



COUNTYWIDE OVERSIGHT BOARD REPORT

C.10

DATE: JANUARY 28, 2019

TO: COUNTYWIDE OVERSIGHT BOARD MEMBERS

**FROM: MICHELLE FITZER, PINOLE CITY MANAGER
ANDREA MILLER, PINOLE FINANCE DIRECTOR**

**SUBJECT: ADOPT RESOLUTION 2019/9 APPROVING THE RECOGNIZED
OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2019 – JUNE
30, 2020 (ROPS 19-20) FOR PINOLE SUCCESSOR AGENCY**

RECOMMENDATION

Adopt Resolution 2019/9 Approving the Recognized Obligation Payment Schedule for July 1, 2019 through June 30, 2020 (ROPS 19-20) for Pinole Successor Agency in the amount of \$5,558,675.

BACKGROUND

On June 28, 2012, the Governor signed into law AB-1484 which requires that the disbursement schedule for Enforceable Obligations for the next accounting period required to close-out the business affairs of the previous redevelopment agency be reviewed by the local Oversight Board and submitted to County and State Administrative authorities. Pursuant to Health and Safety Code Section 34179 (j), effective July 1, 2018, 17 Oversight Boards expired and only one Oversight Board in Contra Costa County was established. The purpose of this County Oversight Board is to oversee all redevelopment successor agencies in the County.

Pursuant to HSC section 34179.7 (o) (1), commencing with the ROPS covering the period from July 1, 2016 to June 30, 2017 and thereafter, agencies shall submit an Oversight Board approved annual ROPS to the State Department of Finance and the County Auditor-Controller by February 1, 2016 and each February 1 thereafter. The Enforceable Obligations scheduled for payment in the twelve-month period (July 1, 2019 – June 30, 2020) total the sum of \$5,558,675, as listed on Attachment C, and described on Attachment B.

While redevelopment agency Successor Agencies may not initiate any new activities nor incur new indebtedness, they are nevertheless required under legislative statute and court order to continue making those payments necessary for day to day operations pursuant to contractual commitments (enforceable obligations), regulatory authorities, and indebtedness entered into prior to the enactment of ABx1-

26 (Statutes of 2011). The legislation requires that only payments listed on approved Recognized Obligations Payment Schedules may be processed. The Governing Board of the Successor Agency to the Redevelopment Agency of the City of Pinole approved the ROPS 19-20 on January 15, 2019 with resolution 2019-01.

REVIEW & ANALYSIS

The enclosed ROPS document is a listing of the minimum amounts that are required (scheduled) to be paid by the Pinole Redevelopment Successor Agency during the twelve-month period of July 1, 2019 through June 30, 2020, and includes the identification of a proposed funding source for payment of the existing enforceable obligations. This schedule must be reviewed and approved by the County Oversight Board prior to submission to the State Department of Finance (DOF) for final confirmation.

The DOF requires that residual/surplus funding from prior ROPS available within the Successor Agency's RPTTF Accounts, must be applied as an offset for additional distributions from the County Auditor-Controller. There is not a residual surplus at June 30, 2017 from the ROPS 16-17 funding period to apply to the ROPS 19-20 (refer to "Report of Cash Balances"), as a result, staff is requesting the full amount of \$5,558,675 for the ROPS 19-20 funding period.

ANNOTATED DESCRIPTIONS OF ROPS ENFORCEABLE OBLIGATIONS

Item #	Liability Description
7	Trustee Fees for "Paying & Dissemination Agent" activities are billed and paid annually.
20	This agreement provides for loan servicing for both commercial real estate and business assistance promissory notes related to property rehabilitation and business retention remitted on a monthly basis.
21	The tax-exempt status of the Tax Allocation Bonds requires routine reporting of interest earnings on the reserve account investments to the federal Internal Revenue Service. The individual reports (and if necessary Tax Filings) are scheduled for preparation approximately every other month throughout the fiscal year.
24	This agreement provides for the administration of a Reciprocal Easement Agreement used for common area maintenance and capital improvement reimbursements related to the Restaurant Phase of the Pinole Vista Crossings Shopping Center. The cost of this agreement is funded by the property owners and does not require funding through RPTTF "pledged revenues" generated within the boundaries of the former Redevelopment Project Areas.
26	Specific provisions of the Indentures for the outstanding Tax Allocation Bonds require continuous disclosure of financial information (property

	<p>taxation assessment values, tax collection amounts and analysis of the potential tax loss exposures from Assessment Appeals by property owners) related to the pledged revenue tax base annually, as long as there are unpaid bonds outstanding. This tax consultant prepares a comprehensive report annually, with one subsequent assessment modification Addendum and two Assessment Appeals Status Report updates.</p>
27	<p>Both a Financial Statement Audit of the Successor Agency and certifications of financial Continuing Disclosure Information (required by Bond Indentures) will be completed annually (each December) by the City's External Auditor, as was the former Redevelopment Agency's past practice.</p>
31	<p>Payroll cost allocations for City Staff assigned to complete the close-out/dissolution activities of the Successor Agency, are as follows:</p> <ol style="list-style-type: none"> 1. City Manager (Meeting Preparation and General Administration) 2. Asst. City Manager (Real Property and Infrastructure Asset disposal) 3. Finance Director (Financial Reporting and Disbursement of Funds for settlement/liquidation of Enforceable Obligations) 4. City Clerk (Meeting Agenda Preparation, Recordation of Successor Agency actions, Document Retention)
33	<p>Legal/Attorney Support Services will continue to be provided to guide and assist the Successor Agency Staff and Oversight Board in completing the dissolution duties. Support activities related to the general administrative functions of the Oversight Board will be included in the Administrative Cost Budget; however, legal support duties related to the disposal of specific assets will be recouped through escrow settlements and taken from the sale proceeds of real and tangible personal property.</p>
37	<p>The State Department of Finance (DOF) has recognized but deferred funding for repayment of short-term borrowing of funds from the Housing Set-Aside Accounts of the former Redevelopment Agency to comply with mandatory statutory property tax increment transfers to the Supplemental Educational Revenue Augmentation Fund (SERAF) in fiscal years 2009-10 and 2010-11. Repayment for these loans is authorized for funding by DOF beginning in the 2014-15 fiscal year; however, an initial repayment of this EO is not recommended by Successor Agency Staff, at this time.</p>
45-46	<p>Semi-annual Tax Allocation Bond principle and interest payable August 1, 2019 and February 1, 2020. Outstanding principal will be fully amortized to the following schedule:</p> <ol style="list-style-type: none"> a. 2015A Tax Allocation Refunding Bond (Tax-Exempt) through August 2023 b. 2015B Tax Allocation Refunding Bond (Taxable) through August 2020

FISCAL IMPACT

Staff has determined that there will be sufficient funding available in the Redevelopment Property Tax Trust Fund (RPTTF) Account held by the Contra Costa County Auditor-Controller to fully fund all Enforceable Obligations identified for the ROPS 19-20 authorization period.

ATTACHMENTS

Attachment A – Resolution

Attachment B – Recognized Obligation Payment Schedule “19-20” July 1, 2019 –
June 30, 2020, Pinole Successor Agency

RESOLUTION 2019/9

**RESOLUTION OF THE COUNTYWIDE OVERSIGHT BOARD
FOR THE COUNTY OF CONTRA COSTA**

RESOLUTION OF THE COUNTYWIDE OVERSIGHT BOARD, CONTRA COSTA COUNTY, APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2019 THROUGH JUNE 30, 2020 (ROPS 19-20) FOR PINOLE SUCCESSOR AGENCY

WHEREAS, Assembly Bill x1 26 (“ABx1 26”) was passed by the California State Legislature, signed by the Governor, and has been codified as part 1.8 of Division 24 of the California Health and Safety Code, commencing with Section 34161; and

WHEREAS, AB 26 requires successor agencies to continue to make all scheduled payments for enforceable obligations of their predecessor redevelopment agencies; and

WHEREAS, pursuant to HSC section 34179.7(o)(1), commencing with the ROPS covering the period from July 1, 2016 to June 30, 2017 and thereafter, agencies shall submit an Oversight Board approved annual ROPS to the State Department of Finance and the County Auditor-Controller by February 1, 2016 and each February 1 thereafter; and

WHEREAS, as of July 1, 2018, 17 Oversight Boards expired and only one Oversight Board in Contra Costa County was established to oversee all redevelopment successor agencies in the County; and

WHEREAS, the ROPS was reviewed by the Pinole Successor Agency Governing Board and approved by resolution 2019-01 on January 15, 2019 prior to submission to the Countywide Oversight Board.

NOW, THEREFORE, the Countywide Oversight Board for the County of Contra Costa does hereby resolve that the Recognized Obligation Payment Schedule for the period July 1, 2019 through June 30, 2020, herein provided as Attachment B, is hereby approved.

PASSED AND ADOPTED this 28th of January, 2019 by the following vote:

AYES: 4 Kristen Lackey, Susan Morgan, Peter Murray, William Swenson*(alternate)

NOES: 0

ABSENT: 4 Federal Glover, Vicki Gordon, John Hild, Jack Weir*

ABSTAIN: 0

ATTEST:


Oversight Board Secretary

Recognized Obligation Payment Schedule (ROPS 19-20) - Summary
 Filed for the July 1, 2019 through June 30, 2020 Period

Successor Agency: Pinole
 County: Contra Costa

<u>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</u>	19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 5,252,767	\$ 305,908	\$ 5,558,675
F RPTTF	5,126,927	181,748	5,308,675
G Administrative RPTTF	125,840	124,160	250,000
H Current Period Enforceable Obligations (A+E):	\$ 5,252,767	\$ 305,908	\$ 5,558,675

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

Peter Murray
 Name Title
 /s/ Peter Murray 1-28-2019
 Signature Date

Pinole Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail

July 1, 2019 through June 30, 2020

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	19-20A (July - December)					Q	19-20B (January - June)					W
											Fund Sources						Fund Sources					
Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 19-20 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	19-20A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	19-20B Total
7	Bond Indenture Agreements	Fees	9/1/2004	8/1/2023	US Bank, National Trust	Trustee, Paying Agent &	Pinole Vista	25,580,184	N	5,558,675	0	0	0	5,126,927	125,840	5,252,767	0	0	0	181,748	124,160	305,908
20	Housing & Non-housing Professional Services Agreement	Fees	4/3/2007	6/30/2021	AmeriNation Community Services	Monthly loan processing service for outstanding redevelopment loans to both individuals and business entities	Pinole Vista	16,065	N	5,935	0	0	0	2,200	0	2,200	0	0	0	3,735	0	3,735
21	Bond Indenture Professional Service Agreement	Fees	9/1/2004	8/1/2023	BLX Group, LLC Inc.	Income Tax Arbitrage Analysis and IRS Tax Filing for Indenture Reserve Investment Accounts	Pinole Vista	28,000	N	7,000	0	0	0	3,500	0	3,500	0	0	0	3,500	0	3,500
24	Pinole Vista Restaurant Phase Consulting Services Agreement	Professional Services	12/19/2008	12/13/2025	Shelter Bay Retail Group	Consulting Services for Financial Management for Restaurant Development Project	Pinole Vista	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0
26	Financial Reporting Services Bond Indentures	Fees	9/27/1999	8/1/2023	HdL Coren & Cone	Property Tax consulting/advisory services related to pledged revenue property assessments	Pinole Vista	45,917	N	8,500	0	0	0	4,250	0	4,250	0	0	0	4,250	0	4,250
27	Financial Reporting Services Bond Indentures	Fees	5/16/2018	6/30/2022	Badawi Associates, CPA's	Auditing services for Continuing Financial Disclosure required by Bond Indentures	Pinole Vista	1,680	N	1,680	0	0	0	0	1,680	1,680	1,680	0	0	0	0	0
31	Successor Agency Administrative Cost Allowance	Admin Costs	7/1/2018	6/30/2019	City of Pinole	Payroll Cost Allocations for Administrative Staff Support of the Pinole Successor Agency	Pinole Vista	238,320	N	238,320	0	0	0	0	119,160	119,160	119,160	0	0	0	0	119,160
33	Legal/Attorney Support Services Agreement	Admin Costs	7/1/2018	6/30/2019	Meyers, Nave, Riback, Silver & Wilson	Legal/Attorney Support Services	Pinole Vista	10,000	N	10,000	0	0	0	0	5,000	5,000	5,000	0	0	0	5,000	5,000
37	Short-term Borrowing Agreement	SERAF/ERAF	2/16/2010	6/30/2019	City of Pinole	Repayment of SERAF payments (2009-10 & 2010-11) to State of California funding by Housing Set-Aside Fund	Pinole Vista	4,291,575	N	0	0	0	0	0	0	0	0	0	0	0	0	0
45	Pinole Vista Redevelopment Project 2015A Tax Allocation Refunding Bond (Tax Exempt)	Refunding Bonds Issued After 6/27/12	8/6/2015	8/1/2023	US Bank, National Trust	Indenture Debt Service Payments for Principle & Interest	Pinole Vista	17,045,852	N	1,777,083	0	0	0	1,611,657	0	1,611,657	0	0	0	165,426	0	165,426
46	Pinole Vista Redevelopment Project 2015B Tax Allocation Refunding Bond (Taxable)	Refunding Bonds Issued After 6/27/12	8/6/2015	8/1/2020	US Bank, National Trust	Indenture Debt Service Payments for Principle & Interest	Pinole Vista	3,888,645	N	3,509,257	0	0	0	3,504,870	0	3,504,870	0	0	0	4,387	0	4,387
47-101									N	0						0						0

Pinole Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances
July 1, 2016 through June 30, 2017
(Report Amounts in Whole Dollars)

source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see Cash Balance Tips Sheet .							
A	B	C	D	E	F	G	H
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	Comments
ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)							
1	Beginning Available Cash Balance (Actual 07/01/16) RPTTF amount should exclude "A" period distribution amount					4,371,387	
2	Revenue/Income (Actual 06/30/17) RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller				115,828	3,603,311	Other Funds=Loan repayments and interest earned.
3	Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)				109,448	3,389,727	Other Funds=Loan repayments
4	Retention of Available Cash Balance (Actual 06/30/17) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)						
5	ROPS 16-17 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
6	Ending Actual Available Cash Balance (06/30/17) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 0	\$ 0	\$ 0	\$ 6,380	\$ 4,584,971	



CITY COUNCIL/SUCCESSOR AGENCY REPORT

7E

DATE: JANUARY 15, 2019

TO: MAYOR AND COUNCIL MEMBERS/SUCCESSOR AGENCY
GOVERNING BOARD

FROM: MICHELLE FITZER, CITY MANAGER
ANDREA MILLER, FINANCE DIRECTOR

SUBJECT: RECOGNIZED OBLIGATION PAYMENT SCHEDULE (*ROPS 19-20*)
FOR JULY 1, 2019 – JUNE 30, 2020 (\$5,558,675)

RECOMMENDATION

Adopt a resolution approving the Recognized Obligation Payment Schedule (ROPS), pursuant to Part (m) of Section 34177 of the Health and Safety Code (HSC), for the period July 1, 2019 through June 30, 2020, in the amount of \$5,558,675.

BACKGROUND

On June 28, 2012, the Governor signed into law AB-1484 which requires that the disbursement schedule for Enforceable Obligations for the next accounting period required to close-out the business affairs of the previous redevelopment agency be reviewed by the local Oversight Board and submitted to County and State Administrative authorities. Pursuant to Health and Safety Code Section 34179 (j), effective July 1, 2018, 17 Oversight Boards expired and only one Oversight Board in Contra Costa County was established. The purpose of this County Oversight Board is to oversee all redevelopment successor agencies in the County.

Pursuant to HSC section 34179.7 (o) (1), commencing with the ROPS covering the period from July 1, 2016 to June 30, 2017 and thereafter, agencies shall submit an Oversight Board approved annual ROPS to the State Department of Finance and the County Auditor-Controller by February 1, 2016 and each February 1 thereafter. The Enforceable Obligations scheduled for payment in the twelve-month period (July 1, 2019 – June 30, 2020) total the sum of \$5,558,675, as listed on Attachment C, and described on Attachment B.

While redevelopment agency Successor Agencies may not initiate any new activities nor incur new indebtedness, they are nevertheless required under legislative statute and court order to continue making those payments necessary for day to day operations pursuant to contractual commitments (enforceable obligations), regulatory authorities, and indebtedness entered into prior to the enactment of ABx1-

26 (Statutes of 2011). The legislation requires that only payments listed on approved Recognized Obligations Payment Schedules may be processed.

REVIEW & ANALYSIS

The enclosed ROPS document is a listing of the minimum amounts that are required (scheduled) to be paid by the Pinole Redevelopment Successor Agency during the twelve-month period of July 1, 2019 through June 30, 2020, and includes the identification of a proposed funding source for payment of the existing enforceable obligations. This schedule must be reviewed and approved by the County Oversight Board prior to submission to the State Department of Finance (DOF) for final confirmation.

The DOF requires that residual/surplus funding from prior ROPS available within the Successor Agency's RPTTF Accounts, must be applied as an offset for additional distributions from the County Auditor-Controller. There is not a residual surplus at June 30, 2017 from the ROPS 16-17 funding period to apply to the ROPS 19-20 (refer to "Report of Cash Balances"), as a result, staff is requesting the full amount of \$5,558,675 for the ROPS 19-20 funding period.

FISCAL IMPACT

Staff has determined that there will be sufficient funding available in the Redevelopment Property Tax Trust Fund (RPTTF) Account held by the Contra Costa County Auditor-Controller to fully fund all Enforceable Obligations identified for the ROPS 19-20 authorization period.

ATTACHMENTS

Attachment A – Resolution

Attachment B – Annotated Descriptions of Enforceable Obligations Scheduled for Payment (listed on Attachment C)

Attachment C – Recognized Obligation Payment Schedule "19-20" July 1, 2019 – June 30, 2020, Pinole Successor Agency

RESOLUTION NO. 2019-01

RESOLUTION OF THE GOVERNING BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PINOLE, APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) FOR JULY 1, 2019 THROUGH JUNE 30, 2020

WHEREAS, Assembly Bill x1 26 ("ABx1 26") was passed by the California State Legislature, signed by the Governor, and has been codified as part 1.8 of Division 24 of the California Health and Safety Code, commencing with Section 34161; and

WHEREAS, AB 26 requires successor agencies to continue to make all scheduled payments for enforceable obligations of their predecessor redevelopment agencies; and

WHEREAS, pursuant to HSC section 34179.7(o)(1), commencing with the ROPS covering the period from July 1, 2016 to June 30, 2017 and thereafter, agencies shall submit an Oversight Board approved annual ROPS to the State Department of Finance and the County Auditor-Controller by February 1, 2016 and each February 1 thereafter; and

WHEREAS, the annual ROPS listing of obligations must include information for each obligation including:

- A. The payee,
- B. Project description and scope of work, product, or service for which payment is to be made,
- C. Total outstanding debt or obligation,
- D. Payment amount obligated to be made for the next 12-month accounting period,
- E. The funding source for payment of listed enforceable obligation; and

WHEREAS, the City Finance Director has prepared the required ROPS, for review by the Pinole Successor Agency prior to submitting to the County Oversight Board.

NOW THEREFORE, BE IT RESOLVED that the Governing Board of the Successor Agency of the Redevelopment Agency of the City of Pinole does hereby resolve that the Recognized Obligation Payment Schedule for the period July 1, 2019 through June 30, 2020, herein provided as Attachment C, is hereby approved.

PASSED AND ADOPTED at a regular meeting of the Governing Board of the Successor Agency to the Redevelopment Agency of the City of Pinole held on the 15th day of January 2019 by the following vote:

AYES: BOARDMEMBERS: **Martinez-Rubin, Murray, Salimi, Swearingen, Tave**
NOES: BOARDMEMBERS: **None**
ABSENT: BOARDMEMBERS: **None**
ABSTAIN: BOARDMEMBERS: **None**



Patricia Athenour, MMC
Secretary to the Governing Board
3100245.1

**ENFORCEABLE OBLIGATIONS
ANNOTATED LIABILITY DESCRIPTIONS**

<u>Item #'s</u>	<u>Liability Description</u>
7	Trustee Fees for “Paying & Dissemination Agent” activities are billed and paid annually.
20	This agreement provides for loan servicing for both commercial real estate and business assistance promissory notes related to property rehabilitation and business retention remitted on a monthly basis.
21	The tax-exempt status of the Tax Allocation Bonds requires routine reporting of interest earnings on the reserve account investments to the federal Internal Revenue Service. The individual reports (and if necessary Tax Filings) are scheduled for preparation approximately every other month throughout the fiscal year.
24	This agreement provides for the administration of a Reciprocal Easement Agreement used for common area maintenance and capital improvement reimbursements related to the Restaurant Phase of the Pinole Vista Crossings Shopping Center. The cost of this agreement is funded by the property owners and does not require funding through RPTTF “pledged revenues” generated within the boundaries of the former Redevelopment Project Areas.
26	Specific provisions of the Indentures for the outstanding Tax Allocation Bonds require continuous disclosure of financial information (property taxation assessment values, tax collection amounts and analysis of the potential tax loss exposures from Assessment Appeals by property owners) related to the pledged revenue tax base annually, as long as there are unpaid bonds outstanding. This tax consultant prepares a comprehensive report annually, with one subsequent assessment modification Addendum and two Assessment Appeals Status Report updates.
27	Both a Financial Statement Audit of the Successor Agency and certifications of financial Continuing Disclosure Information (required by Bond Indentures) will be completed annually (each December) by the City’s External Auditor, as was the former Redevelopment Agency’s past practice.
31	Payroll cost allocations for City Staff assigned to complete the close-out/dissolution activities of the Successor Agency, are as follows:

1. City Manager (Meeting Preparation and General Administration)
2. Asst. City Manager (Real Property and Infrastructure Asset disposal)
3. Finance Director (Financial Reporting and Disbursement of Funds for settlement/liquidation of Enforceable Obligations)
4. City Clerk (Meeting Agenda Preparation, Recordation of Successor Agency actions, Document Retention)

33 Legal/Attorney Support Services will continue to be provided to guide and assist the Successor Agency Staff and Oversight Board in completing the dissolution duties. Support activities related to the general administrative functions of the Oversight Board will be included in the Administrative Cost Budget; however, legal support duties related to the disposal of specific assets will be recouped through escrow settlements and taken from the sale proceeds of real and tangible personal property.

37 The State Department of Finance (DOF) has recognized but deferred funding for repayment of short-term borrowing of funds from the Housing Set-Aside Accounts of the former Redevelopment Agency to comply with mandatory statutory property tax increment transfers to the Supplemental Educational Revenue Augmentation Fund (SERAF) in fiscal years 2009-10 and 2010-11. Repayment for these loans is authorized for funding by DOF beginning in the 2014-15 fiscal year; however, an initial repayment of this EO is not recommended by Successor Agency Staff, at this time.

45-46 Semi-annual Tax Allocation Bond principle and interest payable August 1, 2019 and February 1, 2020. Outstanding principal will be fully amortized to the following schedule:

- a. 2015A Tax Allocation Refunding Bond (Tax-Exempt) through August 2023
- b. 2015B Tax Allocation Refunding Bond (Taxable) through August 2020