

# **Solano Consolidated Oversight Board**

## **Agenda - Final**

**Thursday, April 11, 2019**

**9:00 AM**

### **Board of Supervisors Chambers**

675 Texas Street  
Fairfield, CA 94533

#### **BOARD MEMBERS:**

*Jim Spering, Solano County Board of Supervisors*  
*Bob Sampayan, Solano County City Selection Committee*  
*H Lee Tedder, Vacaville-Elmira Cemetery District*  
*Tommy Welch, Solano County Office of Education*  
*Rob Diamond, Solano Community College*  
*Jerry Wilkerson, Member of the Public*  
*George Shimboff, Successor Agency Employee*

Temporary parking permits for the County Parking Garage are available from the Board Secretary for visitors attending the Board meeting for more than 2 hours.

The Solano Consolidated Oversight Board does not discriminate against persons with disabilities and is an accessible facility. If you wish to attend this meeting and you will require assistance in order to participate, please call the Board Secretary at (707) 784-6125 at least 24 hours in advance of the event to make reasonable arrangements to ensure accessibility to this meeting.

Non-confidential materials related to an item on this Agenda submitted to the Board after distribution of the agenda packet are available for public inspection at the Solano County Government Center, Clerk of the Board of Supervisors, 675 Texas Street, Suite 6500, Fairfield, during normal business hours.

If you wish to address any item listed on the Agenda, please submit a Speaker Card to the Board Secretary before the Board considers the specific item. Cards are available at the entrance to the Board chambers. Please limit your comments to three minutes. For items not listed on the Agenda, please see items from the public below.

## **AGENDA**

### **CALL TO ORDER - 9:00 A.M.**

### **ROLL CALL**

### **PLEDGE OF ALLEGIANCE**

### **PUBLIC COMMENT**

*This is your opportunity to address the Board on a matter not listed on the Agenda, but it must be within the subject matter jurisdiction of the Board. Please submit a Speaker Card before the first speaker is called and limit your comments to three minutes. The Board will hear public comments for up to fifteen minutes. Any additional public comments will be heard at the conclusion of the meeting. Items from the public will be taken under consideration without discussion by the Board and may be referred to staff.*

### **ADDITIONS/DELETIONS TO THE AGENDA**

### **APPROVAL OF THE AGENDA**

### **PUBLIC COMMENT ON CONSENT CALENDAR**

*Each speaker shall have 3 minutes to address any or all items on the Consent Calendar.*

## APPROVAL OF THE CONSENT CALENDAR

*The Board considers all matters listed under the Consent Calendar to be non-controversial or routine and will adopt them in one motion. There will be no discussion on these items before the Board votes on the motion unless Board members request specific items be discussed and/or removed from the Consent Calendar.*

## CONSENT CALENDAR

### Secretary:

- 1      **COB 19-12**      Approve the minutes of the Solano Consolidated Oversight Board meetings of July 12, 2018 and January 10, 2019

Attachments:    [A - Minutes - July 12, 2018](#)  
                         [B - Minutes - January 10, 2019](#)

## REGULAR CALENDAR

### Suisun City Successor Agency:

- 2      **COB 19-11**      Consider adopting a resolution approving the City of Suisun City Successor Agency loan repayment schedule to the City of Suisun City Low and Moderate Income Housing Fund

Attachments:    [A - SERAF Loan Repayment Schedule](#)  
                         [B - Resolution](#)  
                         [C - Suisun RDA Resolution May 4, 2010](#)  
                         [D - Suisun RDA Resolution December 7, 2010](#)

## ADJOURNMENT:

*To the Solano Consolidated Oversight Board meeting of May 9, 2019 at 9:00 A.M., Board Chambers, 675 Texas Street, Fairfield, CA*

# Solano Consolidated Oversight Board

## Agenda Submittal

<b>Agenda #:</b>	1	<b>Status:</b>	Minutes
<b>Type:</b>	COB - Minutes	<b>Department:</b>	Secretary
<b>File #:</b>	COB 19-12	<b>Contact:</b>	Jeanette Neiger, 784-6125
<b>Agenda date:</b>	04/11/2019	<b>Final Action:</b>	
<b>Title:</b>	Approve the minutes of the Solano Consolidated Oversight Board meetings of July 12, 2018 and January 10, 2019		
<b>Governing body:</b>	Solano Consolidated Oversight Board		
<b>District:</b>			
<b>Attachments:</b>	A - Minutes - July 12, 2018, B - Minutes - January 10, 2019		

Date:	Ver.	Action By:	Action:	Result:
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Published Notice Required? Yes \_\_\_ No X

Public Hearing Required? Yes \_\_\_ No X

### **RECOMMENDATION:**

It is recommended that the Board approve the minutes for the Solano Consolidated Oversight Board meetings of July 12, 2018 and January 10, 2019.

# **Minutes - Draft**

## **Solano Consolidated Oversight Board**

### **BOARD MEMBERS:**

*Jim Spering, Solano County Board of Supervisors  
Bob Sampayan, Solano County City Selection Committee  
H Lee Tedder, Vacaville-Elmira Cemetery District  
Tommy Welch, Solano County Office of Education  
Rob Diamond, Solano Community College  
Jerry Wilkerson, Member of the Public  
Dave Feinstein, Successor Agency Employee*

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Thursday, July 12, 2018

9:00 AM

County Administration Center, 6th Floor,  
Conference Room 6003

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### **CALL TO ORDER**

*The Solano Consolidated Oversight Board met on the 12th day of July 2018 in regular session in Conference Room 6003 at the Solano County Government Center, 675 Texas Street, Fairfield, California at 9:01 A.M.*

### **ROLL CALL**

*Present were Board members Dave Feinstein, Bob Sampayan, H Lee Tedder, Skip Thomson (Alternate) and Tommy Welch. Board Member Jim Spering was excused. Board members Rob Diamond and Jerry Wilkerson were absent. Also present were Auditor-Controller Simona Padilla-Scholtens, Auditor-Controller Elect Phyllis Taynton, Deputy Auditor-Controller Rosemary Bettencourt and Deputy County Counsel Dan Wolk.*

### **PLEDGE OF ALLEGIANCE**

*This meeting of the Solano Consolidated Oversight Board continued with the Salute to the Flag.*

### **INTRODUCTION AND OVERVIEW BY AUDITOR-CONTROLLER**

*Auditor-Controller Simona Padilla-Scholtens welcomed everyone.*

*Auditor-Controller Elect Phyllis Taynton provided an overview of the regulations and responsibilities of the Solano Consolidated Oversight Board.*

## PUBLIC COMMENT

*Secretary Jeanette Neiger invited members of the public to address the Board on matters not listed on the agenda but within the subject matter jurisdiction of the Board. The following comments were received:*

*A) Whit Whitman, Vacaville, commented on the structure of the Board.*

*B) Alicia Minyen, Vacaville, commented on an email she had sent to the Board earlier in the day.*

## ADDITIONS/DELETIONS TO THE AGENDA

*Secretary Neiger noted that the staff report for Item 3 regarding the bylaws contained a clerical error that referenced adoption of a resolution. She noted that a resolution was not part of the agenda item.*

## APPROVAL OF THE AGENDA

**On motion of Board Member Sampayan, seconded by Board Member Welch, the Board approved the agenda of the Solano Consolidated Oversight Board for July 12, 2018 as submitted. So ordered by 5-0 vote.**

## REGULAR CALENDAR

**1**      [COB 18-5](#)

Administer the Oath of Office for members of the Solano Consolidated Oversight Board

*Secretary Neiger administered the Oath of Office to all Board members present.*

**2**      [COB 18-6](#)

Consider nominating and electing one member to serve as Chairperson and one member to serve as Vice Chairperson to the Solano Consolidated Oversight Board

Attachments:      [Minute Order](#)

*Board Member Thomson nominated Bob Sampayan to be the Chairperson.*

*Board Member Sampayan nominated Tommy Welch to the Vice-Chairperson.*

**On motion of Board Member Thomson, seconded by Board Member Feinstein, the Board appointed Bob Sampayan as Chairperson and Tommy Welch as Vice-Chairperson of the Solano Consolidated Oversight Board. So ordered by 5-0 vote.**

**3**      **[COB 18-8](#)**

Consider adopting the Bylaws of the Solano Consolidated Oversight Board

Attachments:      [A - Bylaws](#)  
                         [Adopted Bylaws](#)  
                         [Minute Order](#)

*Board Member Feinstein asked if there would be an agenda submittal template provided to the successor agencies for agenda items to the Board.*

*Secretary Neiger advised that templates for agenda submittals and supporting documents would be sent to all of the six successor agencies.*

**On motion of Board Member Thomson, seconded by Board Member Lee, the Board adopted the Bylaws of the Solano Consolidated Oversight Board. So ordered by 5-0 vote.**

**4**      **[COB 18-9](#)**

Consider a resolution adopting the Conflict of Interest Code for the Solano Consolidated Oversight Board

Attachments:      [A - Resolution](#)  
                         [B - FPPC COI Code Regulations](#)  
                         [Adopted Resolution No. 2018-1](#)  
                         [Minute Order](#)

**On motion of Board Member Welch, seconded by Board Member Sampayan, the Board adopted Resolution No. 2018-1 adopting the Conflict of Interest Code for the Solano Consolidated Oversight Board. So ordered by 5-0 vote. (see Resolution Book)**

**Enactment No: Resolution No. 2018-1**

**5**      **[COB 18-7](#)**

Consider establishing a schedule of meetings of the Solano Consolidated Oversight Board

Attachments:      [A - Meeting Schedule](#)  
                         [Minute Order](#)

**On motion of Board Member Sampayan, seconded by Board Member Welch, the Board approved the proposed meeting schedule for the Solano Consolidated Oversight Board. So ordered by 5-0 vote.**

**BOARD COMMENTS**

*There were no Board comments.*

## CLOSED SESSION

*The Solano Consolidated Oversight Board recessed to Closed Session at 9:23 A.M. to discuss the following matters:*

### 6 [COB 18-10](#)

Public Employment Appointment: Solano Consolidated Oversight Board Attorney

Attachments:     [A - Memorandum](#)  
                              [Minute Order](#)

## RECONVENE

*This meeting of the Solano Consolidated Oversight Board reconvened at 9:33 A.M. All members were present and Chairperson Sampayan presided.*

## REPORT OF ACTION IN CLOSED SESSION

*Secretary Neiger announced that the Board had unanimously voted to appoint Solano County Counsel as the Solano Consolidated Oversight Board Attorney.*

## ADJOURNMENT:

*This meeting of the Solano Consolidated Oversight Board adjourned at 9:34 A.M. Next meeting of the Solano Consolidated Oversight Board will be August 9, 2018 at 9:00 A.M., Board Chambers, 675 Texas Street, Fairfield, California.*

\_\_\_\_\_  
BOB SAMPAYAN, Chairperson  
Solano Consolidated Oversight Board

ATTEST:

By \_\_\_\_\_  
Jeanette Neiger, Secretary



# **Minutes - Draft**

## **Solano Consolidated Oversight Board**

### **BOARD MEMBERS:**

*Jim Spering, Solano County Board of Supervisors  
Bob Sampayan, Solano County City Selection Committee  
H Lee Tedder, Vacaville-Elmira Cemetery District  
Tommy Welch, Solano County Office of Education  
Rob Diamond, Solano Community College  
Jerry Wilkerson, Member of the Public  
Dave Feinstein, Successor Agency Employee*

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Thursday, January 10, 2019

9:00 AM

Board of Supervisors Chambers

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### **CALL TO ORDER**

*The Solano Consolidated Oversight Board met on the 10th day of January 2019 in regular session in the Board Chambers at the Solano County Government Center, 675 Texas Street, Fairfield, California at 9:00 A.M.*

### **ROLL CALL**

*Present were Board members Jim Spering, Bob Sampayan, H Lee Tedder, Tommy Welch, Jerry Wilkerson and Dave Feinstein. Board member Rob Diamond arrived at 9:02 A.M. following the approval of the Agenda. Also present were Auditor-Controller Phyllis Taynton, Deputy Auditor-Controller Rosemary Bettencourt and Deputy County Counsel Dan Wolk.*

### **PLEDGE OF ALLEGIANCE**

*This meeting of the Solano Consolidated Oversight Board continued with the Salute to the Flag.*

### **PUBLIC COMMENT**

*Chairperson Sampayan invited members of the public to address the Board on matters not listed on the agenda but within the subject matter jurisdiction of the Board. There were no public comments.*

### **ADDITIONS/DELETIONS TO THE AGENDA**

*There were no additions to or deletions from the Solano Consolidated Oversight Board agenda for January 10, 2019.*

## APPROVAL OF THE AGENDA

On motion of Board Member Welch, seconded by Board Member Feinstein, the Board approved the agenda of the Solano Consolidated Oversight Board for January 10, 2019 as submitted. So ordered by 6-0 vote.

## PUBLIC COMMENT ON CONSENT CALENDAR

*Chairperson Sampayan invited members of the public to address the Board on matters listed on the Consent Calendar. There were no public comments.*

## CONSENT CALENDAR

### 1 [COB 19-7](#)

Accept the Solano Consolidated Oversight Board meeting calendar

Attachments:     [A - Meeting Schedule](#)  
                             [Minute Order](#)

*Board Member Welch advised that he would not be able to attend the February 14, 2019 scheduled meeting.*

*Board Member Diamond arrived at the dais.*

On motion of Board Member Feinstein, seconded by Board Member Wilkerson, the Board accepted the Solano Consolidated Oversight Board meeting calendar. So ordered by 7-0 vote.

## REGULAR CALENDAR

### 2 [COB 19-2](#)

Consider adopting a resolution approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Dixon Successor Agency for the period from July 1, 2019 through June 30, 2020

Attachments:     [A - Resolution](#)  
                             [B - ROPS 19-20](#)  
                             [C - Administrative Budget](#)  
                             [Minute Order](#)

*City of Dixon representative Michelle Wilder provided the Board with an overview of the item.*

*Board Member Wilkerson asked why there was not a cash balance report for the period of July 1, 2017 to July 1, 2018.*

*Ms. Wilder noted that successor agency staff had followed the reporting requirements set by the state.*

*Auditor-Controller Phyllis Taynton advised that the state did set the date period requirements and noted that staff would follow up and provide this data to the Board.*

*Board Member Wilkerson advised that it would be helpful to have this information when being asked to approve the ROPS.*

*Ms. Wilder advised that the agency would not receive the first half of funds for the 18-19 payment until January and would not receive the other half until July.*

*Mr. Wilkerson noted that there was approximately 18 months of information missing from July of 2017 to current.*

*Chairperson Sampayan noted that he was hesitant to approve the item given the missing information.*

*Ms. Taynton advised that once the Board approved the ROPS, the State Department of Finance (DOF) and the County Auditor-Controller both individually conducted a review of the ROPS and provided a report of any discrepancies. She encouraged the Board to approve the item and advised that staff would clarify the reporting and conduct a reconciliation.*

*Mayor Sampayan advised that a discrepancy would be difficult to amend later.*

*Deputy Auditor-Controller Rosemary Bettencourt advised that the Auditor-Controller's Office annually reviewed the ROPS prior period adjustments where the cash balance came into play. She noted that once the ROPS was approved, staff would look at the expenditures of the agency and would take back any unused funds. She advised that the Auditor-Controller's Office would be submitting this information to the DOF on February 1, 2019 for the period of 16-17 and advised that there would always be a gap of time due to the reporting requirements. She then advised that the agencies would be sanctioned by the state at a rate of \$10,000 per day if the approved ROPS were not submitted by February 1st.*

*Board Member Welch commented that what the Board was being asked to approve was the obligations the successor agency has moving forward and not the current cash balance or what the payments would be in the current year. He then asked what would happen if there was not enough cash to pay for the 19-20 obligations.*

*Ms. Bettencourt advised that the 19-20 obligations were coming from property tax and that funding would be coming on June 1st from the April apportionment. She noted that adjustments were done after the fact and that it was not a matter of the cash the agency had on hand.*

On motion of Board Member Welch, seconded by Board Member Feinstein, the Board adopted Resolution No. 2019-1 approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Dixon Successor Agency for the period from July 1, 2019 through June 30, 2020. Board Member Wilkerson voted no. So ordered by 6-1 vote.

Enactment No: Resolution 2019-1

**3**      **COB 19-3**

Consider adopting a resolution approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Fairfield Successor Agency for the period of July 1, 2019 through June 30, 2020

Attachments:      [A - Resolution](#)  
                             [B - ROPS 19-20](#)  
                             [C - Administrative Budget](#)  
                             [Minute Order](#)

*City of Fairfield Budget Manager Brian Chua provided an overview of the item.*

*Board Member Wilkerson asked what the cash balance was for fiscal year 2017/18.*

*City of Fairfield Principal Accountant Myles Dixon advised that there was a cash balance of \$4.6 million to pay for July 2018 through June 2019. He advised that there was sufficient cash for that time period and that the funding for fiscal year 2019/20 was what was being requested.*

On motion of Board Member Tedder, seconded by Board Member Welch, the Board adopted Resolution No. 2019-2 approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Fairfield Successor Agency for the period of July 1, 2019 through June 30, 2020. Board Member Wilkerson voted no. So ordered by 6-1 vote.

Enactment No: Resolution 2019-2

**4**      **COB 19-1**

Consider adopting a resolution approving a Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the City of Suisun City Successor Agency for the period of July 1, 2019 through June 30, 2020

Attachments:      [A - Resolution](#)  
                             [B - ROPS 19-20](#)  
                             [C - Administrative Budget](#)  
                             [Minute Order](#)

*City of Suisun City Development Services Director Tim McNamara provided an overview of the item.*

On motion of Board Member Welch, seconded by Board Member Feinstein, the Board adopted Resolution No. 2019-3 approving a Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the City of Suisun City Successor Agency for the period of July 1, 2019 through June 30, 2020. Board Member Wilkerson voted no. So ordered by 6-1 vote.

Enactment No: Resolution 2019-3

5 [COB 19-4](#)

Consider adopting a resolution approving the Recognized Obligation Payment Schedule (ROPS) for the Successor Agency of the Redevelopment Agency of the City of Vacaville for the period of July 1, 2019 through June 30, 2020

*Attachments:*     [A - Resolution](#)  
                             [B - ROPS 19-20](#)  
                             [Minute Order](#)

*City of Vacaville Housing Services Director Emily Cantu provided an overview of the item.*

*Board Member Wilkerson asked what the cash balance was.*

*Ms. Cantu advised that she did not have the information with her.*

*Board Member Feinstein asked if Vacaville was the only community that did not have an administrative allowance. He asked why Vacaville was not eligible for the allowance.*

*Ms. Cantu advised that a calculation in the law determined the administrative allowance which was based on the property tax funds received in the prior fiscal year. She noted that Vacaville had enough cash on hand in the prior year to pay obligations and was not eligible for the allowance.*

*Board Member Feinstein commented on the calculation of the ROPS for the total obligation for the administration portion for Vacaville and asked that there be consistency in the future in how the agencies calculated this.*

*Auditor-Controller Phyllis Taynton advised that staff would look at this to determine if the calculation should be for the current year or a cumulative amount of years.*

*In response to a question from Board Member Welch, Ms. Cantu advised that the agency was requesting a change to be made for the total outstanding administration allowance to take it to zero.*

*Ms. Taynton advised that the agency had reported the allowance as an obligation but was not requesting funding for it, therefore the change would not affect the funding request that the Board was being asked to approve.*

**On motion of Board Member Welch, seconded by Board Member Spering, the Board adopted Resolution No. 2019-4 approving the Recognized Obligation Payment Schedule (ROPS) for the Successor Agency of the Redevelopment Agency of the City of Vacaville for the period of July 1, 2019 through June 30, 2020. Board Member Wilkerson voted no. So ordered by 6-1 vote.**

**Enactment No: Resolution 2019-4**

**6**      **COB 19-5**

Consider adopting a resolution approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Vallejo Successor Agency for the period of July 1, 2019 through June 30, 2020

Attachments:      [A - Resolution](#)  
                         [B - ROPS 19-20](#)  
                         [C - Administrative Budget](#)  
                         [Minute Order](#)

*City of Vallejo Deputy Finance Director Florita Cruz provided an overview of the item.*

**On motion of Board Member Welch, seconded by Board Member Feinstein, the Board adopted Resolution No. 2019-5 approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Vallejo Successor Agency for the period of July 1, 2019 through June 30, 2020. Board Member Wilkerson voted no. So ordered by 6-1 vote.**

**Enactment No: Resolution 2019-5**

**7**      **COB 19-6**

Consider reaffirming current Chairperson and Vice Chairperson to the Solano Consolidated Oversight Board to serve from July 2019 through December 2019

Attachments:      [Minute Order](#)

*Auditor-Controller Phyllis Taynton provided an overview of the item.*

**On motion of Board Member Sperring, seconded by Board Member Diamond, the Board affirmed the continuing appointment of Chairperson Sampayan and Vice Chairperson Welch for the Solano Consolidated Oversight Board to serve from July 2019 thru December 2019. So ordered by 7-0 vote.**

## **BOARD COMMENTS**

*Chairperson Sampayan invited members of the Board to make comments.*

*Board Member Sperring commented on the need for staff to define to the Board that the successor agencies were meeting the requirements of reporting and filing and that there was no outstanding balances or concerns. He also suggested including an explanation of the process, especially if there were any outstanding property taxes.*

*Auditor-Controller Phyllis Taynton clarified that the agencies were meeting the requirements. She noted that the Auditor-Controller staff audited the ROPS after the Board approved them and then reported back to the State Department of Finance.*

*Board Member Sperring noted that it was important to make the statement that the successor agencies were providing the required information.*

*Ms. Taynton noted that staff would make sure this was stated in the future.*

*In response to a question from Board Member Tedder, Ms. Taynton provided an overview of past actions and requirements for each city successor agency oversight board and noted that the ROPS were outstanding obligations from prior years that had been reviewed already by the Department of Finance. She advised that there should not be much that changed from year to year moving forward as the affairs of each successor agency were winding down.*

*In response to a question from Board Member Feinstein, Ms. Taynton noted that the City of Benicia did not have a redevelopment agency and that the City of Rio Vista had no outstanding obligations but was winding down its affairs.*

*Chairperson Sampayan asked that the requests made by Board Member Wilkerson be followed up on and provided to the Board. He then requested that the results of the audit to be conducted by the Auditor-Controller in March be shared with the Board.*

*Ms. Taynton advised that staff would gather information from the Department of Finance regarding reporting of 2016/2017 balances and why they were two years in arrears. She then advised that, on an annual basis, Auditor-Controller staff would audit the prior-period adjustments submitted by the successor agencies and would then reconcile those balances. She noted that the staff would get the 2016/2017 cash balances from the Department of Finance and ask each successor agency to roll forward those balances to June 30, 2018 and would report this information back to the Board.*

#### **ADJOURNMENT:**

*This meeting of the Solano Consolidated Oversight Board adjourned at 9:33 A.M. Next meeting of the Solano Consolidated Oversight Board will be February 14, 2019 at 9:00 A.M., Board Chambers, 675 Texas Street, Fairfield, California.*

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**BOB SAMPAYAN, Chairperson**  
**Solano Consolidated Oversight Board**

**ATTEST:**

By \_\_\_\_\_  
**Jeanette Neiger, Secretary**

# Solano Consolidated Oversight Board

## Agenda Submittal

<b>Agenda #:</b>	2	<b>Status:</b>	Regular Calendar
<b>Type:</b>	COB - Report	<b>Department:</b>	Suisun Successor Agency
<b>File #:</b>	COB 19-11	<b>Contact:</b>	Sajuti Rahman, 421-7336
<b>Agenda date:</b>	04/11/2019	<b>Final Action:</b>	
<b>Title:</b>	Consider adopting a resolution approving the City of Suisun City Successor Agency loan repayment schedule to the City of Suisun City Low and Moderate Income Housing Fund		
<b>Governing body:</b>	Solano Consolidated Oversight Board		
<b>District:</b>	Suisun Successor Agency		
<b>Attachments:</b>	A - SERAF Loan Repayment Schedule, B - Resolution, C - Suisun RDA Resolution May 4, 2010, D - Suisun RDA Resolution December 7, 2010		

<b>Date:</b>	<b>Ver.</b>	<b>Action By:</b>	<b>Action:</b>	<b>Result:</b>
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Published Notice Required? Yes ☐ No ☒

Public Hearing Required? Yes ☐ No ☒

### **RECOMMENDATION:**

It is recommended that the Solano Consolidated Oversight Board (SCOB) adopt the resolution approving the City of Suisun City Successor Agency loan (SA) repayment schedule to the City of Suisun City Low and Moderate Income Housing Fund.

### **DISCUSSION:**

In 2009, in response to the economic challenges facing the State of California, the California State Legislature enacted ABx4-26 that added Sections 33690 and 33690.5 to the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) requiring Redevelopment Agencies (RDA) to make certain payments to its county Supplemental Educational Revenue Augmentation Fund (SERAF) in FY 2009-10 and FY 2010-11. Health and Safety Code Section 33690 (c) permitted the RDA to borrow from the Low and Moderate Income Housing Fund (LMIHF) if necessary to satisfy the SERAF payment obligations.

At that time, Suisun City RDA staff concluded that the Suisun City RDA had insufficient RDA funds available to make the SERAF payment. This resulted in the RDA borrowing from the LMIHF to fulfill its SERAF payment obligations. Specifically, the Suisun City RDA borrowed \$5,723,200 in May 2010 for FY 2009-10 and \$1,178,305 in May 2011 for the FY 2010-11 SERAF payments, for a total of \$6,901,500.

Pursuant to Health and Safety Code (HSC) section 34171 (d)(1)(G), loans issued from a city to a former RDA may be listed on the Recognized Obligation Payment Schedule (ROPS) as enforceable obligations, provided the Oversight Board approves a repayment schedule. Therefore, a separate Oversight Board action is required, approving a repayment schedule for amounts due to the LMIHF.

The SERAF loan payment from the Successor Agency to the RDA of the City of Suisun City (Successor Agency) to the LMIHF was listed as part of the ROPS 19-20. The ROPS was approved by the Successor Agency on December 11, 2018 and the Solano Countywide Oversight Board (SCOB) on January 10, 2019.



In February 2019, as a result of the State of California Department of Finance (DOF) review of the Successor Agency ROPS 19-20, the DOF required that the Successor Agency request the SCOB to approve the repayment schedule and submit it to the DOF for review before requesting the loan payment on the ROPS.

On March 12, 2019, the Successor Agency adopted the resolution approving the SERAF loan repayment schedule.

If the SCOB approves the repayment schedule, this item will be resubmitted to the DOF for further review and approval and inclusion in ROPS 19-20.

Additionally, if the SCOB also approves the repayment of this SERAF loan, the Suisun City Low and Moderate Income Housing Fund will receive \$690,150 annually for a total of \$6,901,505 after ten years (Attachment A).

**FINANCIAL IMPACT:**

The SERAF loan repayment schedule listed will be included in the ROPS 19-20 annual budget. There will be a positive fiscal impact on the Suisun City Low and Moderate Income Housing Funds with ten annual payments of \$690,150 for a total of \$6,901,505.

It should be noted, however, the annual maximum repayment related to SERAF is subject to the same formula restrictions as RDA/Sponsoring entity loans pursuant to HSC section 34176 (e)(6)(B) and could be reduced upon review by the DOF.

**ALTERNATIVES:**

The Solano Consolidated Oversight Board could direct the Successor Agency to amend the SERAF loan repayment schedule.

**OTHER AGENCY INVOLVEMENT:**

None.

## Successor Agency of City of Suisun City

### RDA SERAF Shift - Schedule of ROPS Payment Request

**Loan Amount     \$    6,901,505**

<u>Fiscal Year</u>	<u>Amount</u>
2019-20	\$        690,150
2020-21	690,150
2021-22	690,150
2022-23	690,150
2023-24	690,150
2024-25	690,150
2025-26	690,150
2026-27	690,150
2027-28	690,150
2028-29	690,155
	<u><u>\$        6,901,505</u></u>

**RESOLUTION NO. 2019 - 6**

**RESOLUTION OF THE SOLANO CONSOLIDATED OVERSIGHT BOARD  
TO APPROVE THE CITY OF SUISUN CITY SUCCESSOR AGENCY LOAN REPAYMENT SCHEDULE TO  
THE CITY OF SUISUN CITY LOW AND MODERATE INCOME HOUSING FUND**

**Whereas**, pursuant to the California Health and Safety Code sections 33690 and 33690.5, the former Suisun City Redevelopment Agency ("RDA") borrowed \$6,901,505 from its Low and Moderate Income Housing Fund (LMIHF) in order to make its Supplemental Education Revenue Augmentation Fund (SERAF) payments to the State in fiscal years 2010 and 2011; and

**Whereas**, the RDA resolutions adopted on May 4, 2010 and December 7, 2010 state that the funds borrowed for the SERAF payments must be repaid to the LMIHF by June 30, 2015; and

**Whereas**, the SERAF loan repayment schedule (Attachment A) was received and accepted by the Successor Agency on March 12, 2019; and

**Whereas**, pursuant to HSC section 34176 (e)(6)(B), the repayment related to SERAF are subject to the same formula restrictions as RDA/sponsoring entity loans. Specifically, the maximum repayment amount authorized each year shall be equal to one-half of the increase between "the amount distributed" to the taxing entities in that fiscal year and the amount distributed to taxing entities in the 2012-13 base year; and

**Whereas**, pursuant to Health and Safety Code section 34171 (d)(1)(G), loans issued from the City to the former RDA such as the SERAF loan may be listed on the ROPS as enforceable obligations provided that the loan repayment schedule is approved by the SCOB; and

**Whereas**, the California Department of Finance requests a resolution of the SCOB approving the loan repayment schedule of the SERAF loans.

**Resolved**, the Solano Consolidated Oversight Board does resolve as follows:

- Section 1.** The recitals set forth above are true and correct and incorporated herein by reference.
- Section 2.** The Solano Consolidated Oversight Board hereby approves the loan repayment schedule for funds borrowed from the Low and Moderate Income Housing Fund for the Supplemental Education Revenue Augmentation payments which will be included on future Recognized Obligation Payment Schedules attached hereto as Attachment A
- Section 3.** The officers of the Solano Consolidated Oversight Board and the staff of the Successor Agency are hereby authorized and directed, to do any things which they may deem necessary or advisable to effectuate this resolution, including requesting additional review by the Department of Finance and an opportunity to meet and confer on any disputed items, and any such actions previously taken by such officers and staff are ratified and confirmed.

Passed and adopted by the Solano Consolidated Oversight Board at its regular meeting on April 11, 2019 by the following vote:

AYES:	BOARD MEMBERS	_____
NOES:	BOARD MEMBERS	_____
EXCUSED:	BOARD MEMBERS	_____

\_\_\_\_\_  
BOB SAMPAYAN, Chairperson  
Solano Consolidated Oversight Board

ATTEST:

\_\_\_\_\_  
Jeanette Neiger, Secretary  
Solano Consolidated Oversight Board

RESOLUTION NO. RA 2010-10

ADOPTING THE 6TH AMENDMENT TO THE ANNUAL APPROPRIATION RESOLUTION NO. RA 2009-20 TO PROVIDE FUNDS FOR THE PAYMENT OF \$5,723,200 TO THE SOLANO COUNTY EDUCATIONAL REVENUE AUGMENTATION FUND PURSUANT TO ABX4-26

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY:

THAT Section 905 of Part III of the Annual Appropriation Resolution No. RA 2009-20 be and is hereby amended as follows:

		Increase/ (Decrease)
TO:	ADMINISTRATIVE SERVICES DEPARTMENT	\$ 5,723,200
	Interfund Transfers	
	TOTAL 905 RDA Housing Set-Aside Fund	\$ 5,723,200

THAT Section 950 of Part III of the Annual Appropriation Resolution No. RA 2009-20 be and is hereby amended as follows:

		Increase/ (Decrease)
TO:	ADMINISTRATIVE SERVICES DEPARTMENT	\$ 5,723,200
	Tax Increment Pass-Through Payments	
	TOTAL 950 RDA Tax Increment Fund	\$ 5,723,200

THAT account titles and numbers requiring adjustment by this Resolution are as follows:

		Sources	Uses
<u>RDA Housing Set-Aside Fund</u>			
Revenues:			
A/C No. 905-00000-3560	Housing Set-Aside/Use of Reserves	\$ -	\$ (5,723,200)
Appropriations:			
A/C No. 905-85950-3560	Housing Set-Aside/Transfer to Fund 950	\$ -	\$ 5,723,200
	Total RDA Housing Set-Aside Fund	\$ -	\$ -
<u>RDA Tax Increment Fund</u>			
Revenues:			
A/C No. 950-81905-3500	Tax Increment/Transfer In From Fund 905	\$ 5,723,200	\$ -

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Appropriations:

A/C No. 950-87160-3500	Tax Increment/Pass-Through SERAF	\$	-	\$ 5,723,200
	Total RDA Tax Increment Fund	\$	5,723,200	\$ 5,723,200


THAT there are insufficient other moneys available for the SERAF payment, as use of such money would severely impair the ability of the Agency to implement the programs, projects, and goals of the Redevelopment Plan; and

THAT the purpose is to provide a loan from the Housing Set-Aside Fund to the Tax Increment Fund in order to pay under protest the \$5.7 million take from the State of California, pursuant to ABX4-26.

**ADOPTED AND PASSED** at a regular meeting of the Redevelopment Agency of the City of Suisun City duly held on the 4th of May, 2010 by the following vote:

<b>AYES:</b>	<b>BOARD MEMBERS:</b> Day, Derting, Hudson, Segala, Sanchez
<b>NOES:</b>	<b>BOARD MEMBERS:</b> None
<b>ABSENT:</b>	<b>BOARD MEMBERS:</b> None
<b>ABSTAIN:</b>	<b>BOARD MEMBERS:</b> None

WITNESS my hand and seal of the said Agency this 4th Day of May, 2010.

  
Donna Pock  
Deputy City Clerk

**RESOLUTION NO. RA 2010-22**

**A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY  
ADOPTING THE FIRST AMENDMENT TO THE ANNUAL APPROPRIATION RESOLUTION  
NO. RA 2010-16 TO REBUDGET AGENCY PROJECTS AND PROGRAMS FROM THE PRIOR  
FISCAL YEAR**

**BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY:**

**THAT** Section 905 of Part III of the Annual Appropriation Resolution No. RA 2009-20 be and is hereby amended as follows:

		Increase/ (Decrease)
TO:	ADMINISTRATIVES SERVICES DEPARTMENT	\$ 1,200,000
	Interfund Transfers	
	TOTAL RDA Housing Set-Aside Fund	\$ 1,200,000

**THAT** Section 920 of Part III of the Annual Appropriation Resolution No. RA 2009-20 be and is hereby amended as follows:

		Increase/ (Decrease)
TO:	ECONOMIC DEVELOPMENT DEPARTMENT	\$ (126,000)
	rda Business Loan Reserve	
TO:	ECONOMIC DEVELOPMENT DEPARTMENT	\$ 155,000
	Capital Improvements	
	TOTAL RDA Capital Projects Fund	\$ 29,000

**THAT** Section 950 of Part III of the Annual Appropriation Resolution No. RA 2009-20 be and is hereby amended as follows:

		Increase/ (Decrease)
TO:	ADMINISTRATIVES SERVICES DEPARTMENT	\$ 1,200,000
	Tax Increment Pass-Through Payments	
TO:	ADMINISTRATIVES SERVICES DEPARTMENT	\$ 29,000
	Interfund Transfers	
	TOTAL RDA Tax Increment Fund	\$ 1,229,000

**THAT** account titles and numbers requiring adjustment by this Resolution are as follows:

	<u>Sources</u>	<u>Uses</u>
<u>RDA Housing Set-Aside Fund</u>		

Revenues:

A/C No. 905-00000-3560	Use of Reserves/Hsg Set-Aside	\$ 1,200,000	\$ -
Appropriations:			
A/C No. 905-85950-3560	Transfer to Fund 950/Hsg Set-Aside	\$ -	\$ 1,200,000
Total RDA Housing Set-Aside Fund		\$ 1,200,000	\$ 1,200,000

RDA Capital Projects Fund

Revenues:

A/C No. 920-81950-9926	Transfer In from Fund 950/Courtyard Proj.	\$ 29,000	\$ -
Appropriations:			
A/C No. 920-98145-9939	Reserve for Bus. Loan/Business Loan Prog.	\$ -	\$ (126,000)
A/C No. 920-96310-9886	CIP Construction/Gateway Signage	\$ -	\$ 10,000
A/C No. 920-96310-9901	CIP Construction/Façade Improvements	\$ -	\$ 20,000
A/C No. 920-96310-9926	CIP Construction/Courtyard Project	\$ -	\$ 125,000
Total RDA Capital Projects Fund		\$ 29,000	\$ 29,000

RDA Tax Increment Fund

Revenues:


A/C No. 950-00000-3500	Use of Reserves	\$ 29,000	\$ -
A/C No. 950-81905-7516	Transfer In from Fund 905/Pass-Throughs	\$ 1,200,000	\$ -
Appropriations:			
A/C No. 950-85920-3500	Transfer To Fund 920	\$ -	\$ 29,000
A/C No. 950-87160-7516	Pass-Thru (SERAF)/RDA Pass-Throughs	\$ -	\$ 1,200,000
Total RDA Tax Increment Fund		\$ 1,229,000	\$ 1,229,000

THAT the purpose is to re-budget projects from the prior fiscal year that were not expensed as anticipated; and to budget for the second year of the State's RDA Rip-off, also known as SERAF.

**ADOPTED AND PASSED** at a regular meeting of the Redevelopment Agency of the City of Suisun City duly held on the 7th of December, 2010 by the following vote:

<b>AYES:</b>	BOARD MEMBERS Day, Derting, Hudson, Segala, Sanchez
<b>NOES:</b>	BOARD MEMBERS: None
<b>ABSENT:</b>	BOARD MEMBERS: None
<b>ABSTAIN:</b>	BOARD MEMBERS: None

WITNESS my hand and seal of the said Agency this 7th day of December 2010.

  
Donna Pock, CMC  
Deputy City Clerk