



REGULAR MEETING

SUCCESSOR AGENCY OVERSIGHT BOARD
CITY OF CLAYTON, CA

THURSDAY, JULY 26, 2012

3:00 p.m.

*First Floor Conference Room, Clayton City Hall
6000 Heritage Trail, Clayton, CA 94517*

OVERSIGHT BOARD MEMBERS

Howard Geller, Mayor of Clayton	John Nejedly, Contra Costa Community
Vito Impastato, CCC Fire Protection District	College District
Laci Jackson, former RDA Secretary	Dan Richardson, Clayton resident
Karen Mitchoff, Contra Costa County Supervisor	Jane Shamieh, County Office of Education

- A complete packet of information containing staff reports and exhibits related to each public item is available for public review in City Hall located at 6000 Heritage Trail on Monday prior to the Board meeting.
- Agendas are posted at: 1) City Hall, 6000 Heritage Trail; 2) Library, 6125 Clayton Road; 3) Ohm's Bulletin Board, 1028 Diablo Street, Clayton; and 4) City Website at www.ci.clayton.ca.us
- Any writings or documents provided to a majority of the Oversight Board after distribution of the Agenda Packet and regarding any public item on this Agenda will be made available for public inspection in the City Clerk's office located at 6000 Heritage Trail during normal business hours.
- If you have a physical impairment that requires special accommodations to participate, please call the City Clerk's office at least 72 hours in advance of the meeting at (925) 673-7304.

REGULAR MEETING AGENDA
OVERSIGHT BOARD
SUCCESSOR AGENCY, CITY OF CLAYTON

Thursday, July 26, 2012

1. CALL TO ORDER AND ROLL CALL – Board Chairman Dan Richardson

2. CONSENT CALENDAR

Consent Calendar items are typically routine in nature and are considered for approval by the Board with one single motion. Members of the Board, Audience or Staff wishing an item removed from the Consent Calendar for the purpose of public comment, question, input or action different than recommended may request so through the Board Chairman.

(a) Information Only – No action to be taken

1. Letter dated May 25, 2012 from the California Department of Finance informing the City/Successor Agency its ROPS I and ROPS II were approved and authorized for funding except for two City-RDA loans.

2. Letter dated July 12, 2012 from the City to the County Auditor-Controller protesting the demanded return of \$1,547,505.09 in tax increment monies by July 12th as required by new state law, AB 1484.

(b) Approve the minutes of the Oversight Board's initial meeting held on April 26, 2012.

3. OVERSIGHT BOARD ACTION ITEMS

- (a) Consideration of a Resolution No. 04-2012 approving the 3rd Recognized Obligation Payment Schedules (ROPS III) of the Successor Agency of the City of Clayton for the time period of January 2013 through June 2013.
(Merry Pelletier, Clayton Finance Manager)**

Staff recommendation: Following Board discussion and public comment, the Board adopt the Resolution approving the ROPS III.

- (b) Consideration of the Successor Housing Agency's list of low-moderate affordable housing assets for submittal to the CA Department of Finance by August 1, 2012.
(Laura Hoffmeister, Assistant to the City Manager)**

Staff recommendation: Following Board discussion and public comment, by motion the Board approve the Successor Housing Agency's assembled list of housing assets.

4. PUBLIC COMMENT ON NON-AGENDA ITEMS

Members of the public may address the Oversight Board on items within the Board's jurisdiction, (which are not on the agenda) at this time. To facilitate the recordation of comments, it is requested each speaker complete a speaker card available on the Meeting table and submit it in advance to the Clerk. To assure an orderly meeting and an equal opportunity for everyone, each speaker is limited to 3 minutes, enforced at the Chairperson's discretion. When one's name is called or you are recognized by the Chairperson as wishing to speak, the speaker shall approach the Board and adhere to the time limit. In accordance with State Law, no action may take place on any item not appearing on the posted agenda. The Board may respond to statements made or questions asked, or may at its discretion request Successor Agency Staff to report back at a future meeting concerning the matter.

Public comment and input on Public Hearing, Action Items and other Agenda Items will be allowed when each item is considered by the Oversight Board.

5. ADJOURNMENT – the meeting is adjourned on call by the Chairman.

The Oversight Board's next meeting will be scheduled as necessary.

#

Agenda Date: 07-26-12

Agenda Item: 2(a)1.



DEPARTMENT OF
FINANCE

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 25, 2012

Gary Napper, City Manager
City of Clayton
6000 Heritage Trail
Clayton, CA 94517

Received

MAY 29 2012

City of Clayton

Dear Mr. Napper:

Subject: Recognized Obligation Payment Schedule Approval Letter.

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the City of Clayton submitted Recognized Obligation Payment Schedules (ROPS) to the California Department of Finance (Finance) on May 14, 2012 for the periods January to June 2012 and July to December 2012. Finance has completed its review of your ROPS, which may have included obtaining clarification for various items.

Except for items disallowed in whole or in part as enforceable obligations noted in our letter dated May 18, 2012, Finance is approving the remaining items listed in your ROPS for both periods. This is our determination with respect to any items funded from the Redevelopment Property Tax Trust Fund for the June 1, 2012 property tax allocations. If your oversight board disagrees with our determination with respect to any items not funded with property tax, any future resolution of the disputed issue may be accommodated by amending the ROPS for the appropriate time period. Items not questioned during this review are subject to a fresh review, if they are included on a future ROPS. If new information comes to light indicating that an item included on a future ROPS is not an enforceable obligation, Finance reserves the right to remove that item from the future ROPS, even if it was not removed from the preceding ROPS.

Please refer to Exhibit 12 at http://www.dof.ca.gov/assembly_bills_26-27/view.php for the amount of Redevelopment Property Tax Trust Fund (RPTTF) that was approved by Finance based on the schedule submitted. Although Finance's review is complete, the approved items on the ROPS identified as having RPTTF as the funding source are only payable to the extent property tax is available.

Please direct inquiries to Robert Scott, Supervisor or Kylie Le, Lead Analyst at (916) 322-2985.

Sincerely,

MARK HILL
Program Budget Manager

cc: Ms. Merry Pelletier, Finance Manager, City of Clayton
Mr. Bob Campbell, Auditor-Controller, Contra Costa County
Mr. Jay Wildering, Chief Accountant, Contra Costa County



Agenda Date: 07-26-12

Agenda Item: 2(a) 2.

COMMUNITY
DEVELOPMENT (925) 673-7340
ENGINEERING (925) 363-7433

6000 HERITAGE TRAIL • CLAYTON, CALIFORNIA 94517-1250
TELEPHONE (925) 673-7300 FAX (925) 672-4917

City Council
HOWARD GELLER, MAYOR
JOSEPH A. MEDRANO, VICE MAYOR
JULIE K. PIERCE
DAVID T. SHUEY
HANK STRATFORD

July 12, 2012

Delivered Via Email and U.S. Postal Service

Robert R. Campbell, Auditor-Controller
County of Contra Costa
625 Court Street, Finance Building
Martinez, CA 94553

Re: Payment Under Protest, Health and Safety Code Section 34183.5(b)

Dear Mr. Campbell:

This letter responds to your demand email dated July 9, 2012 (at 5:14 p.m.) that the Clayton Successor Agency (the "Successor Agency"), pursuant to Health & Safety Code § 34183.5, remit \$1,547,505.09 to the County of Contra Costa Auditor-Controller by July 12, 2012 for deposit into the Redevelopment Property Tax Trust Fund ("RPTTF") for subsequent distribution to taxing entities.

This letter is sent to accompany said payment under protest and to clearly set forth the Successor Agency's position that, among the following other defects, it is ludicrous to assert the California Legislature or prevailing public policy intended to disallow all bonded indebtedness payments and/or contractual obligations of the former Clayton Redevelopment Agency (the "RDA") during the time period of 01 July 2011 through December 2011. Further, it is disingenuous to maintain a position that the Clayton RDA's receipt of \$2,755,501.09 in December 2011 was only for enforceable obligations and contractual payments during the time period of January 2012 through June 2012. For one example, such misapplication of law ignores the Clayton RDA's payment for duly-issued bonded indebtedness on 01 August 2011 in the amount of \$771,658.75 and all other minimal expenses of the RDA consistent with ABx1 26's definition of enforceable obligations and bonded indebtedness. According to the instructions for preparation of one's Recognized Obligation Payment Schedules (ROPS), this August 2011 debt payment and all other incurred expenses of the RDA (noted in its EOPS) could not have been lawfully implanted into the ROPS monthly columns of January, February, March, April, May and June for 2012. Clearly, the implementation of ABx1 26 and its trailer bill AB 1484 in this regard is public policy injustice and unlawful.

July 12, 2012

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Therefore, the Clayton Successor Agency remits the "demand" note from the County Auditor- Controller via wire transfer this day conditioned, but not limited to, the following protests and rights of the Successor Agency and the City of Clayton:

- 1) Pursuant to the California Supreme Court's decision in *California Redevelopment Ass'n v. Matosantos*, no Redevelopment Property Tax Trust Fund ("RPTTF") existed prior to February 1, 2012, and funds distributed to the former Clayton Redevelopment Agency (the "Dissolved RDA") between July 1, 2011 and January 31, 2012 are tax increment funds not subject to the provisions of ABx1 26 (the "Dissolution Act"), AB 1484, or Section 34183.5 regarding the use of RPTTF funds. Redistribution of tax increment funds to other taxing entities violates Proposition 22;
- 2) Distribution of additional funds to taxing entities reallocates property tax among cities, counties, special districts, and school districts, yet was not approved by a two-thirds vote, as required by Article XIII, Section 25.5 of the California Constitution;
- 3) The methodology developed by the Department of Finance ("DOF") for calculation of amounts demanded is inconsistent with Section 34183.5(b), in that it fails to recognize all enforceable obligations listed on the approved Recognized Obligations Payments Schedule for the period between 1 January 2012 and 30 June 2012 (the "First ROPS") and such notice contained in its EOPS for the time period of 1 July 2011 through 31 December 2011; and
- 4) Neither the County nor the Department of Finance ("DOF") is authorized to retroactively disallow payments made by the Dissolved RDA or the Successor Agency if those payments were shown on the Enforceable Obligation Payment Schedules ("EOPS") prepared by the Dissolved RDA and the Successor Agency, and made prior to the approval of the First ROPS.

Nonetheless, despite our view that your demand for this remittance of funds is inconsistent with the State Constitution, the Dissolution Act, AB1484, and the decision of the California Supreme Court, the Clayton Successor Agency has separately wire transferred this day (before the 1:00 p.m. time additionally required by your Office representative via separate email dated 11 July 2012 at 4:30 p.m.) the amount of \$1,547,505.09 to the Auditor-Controller under protest as described in this letter.

By remitting said funds to the Auditor-Controller, the Clayton Successor Agency does not waive any constitutional, statutory, legal, or equitable rights and expressly reserves any and all rights, privileges, and defenses available under law and equity.

Please feel free to contact us if you have any questions regarding the above.

July 12, 2012

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Sincerely,

A handwritten signature in black ink, appearing to be "Gary A. Napper", written over a horizontal line.

Gary A. Napper, City Manager
Designated Contact Official
Clayton Successor Agency

Cc: Honorable Mayor and City Council Members
The Honorable Mark DeSaulnier, State Senator
The Honorable Susan Bonilla, California Assemblywoman
Chris Hill, Program Budget Manager, CA DOF
Contra Costa Times
Tamara Steiner, Clayton Pioneer
City Attorney Mala Subramanian, BB&K
Karen Tiedemann and Lynn Hutchins, Goldfarb & Lipman
Merry Pelletier, Clayton Finance Manager
League of CA Cities

Draft - ACTION MINUTES – Draft
OF THE
SPECIAL MEETING

OVERSIGHT BOARD
SUCCESSOR AGENCY, CITY OF CLAYTON, CA

APRIL 26, 2012

1. CALL TO ORDER AND ROLL CALL

Constituting the initial meeting of the Oversight Board and at the time a Chairperson had not yet selected, the meeting was called to order by City Manager Gary Napper at 3:05 pm in the 1st Floor Conference Room of City Hall, 6000 Heritage Trail Clayton CA.

Board Members present: Howard Geller, Mayor of Clayton; Vito Impastato, CCC Fire Protection District; Laci Jackson, former RDA Secretary; Karen Mitchoff, Contra Costa County Supervisor; Dan Richardson, Clayton resident; Jane Shamieh, County Office of Education.

Board Members absent: John Nejedly, Contra Costa Community College District.

Staff present: City Manager Gary Napper; Special Legal Counsel Karen Tiedemann; Asst to the City Manager/Board Clerk: Laura Hoffmeister

2. WELCOME AND SELF- INTRODUCTIONS OF BOARD MEMBERS AND STAFF ASSIGNED TO THE OVERSIGHT BOARD

Oversight Board members and Successor Agency staff made self-introductions.

3. OVERVIEW OF THE STATUTORY PURPOSE OF THE OVERSIGHT BOARD

Clayton City Manager Gary Napper noted there were extensive written materials included in the Oversight Board agenda packet for background purpose. Mr. Napper summarized the background materials, the Oversight Board statutory authorities and its purpose. Mr. Napper mentioned the main missions of the Board are to wind down the affairs of the former Redevelopment Agency of the City, and to pay down the debt of the former Redevelopment Agency. Mr. Napper noted that should a Board member resign and is not replaced by the designated public taxing entity, the Governor makes the replacement appointment.

4. REQUIREMENTS OF THE BROWN ACT (PUBLIC MEETING LAW) AND OTHERS

Special Legal Counsel Karen Tiedemann pointed out the Oversight Board is subject to all the rules and regulations of the State Open Meeting Laws, commonly referred to as the Brown Act. Ms. Tiedemann provided a quick overview of these requirements, the Board being subject to FPPC conflict of interest filing requirements, Form 700; and the Public Records Act.

Specifically noted was if a quorum of members are present in the same social setting it is okay provided they not discuss Oversight Board matters. Additionally noted was if there was an email sent out from Staff to the Oversight Board– to reply directly back to staff; do not hit “Reply All.”

5. SUMMARY OF FORMER CLAYTON REDEVELOPMENT AGENCY PROJECTS, PROGRAMS AND ACTIVITIES

Assistant to the Clayton City Manager Laura Hoffmeister referred to the listing provided in the agenda packet and reviewed the highlights of the former Clayton Redevelopment Agency’s projects, programs and activities, which categories included: Downtown revitalization, economic development, street infrastructure rehabilitation/improvements, flood prevention improvements and creek rehabilitation; municipal sewer, storm drainage & lighting infrastructure, traffic and pedestrian safety, historic building preservation, public safety infrastructure, land for a County fire district station, cultural/recreation/educational facility, and affordable housing units.

Board members noted the use of redevelopment funds in Clayton was done as the law had originally intended; there were many good projects to various public entities that improved the quality of life and the economic vitality of the overall community.

6. OVERSIGHT BOARD ACTION ITEMS

(a) Election of Board Chairperson and Vice Chairperson.

City Manager Gary Napper called for nominations for the Oversight Board Chair.

Board Member Mitchoff stated that philosophically she believed the public member-at-large should be Chair, as all other Board members are representatives of various public taxing agencies that have a stake in the outcomes. After short discussion by the Board members, a motion was made by Board Member Mitchoff, seconded by Board Member Geller, to nominate Dan Richardson, the public member, as Chairperson of the Oversight Board. Motion passed. (vote 6-0).

Chairperson Richardson then assumed the conduct of the meeting. Chairperson Richardson asked for nominations for Vice Chair. Board members discussed the infrequencies of the meetings and noted there was not a need to select a Vice Chair at this time. It was the general consensus of the members to not select a Vice Chair.

(b) Designation of Contact Person for the State Department of Finance and Administrative Support Staff to the Oversight Board.

Chairperson Richardson called for the staff report. City Manager Gary Napper noted that these actions were statutory-required administrative items.

Motion by Board Member Jackson, seconded by Board Member Mitchoff, to designate Gary Napper, Clayton City Manager and staff to the Successor Agency of the City of Clayton, as the primary contact person for the California Department of

Finance concerning Clayton Oversight Board actions, and City Finance Manager Merry Pelletier as the alternate contact person. Motion passed (vote 6-0).

Motion by Board Member Jackson, seconded by Board Member Mitchoff, to designate Laura Hoffmeister, Assistant to the Clayton City Manager and staff to the Successor Agency of the City of Clayton as Clerk of the Clayton Oversight Board. Motion passed (vote: 6-0).

(c) Consideration of Resolution No. 01-2012 adopting Oversight Board Rules of Procedure.

Chairperson Richardson called for the staff report. City Manager Gary Napper noted these actions were statutory-required administrative items and provided an overview of the recommendations. Mr. Napper noted the Board would need to set the time/place for conduct of its meetings and include this as part of the action, including selection of a day/time to meet to be included in the resolution. Board members discussed dates/times and their availability, and were generally supportive of meeting as needed on the last Thursday of the month at 3:00pm.

Motion by Board Member Geller, seconded by Board Member Shamieh, to approve Resolution No 01-2012 adopting Oversight Board Rules of Procedure, adding to page 4, that meetings will be held as needed on the last Thursday of the month at 3:00pm. Motion passed (vote 6-0).

(d) Consideration of Resolutions No. 02-2012 and 03-2012 approving the 1st and 2nd Recognized Obligation Payment Schedules (ROPS) for the Successor Agency of the City of Clayton for the time periods of February 2012 through June 2012, and July 2012 through December 2012, respectively.

Chairperson Richardson called for the staff report. Merry Pelletier, Clayton Finance Manager, referred to the detail ROPS I included in the agenda materials. Ms. Pelletier noted she was prepared to review each obligation individually if the Board so desired. Board Member Mitchoff stated the listing was self-explanatory and the clear, and suggested not going through each one but to answer Board members questions on the ROPS, if any. There was agreement by other Board members with this approach.

Board Member Mitchoff asked if there was anything different, unusual or specific the Board should be aware of. City Manager Gary Napper mentioned the State Department of Finance role and rules on inter-agency loan repayments are only loans made within the first 2 years of the RDA formation (1987 for Clayton) are currently eligible for repayment. Mr. Napper noted there is State legislation proposed (AB 1585) to make changes to this limitation. As examples, Mr. Napper reported that for Clayton the County Fire Station land sale loan was done after this time period, and the City's 2% election payments (which was originally done in 1987 but the County neglected to implement and concurred payments were due) Ms. Tiedemann further elaborated on the State Department of Finance review process of the Successor Agency ROPS. In response to questions Ms. Pelletier explained that the ROPS 1 and RPOS 2 information for LMI is slightly different as the ROPS 2 schedule consolidated the LMI information.

Board Member Mitchoff commended the good work of the Finance Manager and staff as she found the ROPs information is complete, clear, easy to follow and understandable.

Chairperson Richardson asked about the prospect of the Oversight Board's authority to re-enter into inter-agency loan agreements with the Successor Agency for Items #4 (Fire Station Loan); #5 (2% Election payments per Section 33676); #6 (2% Election payments for Low Moderate Income Housing); and #7 (Low Moderate Income Housing SERF)

Ms. Tiedemann indicated ABx1 26 allows for Successor Agency's to re-enter into loan repayment agreements and this Board can move forward with this process now. After brief discussion Board members indicated a strong preference to re-enter into such loan agreements finding the former Clayton Redevelopment Agency undertook these transactions in good faith and delayed payment to benefit the receiving entities and the Clayton community.

Chairperson Richardson called for public comment regarding the Board's intent. There was no public comment.

Motion by Board Member Mitchoff, seconded by Board Member Geller, to re-enter into the noted inter-agency loan agreements pursuant to California Health and Safety Code Section 37418 (a). Motion passed (vote 6-0).

Motion by Board Member Geller, seconded by Board Member Impastato, to adopt Resolution 02-2012 approving the 1st Recognized Obligation Schedule (ROPS) of the Successor Agency for the City of Clayton covering the time period of February 2012 through June 2012. Motion passed (vote 6-0).

Motion by Board Member Geller, seconded by Board Member Shamieh, to adopt Resolution 03-2012 approving the 2nd Recognized Obligation Schedule (ROPS) of the Successor Agency for the City of Clayton covering the time period of July 2012 through December 2012. Motion passed (vote 6-0).

7. PUBLIC COMMENT ON NON-AGENDA ITEMS

None.

8. ADJOURNMENT

Upon call by Chairperson Richardson, the Board meeting adjourned at 3:45 p.m.



Agenda Date: 07-26-12

Agenda Item: 3(a)

Approved:

Gary A. Napper
City Manager

AGENDA REPORT

TO: HONORABLE CHAIRMAN AND BOARD MEMBERS

FROM: CITY MANAGER

DATE: 26 JULY 2012

SUBJECT: CONSIDER A RESOLUTION TO APPROVE AND ADOPT A 3RD RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS), PURSUANT TO THE DISSOLUTION ACT AND AB 1484

RECOMMENDATION

It is recommended the Oversight Board adopt the prepared Resolution approving a 3RD Recognized Obligation Payment Schedule" (ROPS) in accordance with the California Supreme Court-ruled constitutionality of ABx1 26 (the "Dissolution Act") and AB 1484.

BACKGROUND

Under state law ABx1 26 and recently enacted Assembly Bill 1484, "enforceable obligations" of a redevelopment agency include the following financial arrangements (the ROPS of a city or county):

- Bonds
- Loans
- Payments required by state or federal government
- Obligations to employees
- Judgments or settlements
- Binding and legally enforceable agreements entered into before AB1x 26
- Contracts for RDA administration, Successor Agency administration, and Oversight Board administration

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS)

Attachment 1 is the 3rd Recognized Obligation Payment Schedule (ROPS) in the amount of \$381,378 prepared by the City's Finance Manager and approved by the Clayton City Council, serving as the Successor Agency, at its regular public meeting held on 17 July 2012. It essentially mirrors the previously-adopted 2nd ROPS as the 6-month fiscal template

for continued receipt of real property tax trust fund (RPTTF) revenues during this funding cycle.

The monies are issued by the County Auditor-Controller to the City's newly-established "Redevelopment Obligation Retirement Fund." As its name implies, this newly-formed Fund replaces the former Redevelopment Agency's Funds (3 of them) and now functions as the repository for sufficient tax increment revenues in the amounts identified and approved in subsequent ROPS to effectively "retire" all former Clayton Redevelopment Agency debts and contractual obligations over a multi-year period. Once all identified and certified debts and obligations have been satisfied, the Successor Agency is then dissolved.

AB 1484 (DISSOLUTION TRAILER BILL)

As with most complex pieces of legislation enacted in a vacuum, the actual implementation of ABx1 26 by former redevelopment agencies, cities, county auditor-controllers and the California Department of Finance (DOF) created a maelstrom of confusion and capricious actions. Striving to obtain any and all uncommitted tax increment revenues for the state held by successor agencies, the DOF inflicted a host of ill will and disputed judgments in its role of blessing a ROPS tendered by each Successor Agency and approved by its Oversight Board. Clayton was dumbfounded when the DOF summarily rejected two previous loans by the City to its Redevelopment Agency amounting to almost \$1 million. Our predicament was not isolated however and various trailer bills emerged in May and June 2012 aiming to provide clarity and equity in the adjudication of successor agency bonded indebtedness and contractual obligations.

Unsurprisingly, the DOF authored its own version of a "clean-up" bill in the form of AB 1484 that sought to increase the amount of authority the DOF and its staff could exercise over successor agencies and oversight boards. AB 1484 was approved by the California Legislature on June 27th and swiftly signed into law by Governor Brown. While the new legislation does contain some favorable language for successor agencies on the forefront of inter-agency loan repayments starting in FY 2013-14, it carries out a host of continual measures by the state to "claw-back" previous redevelopment agency expenses paid during the limbo-land time period of July 2011 through December 2011 (\$1,547,505 from Clayton), and it gives the DOF unchecked license to overturn local decisions on ROPS approvals.

Major provisions of AB 1484 include the following:

1. A successor agency must make three payments in FY 2012-13:
 - a. July 12th. Remittance of monies for disallowed obligations (as determined by the DOF and Auditor-Controller), specifically for expenses made under one's EOPS. For Clayton, this arbitrary calculation necessitated an abrupt check sent within 72 hours to the County in the amount of \$1,547,505.09 (ref. Agenda Item 2 (a) 2).
 - b. November 28th. Remittance of Low-Moderate Income Housing Fund monies.
 - c. April 10th. All remaining unencumbered cash.

2. New audit by October 1, 2012 retained and paid for by the Successor Agency (out of its administration monies, meaning no new monies for an unfunded mandate) of the successor agency's books involving the Low-Moderate Income Housing Fund, audit of cash assets, and audit of cash transfers to public agencies and private parties. Note this "new audit" is in addition to the audit ordered and performed by the state on all redevelopment agencies during February-June 2012.
3. A potential civil penalty of 10% of the amount owed plus 1.5% of the amount owed for each month that a successor agency does not pay in full its July 12th ordered remittance (ref. no. 1 above).
4. A city must pay a civil penalty of \$10,000 per day for each day late beyond the deadline set for submittal of one's ROPS III by 01 September 2012 and each ROPS thereafter.
5. Grants DOF forty-five (45) days to review and approve or deny items listed in a ROPS in contrast to ABx1 26's three days for DOF determination.
6. DOF may eliminate or modify any item on an Oversight Board-approved ROPS. An auditor-controller may only distribute property tax monies to a successor agency in accordance with DOF changes made to a ROPS (note: essentially eviscerates the role of the multi-agency represented oversight boards).
7. A county auditor-controller can object to an item on a ROPS or to the funding source listed for an item on the ROPS with such objections sent to DOF to resolve.

Viewed in totality, AB 1484 results in the DOF becoming the anointed czar over former redevelopment agency assets, irrespective of successor agency and oversight board actions.

Attachments: 1. 3rd ROPS Resolution with Exhibits A and B [5 pp.]

RESOLUTION NO. 04-2012

**A RESOLUTION APPROVING AND ADOPTING THE 3rd RECOGNIZED
OBLIGATION PAYMENT SCHEDULE (ROPS III) OF THE SUCCESSOR
AGENCY FOR THE CITY OF CLAYTON COVERING THE TIME PERIOD
OF JANUARY 2013 THROUGH JUNE 2013**

**THE OVERSIGHT BOARD
Successor Agency for the City of Clayton, California**

WHEREAS, pursuant to the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.; the "Redevelopment Law"), the City Council (the "City Council") of the City of Clayton (the "City") adopted in accordance with the California Community Redevelopment Law, City Ordinance No. 243 on 20 July 1987 adopting the Redevelopment Plan for the Clayton Redevelopment Project Area (the "Redevelopment Plan"), as amended from time to time; and

WHEREAS, the Redevelopment Agency of the City of Clayton (the "Agency") is responsible for implementing the Redevelopment Plan pursuant to said Redevelopment Law; and

WHEREAS, Assembly Bill x1 26 (the "Dissolution Act") and Assembly Bill x1 27 (the "Alternative Redevelopment Program Act") were enacted by the State of California on June 28, 2011, to significantly modify the Community Redevelopment Law and to end the existence of or modify continued operation of redevelopment agencies throughout the state (Health & Safety Code §33000, et seq.; the "Redevelopment Law"); and

WHEREAS, on August 11, 2011, the California Supreme Court agreed to review the California Redevelopment Association and League of California Cities' petition challenging the constitutionality of these Redevelopment Restructuring Acts; and

WHEREAS, on December 29, 2011, the California Supreme Court ruled that the Dissolution Act is largely constitutional and the Alternative Redevelopment Program Act is unconstitutional; and

WHEREAS, the Court's decision means that all California redevelopment agencies, including the Clayton Redevelopment Agency, are now terminated and have been automatically dissolved on February 1, 2012 pursuant to the Dissolution Act; and

WHEREAS, on 17 January 2012 by Resolution No. 03-2012, the Clayton City Council did exercise its priority right and became the Successor Agency and the Successor Housing Agency of the former Clayton Redevelopment Agency; and

WHEREAS, on 17 April 2012 by Resolution No. 17-2012, the Clayton City Council as Successor Agency did review and adopt the 2nd Recognized Obligation Payment Schedule (ROPS) setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for the subsequent six-month fiscal period, with said 2nd ROPS covering that time period from 01 July 2012 through 30 December 2012; and

WHEREAS, the appointed Oversight Board to the Successor Agency met at a duly-noticed public meeting on 26 April 2012 wherein it did review, consider and then approve the 1st and 2nd ROPS as submitted to it by the Successor Agency for approval; and

WHEREAS, on 27 June 2012 the California Legislature adopted and the Governor signed Assembly Bill 1484 which set further statutory language and laws administering and managing the operations and obligation payments of successor agencies in California, including the requirement that a 3rd ROPS (ROPS III) for each Successor Agency covering the time period of 01 January 2013 through 30 June 2013 must be adopted by the Successor Agency, approved by its Oversight Board and submitted electronically to the California Department of Finance (DOF) by 01 September 2012; and

WHEREAS, in order to comply with said law in a timely fashion, the Clayton City Council, serving in its capacity as the Successor Agency, did receive at its regular meeting held on 17 July 2012 a recommended ROPS III prepared by City staff and did review, consider and then adopt its ROPS III through approval of City Resolution No. 46 – 2012; and

WHEREAS, at its regular meeting held on 26 July 2012, the Oversight Board received the Successor Agency's approved ROPS III and did duly consider the listed bonded indebtedness payments, contractual obligation expenses and other items allowed for payment by ABx1 26 and AB 1484; and

WHEREAS, under Title 14 of the California Code of Regulations, Section 15378(b)(4), the approval of the ROPS is exempt from the requirements of the California Environmental Quality Act ("CEQA") in that it is not a project, but instead consists of the continuation of an existing governmental funding mechanism for potential future projects and programs, and does not commit funds to any specific project or program because it merely lists enforceable obligations previously entered into and approved by the former Clayton Redevelopment Agency; and

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board for the Successor Agency for the City of Clayton, California does hereby find the above Recitals are true and correct and have served, together with the supporting documents, as the basis for the findings and approvals set forth below.

BE IT FURTHER RESOLVED that the Oversight Board finds, under Title 14 of the California Code of Regulations, Section 15378(b)(4), that this action and Resolution are exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is not a project. The Oversight Board therefore directs that a Notice of Exemption be filed with the County Clerk of the County of Contra Costa, California in accordance with the CEQA guidelines.

BE IT FURTHER RESOLVED that the Oversight Board does hereby approve and adopt the 3rd Recognized Obligation Payment Schedule (ROPS III), attached hereto as "Exhibits A and B" and incorporated herein as if fully set forth in this Resolution.

BE IT FURTHER RESOLVED that the Oversight Board authorizes and instructs the Clayton City Manager or the City Manager's designee to: (1) post the 3rd Recognized Obligation Payments Schedule (Exhibits A and B) on the City website; (2) designate its representative to whom all questions related to the 3rd Recognized Obligation Payment Schedule can be directed; (3) notify, by mail or electronic means, the County Auditor-Controller, the State Department of Finance, and the State Controller of the

Oversight Board's action to adopt the 3rd Recognized Obligation Payment Schedule and to provide those persons with the internet website location of the posted schedule and the contact information for the Board's designated contact; and (4) to take such other actions and execute such other documents as are appropriate to effectuate the intent of this Resolution and to implement the 3rd Recognized Obligation Payment Schedule on behalf of the Oversight Board.

BE IT FURTHER RESOLVED that if any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Resolution or of Exhibits A or B, or any part thereof is for any reason held to be unconstitutional, invalid or ineffective, such decision shall not effect the validity or effectiveness of the remaining portions of this Resolution, Exhibits A or B or any part thereof. The Oversight Board, acting for the Successor Agency, hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase of this Resolution or of Exhibits A or B irrespective of the fact that one or more sections, subsections, subdivision, paragraphs, sentences, clauses or phrases be declared unconstitutional, invalid or ineffective. To this end the provisions of this Resolution and of Exhibits A or B are declared to be severable.

AND BE IT FURTHER RESOLVED that this Resolution shall and does take immediate effect upon its adoption.

PASSED, APPROVED AND ADOPTED by the Oversight Board for the Successor Agency of the City of Clayton, California at a regular public meeting thereof held on the 26th day of July 2012 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

THE OVERSIGHT BOARD FOR THE
SUCCESSOR AGENCY FOR THE
CITY OF CLAYTON

Dan Richardson, Chairperson

ATTEST:

Laura Hoffmeister, Clerk of the Board

3rd RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34167 and 34169

	Project Name / Debt Obligation	Payee	Description	Funding Source	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	PAYMENTS BY MONTH 2013						Total	
							Jan	Feb	Mar	Apr	May	June		
1)	RDA contractual subsidy entered on 10/1/2001	Diamond Terrace Investors	Sr. Housing Facility Loan - 9th Anniv. Pymt	RDA Retirement Trust	200,000	200,000								-
2)	1996 Tax Allocation Bonds Series A	US Bank	Bonds issued to fund non-housing projects	RDA Retirement Trust	317,075	12,363		6,181						6,181
3)	1999 Tax Allocation Bonds	US Bank	Bonds issued to fund non-housing projects	RDA Retirement Trust	6,655,813	516,140		114,780						114,780
4)	Removed (Loan Principal on CCCo Fire Station Land)	City of Clayton	Fire Station Loan not approved by D.O.F.											-
5)	City Loan entered into on 5/19/10	Clayton RDA LMI Housing	Inter-Loan for S.E.R.A.F. payment	RDA Retirement Trust	592,412	148,103	12,342	12,342	12,342	12,342	12,342	12,342		74,052
6)	Contract for Consulting Services	Thales Consulting	RDA State Controller's Report 2010/11-2011/12	RDA Retirement Trust	3,600	1,800								-
7)	Contract for Consulting Services	Cropper Accountancy	RDA Audit 2010-11	RDA Retirement Trust	12,372	4,124								-
8)	Contract for Consulting Services	NBS Local Gov't Solution	Arbitrage Reporting	RDA Retirement Trust	8,700	2,400								-
9)	Contract for Consulting Services	US Bank	Paying Agent Fee	RDA Retirement Trust	16,095	5,365	5,365							5,365
10)	Contract for Consulting Services	Raney Planning	Housing Element higher density codes (EIR)	RDA Retirement Trust	35,294	35,294								-
11)	Contract for Consulting Services	Goldfarb&Lipman/ Turner/ BB&K	Legal advice	RDA Retirement Trust	45,000	15,000	1,000	1,000	1,000					3,000
12)	Successor Agency functions	City of Clayton	Expenses for Successor Agency operation	RDA Retirement Trust	750,000	250,000	20,833	20,833	20,833	20,833	20,834	20,834		125,000.00
13)	Removed (CC Co. Pass Throughs)	Comm College	Payments for former CRL 33676			-								-
14)	Removed (CC Co. Pass Throughs)	County Supt Schools	Payments for former CRL 33676			-								-
15)	Removed (CC Co. Pass Throughs)	County Res Consv	Payments for former CRL 33676			-								-
16)	Removed (CC Co. Pass Throughs)	City of Clayton	Payments for former CRL 33676			-								-
17)	Removed (CC Co. Pass Throughs)	County	Payments for former CRL 33676			-								-
18)	Removed (CC Co. Pass Throughs)	Flood Control District	Payments for former CRL 33401			-								-
19)	Removed (CC Co. Pass Throughs)	Library	Payments for former CRL 33401			-								-
20)	Removed (CC Co. Pass Throughs)	County Fire	Payments for former CRL 33401			-								-
21)	Removed (CC Co. Pass Throughs)	County	Payments for former CRL 33401			-								-
22)	Removed (CC Co. Pass Throughs)	City of Clayton	2% Election payments per Section 33676			-								-
23)	Statutory Payments	County	Property Tax Administration Fees	RDA Retirement Trust	106,000	53,000							53,000	53,000.00
	Totals - This Page				8,742,361	1,243,589	39,540	155,136	34,175	33,175	33,176	86,176		381,378

ROPS III

January 1, 2013 – June 30, 2013

Description	Total Due During		Total
	Fiscal Year		
Sr. Housing Facility Loan - 9th Anniv. Pymt	200,000		-
Bonds issued to fund non-housing projects	12,363		6,181
Bonds issued to fund non-housing projects	516,140		114,780
Fire Station Loan not approved by D.O.F. (\$475,000)			-
Inter-Loan for S.E.R.A.F. payment	148,103		74,052
RDA State Controller's Report 2010/11 & 2011/12	1,800		-
RDA Audit 2010-11	4,124		-
Arbitrage Reporting	2,400		-
Paying Agent Fee	5,365		5,365
Housing Element higher density codes (EIR)	35,294		-
Legal advice	15,000		3,000
Expenses for Successor Agency operation	250,000		125,000
2% Election payments per Section 33676 (\$501,899)	-		-
Property Tax Administration Fees	53,000		53,000
	1,243,589		381,378

Agenda Date: 7-26-12

Agenda Item: 3b



Approved:

Gary A. Napper,
City Manager

AGENDA REPORT

TO: MEMBERS OF THE OVERSIGHT BOARD

FROM: Laura Hoffmeister, Asst. to the City Manager

MEETING DATE: July 26, 2012

SUBJECT: Consideration of the Successor Housing Agency's list of low-moderate affordable housing assets for submittal to the CA Department of Finance by August 1, 2012

RECOMMENDATION

Following Board discussion and public comment, by motion the Board approve the Successor Housing Agency's assembled list of housing assets.

BACKGROUND

On January 17, 2012, the Clayton City Council selected through adoption of Resolution 03-2012 to retain the affordable housing assets and functions performed by the former Redevelopment Agency in accordance with Section 34176 of the Health and Safety Code (Redevelopment Law). The duties and functions transferred by operation of State law on February 1, 2012.

The City, acting in its general municipal capacity and separately from the City as Successor Agency, has also elected to retain and accept specified affordable housing assets, obligations, and housing functions (collectively, the "Housing Functions") of the Redevelopment Agency pursuant to Section 34176, commencing on the Dissolution Date (February 1, 2012). In this capacity, the City is referred to as the "Successor Housing Agency".

All monies in the Redevelopment Agency's Low and Moderate Income Housing Fund were transferred on the Dissolution Date to the City as Successor Housing Agency. The Redevelopment Agency understands that the City as Successor Housing Agency will establish a comparable fund, separate and distinct from all other funds and accounts of the City, to hold, administer and spend the monies in the transferred Housing Fund to perform Housing Functions consistent with the Dissolution Act.

Pursuant to HSC section 34176 (a) (2), the entity assuming the housing functions of the former redevelopment agency is required to submit to the Department of Finance (DOF) a list of all housing assets by **August 1, 2012**. The list must adequately detail how the housing

asset meets the criteria specified in HSC section 34176 (e) and must also include all assets transferred between February 1, 2012 and the date upon which the list is created.

HSC section 34176 (a) (2) also states that DOF is to prescribe the format for the list. For purposes of this notification, successor housing agencies are to use an Excel spreadsheet form attached to this report. The form is to be transmitted electronically to the DOF by August 1, 2012 as an attached Excel file, scanned pdf., copies or in any form other than the prescribed Excel spreadsheet are not acceptable.

DISCUSSION

The DOF did not provide the prescribed format until after 5 pm on Wednesday, July 18, 2012. The form to be used seeks more detailed information than what is required under the law; in staff's preliminary preparation we did not assemble the level of detail that is now being required nor was there sufficient time to prepare in advance of this Oversight Board meeting. Therefore staff has prepared the information we have to date as well as attaching the blank DOF forms. Staff will attempt to complete the prescribed DOF forms and have them at the meeting. If not all data is still completed by the meeting staff will provide what it has completed and ask the Oversight Board to provide staff the authorization to complete the detail and submit by the August 1, 2012 deadline to the State Department of Finance.

In general there are seven categories of listings all requiring differing detail to each: Real Property, Personal Property, Low- Moderate Encumbrances, Loans/Grants Receivables, Rents/Operations, Rents, and Deferrals.

Of these the City's Successor Housing Agency has only two categories of assets: Real Property and Loans/Grants receivables. To date the DOF has not provided any clarifications of the "categories" or the definitions to the details they request in the reports, other than the language contained within the State law, which is also unclear. Staff has consulted with its legal counsel to best determine how some of the "assets" might be classified in the categories listed by the DOF.

The following is general information of the categories and the status of any reportable assets as it relates to the City of Clayton and its successor housing program.

Real Property

This section applies only if the in the name of the City as Housing Functions Successor Agency holds real property acquired with monies from the Housing Fund or other affordable housing funding sources, or has a contract obligation related to affordable housing such as affordable convent agreements where there is not any other loan/grant involved.

There are four private ownership housing units that would fall into this category for affordable housing covenants (not ownership title by the City or former RDA) three under current covenants; and one is pending:

- 1177 Shell Lane (Chaparral Springs)
- 6 Clark Creek Circle (Marsh Creek Park Villas)
- 21 Long Creek Circle (Marsh Creek Park Villas)
- 9 Clark Creek Circle – pending (Marsh Creek Park Villas)

All were purchased by a developer directly and resold by the developer to an affordable income homebuyer qualified by the City at a restricted sales price with recorded covenants. No redevelopment, LMI funds or any other City funds were used. The affordable covenant term is for 45 years, restricts the equity appreciation/resale price to the homebuyer, equity sharing with the Clayton Redevelopment Agency – (now the Successor Housing Agency), requires any resale to be to an affordable income qualified homebuyer, and allows the Clayton Redevelopment Agency – (the City of Clayton Successor Housing Agency) the right but not the obligation to consider purchase of the unit under the same terms. (There is one additional unit that a developer has purchased but a qualified buyer has not been secured. Once this property is resold buy the developer it will also have the same terms as the other properties.)

Personal Property

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

There are no reportable assets in this category. There is not any personal property provided in residences (i.e.: furniture/appliances) that were purchased by former RDA funds or other funds. All staff functions and equipment used for the housing programs are shared with the City generally.

Low- Moderate Encumbrances

This category includes funds for which were encumbered by an enforceable obligation to build or acquire low-moderate income housing -- pursuant to a future development project/program-- such as an agreement with a third party to construct affordable housing in the community; or acquire and affordable housing unit or project by the Housing entity.

There are no reportable assets in this category.

Loans/Grants Receivables

There are two multifamily rental housing unit projects, and 18 single family ownership residences that received former RDA Low-Moderate Affordable Housing loans

Kirker Court Apts. This is a 20 unit rental project for developmentally disabled adults, with extremely low incomes. Completed in 1993, the original loan was for \$567,000 with Peace Grove Inc. The project was later taken over by Eden Housing. The loan term is to be repaid at the end of 60 years (2053). The loan terms restricts the project for the term to the purpose of developmentally disabled housing, and has affordable income restrictions as part of the recorded covenants/loan terms. Affordability restrictions end in 2013 – however if the project discontinues serving extremely low income disabled persons in 2013 or thereafter through 2053, the loan repayment is triggered.

Diamond Terrace: This is an 81 unit rental project for seniors. Completed in 2001 the original loan amount was \$3,836,000, to date \$568,400 has been repaid. There is a varying

repayment schedule, and \$500,000 is forgivable if all project terms, payments made prior to 2029. The term of the loan is 25 years (2030) and interest free. The loan term restricts the project for the term to the purpose of senior affordable rental housing, and has affordable income restrictions as part of the recorded covenants/loan terms through 2056 (55 years).

Stranahan: Single family ownership housing where 18 units have financial assistance, and affordability restrictions (currently 5 low income and 13 moderate income units). The affordability resale restrictions lengths vary some are 30 years and others are 45 years.

There are 18 single family homes located in the Stranahan subdivision, completed in 1995/1996, that have loan or other subsidy buy down assistance using affordable housing funds (RDA LMI funds) in the form of silent second loans. There are eleven that have silent second loan terms, of these, nine have forgivable loans after 25 years (2020/21) and affordability restriction for 30 years; there are two silent seconds with 45 year loan and affordability restrictions. These loans do not require any repayment provided the original owner continues to reside in the unit through the contract term. The loans are also subordinate to the primary loan on the property. There are five silent second units that have prepaid off their loan in the amount due at the time according the principal and interest schedule and promissory note terms, four of these have 25 years affordability restrictions and one has a 45 year restriction. There are seven units that were originally under the original silent second loan program however have been resold. The resale's resulted in the LMI funds being used to repurchase the unit and resell based upon the formula contained in the promissory note. These nine re-sale's have affordable covenant term for 45 years. All the units have equity appreciation/resale price to the homebuyer, equity sharing with the Clayton Redevelopment Agency – (Successor Housing Agency), requires any resale to be to an affordable income qualified homebuyer, and allows the Clayton Redevelopment Agency-(Successor Housing Agency) the right but not the obligation to consider purchase of the unit under the same terms.

Rents/Operations. This category include revenues from rents, operation of properties, 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.

There are no reportable assets in this category. Silent second loans are reported in Loans/Grants Receivable category.

Rents

This category include revenues from rents, or other payments from housing tenants or operators of low-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-moderate income housing.

There are no reportable assets in this category.

Deferrals

This category includes repayments of loans or deferrals owed to the Low- 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)).

34171.

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

(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)).

The reportable assets in this category may include SERAF-related deferrals, SERAF-related loans.

There is a SERAF loan in the amount of \$592,412 from May 19, 2010. This amount less any repayment approved but not yet posted will be included in this category.

Agreements/Contracts: In addition there following enforceable obligations exist are \$45,000 for planning contract service related to affordable housing; \$45,000 in legal contract costs; \$5400 in state controllers report costs; \$12,372 for audit; and financial services contract for \$8700. These contracts include work for affordable housing program and were included on the approved ROPs. It is unclear at this time if they are qualifying assets/deferrals etc.

Silent second loans (Stranahan) are reported in Loans/Grants Receivable category.

Forgivable loans (Kirker Court Apts.) are reported in Loans/Grants Receivable category.

Attachments:

- General listing of Housing Asset Inventory
- State Dept. of Finance Asset Inventory Excel Forms
- Resolution 03-2012: Re: The City of Clayton election to retain the Housing Assets and Function previously performed by the Clayton Redevelopment Agency.



Draft - General listing of Housing Inventory Assets as of June 20, 2012

Street Address	Assessor's Parcel Number	Current Property Owner	Total Units Available	Subsidized Units Available	Assisted Units By	Age of Structure	Termination Date	Construction Year	Construction Method	Construction Permit	Construction Date	Construction Expiration	Target Group	LIHTC Units	Funding Source	Original Loan Amount	Date of Loan	Date Loan Repaid	Loan Term Interest	Interest Rate	Current Loan Balance
1172 Shell Lane	118-820-000	Eden Housing	1	1	X	1962	2/1/2012	1962	Block	2005-008107/3	12/19/1995	2015	Low-income	35,000	Block second	35,000	12/19/1995	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	31,000
0 Clark Creek Circle	118-820-008	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	2005-008107/3	12/19/1995	2015	Low-income	35,000	Block second	35,000	12/19/1995	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	31,000
21 Long Creek Circle	118-820-009	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	2005-0146727	6/12/2009	2054	Very Low	35,000	Block second	35,000	6/12/2009	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	35,000
9 Clark Creek Circle	118-820-017	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	2005-0137716	pending		Low-income	35,000	Block second	35,000	6/12/2009	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	35,000
246 Stranahan	118-820-049	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	95-212003	12/19/1995	2015	Low-income	35,000	Block second	35,000	12/19/1995	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	35,000
274	118-820-058	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	2005-008107/3	12/19/1995	2015	Low-income	35,000	Block second	35,000	12/19/1995	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	35,000
212	118-820-067	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	2005-008107/3	12/19/1995	2015	Low-income	35,000	Block second	35,000	12/19/1995	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	35,000
278	118-820-040	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	95-161523	8/29/1988	2028	Moderate	35,000	Block second	35,000	8/29/1988	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	35,000
302	118-820-002	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	2010-203184	6/28/2010	2065	Moderate	35,000	Block second	35,000	6/28/2010	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	35,000
214	118-820-008	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	95-161530	8/29/1988	2028	Moderate	35,000	Block second	35,000	8/29/1988	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	35,000
222	118-820-012	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	2005-0415680	8/29/1988	2028	Moderate	35,000	Block second	35,000	8/29/1988	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	35,000
210	118-820-033	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	95-188688	10/21/1985	2026	Moderate	35,000	Block second	35,000	10/21/1985	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	35,000
280	118-820-041	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	95-117294	4/19/1988	2028	Moderate	35,000	Block second	35,000	4/19/1988	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	35,000
204	118-820-003	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	2005-0073702	4/17/2009	2054	Moderate	35,000	Block second	35,000	4/17/2009	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	35,000
278	118-820-042	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	95-116200	6/14/1978	2028	Moderate	35,000	Block second	35,000	6/14/1978	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	35,000
288	118-820-038	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	2005-438455	6/27/2003	2062	Low	18,500	Block second	18,500	6/27/2003	2/1/2012	25 years long-term - int pay/repaid: 23,842.04	5.00%	36,000
288	118-820-035	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	2006-03722883	11/11/2006	2051	Moderate	177,000	Block second	177,000	11/11/2006	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	36,000
277	118-820-006	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	2010-0279810	10/28/2010	2055	Low	250,000	Block second	250,000	10/28/2010	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	36,000
289	118-820-037	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	2010-002929	4/23/2010	2029	Moderate	20,490	Block second	20,490	4/23/2010	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	36,000
289	118-820-037	Eden Housing	1	1	X	1966	2/1/2012	1966	Block	86-89400	5/15/1986	2029	Moderate	20,490	Block second	20,490	5/15/1986	2/1/2012	25 years long-term - int pay/repaid: 31,765.04	5.00%	36,000

Note: For the ownership housing, the City has the first right of refusal to buy at Fair Market or equity sharing price/yr equity sharing prices at terms of sale by when sold the borrower will receive only the percentage of the appreciation as defined by the promissory note; net there is a restricted future maximum sales price.

Street Address	Assessor's Parcel Number	Current Property Owner	Total Units Available	Subsidized Units Available	Assisted Units By	Age of Structure	Termination Date	Construction Year	Construction Method	Construction Permit	Construction Date	Construction Expiration	Target Group	LIHTC Units	Funding Source	Original Loan Amount	Date of Loan	Date Loan Repaid	Loan Term Interest	Interest Rate	Current Loan Balance
1733 Koker Pass Road	118-031-031	Eden Housing	20	15	5	1982	2/1/2012	1982	Block	82-334490	12/18/1992	2013	Extremely Low-income per one with disabilities	80	Block second	80	12/18/1992	2/1/2012	80 years long-term - int pay/repaid: 31,765.04	5.00%	80,000
118-031-032	118-031-032	Eden Housing	20	15	5	1982	2/1/2012	1982	Block	82-334490	12/18/1992	2013	Extremely Low-income per one with disabilities	80	Block second	80	12/18/1992	2/1/2012	80 years long-term - int pay/repaid: 31,765.04	5.00%	80,000
118-031-032	118-031-032	Eden Housing	20	15	5	1982	2/1/2012	1982	Block	82-334490	12/18/1992	2013	Extremely Low-income per one with disabilities	80	Block second	80	12/18/1992	2/1/2012	80 years long-term - int pay/repaid: 31,765.04	5.00%	80,000

80 years long-term - int pay/repaid: 31,765.04

This is a list of affordable housing in our community that has been assisted with very-low to moderate income housing funds. It is not a listing of available units. For availability of rental units, check with the property directly.

**DEPARTMENT OF FINANCE
HOUSING ASSETS LIST
ASSEMBLY BILL X1 26 AND ASSEMBLY BILL 1484
(Health and Safety Code Section 34176)**

Former Redevelopment Agency: _____

Successor Agency to the Former Redevelopment Agency: _____

Entity Assuming the Housing Functions of the former Redevelopment Agency: _____

Entity Assuming the Housing Functions Contact Name: _____ Title _____ Phone _____ E-Mail Address _____

Entity Assuming the Housing Functions Contact Name: _____ Title _____ Phone _____ E-Mail Address _____

All assets transferred to the entity assuming the housing functions between February 1, 2012 and the date the exhibits were created are included in this housing assets list. The following Exhibits noted with an X in the box are included as part of this inventory of housing assets:

- Exhibit A - Real Property
- Exhibit B- Personal Property
- Exhibit C - Low-Mod Encumbrances
- Exhibit D - Loans/Grants Receivables
- Exhibit E - Rents/Operations
- Exhibit F- Rents
- Exhibit G - Deferrals

Prepared By: _____

Date Prepared: _____

Exhibit A - Real Property

City or County of xxxx
 Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Type of Asset a/	Legal Title and Description	Carrying Value of Asset	Total square footage	Square footage reserved for low/mod housing	Is the property encumbered by a low/mod housing covenant?	Source of low/mod housing covenant b/	Date of transfer to Housing Successor Agency	Construction or acquisition cost funded with Low/Mod Housing Fund monies	Construction or acquisition costs funded with other RDA funds	Construction or acquisition costs funded with non-RDA funds	Date of construction or acquisition by the former RDA	Interest in real property (option to purchase, easement, etc.)
1													
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
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a/ Asset types may include low/mod housing, mixed-income housing, low/mod housing with commercial space, mixed-income housing with commercial space.

b/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

Exhibit B - Personal Property

City of County of xxxxx
 Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Type of Asset a/	Description	Carrying Value of Asset	Date of transfer to Housing Successor Agency	Acquisition cost funded with Low-Mid Housing Fund monies	Acquisition costs funded with other RDA funds	Acquisition costs funded with non-RDA funds	Date of acquisition by the former RDA
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a/ Asset types 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 moderate income housing purposes, either by purchase or through a loan, in whole or in part, with any source of funds.

Exhibit C - Low-Mod Encumbrances

City or County of xxxxx
 Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Type of asset received pursuant to Health and Safety Code section 34176 (a) (2)	Date contract for enforceable obligation was executed	Contractual counterparty	Total amount currently owed for the enforceable obligation	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant b/	Current owner of the property	Construction or acquisition cost funded with Low-Mod Housing Fund monies	Construction or acquisition costs funded with other RDA funds	Construction or acquisition costs funded with non-RDA funds	Date of construction or acquisition of the property
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a/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

b/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

City or County of xxxx
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Type of payment a/	Type of property with which they are associated b/	Property owner	Entity that collects the payments	Entity to which the payments are ultimately remitted	Purpose for which the payments are used	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant c/	Item # from Exhibit A the rent/operation is associated with (if applicable)
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a/ May include revenues from rents, operation of properties, residual receipt payments from developers, conditional grant repayments, costs savings and proceeds from refinancing, and principal and interest payments from homebuyers subject to enforceable income limits.

b/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

c/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

Exhibit F - Rents

City or County of xxxx
 Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Type of payment a/	Type of property with which the payments are associated b/	Property owner	Entity that collects the payments	Entity to which the collected payments are ultimately remitted	Purpose for which the payments are used	Is the property encumbered by a low-mod housing covenant c/	Source of low-mod housing covenant	Item # from Exhibit A the rent is associated with (if applicable)
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a/ May include rents or home loan payments.

b/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

c/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

Exhibit G - Deferrals

City of County of xxxxx
 Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Purpose for which funds were deferred	Fiscal year in which funds were deferred	Amount deferred	Interest rate at which funds were to be repaid	Current amount owed	Date upon which funds were to be repaid
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RESOLUTION NO. 03 - 2012

A RESOLUTION EXPRESSING ITS INTENT TO SERVE AS THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF CLAYTON PURSUANT TO HEALTH AND SAFETY CODE SECTION 34171(j) AND SECTION 34173, AND TO ELECT TO RETAIN THE HOUSING ASSETS AND FUNCTIONS PREVIOUSLY PERFORMED BY THE REDEVELOPMENT AGENCY OF THE CITY OF CLAYTON, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34176

**THE CITY COUNCIL
City of Clayton, California**

WHEREAS, Assembly Bill 1X 26 (the "Dissolution Act") and Assembly Bill 1X 27 (the "Alternative Redevelopment Program Act") were enacted by the State of California on June 28, 2011, to significantly modify the Community Redevelopment Law and to end the existence of or modify continued operation of redevelopment agencies throughout the state (Health & Safety Code §33000, et seq.; the "Redevelopment Law"); and

WHEREAS, on August 11, 2011, the California Supreme Court agreed to review the California Redevelopment Association and League of California Cities' petition challenging the constitutionality of these Redevelopment Restructuring Acts; and

WHEREAS, on December 29, 2011, the California Supreme Court ruled that the Dissolution Act is largely constitutional and the Alternative Redevelopment Program Act is unconstitutional; and

WHEREAS, the Court's decision means that all California redevelopment agencies are now terminated and will automatically dissolve on February 1, 2012 pursuant to the Dissolution Act; and

WHEREAS, the Dissolution Act provides that a legislative body [e.g., city council] that authorized the creation of a redevelopment agency shall be the "successor agency" to the dissolved redevelopment agency unless the city council elects not to serve as the successor agency under Section 34173(d)(1) of the Redevelopment Law; and

WHEREAS, Section 34176(a) of the Redevelopment Law provides that the city that authorized the creation of a redevelopment agency may elect to retain the housing assets and functions previously performed by the former redevelopment agency; and

WHEREAS, the City of Clayton desires to, intends to, and considers it to be in the best interest and general welfare of the Clayton community to serve as the successor agency for the Redevelopment Agency of the City of Clayton (the "Agency") in accordance with Section 34171(j) and Section 34173 of the Redevelopment Law; and

WHEREAS, the Clayton City Council is particularly concerned and interested in the disposition of local affordable housing funds of its Agency and thereby desires to elect to retain said housing assets and functions previously performed by the Agency in accordance with Section 34176 of the Redevelopment Law.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Clayton, California does hereby order, direct and accept the designation, and hereby declares its intent, to serve as the successor agency for and of the City of Clayton Redevelopment Agency in accordance with Section 34171(j) and Section 34173 of the Redevelopment Law; and

BE IT FURTHER RESOLVED the City Council does hereby elect to retain the [affordable) housing assets and functions previously performed by the Agency in accordance with Section 34176 of the Redevelopment Law; and

BE IT FURTHER RESOLVED that the City Manager, or his or her designee, is hereby directed to file a copy of this resolution with the Contra Costa County Auditor-Controller; and

BE IT FURTHER RESOLVED that the City Manager, or his or her designee, is hereby authorized to take such additional actions, and to execute all documents necessary and appropriate, for the City to transfer the assets of the Agency to the City, in its capacity as successor agency to the Agency, pursuant to Sections 34175 and 34176 of the Redevelopment Law.

PASSED, APPROVED AND ADOPTED at a regular public meeting of the City Council of Clayton, California on the 17th day of January 2012 by the following vote:

AYES: Mayor Geller, Vice Mayor Medrano, Councilmembers Pierce, Shuey and Stratford.

NOES: None.

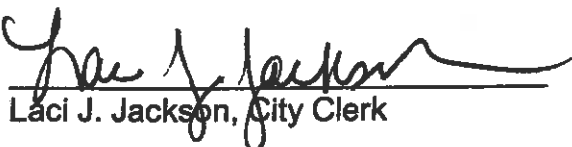
ABSTAIN: None.

ABSENT: None.

THE CITY COUNCIL OF CLAYTON, CA


Howard Geller, Mayor

ATTEST:


Laci J. Jackson, City Clerk