



**CITY OF SANTA BARBARA
SUCCESSOR AGENCY
TO THE CITY OF SANTA BARBARA
REDEVELOPMENT AGENCY
AGENDA REPORT**

AGENDA DATE: August 14, 2012

TO: Chairperson and Members of the Successor Agency

FROM: Community Development Department

SUBJECT: Adoption Of Third Recognized Obligation Payment Schedule And Redevelopment Obligation Retirement Fund Proposed Budget For The Period Of January 1, 2013 To June 30, 2013

RECOMMENDATIONS: That the Successor Agency to the Redevelopment Agency:

- A. Adopt, by Reading of Title Only, A Resolution of the Successor Agency to the City of Santa Barbara Redevelopment Agency Adopting the Third Recognized Obligation Payment Schedule for the Period of January 1, 2013 to June 30, 2013;
- B. Approve the Redevelopment Obligation Retirement Fund Proposed Budget for the Period of January 1, 2013 to June 30, 2013; and
- C. Approve an increase in the amount of \$25,000 to the Legal Services Contract with Price, Postel, and Parma for Oversight Board legal counsel services.

DISCUSSION:

On January 10, 2012, the City Council was designated as the successor agency to the Redevelopment Agency of the City of Santa Barbara. The First Recognized Obligation Payment Schedule (ROPS) was adopted by the Successor Agency to the City of Santa Barbara Redevelopment Agency on April 10, 2012 and submitted to the County Auditor Controller, State Controller's Office and the State Department of Finance on April 12, 2012. The First ROPS covered the time period of January 1, 2012 to June 30, 2012. The Second ROPS covered the period of July 1, 2012 to December 31, 2012 and was adopted by the Successor Agency to the City of Santa Barbara Redevelopment Agency on May 1, 2012. The Second ROPS was submitted to the County Auditor Controller, State Controller's Office and the State Department of Finance on May 31, 2012.

Since that time, the Legislature has adopted AB 1484 which contains substantial revisions to AB X1 26, the dissolution act, including clarification that a successor agency is a separate legal entity from the entity that created the former redevelopment agency. The successor agency succeeds to the organizational status of the former redevelopment agency.

The Third ROPS covers the period from January 1, 2013 to June 30, 2013 and must be submitted to the Department of Finance by no later than September 1, 2012. Upon approval by the Successor Agency, the Third ROPS will be considered by the Oversight Board at their August 20, 2012 meeting. Upon approval by the Oversight Board, the Third ROPS will be submitted to the State Department of Finance, the County Auditor Controller, and the State Controller's Office.

Proposed Administrative Budget: Period of January 1, 2013 through June 30, 2013 of Fiscal Year 2013

The proposed Administrative Budget will cover the period of January 1, 2013 through June 30, 2013. It includes personnel costs of employees administering the dissolution of the RDA, ongoing legal costs pertaining to the dissolution of the RDA, supplies and materials, and other maintenance and support costs.

The Successor Agency may receive an administrative allowance to fund administrative costs, subject to approval by the Oversight Board. This allowance is based on a percentage applied to property tax allocated to the successor agency to fund the ROPS; three percent for Fiscal Year 2013, and each year thereafter. This amount shall not be less than \$250,000 for any fiscal year, unless negotiated by the Successor Agency and Oversight Board. At a minimum, the Successor Agency will be eligible for an annual administrative allowance of \$250,000. The total administrative budget for the period of January 1, 2013 to June 30, 2013 is \$195,000. See Attachment 2 for additional details.

Also requested is authorization to increase the legal services contract issued to Price, Postel and Parma in an amount of \$25,000 for Oversight Board legal counsel. The proposed funds would likely come from the Successor Agency's property tax revenue and not impact the General Fund.

BUDGET/FINANCIAL INFORMATION:

There are no direct financial impacts to approving the Third ROPS as these are already current obligations of the Successor Agency.

ATTACHMENT: Proposed Administrative Budget – Period of January 1, 2013 to June 30, 2013

PREPARED BY / SUBMITTED BY: Brian J. Bosse, Waterfront Business Manager

APPROVED BY: City Administrator's Office

**City of Santa Barbara
RDA Successor Agency
Administrative Budget
January - June 2013**

Description			Jan - Jun 2013
PROFESSIONAL SERVICES- Salaries	<u>FTE</u>		
City Administrator	0.10		\$11,564
Assistant City Administrator	0.10		\$9,618
CD Business Manager	0.05		\$2,558
Housing & Redevelopment Manager	0.25		\$19,327
Accounting Manager	0.20		\$25,000
Administrative Specialist	0.25		\$6,100
Benefits			\$21,080
PROFESSIONAL SERVICES- Salaries			\$95,246
OFFICE SUPPLIES & EXPENSE			\$1,639
SPECIAL SUPPLIES AND EXPENSES			\$3,000
EQUIPMENT REPAIR			\$250
LEGAL SERVICES			\$84,978
MEETING & TRAVEL			\$750
PRINTING & BINDING			\$1,250
POSTAGE/DELIVERY			\$137
CAFR PREPARATION			\$1,750
ANNUAL FINANCIAL AUDIT			\$6,000
SUPPLIES AND SERVICES			\$99,754
TOTAL EXPENDITURES			\$195,000