



THE CITY OF  
**NOVATO**  
 CALIFORNIA

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 Novato, CA 94945  
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 www.novato.org

## SPECIAL MEETING

### OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF NOVATO

To be held at  
 NOVATO CITY ADMINISTRATIVE OFFICES  
 WOMACK CONFERENCE ROOM (2<sup>nd</sup> floor)  
 922 MACHIN AVE  
 January 23, 2017  
 4:00 P.M.

### AGENDA

**Matthew Hymel, Chair**  
 County Administrator,  
 Marin County

**Regan Candelario**  
 City Manager, City of  
 Novato

**Bill Davis,**  
 Director, Novato Fire  
 District (Daniel Hom,  
 alternate)

**Jennifer Goldfinger**  
 Board of Supervisors'  
 Resident Appointee

**Yancy Hawkins,**  
 Assistant Superintendent of  
 Business & Operations,  
 Novato Unified School  
 District

**Stephen Marshall,**  
 Planning Manager, City of  
 Novato

**Greg Nelson,**  
 Vice President, College  
 Operations, College of  
 Marin

#### A. CALL TO ORDER

#### B. APPROVAL OF FINAL AGENDA

#### C. PUBLIC COMMENT (on items within the purview of the Oversight Board and not listed on the agenda)

At this time, member of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Oversight Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration. Upon being acknowledged by the Chair, please step forward and begin by stating and spelling your name.

#### D. CONSENT CALENDAR

#### E. REGULAR CALENDAR

##### E-1: ELECTION OF CHAIR AND VICE-CHAIR

##### E-2: APPROVAL OF A SUCCESSOR AGENCY ADMINISTRATIVE BUDGET AND RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL YEAR 2017/18.

Consider adopting resolutions of the Oversight Board to the Successor Agency to the Dissolved City of Novato Redevelopment Agency approving the administrative budget and Recognized Obligation Payment Schedule for the Successor Agency for fiscal year 2017/18.

***Recommendation: Adopt resolutions***

**E. REGULAR CALENDAR (continued)**

E-3: VERBAL UPDATE ON LEGAL, LEGISLATIVE, AND ADMINISTRATIVE  
MATTERS RELEVANT TO THE OVERSIGHT BOARD

**F. ADJOURNMENT**

**AFFIDAVIT OF POSTING**

I, Brian Cochran, certify that on January 19, 2017, I caused to be posted the agenda of the open session of the January 23, 2017 special meeting of the Oversight Board of the Successor Agency to the Dissolved Redevelopment Agency of the City of Novato, California, on the City Community Service Board in the Police Department and on the City's website at [www.novato.org](http://www.novato.org).

/Brian Cochran/  
Brian Cochran, Finance Manager

# Oversight Board to the Successor Agency to the Dissolved Redevelopment Agency of the City of Novato



## STAFF REPORT

### MEETING

DATE: January 23, 2017

TO: Oversight Board to the Successor Agency to the Dissolved Redevelopment Agency  
of the City of Novato

FROM: Brian Cochran, Finance Manager

SUBJECT: APPROVAL OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND  
ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2017/18

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## REQUEST

Consider approving the annual Recognized Obligation Payment Schedule for fiscal year 2017/18.

Consider approving an administrative budget for the Successor Agency for the fiscal year 2017/18.

## RECOMMENDATION

Approve, by two resolutions, the ROPS and administrative budget for the fiscal year 2017/18.

## DISCUSSION

### ROPS

Pursuant to H&S Code §34177(o)(1), the successor agency to the former redevelopment agency is required to prepare a draft Recognized Obligation Payment Schedule (“ROPS”) for each fiscal period which sets forth the nature, amount, and source(s) of payment for all “enforceable obligations” of the Agency (as defined by law) to be paid by the Successor Agency after the Agency’s dissolution.

The ROPS is a permanent schedule of obligations that must be approved by the Oversight Board and the State Department of Finance. Only payments required pursuant to the ROPS may be made by the Successor Agency. The county auditor-controller will allocate property tax increment to successor agencies to pay debts listed on the ROPS.

Via legislation adopted by the California legislature during the 2015 legislative session, Senate Bill 107, several changes have been made to the administrative operations related to the ROPS. The most obvious one that affects the ROPS currently under consideration by the board, is that the

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ROPS is now an annual schedule, corresponding to the typical city’s fiscal year of July 1 – June 30. Therefore, this ROPS covers the entire 2017/18 fiscal year. To allow the Department of Finance additional time to review the annual ROPS, the Successor Agency must submit each annual ROPS by February 1<sup>st</sup>, as compared to the prior March 3<sup>rd</sup> deadline.

There are no major changes to the ROPS for the 2017/18 period. Staff recommends the Oversight Board approve the ROPS. The City Council acting as the Successor Agency will ratify the Oversight Board-approved ROPS at its meeting on January 24, 2017. Upon approval by the Oversight Board, Successor Agency staff will forward the approved ROPS to the California Department of Finance.

Administrative Budget

The Successor Agency is required to submit a proposed administrative budget to the Oversight Board for approval for each upcoming six-month fiscal period. The proposed Budget for 2017/18 presented for Successor Agency and Oversight Board approval includes staffing costs for City employees carrying out the dissolution functions, and estimated costs for legal services, independent audit fees, and operations supplies and business expenses. The budget presented details a full fiscal year 2017/18 budget of \$67,384, which is identical to the 2016/17 budget. The table below shows the budget line items and their amounts:

<b>Novato RDA Successor Agency Budget - Fiscal Year 2017/18</b>	
<b>Personnel Costs</b>	
<u>Position</u>	<u>Total \$\$</u>
Finance Manager	18,973
Accounting Supervisor	14,156
Management Analyst	5,273
<b>TOTAL</b>	<b>38,402</b>
<b>Contracts / Supplies / Materials</b>	
Legal Counsel	4,000
Audit Contract	8,444
Continuing Disclosure Consultant	2,100
Printing / Publications	1,500
Office Supplies	1,500
Meetings / Training / Memberships	1,500
General admin overhead	9,938
<b>TOTAL</b>	<b>28,982</b>
<b>Grand Total Successor Agency Admin Budget - FY 2017/18</b>	<b>67,384</b>

Staff recommends the Oversight Board 2017/18 administrative budget.

**ATTACHMENTS**

1. ROPS for the fiscal year 2017/18
2. Resolution approving the Administrative Budget
3. Resolution approving the ROPS

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

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

Successor Agency: Novato  
 County: Marin

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	17-18A Total (July - December)	17-18B Total (January - June)	ROPS 17-18 Total
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ 542,166</b>	<b>\$ -</b>	<b>\$ 542,166</b>
B Bond Proceeds	-	-	-
C Reserve Balance	542,166	-	542,166
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 1,919,182</b>	<b>\$ 1,952,279</b>	<b>\$ 3,871,461</b>
F RPTTF	1,885,490	1,918,587	3,804,077
G Administrative RPTTF	33,692	33,692	67,384
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 2,461,348</b>	<b>\$ 1,952,279</b>	<b>\$ 4,413,627</b>

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

\_\_\_\_\_  
 Name Title  
 /s/ \_\_\_\_\_  
 Signature Date



**Novato Recognized Obligation Payment Schedule (ROPS 17-18) - Report of Cash Balances  
(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, [see Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H	I	
		<b>Fund Sources</b>							
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>		
	<b>Cash Balance Information by ROPS Period</b>	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	<b>Comments</b>	
<b>ROPS 15-16B Actuals (01/01/16 - 06/30/16)</b>									
1	<b>Beginning Available Cash Balance (Actual 01/01/16)</b>								
		2,200,184	1,700,000				(1,389,040)		
2	<b>Revenue/Income (Actual 06/30/16)</b> RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during January 2016								
							2,059,438		
3	<b>Expenditures for ROPS 15-16B Enforceable Obligations (Actual 06/30/16)</b>								
							1,434,526		
4	<b>Retention of Available Cash Balance (Actual 06/30/16)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)								
		2,200,184	1,700,000				577,500		
5	<b>ROPS 15-16B RPTTF Balances Remaining</b>	No entry required							
							-		
6	<b>Ending Actual Available Cash Balance</b> C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)								
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,341,628)		



OVERSIGHT BOARD RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF NOVATO APPROVING AND ADOPTING AN ADMINISTRATIVE BUDGET FOR THE 2017/18 FISCAL YEAR PURSUANT TO THE PROVISIONS SET FORTH IN HEALTH AND SAFETY CODE SECTION 34177 (AB 1X 26)

WHEREAS, the Novato City Council (“City Council” or “City” as appropriate) approved and adopted the Redevelopment Plan for the Novato (Vintage Oaks) Redevelopment Project, the Redevelopment Plan for the Downtown Redevelopment Project, and the Redevelopment Plan for the Hamilton Field Redevelopment Project, which have been amended from time to time including on or about May 13 2003, by adoption of Ordinance No. 1472, to effect a merger of the three redevelopment project areas pursuant to the CRL to allow the use of property tax increment derived from any one of the three redevelopment project areas to be used in any of the three redevelopment project areas, subject to the applicable provisions of the CRL (collectively, the “Redevelopment Plans”); and

WHEREAS, the Redevelopment Agency of the City of Novato (the “Agency”) was responsible for implementing the Redevelopment Plans pursuant to the California Community Redevelopment Law; and

WHEREAS, as part of the 2011-12 State budget bill, the California Legislature enacted and the Governor signed, from the 2011-12 First Extraordinary Session, Assembly Bills 1X 26 and 1X 27 (“AB 1X 26” and “AB 1X 27”), requiring that each redevelopment agency be dissolved unless the community that created it enacts an ordinance committing it to making certain payments; and

WHEREAS, on December 29, 2011, the Supreme Court invalidated AB 1X 27 but upheld the constitutionality of AB 1X 26 and revised the various dates and timelines required for performance of certain tasks pursuant to the dissolution of redevelopment agencies; and

WHEREAS, on January 10, 2012 the Novato City Council adopted a resolution opting to act as the Successor Agency for the former Novato Redevelopment Agency; and

WHEREAS, Health and Safety Code section 34177 requires the Successor Agency to prepare an administrative budget for each fiscal period; and

WHEREAS, the City has prepared the proposed administrative budget outlining the various staff costs, supplies, materials, consultant fees, legal fees, etc that are necessary to carry out the duties of the Successor Agency for the 2017/18 fiscal year; and

WHEREAS, the Oversight Board is required to approve each administrative budget;

NOW, THEREFORE, the Oversight Board to the Successor Agency to the Dissolved Redevelopment Agency of the City of Novato resolves as follows:

1. The foregoing Recitals are incorporated herein and made a part hereof.
2. The Oversight Board, at its special meeting of January 23, 2017, reviewed and considered the administrative budget for the Successor Agency for the 2017/18 fiscal year.
2. The administrative budget for the 2017/18 fiscal year, in the form presented concurrently with this Resolution, and on file with the Acting Secretary, is hereby approved.

\* \* \* \* \*

I HEREBY CERTIFY that the foregoing resolution was duly and regularly adopted by the Oversight Board to the Successor Agency to the Dissolved Redevelopment Agency of the City of Novato, Marin County, California, at a meeting thereof held on the January 23, 2017, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Chair, Oversight Board

ATTEST:

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Acting Secretary

OVERSIGHT BOARD TO THE SUCCESSOR AGENCY

RESOLUTION NO.

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF NOVATO APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE 2017/18 FISCAL YEAR

WHEREAS, the Oversight Board to the Successor Agency to the dissolved Redevelopment Agency of the City of Novato has been appointed pursuant to the provisions of Health & Safety Code Section 34179; and

WHEREAS, pursuant to Health and Safety Code Section 34180(g), the Oversight Board is required to review and approve the Recognized Obligation Payment Schedule prepared by the Successor Agency covering each fiscal period; and

WHEREAS, the Successor Agency has presented the foregoing described Recognized Obligation Payment Schedule to the Oversight Board for its review and approval; and

WHEREAS, at its meeting of January 23, 2017, the Oversight Board reviewed and considered the Recognized Obligation Payment Schedule presented by the Successor Agency;

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board as follows:

SECTION 1. The Oversight Board hereby approves the Recognized Obligation Payment Schedule for the 2017/18 fiscal year, in the form presented concurrently with this resolution, and on file with the Acting Secretary.

SECTION 2. The Board Secretary, or the City Finance Manager (as the person appointed by action of the Oversight Board at its meeting of April 9, 2012, to be the designated contract person to the Department of Finance), shall transmit the approved Recognized Obligation Payment Schedule to the County Administrative Officer, Department of Finance, State Controller, and County Auditor-Controller in compliance with the requirements of Part 1.85 of Division 24 of the California Health and Safety Code. The staff of the Successor Agency shall take such other and further actions and sign such other and further documents as appropriate to effectuate the intent of this Resolution and to implement the Recognized Obligation Payment Schedule approved hereby on behalf of the Successor Agency.

SECTION 3. The adoption of this Resolution by the Oversight Board shall not impair the right of the Successor Agency to assert any claim or pursue any legal action challenging the constitutionality of Assembly Bill 26 from the 2011-12 First Extraordinary Session of the California Legislature ("AB 1x26") or challenging any determination by the State of California or any office, department or agency thereof with respect to the Recognized Obligation Payment Schedule approved hereby.

SECTION 4. The approval of the ROPS through this Resolution does not commit the Successor Agency to any action that may have a significant effect on the environment. As a result,

it does not constitute a project subject to the requirements of the California Environmental Quality Act (“CEQA”) in that pursuant to CEQA Guidelines Section 15061(b)(3), it is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment; and where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

SECTION 5. If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this Resolution. The Board hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared invalid.

\* \* \* \* \*

I HEREBY CERTIFY that the foregoing resolution was duly and regularly adopted by the Oversight Board of the City of Novato, Marin County, California, at a meeting thereof, held on the 23<sup>rd</sup> day of January, 2017, by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Chair, Oversight Board

ATTEST:

\_\_\_\_\_  
ACTING SECRETARY