Mercy - Rehab	95,237.00
McIntosh Coach Purchases	104,656.00
McIntosh Coach Purchase #12	98,000.00
McGregor	891,748.00
McGregor II	2,943,763.00
Minto	7,091,743.00
Mobile Home Change Out Program	5,464,980.00
Mobile Home Rehab Program	352,772.00
Mobile Home Rehab Program (Bonds)	23,069.00
Pacific Family-SCH	1,043,314.00
Pacific Family Coach Acquisitions	261,940.00
Pleasant Acres Permanent Financing	3,672,019.00
Pleasant Acres Coach Acquisitions	124,875.00
San Andreas	700,000.00
Sorrento Oaks	10,000.00
Vista Verde Family Housing	1,165,000.00
St. Stephens Predevelopment	92,216.00
Investments: Land Held for Resale:	
1715 Westhaven CL #C, Santa Cruz	From pg 23 235,029.00
Fixed Assets:	
Construction in Progress	
Structures & Improvements	From pg 23 35,204.00
Other Equipment	From pg 23 76,941.00
SUBTOTAL	\$ 67,521,989.00
Available Debt Service Funds	20,014,154.00
Long Term Tax Increment to be Provided	223,931,089.00
<b>TOTAL ASSETS</b>	<b>\$ 311,467,232.00</b>
<b>LIABILITIES AND FUND EQUITY</b>	
Liabilities:	
Current	
Accounts Payable - Claims	\$ 3,734.00
Long Term	
Tax Allocation Bonds Payable	243,897,660.00
Compensated Absences Payable	47,583.00
Total Liabilities	\$ 243,948,977.00
Fund Equity	
Investment in Fixed Assets	\$ 347,174.00
Fund Balance-Reserved:	
Reserve for Debt Service	20,014,154.00
Reserve for Encumbrances	
Reserve for Advances and Loans	38,350,352.00
Reserve for assets held for resale	
Fund Balance-Unreserved:	
Designated for RDA Projects	3,148,027.00
Designated for D/S & Admin	5,658,548.00
Total Fund Equity	\$ 67,518,255.00
<b>TOTAL LIABILITIES &amp; FUND EQUITY</b>	<b>\$ 311,467,232.00</b>

Fund Balance  
Unspendable  
Spendable:  
    Restricted  
    Committed  
    Assigned to RDA Projects  
    Assigned to RDA D/S & Admin

Unaudited

Provided by RDA Successor Agency

SANTA CRUZ COUNTY REDEVELOPMENT AGENCY  
SUMMARY OF CASH HELD WITH FISCAL AGENTS  
PERIOD ENDED JANUARY 31, 2012

<b>Fiscal Agent</b>	<b>Description</b>	<b>Amount</b>
BNY Mellon	1996 BONDS Debt Service	0.00
BNY Mellon	2000 Ref BONDS Debt Service	1,565,479.89
BNY Mellon	2000 A BONDS Debt Service	3,249,480.25
BNY Mellon	2000 B BONDS Debt Service	2,746.41
BNY Mellon	2003 Ref BOND Debt Service	765,905.63
BNY Mellon	2005 A BONDS Debt Service	1,173,328.14
BNY Mellon	2005 B BOND Debt Service	543,718.99
BNY Mellon	2007 Ref Debt Service	289,704.88
BNY Mellon	2007 A Ref Debt Service	122,045.18
BNY Mellon	2009 A Debt Service	7,469,187.70
BNY Mellon	2010 Debt Service	2,490,152.03
BNY Mellon	2011 A Debt Service	1,557,777.55
BNY Mellon	2011B Debt Service	784,627.48
		<u>20,014,154.13</u>

To pg 21

FIXED ASSET DEPREC lo 1-31-2012.XLS

Status	Fixed Asset #	Acquisition Date	Description	Useful Life (yrs)	Total Historic Cost 6/30/11	Additions	Deletions	Total Historic Cost 1/31/12	Depreciation as of 6/30/10	10/11 Depreciation Expense	10/11 Depreciation Backed out	
<b>Land Held for Resale</b>												
Housing	2002925103	05/06/2011	1715 Westhaven Ct #C, Santa Cruz	30	235,029.34			235,029.34	0.00			
	Subtotals: 235,029.34 0.00 0.00 235,029.34 To Pg 21											
<b>Buildings and Structures</b>												
RSA	200082199A	06/01/1980	Struct & Imp-Other-RDA	30	35,204.00			35,204.00	23,468.28	1,173.48		
Transferred	7000080832	03/22/2002	Portable Classroom Unit #806	30	0.00			0.00	19,566.45	2,407.80	(21,974.25)	
Housing	1002608149	10/18/2006	522 Capitola Rd. Ext. S.C.	0	0.00			0.00	34,927.64	9,525.72	(44,453.36)	
	Subtotals: 35,204.00 0.00 0.00 35,204.00 77,962.37 13,107.00 (66,427.61) To Pg 21											
<b>Construction In Progress</b>												
<b>Equipment</b>												
RSA	0000047283	12/01/1988	IBM Wheelwriter Typewriter #	3	906.85			906.85	906.85			
RSA	0000047290	09/01/1989	Conference Room Table	5	1,379.18			1,379.18	1,379.18			
RSA	0000058723	09/01/1994	Four Section Lateral File	5	1,082.50			1,082.50	1,082.50			
RSA	0000058725	12/01/1994	Lettering Machine	5	323.67			323.67	323.67			
RSA	0000058736	09/01/1995	Four Section Slack Lateral	5	809.11			809.11	809.11			
RSA	0000063765	12/18/1997	Pentax Camera 80E Kit	5	0.10			0.10	0.08			
RSA	0000071969	09/01/2000	Sharp Calculator Compet	3	0.10			0.10	0.09			
RSA	0000071970	10/17/2000	Sharp Calculator Compet	3	0.10			0.10	0.09			
RSA	0000071973	08/18/2001	Nikon Super Cool Scan Scanner	4	1,550.00			1,550.00	1,549.96			
RSA	0000078765	10/15/2001	Fiatbed Scanner 9600XL 36	4	0.10			0.10	0.10			
RSA	0000080838	09/04/2002	2002 Remodel Furniture	5	41,687.89			41,687.89	41,230.46	7.54		
RSA	0000085171	10/25/2006	2006 Remodel Add'l Workstat	5	16,108.90			16,108.90	11,813.12	3,221.76		
RSA	0000086930	09/13/2005	Dell XPS CPU	5	2,491.43			2,491.43	2,491.43			
RSA	0000087001	12/05/2005	XD60U DLP 1800 Lumen Projectore	4	1,842.03			1,842.03	1,842.03			
RSA	0000093864	06/07/2010	Modular Furniture for Remodel 2010	5	8,759.15			8,759.15	0.00	1,751.76		
	Subtotals: 76,941.11 0.00 0.00 76,941.11 63,428.67 4,981.06 0.00											
<b>Totals</b>												
	347,174.45 0.00 0.00 347,174.45 141,391.04 18,088.06 (66,427.61) To Pg 21											
<b>06/30/2011 Historic Cost - Land</b>												
	0.00											
<b>06/30/2011 Historic Cost - Land Held for Resale</b>												
	235,029.34											
<b>06/30/2011 Historic Cost - Buildings &amp; Structures</b>												
	35,204.00											
<b>06/30/2011 Historic Cost - Construction In Progress</b>												
	0.00											
<b>06/30/2011 Historic Cost - Equipment</b>												
	76,941.11											
<b>06/30/2011 Historic Cost - Total</b>												
	347,174.45											
<b>Accumulated Depreciation</b>												
	(95,151.77)											
<b>06/30/2011 Net Book Value</b>												
	252,022.68											



Name of Redevelopment Agency: Santa Cruz County Redevelopment Agency  
 Project Area(s): Live Oak/Southern Project Area

**CERTIFIED RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

Per AB 28 - Section 34167 and 34189

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation as of 12/31/11	Total Due During Fiscal Year 2011-12	FY 2011-12 Payments by month*						Total	Source (2)	
					Jan	Feb	Mar	Apr	May	Jun			
1) 2009 Refunding TAB	BNY Mellon Trust Co	Refunding Bonds - Housing portion	2,899,275.00	289,925.00	56,147.00							\$ 56,147.00	B LMH Fund
2) 2009 Refunding TAB	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	11,885,199.00	1,066,782.00	224,660.00							\$ 224,660.00	B Reserve Balances
3) 2009 TAB, Series A	BNY Mellon Trust Co	Bonds for non-housing projects	45,224,407.00	1,575,101.00	679,784.00							\$ 679,784.00	B Reserve Balances
4) 2009 Refunding TAB	BNY Mellon Trust Co	Refunding Bonds - Housing portion	9,122,417.00	717,688.00	153,182.00							\$ 153,182.00	B LMH Fund
5) 2009 Refunding TAB	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	36,688,699.00	2,870,740.00	612,725.00							\$ 612,725.00	B Reserve Balances
6) 2009 TAB, Series B	BNY Mellon Trust Co	Bonds for housing projects	86,087,878.00	2,348,658.00	1,173,329.00							\$ 1,173,329.00	B Reserve Balances
7) 2009 Taxable Housing Refunding TAB	BNY Mellon Trust Co	Refunding Bonds for housing projects	38,714,695.00	1,343,696.00	543,873.00							\$ 543,873.00	B LMH Fund
8) 2009 Refunding TAB, Series A	BNY Mellon Trust Co	Refunding Bonds - Housing portion	18,170,008.00	650,364.00	261,675.00							\$ 261,675.00	B LMH Fund
9) 2009 Refunding TAB, Series A	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	1,932,687.00	172,605.00	32,054.00							\$ 32,054.00	B Reserve Balances
10) 2009 Refunding TAB, Series A	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	5,412,472.00	484,688.00	89,891.00							\$ 89,891.00	B Reserve Balances
11) 2009 TAB, Series A	BNY Mellon Trust Co	Bonds for non-housing projects	129,026,547.00	4,134,205.00	1,899,204.00							\$ 1,899,204.00	B Reserve Balances
12) 2010 Taxable Housing TAB, Series A	BNY Mellon Trust Co	Bonds for housing projects	46,049,378.00	1,318,408.00	659,204.00							\$ 659,204.00	B LMH Fund
13) 2011 Taxable Housing TAB, Series B	BNY Mellon Trust Co	Bonds for housing projects	20,920,608.00	860,268.00	439,910.00							\$ 439,910.00	B Reserve Balances
14) 2011 Taxable Housing TAB, Series B	BNY Mellon Trust Co	Bonds for housing projects	14,134,312.00	471,957.00	240,881.00							\$ 240,881.00	B LMH Fund
15) 2009 Refunding TAB (1)	BNY Mellon Trust Co	Refunding Bonds - Housing portion	same as above	213,147.00					213,147.00			\$ 213,147.00	B LMH Fund
16) 2009 Refunding TAB (1)	BNY Mellon Trust Co	Refunding Bonds - Non-housing portion	same as above	652,686.00					652,686.00			\$ 652,686.00	B Reserve Balances
17) 2009 TAB, Series A (1)	BNY Mellon Trust Co	Bonds for non-housing projects	same as above	699,784.00					699,784.00			\$ 699,784.00	B Reserve Balances
18) 2009 Refunding TAB (1)	BNY Mellon Trust Co	Refunding Bonds - Housing portion	same as above	672,182.00					672,182.00			\$ 672,182.00	B LMH Fund
19) 2009 TAB, Series B (1)	BNY Mellon Trust Co	Bonds for housing projects	same as above	608,873.00					608,873.00			\$ 608,873.00	B LMH Fund
20) 2007 Taxable Housing Refunding TAB (1)	BNY Mellon Trust Co	Refunding Bonds for housing projects	same as above	311,576.00					311,576.00			\$ 311,576.00	B LMH Fund
21) 2007 Refunding TAB, Series A (1)	BNY Mellon Trust Co	Refunding Bonds - Housing portion	same as above	143,876.00					143,876.00			\$ 143,876.00	B LMH Fund
22) 2010 Taxable Housing TAB (1)	BNY Mellon Trust Co	Bonds for housing projects	same as above	809,204.00					809,204.00			\$ 809,204.00	B LMH Fund
23) 2011 Taxable Housing TAB, Series B (1)	BNY Mellon Trust Co	Bonds for housing projects	same as above	325,881.00					325,881.00			\$ 325,881.00	B LMH Fund
24) Fiscal Agent fees	BNY Mellon Trust Co	Annual bond account administration fees	same as above	42,508.00					42,508.00			\$ 42,508.00	B LMH Fund
25) Annual Continuing Disclosures	Herrill and Company	Continuing Disclosures fees	Pre-occupancy annually	4,500.00					4,500.00			\$ 4,500.00	B Reserve Balances
Totals - This Page			\$ 478,081,665.00	\$ 29,322,256.00	\$ 3,080.00	\$ 7,050,873.00	\$ 18,881.00	\$ 3,350.00	\$ 4,381,893.00	\$ 11,448,057.00		\$ 11,448,057.00	
Totals - Page 2			\$ 5,492,110.00	\$ 6,545,093.00	\$ 112,001.00	\$ 3,236,265.00	\$ 84,015.00	\$ 64,017.00	\$ 64,015.00	\$ 84,017.00	\$ 3,085,150.00	\$ 3,085,150.00	
Totals - Page 3			\$ 1,230,799.00	\$ 1,149,092.00	\$ 338,124.00	\$ 644,875.00	\$ 2,900.00	\$ 2,900.00	\$ 2,900.00	\$ 2,900.00	\$ 1,090,799.00	\$ 1,090,799.00	
Grand total - All Pages			\$ 482,814,564.00	\$ 30,016,440.00	\$ 861,985.00	\$ 10,841,833.00	\$ 105,396.00	\$ 89,865.00	\$ 4,448,410.00	\$ 16,224,006.00		\$ 16,224,006.00	

All amounts are rounded up to the next whole dollar amount.  
 \* Monthly payment amounts are estimates and subject to correction for actual amounts.  
 (1) Bond debt service due September 1, 2012 is included as an enforceable obligation in June, as this portion will have to be paid out of existing fund balances.  
 (2) 'A' indicates amounts needed from the Redevelopment Property Tax Trust Fund (RP-TTF); 'B' indicates amounts from all other existing funding sources, not needed from the RP-TTF.  
 (3) Total Administrative Budget Feb-June is \$48,333. Only the portion not detailed on other lines is included here.



Name of Redevelopment Agency: Santa Cruz County Redevelopment Agency  
 Project Area(s): Live Oak/Southern Project Area

**CERTIFIED RECOGNIZED OBLIGATION PAYMENT SCHEDULE**  
 Per AB 26 - Section 34167 and 34169

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation as of 12/31/11	Total Due During Fiscal Year 2011-12	Payments by month												Total	Source (2)
					Jan	Feb	Mar	Apr	May	Jun								
2) 2010-11 BERAF Loan	ROA LMI Housing Fund	Loan for 2010-11 BERAF payment	2,245,694.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Property Tax revenues	
3) Contract for design services	Community Budgets	LION Program	73,268.00	73,268.00	16,168.00	56,091.00											Reserve Balances/Bond Proceeds	
4) Contract for design services	Moores, Inc./Gollman	Farm Park Project	32,380.00	32,380.00	848.00	31,441.00											Bond Proceeds - CIP	
5) Contract for design services	Davis Landscaping	Farm Park Project	9,458.00	9,458.00	0.00	9,458.00											Bond Proceeds - CIP	
6) Contract for design services	PRM Design Group	East Cliff Parkway Project	2,462,531.00	3,488,094.00	6,083.00	2,452,511.00											Bond Proceeds - CIP	
7) Contract for professional services	ESA PVA	Timi Lake Beachfront Project	30,447.00	64,053.00	1,400.00	24,292.00											Bond Proceeds - CIP	
8) Contract for professional services	Global Building Company	East Cliff Bluff Stabilization Project	65,806.00	95,806.00	1,400.00	55,406.00											Bond Proceeds - CIP	
9) Contract for professional services	Shug Harbor	Live Oak Resource Center Project	22,027.00	22,027.00	802.00	21,225.00											Bond Proceeds - LMIH	
10) Purchase Order for professional services	Expatriate	Property Management	3,884.00	9,000.00	27.00	2,782.00											Bond Proceeds - LMIH	
11) Purchase Order for professional services	Santa Cruz Record	Credit checks	173.00	265.00	0.00	140.00											Bond Proceeds - LMIH	
12) Purchase Order for professional services	Boone, Low, Taffel Architects, Inc	Genova House remodel project design services	1,273.00	7,500.00	780.00	493.00											Bond Proceeds - LMIH	
13) Purchase Order for professional services	The Watsonville Law Center	Legal services	7,000.00	7,000.00	0.00	7,000.00											Bond Proceeds - LMIH	
14) Contract for professional services	Nicholson and Company	Appraisal services	9,600.00	11,800.00	0.00	9,600.00											Bond Proceeds - LMIH	
15) Purchase Order for professional services	George H. Wilson Inc	Property Management	5,000.00	6,352.00	0.00	5,000.00											Bond Proceeds - LMIH	
16) Purchase Order for professional services	Fall Creek Engineering Inc	Genova House remodel project	7,048.00	7,048.00	0.00	7,048.00											Bond Proceeds - LMIH	
17) Purchase Order for professional services	Landscape Acquisition Co	Property Management	4,720.00	5,070.00	0.00	4,720.00											Bond Proceeds - LMIH	
18) Purchase Order for professional services	Arroyo Verde Homeowners Association	Property Management	1,980.00	2,000.00	0.00	1,980.00											Bond Proceeds - LMIH	
19) Purchase Order for professional services	Carrillito Creek Homeowners	Property Management	5,450.00	9,000.00	2,274.00	3,176.00											Bond Proceeds - LMIH	
20) Purchase Order for professional services	Sweet Lake Gardens of Santa Cruz	Property Management	7,610.00	8,000.00	0.00	7,610.00											Bond Proceeds - LMIH	
21) Purchase Order for professional services	Watkinson Owners Association	Property Management	1,811.00	3,182.00	423.00	1,388.00											Bond Proceeds - LMIH	
22) Contract for professional services	R.C. Brennan & Sons Inc	Property Management	2,890.00	2,890.00	1,800.00	1,090.00											Bond Proceeds - LMIH	
23) Contract for construction services	High'n Housing Corporation	Remodel of Genova House	17,814.00	123,283.00	6,278.00	12,505.00											Bond Proceeds - LMIH	
24) Loan for housing development	Verifone (PG&E, Waller, etc.)	St. Stephen's Senior Housing Project	331,284.00	423,500.00	0.00	331,284.00											Bond Proceeds - LMIH	
25) Amortized Property Mgmt Costs	San Jose Blue	Property Management/LMIH	3,718.00	7,685.00	3,655.00	63.00											Bond Proceeds - LMIH	
26) Purchase Order for professional services	Express Messenger Systems Inc	Office Administration Expenses	4,732.00	5,000.00	0.00	947.00											Reserve Balances	
27) Purchase Order for professional services	Sturges	Office Administration Expenses	480.00	500.00	0.00	96.00											Reserve Balances	
28) Purchase Order for professional services	Ruden & Tucker, LLP	Legal services	3,660.00	4,000.00	0.00	760.00											Reserve Balances	
29) Contract for professional services	Capozzi & Landon, Inc.	audit services	47,813.00	80,000.00	0.00	9,603.00											Reserve Balances	
30) Contract for professional services	California Business Systems	equipment lease	2,127.00	3,600.00	10,175.00	375.00											Reserve Balances	
31) Services Contract (via Auditor)	BLX Group, LLC	Arbitrage services (4) (6)	Re-occurring annually	Re-occurring annually	0.00	0.00											Reserve Balances	
32) Services Contract (via Auditor)	County of Santa Cruz	Office Admin Expenses, Incl. Rent, services, utilities	Re-occurring annually	Re-occurring annually	0.00	0.00											Reserve Balances	
33) A99 Coal Plan	Ventura County Employees, Ventura	Salaries/Benefits and Services/Supplies	1,104,483.00	1,104,483.00	80,831.00	72,305.00											Reserve Balances	
34) Administrative Budget Feb-June (3)																	Reserve Balances	
35) Table - This Page			\$ 5,492,110.00	\$ 5,445,063.00	\$ 112,801.00	\$ 3,236,285.00	\$ 84,015.00	\$ 84,015.00	\$ 84,015.00	\$ 84,015.00	\$ 84,015.00	\$ 84,015.00	\$ 84,015.00	\$ 84,015.00	\$ 84,015.00	\$ 84,015.00	\$ 3,685,150.00	

All amounts are rounded up to the next whole dollar amount.  
 All payment amounts are estimates and subject to correction for actual amounts.  
 \* Monthly payment amounts may be less or may be delayed to a later date.  
 (1) Bond debt service due September 1, 2012 is included as an enforceable obligation in June, as this portion will have to be paid out of existing fund balances.  
 (2) 'A' indicates amounts needed from the Redevelopment Property Tax Trust Fund (RPTTF); 'B' indicates amounts from all other existing funding sources, not needed from the RPTTF.  
 (3) Total Administrative Budget Feb-June is \$484,333. Only the portion not detailed on other lines is included here.  
 (4) Estimated amount.  
 (5) Arbitrage calculations are required by AB regulations every 5 years on the tax-exempt bonds.







# 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

August 22, 2012

Agenda: August 28, 2012

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

### PROPERTIES ACQUIRED BY THE FORMER REDEVELOPMENT AGENCY

Members of the Board:

On February 15, 2011, Santa Cruz County and the Santa Cruz County Redevelopment Agency entered into an Amended and Restated Cooperation Agreement for Funding of Various Ongoing Capital Improvement Projects and Affordable Housing Projects and Programs (Attachment 1). Then on March 8, 2011, Santa Cruz County and the Santa Cruz County Redevelopment Agency entered into a Cooperation Agreement for the Funding of Specified Property Management and Development Costs (Attachment 2). Subsequent to these actions, ownership of the properties included on Attachment 1 of the March 8<sup>th</sup> agreement was transferred to the County. As described further below, affordable housing real property assets are now in possession of the County as the Housing Successor. It is recommended that a plan for disposition of non-housing real property acquired for public use be considered at this time.

#### Affordable Housing Real Property Assets

Santa Cruz County has elected to be the designated "housing successor agency" to the former County of Santa Cruz Redevelopment Agency ("Agency"), and to retain the affordable housing responsibilities, assets and functions previously performed by the Agency. On February 1, 2012, the Agency was dissolved, and the affordable housing responsibilities, obligations, assets, properties, contracts, loans, agreements, authorities, powers, and duties of the Agency were transferred to the County as the Housing Successor as a result of its election to retain the housing assets and functions of the Agency. **The Oversight Board approved those transfers on June 27, 2012.**

#### Non-housing Real Property Assets

Non-housing real property assets can be grouped into three categories: properties sold or encumbered in an agreement with a third party; properties with a governmental purpose; and other properties. Non-housing properties transferred to the County in

2011 are organized into these categories and listed for summary purposes on Attachment 3. Each category is discussed further below.

Properties Sold or Encumbered in an Agreement with a Third Party

**Per Health and Safety Code Section those properties transferred to the County and encumbered in an agreement with a third party are not subject to return to the Successor Agency.** Prior to the enactment of the Dissolution Act, four properties were encumbered by agreements between the County and third parties.

Properties sold or encumbered by agreements between the County and a third party include:

- ✓ Live Oak Resource Center on 17<sup>th</sup> Avenue in Live Oak
- ✓ Soquel Creek Water District Well Site on Soquel Drive at 41<sup>st</sup> Avenue
- ✓ Rodriguez Street site in Live Oak (housing site)
- ✓ Harper Street site in Live Oak (housing site)

The remaining RDA acquired properties are unencumbered and are subject to return to the Successor Agency for disposition, unless used for governmental purpose.

Properties with a Governmental Use

The Dissolution Act as amended by AB 1484, suspends the disposition of assets of the former redevelopment agency, except as those provisions apply to the transfers for governmental use, until the Finding of Completion and long-range property management plan is approved by the DOF. Relevant sections of the Health and Safety Code are noted below:

Section 34181: "The oversight board shall direct the successor agency to do all of the following:

- (a) Dispose of all assets and properties of the former redevelopment agency provided, **however, that the oversight board may instead direct the successor agency to transfer ownership of those assets that were constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, and local agency administrative buildings, to the appropriate public jurisdictions** pursuant to any existing agreements relating to the construction or use of such an asset."

Section 34191.3:

"Notwithstanding Section 34191.1, the requirements specified in subdivision (e) of Section 34177 and subdivision (a) of Section 34181 shall be suspended, **except as those provisions apply to the transfers for governmental use**, until the Department of Finance has approved a long-range property management plan pursuant to subdivision (b) of Section 34191.5..."

Properties in possession of the County that were acquired for governmental purpose include:

- ✓ The Farm Park in Soquel
- ✓ Chanticleer Avenue Park in Live Oak
- ✓ 40 Moran Way, part of Moran Lake Park and Monarch Butterfly Habitat in Live Oak

Oversight Board  
 August 22, 2012  
 Page 3

- ✓ East Cliff Drive at 37<sup>th</sup>/Manzanita for the East Cliff Drive Parkway
- ✓ The Heart of Soquel Public Parking and Soquel Creek Linear Park
- ✓ Daubenbiss Public Parking in Soquel
- ✓ Public Parking Lot on Soquel Drive at Daubenbiss Avenue in Soquel
- ✓ Public Parking Easement on Porter Street in Soquel

Attachment 4 provides additional information and actions taken by the former Redevelopment Agency and the County of Santa Cruz to establish public use for each of these properties. Documents related to the actions noted in Attachment 4 are voluminous and are available upon request. Resolutions adopted by the RDA Board of Directors stating the intended purpose of the property at the time of acquisition are included as Attachment 5.

#### Other Properties

The remaining properties transferred to the County in March 2011, are not intended for exclusive governmental use, and are subject to return to the Successor Agency. These properties would be transferred to and held by the Successor Agency until the Finding of Completion and the long-range property management plan is prepared and approved by the Oversight Board and the State Department of Finance. As required by AB 1484, the long-range management plan will inventory the properties and address the use or disposition of each property. The properties that are proposed to be transferred back to the Successor Agency to comply with AB 1484 include:

- ✓ 7<sup>th</sup> and Brommer site
- ✓ Capitola Road site
- ✓ A remainder parcel on Commercial Way at Commercial Crossing

Attachment 6 provides additional information on these parcels.

#### **Next Steps**

On August 21, 2012, the Board of Supervisors approved the conceptual framework for the disposition of RDA acquired properties. With your Board's additional approval of the conceptual framework, staff will prepare the materials and public notice necessary for your Board to validate that the park and public parking properties acquired by the former redevelopment agency are intended for governmental use and should remain in the possession of the County of Santa Cruz, and that the remaining unencumbered properties should be transferred to the Successor Agency. Those actions can then be scheduled for the October 2, 2012 meeting of your Board. Following the actions of the Oversight Board on October 2<sup>nd</sup>, staff will also return to the Board of Supervisors for further action to effectuate the transfer of properties to the Successor Agency.

#### **Recommendations**

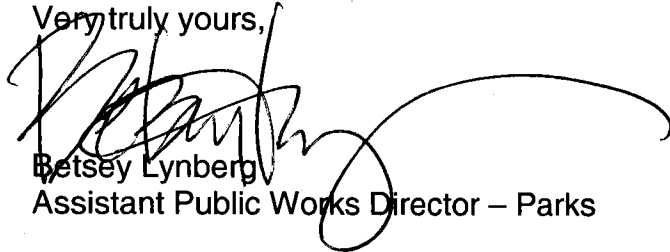
It is therefore RECOMMENDED that your Board take the following actions:

1. Adopt the attached resolution approving in concept that park and public parking properties acquired by the former redevelopment agency are intended for

governmental use and should remain in the possession of the County of Santa Cruz; and

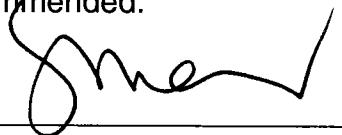
2. Direct staff to return on the October 2, 2012 agenda with the necessary actions to validate that park and public parking property acquired by the former redevelopment agency are intended for governmental use and should remain in possession of the County of Santa Cruz.

Very truly yours,



Betsy Lynberg  
Assistant Public Works Director – Parks

Recommended:



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Susan A. Mauriello  
County Administrative Officer

Attachments

Cc:

Auditor-Controller, County Counsel, Successor Agency, DOF, Public Works – Real Property

AMENDED AND RESTATED COOPERATION AGREEMENT  
 BETWEEN THE COUNTY OF SANTA CRUZ AND THE  
 REDEVELOPMENT AGENCY OF THE COUNTY OF SANTA  
 CRUZ FOR FUNDING OF VARIOUS ONGOING CAPITAL  
 IMPROVEMENT PROJECTS, AFFORDABLE HOUSING  
 PROJECTS AND PROGRAMS, GRAFFITI REMOVAL  
 SERVICES, AND RELATED ADMINISTRATIVE AND  
 PROFESSIONAL SERVICES

THIS AMENDED AND RESTATED COOPERATION AGREEMENT BETWEEN THE COUNTY OF SANTA CRUZ AND THE REDEVELOPMENT AGENCY OF THE COUNTY OF SANTA CRUZ FOR FUNDING OF VARIOUS ONGOING CAPITAL IMPROVEMENT PROJECTS, AFFORDABLE HOUSING PROJECTS AND PROGRAMS, GRAFFITI REMOVAL SERVICES, AND RELATED ADMINISTRATIVE AND PROFESSIONAL SERVICES (the "Agreement") is dated for reference purposes as of the 15th day of February, 2011 (the "Agreement Date"), and is being entered into by and between the County of Santa Cruz ("County") and the Redevelopment Agency of the County of Santa Cruz ("Agency").

RECITALS:

A. Pursuant to applicable provisions of the Community Redevelopment Law (California Health & Safety Code Section 33000 *et seq.*), County's Board of Supervisors approved the Redevelopment Plan for the Live Oak/Soquel Redevelopment Project Area (the "Project Area") through its adoption of Ordinance No. 3836 on May 12, 1987. County's Board of Supervisors subsequently amended said Redevelopment Plan as set forth in Ordinance No. 4297 adopted on May 22, 1994, Ordinance No. 4545 adopted on May 25, 1999, and Ordinance No. 4700 adopted on January 14, 2003. The original Redevelopment Plan as so amended is referred to herein as the "Redevelopment Plan."

B. Agency is implementing the Redevelopment Plan. As of the Agreement Date, Agency has initiated a number of projects and programs and is assisting and cooperating with County in implementing joint projects and programs to benefit the Project Area, redevelop and eliminate blighting conditions in the Project Area, increase, improve, and preserve affordable housing within the Project Area and unincorporated portions of Santa Cruz County, including without limitation those projects and programs identified in Agency's previously adopted FY 2010-2011 budget, its Statements of Indebtedness filed in accordance with Health & Safety Code Section 33675, its most recently completed Annual Report prepared in accordance with Health & Safety Code Section 33080 *et seq.*, and its most recently adopted 5-year Implementation Plan prepared in accordance with Health & Safety Code Section 33490.

C. Pursuant to Health & Safety Code Section 33220 and County's police powers, County has the authority to aid and cooperate with Agency in the planning, undertaking, construction or operation of redevelopment projects within the area in which City and Agency are authorized to act.

D. Among the public improvement projects initiated by Agency prior to the Agreement Date are those certain public buildings/facilities and traffic and safety, drainage and flood control, parks and recreation, and community beautification projects identified in Exhibit "A" attached hereto (collectively, the "Public Improvements"). All of the Public Improvements are located within or contiguous to the Project Area within the meaning of Health & Safety Code

Sections 33445 and 33445.1. All of the Public Improvements are intended to be or remain publicly owned.

E. With respect to those Public Improvements consisting of publicly owned buildings, other than parking facilities, that are subject to the procedural requirements of Health & Safety Code Section 33679, County's Board of Supervisors and Agency's Board of Directors held a duly noticed public hearing on February 15, 2011, to consider whether to authorize Agency's payment of property tax increment revenues for such publicly owned buildings. Notice of the time and place of said public hearing was published in the Santa Cruz Sentinel, a newspaper of general circulation in the community, for at least two successive weeks prior to the hearing. Prior to the first publication of the notice of the public hearing, Agency prepared and made available for public inspection and copying, at a cost not to exceed the cost of duplication, a summary report including all of the following information: (i) estimates of the amount of property tax increment revenues proposed to be used to pay for the land and construction of each publicly owned building, including interest payments; (ii) the facts supporting the determinations required to be made by the Board of Supervisors pursuant to Health & Safety Code Section 33445; and (iii) the redevelopment purpose for which the tax increment revenues are to be used to pay for the land and construction of each publicly owned building.

F. Health & Safety Code Section 33445 authorizes Agency, with the consent of the Board of Supervisors of County, to pay all or a part of the value of the land for and the cost of the installation and construction of the Public Improvements if Agency's Board of Directors and the Board of Supervisors of County make the following determinations: (1) that the acquisition of land or the installation or construction of the Public Improvements are of benefit to the Project Area by helping to eliminate blight within the Project Area or providing housing for low- or moderate-income persons; (2) that no other reasonable means of financing the acquisition of the land or installation or construction of the Public Improvements are available to the community; and (3) that the payment of Agency tax increment funds for the acquisition of land or the cost of the Public Improvements is consistent with Agency's Implementation Plan adopted pursuant to Health & Safety Code Section 33490.

G. Among the projects and programs initiated by Agency prior to the Agreement Date to increase, improve, and preserve the community's supply of affordable housing are those certain housing projects and programs identified in Exhibit "A" attached hereto (collectively, the "Affordable Housing Projects and Programs"). In this regard, Health & Safety Code Section 33334.2(g)(1) authorizes Agency to expend its housing set-aside funds generated pursuant to the Community Redevelopment Law on Affordable Housing Projects and Programs inside or outside the Project Area, provided that use of such funds outside the Project Area is permitted only upon a resolution adopted by Agency's Board of Directors and the Board of Supervisors of County that the use of such funds outside the Project Area will be of benefit to the Project Area. On April 28, 1987, County's Board of Supervisors adopted its Resolution No. 236-87 and Agency's Board of Directors adopted its Resolution No. 235-87 making the findings referred to in Health & Safety Code Section 33334.2(g)(1).

H. Prior to the Agreement Date, Agency has initiated an ongoing program to remove graffiti from public and private properties in the Project Area, as identified in Exhibit "A" hereto. In this regard, pursuant to Health & Safety Code Section 33420.2, Agency's authority to take such actions it determines to be necessary to remove graffiti from public and private properties in the Project Area requires a finding by Agency's Board of Directors that, because of the magnitude and severity of the graffiti within the Project Area, the action is necessary to



effectuate the purposes of the redevelopment plan for the Project Area and the action will assist with the elimination of blight, as defined in California Health & Safety Code Section 33031.

I. On February 8, 2011, County's Board of Supervisors and Agency's Board of Directors each approved and County and Agency entered into a Cooperation Agreement (the "Original Cooperation Agreement") that covers all of the projects and programs referred to in this Agreement excepting only the publicly owned buildings.

J. County and Agency desire to enter into this Agreement to supplement and restate the Original Cooperation Agreement and ensure that all of Agency's ongoing projects and programs identified in this Agreement are funded and implemented.

### A G R E E M E N T:

NOW, THEREFORE, based on the foregoing Recitals, which are incorporated herein by this reference, and for good and valuable consideration, the receipt and sufficiency of which is acknowledged by both parties, County and Agency hereby agree as follows:

1. County Consent; Findings and Determinations. The Board of Supervisors of County hereby consents to Agency's expenditure of property tax increment revenues generated from the Project Area to pay for all of the Public Improvements referred to in Recitals D-F above and identified in Exhibit "A" to this Agreement. The Board of Supervisors of County and Agency's Board of Directors further hereby confirm and declare by virtue of their respective approvals of this Agreement that they are hereby making all of the findings and determinations with respect to the Public Improvements that are referred to in Recitals D-F. The Board of Supervisors of County and Agency's Board of Directors further hereby confirm and declare by virtue of their respective approvals of this Agreement that their respective findings and determinations made in Board of Supervisors Resolution No. 236-87 and Agency Board of Directors Resolution No. 235-87 are still valid and apply to the expenditure of housing set-aside funds outside the Project Area for the Affordable Housing Projects and Programs identified in this Agreement. Finally, by its approval of this Agreement, Agency's Board of Directors hereby confirms and declares that it is making the finding and determination with respect to the graffiti removal program referred to in Recital H.

2. Agency Funding. Agency hereby covenants and pledges to pay to County all of the actual and reasonable costs incurred by County to implement the Public Improvements, the Affordable Housing Projects and Programs, the graffiti removal program, and all of the other projects and programs, including without limitation the administrative and professional services costs relating thereto, as are identified in Exhibit "A" attached hereto (collectively, the "Approved Redevelopment Projects and Programs"), with the understanding that actual costs may differ from estimated costs and this Agreement is intended to cover all actual and reasonable costs of the Approved Redevelopment Projects regardless of whether such actual and reasonable costs are higher or lower than estimated herein. Except as may be otherwise subsequently agreed to by County and Agency, Agency payments shall be made as County costs are incurred, as determined by County. County shall be entitled to periodically invoice Agency for payment of eligible costs and Agency shall pay eligible costs within thirty (30) days after receipt of invoice. County shall expend all payments received from Agency pursuant to this Agreement only for the identified Approved Redevelopment Projects and Programs, as the same may be modified from time to time consistent with the limitations set forth herein. Upon Agency's request, County shall account to Agency for all County costs and expenditures.

3. Indebtedness of Agency. Agency's funding of the Approved Redevelopment Projects and Programs is intended to and shall constitute an indebtedness of Agency within the meaning of Article 16, Section 16 of the California Constitution and Health & Safety Code Section 33670(b), as the same exist as of the Agreement Date. Agency shall include the cost of the Approved Redevelopment Projects and Programs in its annual budgets, in the annual statements of indebtedness Agency is required to annually file pursuant to Health & Safety Code Section 33675, in to the extent required in its annual reports (Health & Safety Code Section 33080 *et seq.*) and its 5-year implementation plans (Health & Safety Code Section 33490), and Agency shall take all other legal actions required to have sufficient property tax increment revenues allocated and paid to Agency to enable Agency to timely perform its payment obligations to County hereunder.

4. Subordination. Agency's funding obligations hereunder shall be junior and subordinate to (i) all Agency tax allocation bonds or other direct long-term indebtedness of Agency, (ii) all pledges by Agency of tax increments for tax allocation bonds or other direct long-term indebtedness of Agency, (iii) other Agency financial agreements or other contractual obligations of Agency, and (iv) any contingent obligations of Agency. This subordination provision shall be applicable to all such Agency obligations as set forth in this section, whether such obligations are incurred prior to or after the Agreement Date.

5. No Third Party Beneficiaries; Binding on Successors and Assigns. There are no third party beneficiaries under this Agreement. No person or entity other than County and Agency and their respective successors and assigns shall have any rights or and right of action hereunder. To the maximum extent permitted by law, this Agreement is intended to be binding upon the voluntary and involuntary successors and assigns of County and Agency.

6. Severability. Each provision of this Agreement shall be severable from the whole, and if any provision of this Agreement shall be found contrary to law, the remainder of this Agreement shall remain in full force and effect.

7. Non-Liability of Members, Officials, Employees, and Agents; Non-Recourse Obligation. No member, official, employee, or agent of County or Agency shall be personally liable for performance by County or Agency hereunder, for breach or default by County or Agency hereunder, for any amounts which may payable or become due hereunder, or for any judgment or execution thereon entered in any action.

8. Entire Agreement; Amendment. This Agreement shall supplement and restate the Original Cooperation Agreement and shall constitute the entire agreement of the parties hereto concerning the subject matter addressed herein. This Agreement may be amended or modified only by an agreement in writing signed by the authorized representatives of the parties, after any and all required actions by the parties' governing boards.

IN WITNESS WHEREOF, County and Agency have entered into this Agreement to be effective as of the Agreement Date.

COUNTY OF SANTA CRUZ

By: *Mahwata*  
Its: Chairperson, Board of Supervisors

ATTEST:

*[Signature]*  
Clerk of the Board

REDEVELOPMENT AGENCY OF THE  
COUNTY OF SANTA CRUZ

By: *[Signature]*  
Its: Executive Director

ATTEST:

*[Signature]*  
Agency Secretary

APPROVED AS TO FORM:

Rutan & Tucker, LLP

By: *[Signature]*  
Jeffrey M. Oderman, Esq., Special Counsel  
to County and Agency

211-11  
9

**CAPITAL PROJECTS AND PROGRAMS**  
**(On-going and as designated in the RDA 2010-2014**  
**Implementation Plan)**

**Infrastructure/Safe Routes  
for Walking and Bicycling**

**Total Estimated Cost: \$ 115,212,000**

**Soquel Avenue** Complete improvements under construction per existing construction contract from 17<sup>th</sup> Avenue west to Soquel Drive. Pedestrian, drainage, roadway & traffic improvements per Board approved Plan Line from 17<sup>th</sup> Avenue east to Gross Road.  
Estimated Cost: \$ 3,250,000

**Eaton Street** Pedestrian, bicycle, drainage & road improvements per Board approved plans & specifications (construction contract to be awarded 3/8/11)  
Estimated Cost: \$ 1,550,000

**East Cliff Drive** Pedestrian, bicycle, drainage & road improvements from 9th to 12th Avenue per pending County & Coastal Commission Permits. Pedestrian, bicycle, drainage, roadway improvements from 17<sup>th</sup> to 32<sup>nd</sup> Avenue per Board approved route concept. Completion and close-out of bluff stabilization construction between 32<sup>nd</sup> and 41<sup>st</sup> Avenue project per existing construction contract. Parkway construction along East Cliff Drive from 32<sup>nd</sup> to 41<sup>st</sup> Avenue including pedestrian, bicycle, drainage, roadway, utility and landscape improvements and park improvements at Pleasure Point Park per Coastal Commission Permits. Permit conditions & EIR mitigation compliance.  
Estimated Cost: \$ 15,817,000

**Twin Lakes Beachfront** Phase I: pedestrian, bicycle, roadway, drainage, beach access, coastal protection structures & public parking along East Cliff Drive from 5<sup>th</sup> to 9<sup>th</sup> Avenue per Board approved Conceptual Master Plan. Phase II: planning, design and construction of ocean side pedestrian, drainage and coastal armoring improvements along East Cliff Drive from 9<sup>th</sup> to 11<sup>th</sup> Avenue  
Estimated Cost: \$ 9,050,000

**30th Avenue (Portola Drive to Scriver Street)** Roadway and drainage improvements per Board approved Plan Line  
Estimated Cost: \$ 425,000

**Soquel Drive (Hwy 1 to Soquel Village)** Right turn lane improvements at 41<sup>st</sup> Avenue per County General Plan, bus stops, pedestrian, bicycle, drainage, roadway, traffic improvements  
Estimated Cost: \$ 3,000,000

**Cabrillo College Drive** Pedestrian & roadway improvements per community design concept  
Estimated Cost: \$ 2,000,000

**Main Street** Pedestrian, bicycle, roadway, drainage & traffic improvements  
Estimated Cost: \$ 2,500,000

**Thompson Avenue** Pedestrian, drainage & road improvements per community Plan Line scheduled for Board consideration 3/8/2011  
Estimated Cost: \$ 2,000,000 0521

**Upper Porter Street/Soquel/San Jose Road** Pedestrian, bicycle, roadway & drainage providing pedestrian connection between Soquel Village & AJ Cummings Park  
Estimated Cost: \$ 1,600,000

**Wharf Road** Pedestrian, bicycle, roadway & traffic improvements  
Estimated Cost: \$ 800,000

**26th Avenue** Pedestrian, roadway & major drainage improvements  
Estimated Cost: \$ 2,800,000

**38th Avenue** Pedestrian, roadway & major drainage improvements  
Estimated Cost: \$ 3,800,000

**Capitola Road Extension** Pedestrian, bicycle & roadway improvements  
Estimated Cost: \$ 2,000,000

**Mattison Avenue** Pedestrian, roadway & drainage improvements  
Estimated Cost: \$ 3,500,000

**Portola (east of 41st)** Pedestrian, bicycle, roadway & drainage improvements  
Estimated Cost: \$ 3,500,000

**Maciel Avenue** Pedestrian, bicycle, roadway & drainage improvements  
Estimated Cost: \$ 1,500,000

**Brommer Street** Pedestrian & drainage improvements from Chanticleer Avenue to 17<sup>th</sup> Avenue. Pedestrian, bicycle, drainage & roadway improvements from 7<sup>th</sup> Avenue to the upper Santa Cruz Harbor entrance  
Estimated Cost: \$ 1,470,000

**Harper Street** Pedestrian, drainage & roadway improvements per Board approved Plan Line  
Estimated Cost: \$ 3,500,000

**El Dorado Avenue** Pedestrian, drainage & roadway improvements per Board approved Plan Line  
Estimated Cost: \$ 3,500,000

**40th Avenue** Pedestrian, drainage & roadway improvements  
Estimated Cost: \$ 500,000

**41<sup>st</sup> Avenue (Hwy 1 to Soquel Dr)** Pedestrian, bicycle, drainage, roadway & traffic improvements per Board approved Plan Line  
Estimated cost: \$ 1,800,000

**Bulb Avenue** Pedestrian, drainage & roadway improvements  
Estimated Cost: \$ 1,350,000

0522

**Webster Street** Pedestrian, drainage & roadway improvements  
Estimated Cost: \$ 1,750,000

**Regional Pedestrian/Bicycle Connections** Match funding as necessary for projects benefiting the Project Area as described in the Safe Routes for Biking and Walkway Program of the Five-Year Implementation Plan  
Estimated Cost: \$ 3,000,000

**On-Going Department of Public Works Programs.** This program has 4 components. Traffic calming studies and improvements including road bumps, signage & bulb-outs; pavement management work which includes road reconstruction on arterial, collector and local streets; sidewalk infill design and construction including pedestrian improvements and associated drainage on streets where improvements incomplete; and Plan Line preparation including planning and preliminary roadway design for streets without an approved Plan Line.  
Estimated Cost: \$ 39,250,000

### **Drainage & Flood Control**

**Total Estimated Cost: \$ 9,250,000**

**Soquel Drive Drainage** Upgrades to existing storm water system Hardin Way to Cunnison Lane. To be constructed with the Farm Park and Soquel Community Center projects  
Estimated Cost: \$ 250,000

**Flood Control and Water Conservation Projects** Implementation of Zone 5 Flood Control and Water Conservation District Master Plan Projects and the Zone 4 Projects in conjunction with the Integrated Regional Water Management Plan Projects  
Estimated Cost: \$ 9,000,000

### **Parks & Recreational Facilities**

**Total Estimated Cost: \$ 31,887,000**

**Chanticleer Avenue Park** Design and construction of new 4.5 acre neighborhood park per Board approved Park Master Plan (excluding historic house and new restroom)  
Estimated Cost: \$ 4,880,000

**Moran Lake Park and Monach Butterfly Habitat** Improvements to existing 9 acre park per Board approved Park Master Plan  
Estimated Cost: \$ 2,750,000

**Floral Park** Renovation of existing neighborhood park per Board approved Park Master Plan and development permits  
Estimated Cost: \$ 1,350,000

**Farm Neighborhood Park at Tee Street and Cunnison Lane** Neighborhood park, stream and oak woodland habitat improvements per Board approved Park Master Plan (excluding buildings). This project has been awarded a \$995,113 grant from the Strategic Growth Council. Reimbursement of project costs in that amount is expected, although the total project cost shown here is not discounted by the amount of the grant  
 Estimated Cost: \$ 8,107,000

**Felt Street Park** Completion of construction of new neighborhood park per existing construction contract and Board approved Park Master Plan  
 Estimated Cost: \$ 1,500,000

**Misc Park Improvements** Picnic, parking, recreation equipment & facilities improvements at existing parks  
 Estimated Cost: \$ 2,750,000

**Park Site Acquisition** Project area sites with park site "D" designation in the County Zoning Regulations  
 Estimated Cost: \$ 6,000,000

**Park Sustainability Upgrades** Water and energy conservation upgrades at existing facilities  
 Estimated Cost: \$ 300,000

**Rodriguez Street Park** Planning, design & construction of a new neighborhood park designated in the County General Plan  
 Estimated Cost: \$ 2,750,000

**Coastal Access Improvements** Design & construction of beach access and parking improvements at Sunny Cove Beach and other beach access locations  
 Estimated Cost: \$ 1,500,000

**Community/Other Public Facilities** **Total Estimated Cost: \$ 5,804,500**

**Live Oak Resource Center** Construction close-out & warranty period  
 Estimated Cost: \$ 1,032,500

**Community Facilities** Feasibility studies and conceptual design for possible future community facilities included in the Five-Year Implementation Plan  
 Estimated Cost: \$ 300,000

**Soquel Creek Linear Park & Parking** Planning, design and construction of new public parking and park improvements at Agency owned Heart of Soquel property and along Soquel Creek in Soquel Village  
 Estimated Cost: \$ 1,472,000

**Public Parking Improvements** Acquisition, planning, design and construction of new public parking in existing commercial areas (e.g. Pleasure Point, Upper 41<sup>st</sup> Avenue, Soquel Village) per the Five-Year Implementation Plan  
 Estimated Cost: \$ 3,000,000

**Community Design & Planning****Total Estimated Cost: \$ 1,110,000**

**Community Planning Studies** Matching funds for the Prop 84 Sustainable Communities Grant, funding for regulatory reform, plus other future planning studies  
Estimated Cost: \$ 500,000

**LION Neighborhood Grants** On-going program to implement small scale neighborhood improvements  
Estimated Cost: \$ 160,000

**Opportunity Site Program** Funding for Planning Department Program to prepare master plans & design guidelines to encourage appropriate commercial and mixed use development for retail and hotel opportunity sites per the Five-Year implementation Plan  
Estimated Cost: \$ 450,000

**Community Beautification****Total Estimated Cost: \$ 1,810,000**

**Street Tree Program** On-going street tree installation on major streets and Volunteer Tree Planting Program in per the Board approved Urban Forestry Master Plan  
Estimated Cost: \$ 450,000

**Street Tree Xeriscape Projects** Planning, design and construction of low maintenance, water conserving streetscape planting in conjunction with the Urban Forestry Program  
Estimated Cost: \$ 300,000

**Graffiti Program** On-going program including services for removal of graffiti from parks and public right of way improvements, and projects to deter graffiti  
Estimated Cost: \$ 575,000

**Wayfinding Signage and Gateways** Program to improve area wayfinding and improve attractiveness of the community per the Five-Year Implementation Plan and the Urban Forestry Master Plan  
Estimated Cost: \$ 200,000

**Building Abatement Program** Program development and start-up funding to remove dilapidated buildings in order to alleviate structural blight  
Estimated Cost: \$ 285,000

**Economic Vitality****Total Estimated Cost: \$ 26,000,000**

**Planning and Market Studies** Collection, verification, organization and hosting of sound market information and data critical to strategic economic development planning and implementation. Independent modeling and verification of specific site and/or prospect proposals necessary for sound public/private partnerships that increase business investment and job growth  
Estimated Cost: \$ 2,000,000



**Facade/Signage Programs** Development and implementation of a business facade treatment loan and/or grant program to improve the environment within strategic business enhancement areas and lead to increased job opportunities per the Five-Year Implementation Plan

Estimated Cost: \$ 700,000

**Small Business Assistance** Establishment and implementation of business loan programs that leverage other federal, state and local small business assistance resources to induce private investment in the retention, expansion and attraction of small and/or micro-enterprise businesses

Estimated Cost: \$ 2,000,000

**Business Retention and Expansion** Establish and implement an outreach program to County businesses, connecting those existing businesses with a diverse network of business assistance and County service providers that can assist in business retention and/or expansion leading to increased investment and job opportunities within Santa Cruz County

Estimated Cost: \$ 300,000

**Development Assistance** Establish and implement a program to provide incentives necessary to induce new business investment resulting in increased job opportunities within Santa Cruz County per the Five-Year Implementation Plan

Estimated Cost: \$ 2,000,000

**Site Acquisition and Development** Program to create and improve availability of sites ready for business expansion and attraction. This activity would identify, purchase, prepare and market currently underutilized real property for business retention, expansion and/or attraction leading to the retention and/or expansion of job opportunities within Santa Cruz County. It would also provide for the planned development of RDA owned property. For the 7th and Brommer Agency owned property adjacent to the Santa Cruz Harbor, the project would include preparing for and inducing private sector investment, most likely for hospitality industry business investment and job opportunities. For the Capitola Road owned property west of 17<sup>th</sup> Avenue, the project would include public and private sector mixed use neighborhood development including retail, service and housing uses to provide increased goods and service, as well as job opportunities to the Live Oak Neighborhood.

Estimated Cost: \$ 19,000,000

**Total Estimated Cost for Capital Improvement Projects and Programs:  
\$ 191,073,500**

**Capital Project/Program Administration and Project Management** Administrative Cost are those for services associated with the development of projects and programs including: the purchase of land; negotiation and development of agreements; public outreach process; approval and permitting process; financial, legal, and other specialized consulting services; financial compliance and other governmental reporting, including financial administrative oversights; the administration of housing projects including monitoring of affordable housing agreements, resale restrictions, or other covenants associated with affordable housing projects; the drafting of funding

availability notices and development of affordable housing agreement documents; additional indirect cost associated with the administrative support needed to carry out these public improvements; the preparation of grant application and State and Federal grant management; project management includes salaries, benefits and overhead cost for planning, design and construction. The amounts included for project management and administration are consistent with historical and current annual project management and administrative costs.

Estimated Annual Cost: \$ 3,440,000

**Community Facilities**  
**Publicly Owned Buildings**

**Total Estimated Cost: \$ 118,245,000**

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**Sheriff-Coroner Facility** Acquisition, planning, design and construction of a facility to house investigative, forensic, patrol and administrative functions of the Sheriff-Coroner's Office

Estimated Cost: \$ 60,800,000

**Behavioral Health Unit Project** Acquisition, planning, design and construction of a new replacement facility for the psychiatric patients

Estimated Cost: \$ 11,500,000

**Chanticleer Avenue Park Restroom/Maintenance Building and Historical Miller House** Planning, design and renovation of the historic Miller House & construction of a new park restroom

Estimated Cost: \$ 1,245,000

**Soquel Community Center at the Farm Park** Planning, design and construction of a new 4,500 square foot community center and a new restroom building at the adjoining neighborhood park per the Board approved Park Master Plan

Estimated Cost: \$ 4,300,000

**Gemma House Second Unit Improvements** Planning, design and construction to convert an accessory building to a habitable structure

Estimated Cost: \$ 150,000

**Youth and Recreational Facilities** Planning, design and construction of a youth and recreation facility at a centrally located site

Estimated Cost: \$ 17,360,000

**Soquel Village Parking, Circulation & Community Facilities** Acquisition, planning, design and construction of public parking and community facility improvements

Estimated Cost: \$ 8,690,000

**Health Services Facility** Acquisition, planning, design and construction of a health service clinic to serve the mid-county area

Estimated Cost: \$ 9,900,000

**Public Works Maintenance Facility** Study, design and construction of improvements to buildings and site to address functional, visual and/or environmental site conditions that impact the surrounding area

Estimated Cost: \$ 2,000,000

**Parks Maintenance Facility** Planning, design and construction of a mid-county parks maintenance facility

Estimated Cost: \$ 1,400,000

**Simpkins Family Swim Center Pool Enclosure** Design and construction of improvements including the enclosure of a pool at the existing swim center facility

Estimated Cost: \$ 900,000

## Low and Moderate Income Housing

### Affordable Housing Activities (Programs, Projects and Services)

All RDA Housing Fund expenditures for Programs and Projects are structured as long term subordinate debt, with various repayment terms and interest rates. It is estimated that 10% of expenditures for project and programs will not be recovered due to customary practice. There are no repayments from Housing Services expenditures.

### PROGRAMS

**For program activities below, all RDA expenditures are structured as loans. Interest rates vary; repayments triggered upon sale or transfer**

**First Time Homebuyer Activities:** This program has three components:

Down Payment assistance to acquire market rate units. Down payment assistance for income eligible first time homebuyers to acquire market rate units; structured as shared appreciation loan and includes affordability restrictions in perpetuity. Loans may be issued to buyers of units preserved through Affordable Housing Preservation Program (see below). Program loans repayments may be re-loaned to subsequent purchaser or to purchasers of market rate units. (Housing Element Program 4.9) (Implementation Plan Goal 6i)

Affordable Housing Preservation provides funds to acquire an estimated 8 affordable units per year at risk of being lost from the affordable housing inventory due to a foreclosure or enforcement action (8 units at \$ 250,000 per unit). Note: units to be sold to income eligible buyers through First Time Homebuyer Program at restricted resale price, resulting in an estimated net cost of \$ 128,000 (\$ 10,000/unit). (Housing Element Program 4.7, 4.8) (Implementation Plan Goal 6ii)

Swan Lake Preservation program implements an existing agreement, acquire the remaining 20 price restricted units (at \$ 235,000 per unit) within the Swan Lake community necessary to preserve affordability restrictions. Units to be resold to income eligible purchasers at restricted resale price (Housing Element Program 4.8) (Implementation Plan Goal 6ii)

Estimated Program Cost: \$ 52,300,000

### **Housing Rehabilitation and Mobile Home Change Out Activities:**

This program has two components:

Housing Rehabilitation provides loans for income eligible homeowners to address health and safety deficiencies and accessibility improvements within and around their home. (Housing Element Program 4.15) (Implementation Plan Goal 6i)

Mobile Home Change Out provides loans for income eligible mobile home owners to replace their older mobile home with a new manufactured home. (Housing Element Program 4.4) (Implementation Plan Goal 6i)

Estimated Program Cost: \$ 12,000,000

**Housing Grant Program:** Matching funds for the County to pursue State, Federal and other funding sources (e.g. CalHOME, HOME, CDBG, HUD) to support affordable housing activities for income eligible households in the unincorporated area of Santa Cruz County. (Housing Element Program 5.2) (Implementation Plan Goal 7i)  
Estimated Program Cost: \$ 8,000,000

**Total Estimated Cost of Housing Program Activities: \$ 72,300,000**

**Total Estimated Repayment: \$ 65,070,000**

**Net Estimated Cost for Housing Program Activities: \$ 7,230,000**

## PROJECTS

**Projects are structured as long term subordinate debt, loan repayments to occur over protracted time periods (ranging from 30-55 years).**

**New Construction and Rehabilitation:** This program has three parts:  
Provide funding to construct new affordable units for seniors, families, farm workers and special needs populations with long-term affordability restrictions on pre-zoned sites and other sites with appropriate zoning. (Housing Element Chapter 4.7) (Implementation Plan Goal 6ii)

Acquisition and reconstruction of up to three dilapidated mobile home park with long term affordability restrictions. (Housing Element Program 2.2) (Implementation Plan Goal 6i)

Program to acquire existing hotels/motels and convert to permanent affordable housing with long term affordability restrictions (Housing Element Program 4.6) (Implementation Plan Goal 6i)  
Estimated Program Cost: \$ 85,000,000

**Scattered Site Housing:**  
Funding to acquire existing multi-family housing to serve special populations (e.g. at risk homeless youth, psychiatrically disabled adults) and impose long term affordability restrictions. (Housing Element Program 5.4, 5.5, 5.6, 5.7) (Implementation Plan Goal 6iii)  
Estimated Program Cost: \$ 20,000,000

**Preservation of Existing Expiring Section 8:**  
Financial assistance to preserve three existing Section 8 projects with expiring subsidies (Housing Element Program 4.7, 4.8) (Implementation Plan Goal 6ii)  
Estimated Program Cost: \$ 24,000,000

**Total Estimated Cost of Housing Projects: \$129,000,000**

**Total Estimated Repayment: \$116,100,000**

**Net Estimated Cost for Housing Projects: \$12,900,000**

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## Housing Services

**There are no repayments from the Housing Services activities.**

**Rental Security Deposit Program:** Provides rental security deposit funds to qualifying households for units in the unincorporated County. (Housing Element Program 4.11) (Implementation Plan Goal 6iii)  
Estimated Cost: \$ 1,232,000

**Mental Health Supportive Housing:** Provides rental subsidy to clients of Santa Cruz County Mental Health enrolled in its Supportive Housing Program. (Housing Element Program 5.4) (Implementation Plan Goal 6iv)  
Estimated Cost: \$ 4,000,000

**Families in Transition (FIT) Short Term Housing Assistance Program:** Provides rental subsidy to formerly homeless families who are clients of FIT. (Housing Element Program 4.11) (Implementation Plan Goal 6iv)  
Estimated Cost: \$ 1,248,000

**Community Action Board Emergency Housing Assistance Program:** Homelessness prevention program providing temporary emergency rental assistance targeted to households facing loss of housing. (Housing Element Program 4.11) (Implementation Plan Goal 6iv)  
Estimated Cost: \$ 1,600,000

**Transition Age Youth Aftercare Program:** Provides up to \$ 3,000 of one time housing assistance to income eligible youth graduating from the Independent Living Program THP+ Program. (Housing Element Program 5.6) (Implementation Plan Goal 6iv)  
Estimated Cost: \$ 576,000

**Homeless Action Partnership (HAP) Technical Support:** Provides on-going technical support, grant writing and coordination assistance for \$ 1,700,000 annual HUD application for housing and support services for homeless individuals and families and maintains performance measures that leverage additional funding for permanent and transitional housing. (Net amount is approx. \$ 460,000 - nearly 50% of contract amount reimbursed by other parties). (Housing Element Program 5.4) (Implementation Plan Goal 7i)  
Estimated Cost: \$ 914,000

**Transition Age Youth (TAY) Supportive Housing Pilot Program:** Provides rent subsidy for four units for time limited program (5-years) at the Heart of Soquel Mobile Home Park to former foster youth with the purpose of developing a model for permanent project. (Housing Element Program 5.6) (Implementation Plan Goal 6iv)  
Estimated Cost: \$ 180,000

**Willowbrook Board and Care Rental Subsidy Program:** Provide rental subsidies to income eligible residents of 42 bed facility for psychiatrically disabled adults. Subsidy period: five years. (Housing Element Program 5.9) (Implementation Plan Goal 6iv)  
Estimated Cost: \$ 950,000

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**Total Estimated Cost for Services: \$10,700,000**

**Total Estimated Cost for Housing Projects, Programs and Services \$ 212,000,000  
with Estimated Repayments of \$ 181,170,000 for a Total Net Estimated Cost of  
\$ 30,830,000**

## **Housing Administration**

### **Housing Project/Program Administration and Project Management:**

Administrative Cost are those for services associated with the development of projects and programs including: the purchase of land; negotiation and development of agreements; public outreach process; approval and permitting process; financial, legal, and other specialized consulting services; financial compliance and other governmental reporting, including financial administrative oversights; the administration of housing projects including monitoring of affordable housing agreements, resale restrictions, or other covenants associated with affordable housing projects; the drafting of funding availability notices and development of affordable housing agreement documents; additional indirect cost associated with the administrative support needed to carry out these public improvements; the preparation of grant application and State and Federal grant management; project management includes salaries, benefits and overhead cost for planning, design and construction. The amounts included for project management and administration are consistent with historical and current annual project management and administrative costs. (Housing Element Program 4.9)

Estimated Annual Cost: \$ 1,860,000

COOPERATION AGREEMENT BETWEEN THE COUNTY OF  
SANTA CRUZ AND THE REDEVELOPMENT AGENCY OF THE  
COUNTY OF SANTA CRUZ FOR FUNDING OF SPECIFIED  
PROPERTY MANAGEMENT AND DEVELOPMENT COSTS

THIS COOPERATION AGREEMENT BETWEEN THE COUNTY OF SANTA CRUZ AND THE REDEVELOPMENT AGENCY OF THE COUNTY OF SANTA CRUZ FOR FUNDING OF SPECIFIED PROPERTY MANAGEMENT AND DEVELOPMENT COSTS (the "Agreement") is dated for reference purposes as of the 8th day of March, 2011 (the "Agreement Date"), and is being entered into by and between the County of Santa Cruz ("County") and the Redevelopment Agency of the County of Santa Cruz ("Agency").

RECITALS:

A. Pursuant to applicable provisions of the Community Redevelopment Law (California Health & Safety Code Section 33000 *et seq.*), County's Board of Supervisors approved the Redevelopment Plan for the Live Oak/Soquel Redevelopment Project Area (the "Project Area") through its adoption of Ordinance No. 3836 on May 12, 1987. County's Board of Supervisors subsequently amended said Redevelopment Plan as set forth in Ordinance No. 4297 adopted on May 22, 1994, Ordinance No. 4545 adopted on May 25, 1999, and Ordinance No. 4700 adopted on January 14, 2003. The original Redevelopment Plan as so amended is referred to herein as the "Redevelopment Plan."

B. Agency is implementing the Redevelopment Plan. As of the Agreement Date, Agency has initiated a number of projects and programs and is assisting and cooperating with County in implementing joint projects and programs to benefit the Project Area, redevelop and eliminate blighting conditions in the Project Area, increase, improve, and preserve affordable housing within the Project Area and unincorporated portions of Santa Cruz County, including without limitation those projects and programs identified in Agency's previously adopted FY 2010-2011 budget, its Statements of Indebtedness filed in accordance with Health & Safety Code Section 33675, its most recently completed Annual Report prepared in accordance with Health & Safety Code Section 33080 *et seq.*, and its most recently adopted 5-year Implementation Plan prepared in accordance with Health & Safety Code Section 33490.

C. Pursuant to Health & Safety Code Section 33220 and County's police powers, County has the authority to aid and cooperate with Agency in the planning, undertaking, construction or operation of redevelopment projects within the area in which County and Agency are authorized to act.

D. On or about the Agreement Date Agency's Board of Directors has taken action to convey and transfer a number of Agency-owned properties (herein, the "Redevelopment Properties") to County and County's Board of Supervisors has taken action to accept conveyance and transfer of the Redevelopment Properties from Agency. Such conveyances and transfers are consistent with applicable provisions of law, including without limitation Health & Safety Code Sections 33430-33432, subject to the understanding that County has covenanted and shall be obligated to own, operate, maintain, use, and sell or lease (if applicable) each of the Redevelopment Properties in compliance with all applicable provisions of the Community Redevelopment Law (Health & Safety Code Section 33000 *et seq.*) that would apply to Agency if Agency had retained title to the Redevelopment Properties.



E. County anticipates that it will incur various administrative, property management, and development costs in conjunction with its ownership, operation, maintenance, and use of the Redevelopment Properties prior to completion of the redevelopment of said properties, including without limitation the costs categorized and listed in Exhibit "A" attached hereto (collectively, the "Property Management and Development Costs"). Such costs are eligible costs to be paid by Agency pursuant to existing law.

F. In consideration of County's agreement to accept the conveyance and transfer of the Redevelopment Properties from Agency and its covenant to own, operate, maintain, use, and sell or lease (if applicable) such properties in compliance with all applicable provisions of the Community Redevelopment Law that would apply to Agency if Agency had retained title to the Redevelopment Properties Agency is willing to pay to County all of County's actual and reasonable Property Management and Development Costs. By their approval of this Agreement, County's Board of Supervisors has determined on behalf of County and Agency's Board of Directors has determined on behalf of Agency that (1) County's acceptance of the conveyance and transfer of the Redevelopment Properties and performance of its obligations hereunder is of benefit to the redevelopment project area described in the Redevelopment Plan, will help to eliminate blighting conditions within said redevelopment project area, and/or (with respect to those properties acquired with housing funds pursuant to Health & Safety Code Section 33334.2) will provide housing for low- or moderate-income persons; (2) no other reasonable means of paying the Property Management and Development Costs are available to the community; and (3) Agency's payment of the Property Management and Development Costs is consistent with the goals and objectives of the Implementation Plan adopted by Agency pursuant to Health & Safety Code Section 33490.

G. County and Agency desire to enter into this Agreement to ensure that the Redevelopment Properties are redeveloped in accordance with the Community Redevelopment Law and the adopted Redevelopment Plan.

### A G R E E M E N T:

NOW, THEREFORE, based on the foregoing Recitals, which are incorporated herein by this reference, and for good and valuable consideration, the receipt and sufficiency of which is acknowledged by both parties, County and Agency hereby agree as follows:

1. Findings and Determinations. County's Board of Supervisors and Agency's Board of Directors hereby confirm and declare by virtue of their approval of this Agreement that they are hereby making all of the determinations referred to in Recital F.

2. Agency Funding. Agency hereby covenants and pledges to pay to County all of the actual and reasonable costs incurred by County to pay the Property Management and Development Costs identified in Exhibit "A" attached hereto, with the understanding that County's actual costs may differ from the estimated costs listed in Exhibit "A" and this Agreement is intended to cover all actual and reasonable Property Management and Development Costs incurred by County for said purposes in fiscal year 2010-2011 and in future fiscal years until the earlier of the following dates: (1) as to each of the Redevelopment Properties, the date on which redevelopment of each said property is completed, as determined by County; or (2) the termination date of the Redevelopment Plan based on the law in effect as of the Agreement Date (and without regard to whether the law changes after the Agreement Date to change said date). Except as may be otherwise subsequently agreed to by County and Agency, Agency payments shall be made as County costs are incurred, as determined by

County. County shall be entitled to periodically invoice Agency for payment of eligible costs and Agency shall pay eligible costs within thirty (30) days after receipt of invoice. County shall expend all payments received from Agency pursuant to this Agreement only for the identified purposes, as the same may be modified from time to time consistent with the limitations set forth herein. Upon Agency's request, County shall account to Agency for all County costs and expenditures.

3. Indebtedness of Agency. Agency's funding of the Property Management and Development Costs is intended to and shall constitute an indebtedness of Agency within the meaning of Article 16, Section 16 of the California Constitution and Health & Safety Code Section 33670(b), as the same exist as of the Agreement Date. Agency shall include the Property Management and Development Costs in its annual budgets, in the annual statements of indebtedness Agency is required to annually file pursuant to Health & Safety Code Section 33675, in to the extent required in its annual reports (Health & Safety Code Section 33080 *et seq.*) and its 5-year implementation plans (Health & Safety Code Section 33490), and Agency shall take all other legal actions required to have sufficient property tax increment revenues allocated and paid to Agency to enable Agency to timely perform its payment obligations to County hereunder.

4. Subordination. Agency's funding obligations hereunder shall be junior and subordinate to (i) all Agency tax allocation bonds or other direct long-term indebtedness of Agency, (ii) all pledges by Agency of tax increments for tax allocation bonds or other direct long-term indebtedness of Agency, (iii) other Agency financial agreements or other contractual obligations of Agency, and (iv) any contingent obligations of Agency. This subordination provision shall be applicable to all such Agency obligations as set forth in this section, whether such obligations are incurred prior to or after the Agreement Date.

5. No Third Party Beneficiaries; Binding on Successors and Assigns. There are no third party beneficiaries under this Agreement. No person or entity other than County and Agency and their respective successors and assigns shall have any rights or any right of action hereunder. To the maximum extent permitted by law, this Agreement is intended to be binding upon the voluntary and involuntary successors and assigns of County and Agency.

6. Severability. Each provision of this Agreement shall be severable from the whole, and if any provision of this Agreement shall be found contrary to law, the remainder of this Agreement shall remain in full force and effect.

7. Non-Liability of Members, Officials, Employees, and Agents; Non-Recourse Obligation. No member, official, employee, or agent of County or Agency shall be personally liable for performance by County or Agency hereunder, for breach or default by County or Agency hereunder, for any amounts which may be payable or become due hereunder, or for any judgment or execution thereon entered in any action.

8. Entire Agreement; Amendment. This Agreement shall constitute the entire agreement of the parties hereto concerning the subject matter addressed herein. This Agreement may be amended or modified only by an agreement in writing signed by the authorized representatives of the parties, after any and all required actions by the parties' governing boards. This Agreement is not intended to supersede, limit, or modify the separate Cooperation Agreement entered into by and between County and Agency dated as of February 8, 2011, or the Amended and Restated Cooperation Agreement entered into by and between County and Agency dated as of February 15, 2011, with the understanding that if any

of the Property Management and Development Costs described herein are also eligible costs to be paid or reimbursed by Agency thereunder County shall not be entitled to a duplicative payment.

IN WITNESS WHEREOF, County and Agency have entered into this Agreement to be effective as of the Agreement Date.

COUNTY OF SANTA CRUZ

By: MARK W. STONE  
Its: Chairperson, Board of Supervisors

ATTEST:

TESS FITZGERALD  
Clerk of the Board

REDEVELOPMENT AGENCY OF THE  
COUNTY OF SANTA CRUZ

By: SUSAN A. MAURIELLO  
Its: Executive Director

ATTEST:

TESS FITZGERALD  
Agency Secretary

APPROVED AS TO FORM:

Rutan & Tucker, LLP

By: \_\_\_\_\_  
Jeffrey M. Oderman, Esq., Special Counsel  
to County and Agency

## Exhibit A

## Property Management and Development Cost

Property management is comprised of duties and costs related to owning, maintaining, using, leasing and developing the properties on Attachment 1. These duties comprise all activities required for maintenance, operation, and repair of vacant and tenant occupied properties. Duties and costs include, but are not limited to managing: operation, deferred maintenance, repairs, vendor selection, contract management, clearing land, rent collection, account management, tenant selection, eviction, security deposit account management and annual interest payment, utility services, relocations, inspections, hazardous abatement, and demolitions as well as, paying property- related fees such as property taxes and possessory interest, and insuring properties. Current property management within the Agency includes salaries and benefits, which are consistent with historical and current annual project management costs.

Estimated Annual Net Cost	\$ 100,000
Total Cost for 6 Years	<u>\$ 600,000</u>

Note: Annual costs are expected to decrease over time as properties are developed, and to be adjusted on an annual basis per the Consumer Price Index.

Real Property for Transfer	
APN	Location Description
029-101-43	1740 17th Avenue, Santa Cruz
025-084-28	Commercial Way at Commercial Crossing, Santa Cruz
028-302-04	40 Moran Way, Santa Cruz
030-153-10	east side of Porter Street, south of Soquel Drive, Soquel
030-153-24	4740-4744 Soquel Drive, Soquel
030-341-10	north side of Soquel Drive, east of 41st Avenue
032-251-07	south side of East Cliff Drive between 37th Ave/Manzanita, Santa Cruz
037-101-58	5555 Soquel Drive, Soquel
037-101-59	5540 Tee Street, Soquel
026-111-03	1240 Rodriguez Street, Santa Cruz
029-071-38	1965-1975-1985 Chanticleer Avenue, Santa Cruz
029-071-68	1925 Chanticleer Avenue, Santa Cruz
029-171-05	2340 Harper Street, Santa Cruz
026-261-13	855 7th Avenue, Santa Cruz
026-261-16	901 7th Avenue, Santa Cruz
026-261-17	905 7th Avenue, Santa Cruz
026-741-12	1412 Capitola Road, Santa Cruz
026-741-13	1438 Capitola Road, Santa Cruz
026-741-14	1500 Capitola Road, Santa Cruz
026-741-15	1514 Capitola Road, Santa Cruz
030-071-08	Public Parking Lot, Soquel Drive at Daubenbiss Avenue, Soquel
030-081-17	Public Parking Lot, Soquel Drive at Daubenbiss Avenue, Soquel
030-142-18	Daubenbiss Public Parking Lot, Soquel
030-142-32	Daubenbiss Public Parking Lot, Soquel
030-142-33	Daubenbiss Public Parking Lot, Soquel
026-081-49	522 Capitola Road Extension, Santa Cruz
027-401-08	755 14th Avenue, #108, Santa Cruz

<b>Real Property for Transfer</b>	
APN	Location Description
037-082-53	5313 Soquel Drive, Soquel
037-621-06	111 Atherton Loop, Aptos
037-621-10	119 Atherton Loop, Aptos
048-371-15	218 Pajaro Circle, Freedom
048-371-19	210 Pajaro Circle, Freedom
051-621-01	201 Amador, Watsonville
051-631-19	606 Calle Cuesta, Watsonville

<b>Miscellaneous Property and Agreements for Transfer</b>	
Number	Location Description
Asset No. 7000080832	Portable Building for Teen Center at Shoreline Middle School
030-153-08	Public Parking Easement on 2860 Porter Street, Soquel
	Mobilehome Space Storage Agreement

**Non-Housing Properties Transferred to County**

Per the Amended and Restated Cooperation Agreement of February 15, 2011  
and Property Management Cooperation Agreement of March 8, 2011

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**Properties Sold or Encumbered by County In Third Party Agreement -  
Not Subject to Further Review at this Time**

APN 029-101-43	Live Oak Resource Center, 1740 17th Avenue, S.C.	Leased
APN 026-111-03	1240 Rodriguez Street, Santa Cruz	Sold to Habitat for Humanity
APN 029-171-05	2340 Harper Street, Santa Cruz	In escrow to Santa Cruz Community Counseling
APN 030-341-10	north side of Soquel Drive, east of 41st Avenue	Sold to Soquel Creek Water District

**Properties with Governmental Use**Public Parking Lots

APN 030-071-08	Soquel Drive at Daubenbiss Avenue, Soquel
APN 030-081-17	Soquel Drive at Daubenbiss Avenue, Soquel
APN 030-142-18	Daubenbiss Public Parking Lot, Soquel
APN 030-142-32	Daubenbiss Public Parking Lot, Soquel
APN 030-142-33	Daubenbiss Public Parking Lot, Soquel
APN 030-153-08	Parking Easement - 2860 Porter Street, Soquel

Public Parks

APN 037-101-58	The Farm Park - 5555 Soquel Drive, Soquel
APN 037-101-59	The Farm Park- 5540 Tee Street, Soquel
APN 029-071-38	Chanticleer Avenue Park - 1965-1975-1985 Chanticleer Avenue, Santa Cruz
APN 029-071-68	Chanticleer Avenue Park -1925 Chanticleer Avenue, Santa Cruz
APN 032-251-07	East Cliff Parkway - East Cliff Drive between 37th Ave/Manzanita, Santa Cruz
APN 028-302-04	Moran Lake Park and Butterfly Habitat - 40 Moran Way,Santa Cruz
APN 030-153-24	Heart of Soquel and Soquel Creek Linear Park - 4740-4744 Soquel Drive, Soquel
APN 030-153-10	Soquel Creek Linear Park - southeast of Soquel Drive/Porter Street intersection, Soquel

**Other Properties**7th Avenue Site

APN 026-261-13	855 7th Avenue, Santa Cruz
APN 026-261-16	901 7th Avenue, Santa Cruz
APN 026-261-17	905 7th Avenue, Santa Cruz

Capitola Road Site

APN 026-741-12	1412 Capitola Road, Santa Cruz
APN 026-741-13	1438 Capitola Road, Santa Cruz
APN 026-741-14	1500 Capitola Road, Santa Cruz
APN 026-741-15	1514 Capitola Road, Santa Cruz

APN 025-084-28	Commercial Way at Commercial Crossing, S.C.	remainder after development of Commercial Crossing
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**Properties Acquired by the Santa Cruz County Redevelopment Agency for a Governmental Purpose**

Property	Location	APN's	Date of Acquisition*	Governmental Use	Zoning	Size (acres)	Master Plan/Special Use Plan	Permits Issued	Deed Restrictions	Other
Farm Park	5555 Soquel Dr, Soquel	037-101-58	6/11/1991	Public Park	PR	3.750	yes	Development Permit	yes	State Urban Greening Grant (prop 84)
	5540 Tee St, Soquel	037-101-59	6/11/1991		PR	1.772	yes		yes	
Chanticleer Ave. Park	1965-1975-1985 Chanticleer Ave, Santa Cruz	029-071-38	10/8/1996	Public Park	PR	2.317	yes	Development Permit	yes	
	1925 Chanticleer Ave, Santa Cruz	029-071-68	10/5/2004		PR	2.167	yes		yes	
Moran Way/Moran Lake Park	40 Moran Way, Santa Cruz	028-302-04	6/24/2008	Public Park	PR	0.760	Habitat Plan		yes	Moran Lake Butterfly Habitat Mgt Plan
Heart of Soquel & Soquel Creek Linear Park	4740-4744 Soquel Dr, Soquel southeast of Soquel Dr/Porter St intersection, Soquel	030-153-24	3/2/1993	Public Park &	PF	1.220	yes	Development Permit	yes	Soquel Village Plan
		030-153-10	9/18/2007	Public Parking	PF	0.482	yes	Demolition	yes	
East Cliff Parkway	East Cliff Dr between 37th Ave/Manzanita, Santa Cruz	032-251-07	6/26/2007	Public Park	PR	0.297	yes	Coastal Development Permit	yes	Pleasure Point Plan
Daubenbiss Parking Lot	Daubenbiss Public Parking Lot, Soquel	030-142-18	8/13/1991	Public Parking	PF	0.226	yes	Development Permit	yes	Soquel Village Plan
		030-142-32	11/9/1993			0.130	yes			
		030-142-33	11/9/1993			0.112	yes			
Soquel Drive Parking Lot	Soquel Dr at Daubenbiss Ave, Soquel	030-071-08	9/12/1989	Public Parking	PF	0.277	yes	Development Permit	yes	Soquel Village Plan
		030-081-17	11/20/1990			0.253	yes			
Porter Street Public Parking Easement	2860 Porter St, Soquel	030-153-08	6/9/1999	Public Parking		0.517	yes	Development Permit	yes	Soquel Village Plan

**Zoning Key**  
 PR- Parks, Recreation and Open Space  
 PF - Public Facility

\* Date of Resolution approving acquisition.



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**Resolutions for Real Property Acquisitions**

<u>Resolution No.</u>	<u>Property</u>	<u>APN</u>
412-91	The Farm Park	037-101-13 & 45
380-96	Chanticleer Park	029-071-38
338-2004	Chanticleer Park	029-071-68
165-2008	40 Moran Way	028-302-04
89-90	Heart of Soquel	030-153-24
90-93	Heart of Soquel	030-153-24
268-2007	Heart of Soquel	030-153-10
213-2007	East Cliff Parkway	032-251-07
520-91	Daubenbiss Parking Lot	030-142-18
583-93	Daubenbiss Parking Lot	030-142-32 & 33
625-89	Soquel Parking Lot	030-071-08
685-90	Soquel Parking Lot	030-081-17
NA	Porter St. Easement	NA

BEFORE THE BOARD OF DIRECTORS  
OF THE REDEVELOPMENT AGENCY OF THE COUNTY OF SANTA CRUZ,  
STATE OF CALIFORNIA

0137

RESOLUTION NO. 412-91

On the motion of Director Levy  
duly seconded by Director Belgard  
the following resolution is adopted:

RESOLUTION FOR REAL PROPERTY ACQUISITION

RESOLVED by the Board of Directors of the Santa Cruz County Redevelopment Agency, State of California:

WHEREAS, the need for additional park sites and affordable housing within the Live Oak-Soquel project area has been clearly documented, and that acquisition of portions of APN 037-101-13 and 45 will serve to provide for a portion of that need; and

WHEREAS, there are no other reasonable means for acquiring such facilities; and

WHEREAS, the Redevelopment Agency of the County of Santa Cruz is therefore desirous of acquiring the real property described in the attached purchase contract; and

WHEREAS, the owner(s) of said real property will execute and deliver a Deed or other appropriate legal instrument conveying said property to the Agency, upon condition that Agency approve this resolution binding Agency to the performance of the terms set forth therein; and


WHEREAS, the Board of Directors of said Agency hereby finds the terms set forth therein to be fair and reasonable consideration for the acquisition of said real property;

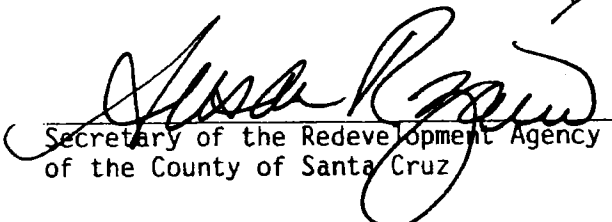
NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Redevelopment Agency of the County of Santa Cruz does hereby accept the terms of sale as described in the purchase contract:

BE IT FURTHER ORDERED that the Redevelopment Agency Administrator is authorized and directed to sign and process all documents related to this property acquisition.

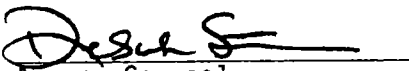
PASSED AND ADOPTED by the Board of Directors of the Redevelopment Agency of the County of Santa Cruz, State of California, this 11th day of June \_\_\_\_\_, 1991, by the following vote:

AYES:	DIRECTORS	Beautz, Levy, Patton, Belgard, Keeley
NOES:	DIRECTORS	None
ABSENT:	DIRECTORS	None

  
Chairperson of Said Board

ATTEST:   
Secretary of the Redevelopment Agency  
of the County of Santa Cruz

Approved as to form:

  
Agency Counsel

Distribution: County Counsel  
Auditor-Controller  
Public Works (Real Property)  
Redevelopment

Attachment 1BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SANTA CRUZ,  
STATE OF CALIFORNIARESOLUTION NO. 380-96

On the motion of Supervisor Wormhoudt  
duly seconded by Supervisor Beautz  
the following resolution is adopted:

RESOLUTION OF CONSENT AND FINDINGS FOR REAL PROPERTY  
ACQUISITION AND CONTRACT FOR PURCHASE WITH SEBASTIANO  
ITALIA

RESOLVED by the Board of Supervisors of the County of Santa Cruz, State of California:

WHEREAS, acquisition by the Agency of APN 029-071-38, as identified in the contract with Sebastiano Italia, requires concurrence of the local legislative body; and

WHEREAS, the need for park sites within the Live Oak Soquel project area has been clearly documented, and the acquisition referenced herein will serve to provide for a portion of that need, and preserve for the public a critical park site which would otherwise be permanently lost through private development; and

WHEREAS, the Board of Supervisors finds the acquisition and the proposed improvements are of benefit to the Project Area; and

Attachment 1

WHEREAS, the Board of Supervisors finds no other reasonable means of financing the improvement are available to the community; and

WHEREAS, the payment of funds for the acquisition of the land and improvements will assist in eliminating one or more conditions of blight in the project area and is consistent with the Five Year Implementation plan adopted by the Agency; and

WHEREAS, the Board of Supervisors finds the acquisition of the property is necessary to accomplish the purposes of the Redevelopment Plan;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Board of Supervisors concurs with acceptance of the terms of the Contract for Purchase, and the need for Agency acquisition of the land and the improvements referenced herein, and makes the findings stated above.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 8th day of October, 1996, by the following vote:

AYES: SUPERVISORS Beautz, Wormhoudt, Keeley and Symons  
NOES: SUPERVISORS None  
ABSENT: SUPERVISORS Belgard

WALTER J. SYMONS

Chairperson of Said Board

SUSAN M. ROZARIO

ATTEST:

Clerk of the Board

Approved as to-form

*Henry A. Oberhelman*  
County Counsel

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<p>STATE OF CALIFORNIA COUNTY OF SANTA CRUZ</p> <p>I, SUSAN A. MAURIELLO, County Administrative Officer and 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 a resolution passed and adopted by and entered in the minutes of the said board. In witness whereof I have hereunto set my hand and affixed the seal of the said Board on <u>10-9</u> 19<u>96</u>.</p> <p>SUSAN A. MAURIELLO, County Administrative Officer</p> <p>By <u>SANDY HAVEN</u> Deputy</p>
--

## ATTACHMENT 2

**BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA**

**RESOLUTION NO. 338-2004**

On the motion of Supervisor Pirie duly seconded by Supervisor Campos  
the following resolution is adopted:

**RESOLUTION FOR REAL PROPERTY ACQUISITION**

RESOLVED by the Board of Supervisors of the County of Santa Cruz, State of California:

WHEREAS, the acquisition of APN 029-071-68 (the "Property"), as a portion of a future park site, will benefit the Live Oak Soquel Redevelopment Project Area ; and

WHEREAS, there are no other reasonable means of financing the Property acquisition available to the community; and

WHEREAS, the payment of Redevelopment Agency funds for the acquisition of the Property will assist in the elimination of one or more blighted conditions inside the Project Area; and

WHEREAS, acquisition of the Property by the Redevelopment Agency requires the consent of the local legislative body.

NOW THEREFORE, BE IT RESOLVED AND ORDERED that the Board of Supervisors of Santa Cruz County gives its consent for the acquisition of APN 029-071-68 by the Redevelopment Agency.

**PASSED AND ADOPTED** by the Board of Supervisors of the County of Santa Cruz, State of California, this 5th day October, 2004, by the following vote:

AYES: Beautz, Pirie, Campos, Stone and Wormhoudt

NOES: None

ABSENT: None

**MARDI WORMHOUDT**

\_\_\_\_\_  
CHAIRPERSON OF THE BOARD OF SUPERVISORS

**GAIL T. BORKOWSKI**

ATTEST: \_\_\_\_\_

Clerk of said Board

Approved as to form:

*Jane M. Scott*

County Counsel

Distribution: Redevelopment Agency  
Auditor-Controller  
County Counsel  
Public Works (Real Property)

S:\Board Pend\ChantResoBS.wpd

STATE OF CALIFORNIA )  
COUNTY OF SANTA CRUZ ) SS  
I, SUSANA MAURIELLO, County Administrative  
Officer and 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 resolution passed  
and adopted by and entered in the minutes of the  
said board. In witness whereof I have hereunto  
set my hand and affixed the seal of the said  
Board on 10/6/04 2004  
SUSANA MAURIELLO, County  
Administrative Officer  
By *[Signature]* Deputy

## ATTACHMENT 4

BEFORE THE BOARD OF DIRECTORS  
OF THE REDEVELOPMENT AGENCY OF THE COUNTY OF SANTA CRUZ,  
STATE OF CALIFORNIA

RESOLUTION NO. 165-2008

On the motion of Director Campos duly seconded by Director Stone the following resolution is adopted:

## RESOLUTION FOR REAL PROPERTY ACQUISITION

RESOLVED by the Board of Directors of the Redevelopment Agency of the County of Santa Cruz, State of California:

WHEREAS, the acquisition of APN: 028-302-04 (the "Property") located at 40 Moran Way, for future park and public uses will benefit the Live Oak Soquel Redevelopment Project Area; and

WHEREAS, there are no other reasonable means of financing the Property acquisition available to the community; and

WHEREAS, the payment of Redevelopment Agency funds for the acquisition of the Property will assist in the elimination of one or more blighted conditions inside the Project Area; and

WHEREAS, the Redevelopment Agency of the County of Santa Cruz is desirous of acquiring the real property described in the purchase agreement (Exhibit A), on file with the Clerk of the Board; and

WHEREAS, the owner(s) of the real property will execute and deliver a deed or other appropriate legal instrument conveying the property to the Agency, and upon condition that the Agency approve this resolution binding itself to the performance of the terms set forth in the purchase agreement; and

WHEREAS, the Board of Directors of the Agency hereby finds the terms set forth in the purchase agreement to be fair and reasonable consideration for the acquisition of the real property.

NOW THEREFORE, BE IT RESOLVED AND ORDERED that the Redevelopment Agency of the County of Santa Cruz does hereby accept the terms of the sale as described in the purchase agreement; and

BE IT FURTHER ORDERED that the Redevelopment Agency Administrator is authorized and directed to sign and process all documents and take necessary actions related to the Property acquisition.



**PASSED AND ADOPTED** by the Board of Directors of the Redevelopment Agency of the County of Santa Cruz, State of California, this twenty-fourth day of June, 2008, by the following vote:

AYES: Beautz, Coonerty, Campos, Stone and Pirie  
NOES: None  
ABSENT: None

**ELLEN PIRIE**

**CHAIRPERSON OF THE BOARD OF DIRECTORS**

ATTEST: **TESS FITZGERALD**  
Clerk of said Board

Approved as to form:

*Jane M. Scott*  
County Counsel

Distribution: Redevelopment Agency  
Auditor-Controller  
County Counsel  
Public Works (Real Property)

STATE OF CALIFORNIA COUNTY OF SANTA CRUZ ) 55 I, SUSAN A. MAURIELLO, County Administrative Officer and 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 resolution passed and adopted by and recorded in the minutes of the said board. In witness whereof I have hereunto set my hand and affixed the seal of the said Board on <u>7/1</u> 20 <u>08</u> SUSAN A. MAURIELLO, County Administrative Officer By <u><i>Alta Mena</i></u> Deputy
--

~~7/1~~

Attachment 1

BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SANTA CRUZ,  
STATE OF CALIFORNIA

RESOLUTION NO. 89-90

On the motion of Supervisor Patton  
duly seconded by Supervisor Keeley  
the following resolution is adopted:

RESOLUTION FOR REAL PROPERTY ACQUISITION

RESOLVED by the Board of Supervisors of the County of Santa Cruz,  
State of California:

WHEREAS, the need for flood control in the Soquel Village area has  
been clearly documented, and that acquisition of APN 030-153-24 will  
serve to provide for a portion of that need; and

WHEREAS, there are no other reasonable means for acquiring such  
facilities; and

WHEREAS, the Redevelopment Agency of the County of Santa Cruz is  
desirous of acquiring the real property Known as the Heart of Soquel  
Mobilehome Park, APN 030-153-24; and

WHEREAS, acquisition of such property by the Redevelopment Agency  
requires concurrence of the local legislative body.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Board of  
Supervisors concurs with the need for Agency acquisition of APN 030-153-  
24.

Attachment 1

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 2nd day of March, 1993, by the following vote:

AYES:	SUPERVISORS	Beautz, Patton, Keeley and Belgard
NOES:	SUPERVISORS	Symons
ABSENT:	SUPERVISORS	None

**RAY BELGARD**

Chairperson of Said Board

**SUSAN M. ROZARIO**

ATTEST: \_\_\_\_\_  
Clerk of the Board

Approved as to form:

[Signature]  
County Counsel

Distribution:

- County Counsel
- Public Works (Real Property)
- Redevelopment
- Auditor-Controller

STATE OF CALIFORNIA )  
COUNTY OF SANTA CRUZ ) ss

I, SUSAN A. MAURIELLO, County Administrative Officer and 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 a resolution passed and adopted by and entered in the minutes of the said Board. In witness whereof I have hereunto set my hand and affixed the seal of the said Board on 3/2 1993.

SUSAN A. MAURIELLO, County Administrative Officer

By [Signature] Deputy

Attachment 3BEFORE THE BOARD OF DIRECTORS  
OF THE REDEVELOPMENT AGENCY OF THE COUNTY OF SANTA CRUZ,  
STATE OF CALIFORNIARESOLUTION NO. 90-93On the motion of Director Patton  
duly seconded by Director Keeley

the following resolution is adopted:

RESOLUTION FOR REAL PROPERTY ACQUISITION

RESOLVED by the Board of Directors of the Redevelopment Agency of the County of Santa Cruz, State of California:

WHEREAS, the need for flood control in the Soquel Village area has been clearly documented, and acquisition of APN 030-153-24 will serve to provide for a portion of that need; and

WHEREAS, there are no other reasonable means for acquiring such facilities; and

WHEREAS, the Redevelopment Agency of the County of Santa Cruz is desirous of acquiring the real property described in the attached purchase agreement (Exhibit A); and

WHEREAS, the owner(s) of the real property will execute and deliver a deed or other appropriate legal instrument conveying the property to the Agency, and upon condition that the Agency approve this resolution binding itself to the performance of the terms set forth therein; and

WHEREAS, the Board of Directors of the Agency hereby finds the terms set forth therein to be fair and reasonable consideration for the acquisition of the real property.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Redevelopment Agency of the County of Santa Cruz does hereby accept the terms of sale as described in the purchase agreement;

BE IT FURTHER ORDERED that the Redevelopment Agency Administrator is authorized and directed to sign and process all documents and take necessary actions related to this property acquisition.

PASSED AND ADOPTED by the Board of Directors of the Redevelopment Agency of the County of Santa Cruz, State of California, this 2nd day of March, 1993, by the following vote:

AYES: DIRECTORS Beautz, Patton, Keeley & Belgard  
NOES: DIRECTORS Symons  
ABSENT: DIRECTORS None

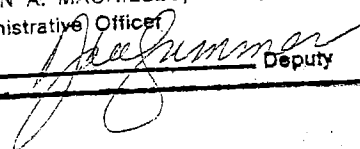
**RAY BELGARD**  
Chairperson of Said Board

ATTEST: **SUSAN M. ROZARIO**  
Secretary of the Redevelopment Agency  
of the County of Santa Cruz

Approved as to form:

  
Agency Counsel

Distribution: County Counsel  
Auditor-Controller  
Public Works (Real Property)  
Redevelopment

STATE OF CALIFORNIA ) ss  
COUNTY OF SANTA CRUZ )  
I, SUSAN A. MAURIELLO, County Administrative Officer and 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 a resolution passed and adopted by and entered in the minutes of the said board. In witness whereof I have hereunto set my hand and affixed the seal of the said Board on 3/2 19 93.  
SUSAN A. MAURIELLO, County Administrative Officer  
By  Deputy

ATTACHMENT 2

BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

RESOLUTION NO. 268-2007

On the motion of Supervisor Pirie duly seconded by Supervisor Campos  
The following resolution is adopted:

RESOLUTION FOR REAL PROPERTY ACQUISITION

RESOLVED by the Board of Supervisors of the County of Santa Cruz, State of California:

WHEREAS, the acquisition of APN 030-153-10 (the "Property"), for future park and public parking uses, will benefit the Live Oak Soquel Redevelopment Project Area; and

WHEREAS, there are no other reasonable means of financing the Property acquisition available to the community; and

WHEREAS, the payment of Redevelopment Agency funds for the acquisition of the Property will assist in the elimination of one or more blighted conditions inside the Project Area; and

WHEREAS, acquisition of the Property by the Redevelopment Agency requires the consent of the local legislative body.

NOW THEREFORE, BE IT RESOLVED AND ORDERED that the Board of Supervisors of Santa Cruz County gives its consent for the acquisition of APN 030-153-10 by the Redevelopment Agency.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 18<sup>th</sup> day of September, 2007, by the following vote:

AYES: Pirie, Coonerty, Campos, Stone and Beautz  
NOES: None  
ABSENT: None

JANET K. BEAUTZ  
CHAIRPERSON OF THE BOARD OF SUPERVISORS

ATTEST: TESS FITZGERALD  
Clerk of said Board

Approved as to form:

Jan M. Scott  
County Counsel

Distribution: Redevelopment Agency  
Auditor-Controller  
County Counsel  
Public Works (Real Property)

STATE OF CALIFORNIA )  
COUNTY OF SANTA CRUZ ) SS  
I, SUSAN A. MAURIELLO, County Administrative Officer and 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 resolution passed and adopted by and entered in the minutes of the said board. In witness whereof I have hereunto set my hand and affixed the seal of the said Board on 9/18 2007  
SUSAN A. MAURIELLO, County Administrative Officer  
By Alicia Spence Deputy

**ATTACHMENT 2**

**BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA**

**RESOLUTION NO. 213-2007**

On the motion of Supervisor Pirie duly seconded by Supervisor Campos  
The following resolution is adopted:

**RESOLUTION FOR REAL PROPERTY ACQUISITION**

RESOLVED by the Board of Supervisors of the County of Santa Cruz, State of California:

WHEREAS, the acquisition of APN 032-251-07 (the "Property"), for future park uses, will benefit the Live Oak Soquel Redevelopment Project Area; and

WHEREAS, there are no other reasonable means of financing the Property acquisition available to the community; and

WHEREAS, the payment of Redevelopment Agency funds for the acquisition of the Property will assist in the elimination of one or more blighted conditions inside the Project Area; and

WHEREAS, acquisition of the Property by the Redevelopment Agency requires the consent of the local legislative body.

NOW THEREFORE, BE IT RESOLVED AND ORDERED that the Board of Supervisors of Santa Cruz County gives its consent for the acquisition of APN 032-251-07 by the Redevelopment Agency.

**PASSED AND ADOPTED** by the Board of Supervisors of the County of Santa Cruz, State of California, this 26<sup>th</sup> day of June, 2007, by the following vote:

AYES: Pirie, Coonerty, Campos, Stone and Beautz  
NOES: None  
ABSENT: None

JANET K. BEAUTZ  
CHAIRPERSON OF THE BOARD OF SUPERVISORS

ATTEST: GAIL T. BORKOWSKI  
Clerk of said Board

Approved as to form:

Maria Costa  
County Counsel

Distribution: Redevelopment Agency  
Auditor-Controller  
County Counsel  
Public Works (Real Property)

STATE OF CALIFORNIA )  
COUNTY OF SANTA CRUZ ) ss  
SUSANA MAURIELLO County Administrative  
Officer and ex-officio Clerk of the Board of Super-  
visors of the County of Santa Cruz, State of  
California do hereby certify that the foregoing is  
a true and correct copy of the resolution passed  
and adopted by and entered in the minutes of the  
said board. In witness whereof I have hereunto  
set my hand and affixed the seal of the said  
Board on June 26 2007  
SUSANA MAURIELLO, County  
Administrative Officer  
By Sharon Mitchell Deputy

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## Attachment 1

BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SANTA CRUZ,  
STATE OF CALIFORNIARESOLUTION NO. 520-91

On the motion of Supervisor Patton  
duly seconded by Supervisor Belgard  
the following resolution is adopted:

RESOLUTION REGARDING REDEVELOPMENT AGENCY LAND ACQUISITION

RESOLVED by the Board of Supervisor of the County of Santa Cruz, State of California:

WHEREAS, the fact that the lack of adequate parking, and traffic circulation problems impair the economic potential of the Soquel Village commercial area has been clearly documented, and that acquisition of APN 030-142-18 will serve to provide for additional public parking spaces and will maintain existing circulation patterns, and

WHEREAS, acquisition of the subject property will allow the Redevelopment Agency to work with adjoining property owners to develop an improved, shared parking and circulation plan, and

WHEREAS, the project will increase the number of available public parking spaces and improve traffic circulation in the project area and is therefore a benefit to the project area and project area residents, and

WHEREAS, there are no other reasonable means for acquiring and constructing such facilities, and

WHEREAS, the Redevelopment Agency of the County of Santa Cruz has indicated its intention to acquire the real property described in the purchase option attached hereto, and

WHEREAS, acquisition of such property by the Redevelopment Agency requires the concurrence of the local legislative body.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Board of Supervisors concurs with the need for acquisition of said property.



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PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 13th day of August, 1991, by the following vote:

AYES: SUPERVISORS Beautz, Levy, Patton, Belgard & Keeley  
NOES: SUPERVISORS None  
ABSENT: SUPERVISORS None

**FRED KEELEY**

Chairperson of said Board

ATTEST: SUSAN M. ROZARIO

Clerk of said Board

Approved as to form:

*[Signature]*  
County Counsel

Distribution: County Counsel  
Redevelopment Agency ✓  
County Administrative Office  
Auditor-Controller  
Public Works (Real Property)

STATE OF CALIFORNIA ) ss  
COUNTY OF SANTA CRUZ )  
I, SUSAN A. MAURIELLO, County Administrative Officer and 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 a resolution passed and adopted by and entered in the minutes of the said board. In witness whereof I have hereunto set my hand and affixed the seal of the said Board on 8/13 19 91.  
SUSAN A. MAURIELLO, County Administrative Officer  
By *[Signature]* Deputy

BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SANTA CRUZ,  
STATE OF CALIFORNIA

RESOLUTION NO. 583-93

On the motion of Supervisor Keeley  
duly seconded by Supervisor Symons  
the following resolution is adopted:

RESOLUTION FOR REAL PROPERTY ACQUISITION

RESOLVED by the Board of Supervisors of the County of Santa Cruz,  
State of California:

WHEREAS, the need for public parking within the Live Oak Soquel  
project area has been clearly documented, and acquisition of APN 030-  
142-32 and APN 030-142-33 will serve to provide for a portion of that  
need; and

WHEREAS, the property, its buildings, facilities, structures, or  
other improvements are of benefit to the project area or the immediate  
neighborhood in which the project is located;

WHEREAS, there are no other reasonable means of financing the  
property, and its buildings, facilities, structures, or other  
improvements which are available to the community; and

WHEREAS, the Redevelopment Agency of the County of Santa Cruz is  
desirous of acquiring the real property described in the attached  
purchase agreements; and

WHEREAS, acquisition of such property by the Redevelopment Agency

requires concurrence of the local legislative body.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Board of Supervisors concurs with the need for Agency acquisition of APN 030-142-32 and APN 030-142-33.

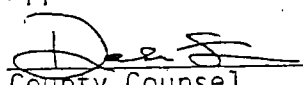
PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 9th day of November, 1993, by the following vote:

AYES:	SUPERVISORS	Beautz, Symons, Patton, Keeley, Belgard
NOES:	SUPERVISORS	None
ABSENT:	SUPERVISORS	None

**RAY BELGARD**  
Chairman of the Board

ATTEST: **SUSAN M. ROZARIO**  
Clerk of the Board

Approved as to form:

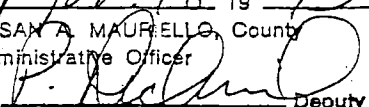
  
County Counsel.

- Distribution:
- County Counsel
  - Public Works (Real Property)
  - Redevelopment
  - Auditor-Controller

STATE OF CALIFORNIA )  
COUNTY OF SANTA CRUZ ) ss

I, SUSAN A. MAURIELLO, County Administrative Officer and 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 a resolution passed and adopted by and entered in the minutes of the said board. In witness whereof I have hereunto set my hand and affixed the seal of the said Board on Nov 18 1993.

SUSAN A. MAURIELLO, County Administrative Officer

By  Deputy

209  
6517

BEFORE THE BOARD OF DIRECTORS  
OF THE REDEVELOPMENT AGENCY OF THE COUNTY OF SANTA CRUZ,  
STATE OF CALIFORNIA

RESOLUTION NO. 625-89

On the motion of Director Levy  
duly seconded by Director Keeley  
the following resolution is adopted:

RESOLUTION FOR REAL PROPERTY ACQUISITION

RESOLVED by the Board of Directors of The Redevelopment Agency of the  
County of Santa Cruz, State of California:

WHEREAS, the need for additional parking facilities and commercial  
revitalization within the Soquel Village area has been clearly documented,  
and that acquisition of APN 30-071-08 will serve to provide for a portion  
of that parking need as well as serve as a site for additional needed  
commercial development, and

WHEREAS, there are no other reasonable means for acquiring and con-  
structing such facilities, and

WHEREAS, the Redevelopment Agency of the County of Santa Cruz is  
therefore desirous of acquiring the real property described in the Contract  
attached hereto and hereinafter referred to (Exhibit A), and

WHEREAS, the owner(s) of said real property have or will execute and  
deliver a Deed conveying said property to the Agency, upon condition that  
Agency acknowledge and approve Articles set forth in said Contract binding  
Agency to the performance of said Articles, and

WHEREAS, the Board of Directors of said Agency hereby finds the Arti-  
cles of said Contract to be fair and reasonable consideration for the  
acquisition of said real property;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that The Redevelopment  
Agency of the County of Santa Cruz does hereby accept the terms of said  
Contract listed below and does hereby accept the property referred to in  
said Contract:

<u>Parcel No.</u>	<u>Name of Grantor</u>	<u>Payment</u>
APN 30-071-08	Charley M. Ashton, Jr. Grace E. Ashton	\$200,000.00

~~88~~

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BE IT FURTHER ORDERED that the Chairperson and Secretary of the Board are authorized and directed to sign and process all documents related to this property acquisition, and

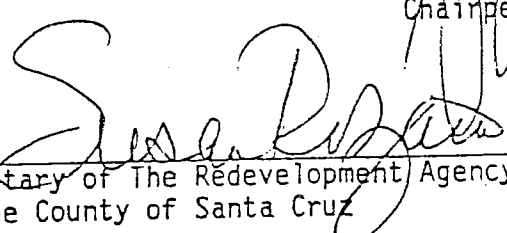
BE IT FURTHER ORDERED that the Auditor-Controller of the County of Santa Cruz is hereby directed to draw a warrant of said Agency, payable to Penniman Title Company, Escrow No. 133124-TIM as escrow agent out of Redevelopment Fund, Budget Unit 86907, charged against Account No. 65041, for the purchase of said property in the sum of Two Hundred Thousand and no/100 (\$200,000.00) Dollars, and to deliver the same to the Chief, Real Property Division, of the County of Santa Cruz, and

BE IT FURTHER ORDERED that said Chief, Real Property Division, deliver said warrant to the above designated escrow agent with written instructions for the dispersal thereof.


PASSED AND ADOPTED by the Board of Directors of The Redevelopment Agency of the County of Santa Cruz, State of California, this 12 th day of September, 1989, by the following vote:

AYES:	DIRECTORS	Beatuz, Levy, Mehl, Keeley & Patton
NOES:	DIRECTORS	None
ABSENT:	DIRECTORS	None

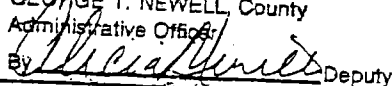
  
Chairperson of Said Board

ATTEST:   
Secretary of The Redevelopment Agency  
of the County of Santa Cruz

Approved as to form:

  
Agency Counsel

Distribution: County Council  
Auditor-Controller  
Public Works (Real Property)  
Redevelopment

STATE OF CALIFORNIA ) ss  
COUNTY OF SANTA CRUZ )  
I GEORGE T. NEWELL, County Administrative  
Officer and 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  
a resolution passed and adopted by and  
entered in the minutes of the said board.  
In witness whereof I have hereunto set  
my hand and affixed the seal of the said  
Board, on 9/30 19 89  
GEORGE T. NEWELL, County  
Administrative Officer  
By  Deputy

Tom

RVA

ATTACHMENT 1

0157

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BEFORE THE BOARD OF DIRECTORS  
OF THE REDEVELOPMENT AGENCY OF THE COUNTY OF SANTA CRUZ,  
STATE OF CALIFORNIA

RESOLUTION NO. 685-90

On the motion of Director Patton  
duly seconded by Director Keeley  
the following resolution is adopted:

RESOLUTION FOR REAL PROPERTY ACQUISITION

RESOLVED by the Board of Directors of The Redevelopment Agency of the  
County of Santa Cruz, State of California:

WHEREAS, the need for additional parking facilities and commercial  
revitalization within the Soquel Village area has been clearly documented,  
and that acquisition of APN 030-081-17 will serve to provide for a portion  
of that parking need, and

WHEREAS, there are no other reasonable means for acquiring and con-  
structing such facilities, and

WHEREAS, the Redevelopment Agency of the County of Santa Cruz is  
therefore desirous of acquiring the real property described in and herein-  
after referred to Exhibit A, and

WHEREAS, the owner(s) of said real property have or will execute and  
deliver a Deed or other appropriate legal instrument conveying said proper-  
ty to the Agency, upon condition that Agency acknowledge and approve this  
resolution binding Agency to the performance of the terms set forth herein,  
and

WHEREAS, the Board of Directors of said Agency hereby finds the terms  
set forth herein to be fair and reasonable consideration for the acquisi-  
tion of said real property;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that The Redevelopment  
Agency of the County of Santa Cruz does hereby accept the terms of sale as  
follows; and does hereby accept the property referred to in Exhibit A:

<u>Property No.</u>	<u>Name of Grantor</u>	<u>Payment</u>
APN 030-081-17	Barry L. Lombardi	\$275,000

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750

BE IT FURTHER ORDERED that the Redevelopment Agency Administrator is authorized and directed to sign and process all documents related to this property acquisition, and

BE IT FURTHER ORDERED that the Auditor-Controller of the County of Santa Cruz is hereby directed to draw a warrant of said Agency, payable to Redding Title Company, Escrow No.8034465W out of Redevelopment Fund, Budget Unit 86964, charged against Account No. 65041, for the purchase of said property in the sum of two hundred seventy-five thousand (\$275,000) Dollars, and to deliver the same to the Chief, Real Property Division, of the County of Santa Cruz, and

BE IT FURTHER ORDERED that said Chief, Real Property Division, deliver said warrant to the above designated agent.

PASSED AND ADOPTED by the board of Directors of the Redevelopment Agency of the County of Santa Cruz, State of California, this 20th day of November 1990, by the following vote:

AYES: DIRECTOR Beautz, Patton, Mehl, Keeley, Levy

NOES: DIRECTORS None

ABSENT: DIRECTORS None

*Robley Levy*  
Chairperson of Said Board

ATTEST: SUSAN M. ROZARIO  
Secretary of the Redevelopment Agency  
of the County of Santa Cruz

Approved as to form:

*[Signature]*  
Agency Counsel

Distribution: County Counsel  
Auditor-Controller  
Public Works (Real Property)  
Redevelopment

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127

STATE OF CALIFORNIA )  
COUNTY OF SANTA CRUZ )  
I, SUSAN A. MAURIELLO, County Administrative Officer and 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 a resolution passed and adopted by and entered in the minutes of the said board. In witness whereof I have hereunto set my hand and affixed the seal of the said Board on 18 1990  
SUSAN A. MAURIELLO, County Administrative Officer  
By *[Signature]* Deputy

RECORDED AT THE REQUEST OF:

Santa Cruz County Counsel

WHEN RECORDED MAIL TO:

Santa Cruz County Counsel

701 Ocean Street, Room 505

Santa Cruz, CA 95060

1999-0041090

Recorded  
Official Records  
County Of  
SANTA CRUZ  
RICHARD W. BEDAL  
Recorder

REC FEE .00

0159

11:09AM 11-Jun-1999

BLS  
Page 1 of 5

(Space above this line for Recorder's use only)

Final Order of Condemnation (CCP Section 1268.030)

(Document Title)

THIS PAGE ADDED TO PROVIDE ADEQUATE SPACE FOR RECORDING INFORMATION (Cal. Gov. Code §27361.6)



**FILED**

JUN 10 1999

CHRISTINE PATTON, CLERK  
BY JENNIE CRUMLEY  
DEPUTY, SANTA CRUZ COUNTY

1 RICHARD J. WYLIE - 29090  
2 WYLIE, McBRIDE, JESINGER, SURE & PLATTEN  
3 101 Park Center Plaza, Suite 900  
4 San Jose, California 95113  
5 Telephone: (408) 297-9172  
6 Facsimile: (408) 292-7042

7 Attorneys for Plaintiff  
8 SANTA CRUZ COUNTY REDEVELOPMENT AGENCY

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 IN AND FOR THE COUNTY OF SANTA CRUZ

11 SANTA CRUZ COUNTY  
12 REDEVELOPMENT AGENCY,

13 Plaintiff,

14 vs.

15 KENNETH F. IZANT, et al.,

16 Defendants.

Case No. 115750

FINAL ORDER OF CONDEMNATION  
(CCP SECTION 1268.030)

17  
18 Judgment in Condemnation having been entered and Remittitur from the court  
19 of Appeal denying Defendants' appeal having been entered on March 22, 1999, and it  
20 appearing to the court's satisfaction that the above-named Plaintiff, under that  
21 judgment, has paid to attorney Bertram C. Izant on behalf of the remaining surviving  
22 Defendants: Gladys E. Izant, Bertram C. Izant and David W. Izant, as co-trustees  
23 under testamentary trust and Kenneth A. Izant, individually, the owners of record of  
24 the subject property, just compensation in the sum of \$125,000.00, along with  
25 accrued interest in the sum of \$74,293.57 plus costs of \$7,031.14 for a total of  
26 \$206,324.71.

27 Acknowledgement of Full Satisfaction of Judgment having been executed on  
28 behalf of the Defendants herein.

1 IT IS ORDERED AND ADJUDGED:

2 The easement interest to the parcels of property, situated in the County of  
3 Santa Cruz, State of California, more particularly described as follows: See Exhibit 1  
4 attached hereto and incorporated herein by reference, is hereby condemned to and  
5 taken for the public use stated in the complaint in this action.

6 On filing a certified copy of this Final Order of Condemnation with the County  
7 Recorder of the County of Santa Cruz, State of California, the easement interest title  
8 to the real property described in Exhibit 1 shall vest in plaintiff, its successors, and its  
9 assigns.

10 IT IS FURTHER ORDERED AND ADJUDGED that no dollars (\$0) need be paid  
11 out of this award to the County of Santa Cruz for unpaid taxes (and penalties) due  
12 under California Revenue and Taxation Code Section 5084 and that Plaintiff's portion  
13 of the current taxes was cancelled as of January 17, 1991, the date of Plaintiff's right  
14 to immediate possession herein.

15 The Plaintiff has taken possession of the real property interest described above,  
16 in accordance with the provisions of California code of Civil Procedure Section  
17 1255.410-1255.470, this possession having been authorized on January 17, 1991.

18  
19 Dated: JUN 09 1009

ROBERT B YONTS JR

JUDGE OF THE SUPERIOR COURT

20  
21  
22  
23 1114/Final.ord  
24  
25  
26  
27  
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An easement for public parking in that certain real property situated in the County of Santa Cruz, State of California described as follows:

BEING a portion of Section 10, Township 11 South, Range 1 West, M D. B. & M., lying within the County of Santa Cruz, State of California, and described as follows:

Beginning at an iron pipe on the easterly side of Porter Street at the southwesterly corner of the lands of F. A. Angel, from which the southeasterly corner of Porter Street and Soquel Street bears North  $0^{\circ} 47'$  West 182.16 feet distant; thence from said point of beginning along the easterly side of Porter Street South  $0^{\circ} 47'$  East 114.00 feet; thence leaving Porter Street North  $87^{\circ} 41'$  East 115.12 feet; thence North  $0^{\circ} 02' 45''$  West 110.15 feet; thence South  $89^{\circ} 36'$  116.50 feet to the point of beginning. APN: 30-153-08 (portion)

TOGETHER WITH:

A. A nonexclusive easement for ingress from and egress to Porter Street over the existing driveways on the above-described property; and

B. A twenty-five foot wide nonexclusive easement for ingress and egress connecting the public parking on the above-described property with the parking lot on the adjacent parcel described in that certain deed recorded in Volume 1971 on Page 325 of the Official Records of the County of Santa Cruz (APNS 30-153-07, 30-153-30 and 30-153-31) for the purpose of providing a shared circulation system with said adjacent property; and

C. The right to maintain and improve the easements for parking and access, including the right to install and maintain appropriate parking and traffic control signs and devices; and

D. The right to relocate the parking spaces and driveways in the future in any manner which does not interfere with the existing permitted uses of that certain property described as "PARCEL TWO" in that decree of distribution recorded in Volume 3668 on Page 596 of the Official Records of the County of Santa Cruz, provided that such relocation is approved by the County of Santa Cruz and/or any other agency with jurisdiction and provided that the parking spaces and driveways shall be relocated if required to accommodate additional development, if any, of that certain property described as "PARCEL TWO" in the decree of distribution recorded in Volume 3668 on Page 596 of the Official Records of the County of Santa Cruz as approved in the future by the County of Santa Cruz and/or any other agency with jurisdiction.

RESERVING TO THE OWNER OF THE TITLE OF THE ABOVE-DESCRIBED PROPERTY, OR TO THE LESSEE(S) OF ASSIGN(S) OF SUCH OWNER:

A. The exclusive right of use to five (5) parking spaces, as assigned by the Santa Cruz County Redevelopment Agency, in close proximity to the existing structure located on that certain property described as "PARCEL TWO" in that decree of distribution recorded in Volume 3668 on Page 596 of the official records of the County of Santa Cruz (APN 30-153-08); and

B. The right of use to such additional number of parking spaces as may be required to accommodate additional development, if any, of that certain property described as "PARCEL TWO" in the decree of distribution recorded in Volume 3668 on Page 596 of the Official Records of the County of Santa Cruz as may be approved in the future by the County of Santa Cruz and/or any other agency with jurisdiction.

0996y

The foregoing instrument is a correct copy of the original on file in this office

JUN 10 1993

CHRISTINE PATTON  
Clerk of the Superior Court of the State of California in and for the County of Santa Cruz  
By *[Signature]* Deputy

Properties Acquired by the Santa Cruz County Redevelopment Agency for Transfer to Successor Agency

Attachment 6

Property	Location	APN's	Date of Acquisition*	Basic Zoning	Size (acres)	Master Plan Approved	Permits Issued	Deed Restrictions	Other
7th Avenue and Brommer	855 7th Ave, Santa Cruz	026-261-13	4/11/2000	C-2	1.830	None	None	None	Special General Plan Conditions
	901 7th Ave, Santa Cruz	026-261-16	6/5/2007	C-2	6.066				
	905 7th Ave, Santa Cruz	026-261-17	6/5/2007	C-2	0.361				
Capitola Road	1412 Capitola Rd, Santa Cruz	026-741-12	11/4/1994	C-1	0.940	None	None	None	
	1438 Capitola Rd, Santa Cruz	026-741-13	5/24/1994	C-1	0.990				
	1500 Capitola Rd, Santa Cruz	026-741-14	5/24/1994	C-1	1.077				
	1514 Capitola Rd, Santa Cruz	026-741-15	5/24/1994	C-1	0.664				
Commercial Way	Commercial Way at Commercial Crossing, Santa Cruz	025-084-28	6/18/1995	C-2	0.110	None	None	None	

\* Date of Resolution approving acquisition.

Zoning Key

C1- Neighborhood Commercial C2 - Community Commercial

Zoning Key

PR- Parks, Recreation and Open Space

PF - Public Facility



0164

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 IN CONCEPT THAT PARK AND  
PUBLIC PARKING PROPERTIES ACQUIRED BY THE FORMER  
REDEVELOPMENT AGENCY ARE INTENDED FOR  
GOVERNMENTAL USE AND RELATED ACTIONS

WHEREAS, the Oversight Board of the Santa Cruz County Redevelopment Successor Agency ("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 has considered a report regarding properties acquired by the former redevelopment agency; and

WHEREAS, that report provides documentation regarding the intended governmental use, including parks and public parking lots, for some properties acquired by the former redevelopment agency.

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 Oversight Board approves in concept that park and public parking properties acquired by the former redevelopment agency are intended for governmental use and should remain in the possession of the County of Santa Cruz.

SECTION 3. Staff is directed to return on the October 2, 2012 agenda with necessary actions to validate that park and public parking properties acquired by the former redevelopment agency are intended for governmental use and should remain in the possession of the County of Santa Cruz.

PASSED, APPROVED and ADOPTED by the Oversight Board of the Santa Cruz County Redevelopment Successor Agency, this \_\_\_<sup>th</sup> day of \_\_\_\_\_, 2012 by the following vote:

AYES: Oversight Board Member  
NOES: Oversight Board Member  
ABSENT: Oversight Board Member

---

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

ATTEST:

---

Clerk of the Oversight Board

Approved as to form:

  
~~Assistant~~ County Counsel

Distribution:

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

**Properties Acquired by the Santa Cruz County Redevelopment Agency for a Governmental Purpose**

Property	Location	APN's	Date of Acquisition	Governmental Use	Zoning	Size	Master Plan Approved	Permits Issued	Deed Restrictions	Other
Farm Park		037-101-58 037-101-59		Public Park	PR		yes	Development Permit	yes yes	State grant
Chanticleer Ave. Park		029-071-38 029-071-68		Public Park	PR PR		yes	Development Permit	yes yes	
Moran Way/Moran Lake Park		030-153-24		Public Park	PR				yes	Moran Lake Butterfly Habitat Mgt Plan
Heart of Soquel & Soquel Creek Linear Park		030-153-24 030-153-10		Public Park & Public Parking	PF PF		yes	Demolition	yes yes	Soquel Village Plan
East Cliff Parkway		032-251-07		Public Park	PR		yes	Coastal Development Permit	yes	Pleasure Point Plan
Daubenbiss Parking Lot		030-142-18 030-142-32 030-142-33		Public Parking	PF			Development Permit	yes	Soquel Village Plan
Soquel Drive Parking Lot		030-071-08 030-081-17		Public Parking	PF			Development Permit	yes	Soquel Village Plan
Porter Street Public Parking Easement				Public Parking			yes			Soquel Village Plan

Zoning Key  
PR- Parks, Recreation and Open Space  
PF - Public Facility

