

**OVERSIGHT BOARD
RESOLUTION NO. 2012-07-1021**

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY APPROVING CHANGES TO THE CERTIFIED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 1 – DECEMBER 31, 2012 TO REFLECT CHANGES MADE TO THE CERTIFIED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JANUARY 1 – JUNE 30, 2012 TO CLARIFY THAT THERE ARE NO RESIDUAL AMOUNTS OWED TO TAXING ENTITIES PURSUANT TO NEW HEALTH AND SAFETY CODE SECTION 34183.5 FOR THE JANUARY 1 - JUNE 30, 2012 PERIOD

WHEREAS, pursuant to California Health and Safety Code Section 34177, the Successor Agency to the Redevelopment Agency must submit a Recognized Obligation Payment Schedule (ROPS) every six months to the State Department of Finance, and the Successor Agency is only able to provide payment to entities listed on the ROPS; and

WHEREAS, on May 18, 2012, pursuant to the provisions of AB X1 26, the County Auditor-Controller re-certified the ROPS for the period January 1 – June 30, 2012 (“ROPS 1”) as to its accuracy; and

WHEREAS, on May 23, 2012, pursuant to the provisions of AB X1 26, the County Auditor-Controller certified the ROPS for the period July 1 – December 31, 2012 (“ROPS 2”) as to its accuracy; and

WHEREAS, on May 24, 2012, the Oversight Board approved the re-certified ROPS 1 and the certified ROPS 2; and

WHEREAS, a Trailer Bill (AB 1484) was approved by the Legislature and signed by the Governor that provides further clarification on provisions contained in AB X1 26 and requires that any payments due to taxing entities for FY 2011-2012, of either statutory pass through payments or residual amounts after all ROPS payments have been made, to be made by July 12, 2012. In order to make that payment date, the County Auditor-Controller must invoice successor agencies by July 9, 2012. If the payment is not made by the successor agency by the July 12 deadline, the State will immediately withhold sales tax from the city that created the former redevelopment agency; and

WHEREAS, the County Auditor-Controller uses the previously approved ROPS to calculate the "residual" amounts due to the taxing entities. Due to the manner in which some of the former San Jose Redevelopment Agency's bond obligations were categorized, the County Auditor-Controller's calculations show that there was a \$39,344,000 "overpayment" of tax revenues to the San Jose Successor Agency for the first ROPS period of January-June 2012. All parties agree that this is not the case; and

WHEREAS, staff recommends that additional updates be made to the ROPS 2, as described in the memorandum from Executive Officer Debra Figone to the Oversight Board, dated July 6, 2012, to bring ROPS 2 into compliance with the Legislation and Trailer Bill and to clarify that there are no residual tax revenues to distribute to the taxing entities from the San Jose Redevelopment Property Tax Trust Fund (RPTTF);

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE that:

1. The Certified Recognized Obligation Payment Schedule for July 1 – December 31, 2012, as described in the memorandum from Executive Officer Debra Figone to the Oversight Board, dated July 6, 2012, is hereby approved; and

2. The Successor Agency staff, with the concurrence of the Successor Agency General Counsel and County staff, is authorized to make technical changes to the ROPS 2 to the extent any changes to the ROPS 2 are disapproved by the Department of Finance.

ADOPTED this 9th day of July, 2012, by the following vote:

AYES: Andrade, Gage, Maduli, Singh, Snow, Reed

NOES: None

ABSENT: Shelton

DISQUALIFIED: None



CHUCK REED
Chair

ATTEST:



DENNIS D. HAWKINS, CMC
Successor Agency Clerk