

MONTEREY COUNTY  
ACTING AS SUCCESSOR AGENCY  
TO THE REDEVELOPMENT AGENCY

**OVERSIGHT BOARD MEETING**

**AGENDA**

**June 16, 2014**

**1:30 - 2:30pm**

**Monterey Conference Room**

**168 West Alisal Street, 2<sup>nd</sup> Floor**

**Salinas, CA 93901**

- 1) Roll Call
- 2) Public Comment: The Oversight Board will receive public comment on items not listed on the agenda within the purview of the Oversight Board. It is not necessary to complete a speaker request form. The Chair may limit the length of individual presentations.
- 3) Approve minutes from April 17, 2014.
- 4) Approve a resolution to approve a Settlement Agreement between Local Educational Agencies, School Districts and Community College Districts and the Successor Agency for pass-through payment obligations of the former Redevelopment.
- 5) Approve a resolution to approve the Successor Agency Administrative Budget for Fiscal Year 2014/15.
- 6) Receive a verbal status report on the other Successor Agency activities and upcoming items for consideration by the Oversight Board.

**NEXT MEETING: To be arranged**

MONTEREY COUNTY  
ACTING AS SUCCESSOR AGENCY  
TO THE REDEVELOPMENT AGENCY

**OVERSIGHT BOARD MEETING**

**MINUTES**

**April 17, 2014**

1:30 - 2:30pm

**Monterey Conference Room**

168 West Alisal Street, 2<sup>nd</sup> Floor

Salinas, CA 93901

**Members Present:** Harry Wiggins, Ron Stefani, Alan Stumpf, Gary Bousum, Alfred Munoz, Karina Torres, Lou Calcagno (arrived late)

**Members Absent:** None.

**Staff Present:** Marti Noel, Shawne Ellerbee, Henry Gown, Nick Nichols, and Lisa Harris

**Others Present:** Lou Solton

- 1) Roll Call: Chair Stefani called the meeting to order at 1:33 p.m. A quorum was established. Supervisor Lou Calcagno arrived late.
- 2) Public Comment:  
Lou Solton reported on the timeline to approve the settlement agreement with the School District.
- 3) Approve minutes from February 21, 2014.

**Alan Stumpf made a motion to approve the minutes. Alfred Munoz seconded the motion.**

**Vote**

**Ayes:** Stefani, Stumpf, Munoz, Torres, Bosum, Wiggins

**Nays:** None

**Abstention:** None

**Absent:** Calcagno

**Action:** Minutes approved.

- 4) Approve a resolution to approve the Long Range Property Management Plan

**Public Comment:**

Gail Morton thanked the Committee for preserving the County's land obligations.

Margaret Davis encouraged the Committee to adopt the plan.

**Lou Calcagno made a motion to approve the resolution and Long Range Property Plan with language modification. Harry Wiggins seconded the motion.**

**Vote**

**Ayes:** Calcagno, Wiggins, Stefani, Stumpf, Bousum, Munoz, Torres

**Nays:** None

**Abstention:** None

**Absent:** None.

**Action: Resolution approved with modified language to approve Resolution and the Long Range Property Management Plan to reflect the Fort Ord property is to be preserved as open space, and authorize the Chair to sign the modified Resolution.**

- 5) Receive a verbal status report on the other Successor Agency activities and upcoming items for consideration by the Oversight Board.

**Public Comment:** None

**Action:** Report received.

The meeting adjourned at 2:23 p.m.

**OVERSIGHT BOARD**  
**MONTEREY COUNTY**  
**ACTING AS SUCCESSOR AGENCY**  
**TO THE REDEVELOPMENT AGENCY**

<b>MEETING:</b> June 16, 2014	<b>AGENDA NO.:</b> 4
<b>SUBJECT:</b> Consider approving a resolution approving Settlement Agreement among certain Local Educational Agencies, School Districts and Community College Districts and the Successor Agency for pass-through payment obligations of the former Redevelopment Agency and direct staff to submit it to the Department of Finance.	
<b>DEPARTMENT:</b> RMA and County Administrative Office	

**RECOMMENDATION:**

Approve a resolution approving a Settlement Agreement among certain Local Educational Agencies, School Districts and Community College Districts and the Successor Agency for pass-through payment obligations of the former Redevelopment Agency and direct staff to submit it to the Department of Finance.

**SUMMARY:**

In January 2012, Hartnell Community College District, the Monterey County Office of Education, North Monterey Unified School District, Salinas Union High School District, Salinas City Elementary School District each submitted requests to the former Redevelopment Agency of the County of Monterey for alleged unpaid Pass-Through Payments of tax increment for fiscal years 2007/08 and 2010/11. Pursuant to the Redevelopment Dissolution Act, the Redevelopment Agency was dissolved on February 1, 2012 and the Successor Agency created, assuming all rights and obligations of the former Redevelopment Agency. The Successor Agency and the above named school districts and educational agencies have been working collaboratively to reach a settlement relating to the amount of tax increment Pass-Through Payments that are due to each district or agency. The recommended Settlement Agreement, totaling \$814,808.00, to be paid with funds passing through to the Successor Agency, will fully settle these claims. On June 3, 2014 the Successor Agency approved the Settlement Agreement and directed staff to take it to the Oversight Board for consideration.

**DISCUSSION:**

Certain school districts and educational agencies previously received contractual and/or statutory tax increment pass-through payments related to specific Redevelopment Project Areas. In 2012 the school districts and educational agencies named above each submitted claims to the Redevelopment Agency of Monterey County along with claims to other Redevelopment Agencies in the County. These claims were related to alleged payments that were not made in fiscal years 2007/08 and 2010/11. The matter was further complicated by the dissolution of the Redevelopment Agency on February 1, 2012.

Over the past two years the school districts and educational agencies have been meeting with the local jurisdictions' Successor Agency staffs and counsels to reach settlements. The recommended settlement agreement related to the former Redevelopment Agency of the County of Monterey is the result of these deliberations. On June 2, 2014 the Successor Agency approved the settlement agreement and directed staff to submit it to the Oversight Board for action.

The recommended Settlement Agreement includes payments totaling \$814,808.00 which, if approved, will be paid out of funds that would come to the Successor Agency for the purpose of these payments.

These funds are called "Real Property Tax Transfer Funds" or "RPTTF." RPTTF are tax revenues generated in redevelopment project areas which, under the Dissolution Act, may only be allocated to successor agencies to pay "recognized payment obligations" pursuant to an approved Recognized Payment Obligation Schedule. The funds to pay proposed Settlement Agreement would not otherwise come to the Successor Agency.

Prepared by:

A handwritten signature in blue ink, appearing to read "Marti Noel", with a stylized flourish at the end.

Marti Noel, 755-5394, Assistant Director RMA

Date: 6/11/2014

**Before the Oversight Board of the Successor Agency for the  
County of Monterey, State of California**

**Resolution No.**

Approve a Settlement Agreement among certain Local Educational )  
Agencies, School Districts and Community College Districts and the )  
Successor Agency for pass-through payment obligations of the former )  
Redevelopment Agency and direct the Successor Agency Staff to submit it )  
to the State Department of Finance. )

WHEREAS, the California state legislature enacted Assembly Bill x1 26 (as amended by AB 1484, the "Dissolution Act") to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.); and

WHEREAS, on January 10, 2012, the Monterey County Board of Supervisors adopted Resolution No. 12-006 agreeing to serve as the Successor Agency to the former Redevelopment Agency (RDA) of the County of Monterey; and

WHEREAS, on February 1, 2012, the RDA of the County of Monterey was dissolved pursuant to Health and Safety Code Section 34172; and

WHEREAS, pursuant to the Dissolution Act, the Successor Agency is declared to be a separate legal entity from the County of Monterey; and

WHEREAS, the Dissolution Act provides for the appointment of an oversight board (the "Oversight Board") with specific duties to approve certain Successor Agency actions pursuant to Health and Safety Code Section 34180 and to direct the Successor Agency in certain other actions pursuant to Health and Safety Code Section 34181; and

WHEREAS, in January 2012, Hartnell Community College District, Monterey County Office of Education, North Monterey County Unified School District, Salinas Union High School District, and Salinas City Elementary School District each submitted requests to the former Redevelopment Agency of the County of Monterey (now the Successor Agency) for unpaid Pass-Through payments for fiscal years 2007/2008 through 2010/2011; and

WHEREAS, the claims of these educational entities have been identified in approved Recognized Obligation Schedules since January 1, 2013; and

WHEREAS, the above named parties have been working cooperatively with the Successor Agency to reach a settlement relating to the amount of Pass-Through Payments that have been alleged to remain due; and

WHEREAS, a settlement agreement providing a total amount of \$814,808.00 has been prepared; and

WHEREAS, on June 3, 2014 the Successor Agency to the Redevelopment Agency of the County of Monterey approved said Settlement Agreement and directed staff to take it to the Oversight Board for consideration; and

WHEREAS, the Oversight Board has reviewed the Settlement Agreement, as approved by the Successor Agency, and has considered the staff presentation and any comments from the public related thereto.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board hereby finds and determines that the foregoing recitals are true and correct, and together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions and determinations set forth below.

BE IT FURTHER RESOLVED that in accordance with the Dissolution Act, the Oversight Board hereby approves the Settlement Agreement with the named Educational Agencies, School Districts, and Community College Districts and the Successor Agency; and

BE IT FURTHER RESOLVED that this Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

PASSED AND ADOPTED this 16th day of June, 2014, by the following vote, to wit:

AYES:

NOES:

ABSENT:

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Ron Stefani, Chairperson

I, Marti Noel, Successor Agency Staff of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Oversight Board duly made and entered in the minutes thereof for the meeting on June 16, 2014.

Dated:

Marti Noel, Assistant Director  
Resource Management Agency  
County of Monterey, State of California

By \_\_\_\_\_



## Successor Agency to the Redevelopment Agency of the County of Monterey

### Board Order

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

Upon motion of Supervisor Salinas, seconded by Supervisor Armenta and carried by those members present, the Board of Supervisors acting as the Board of Directors of the Successor Agency to the Redevelopment Agency of the County of Monterey hereby:

- a. Approved a Settlement Agreement among certain Local Educational Agencies, School Districts and Community College Districts and the Successor Agency for pass-through payment obligations of the former Redevelopment Agency; and
- b. Directed staff to submit the Settlement Agreement to the Oversight Board for action.

PASSED AND ADOPTED on this 3rd day of June 2014, by the following vote, to wit:

AYES: Directors Armenta, Calcagno, Salinas, Parker and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 77 for the meeting on June 3, 2014.

Dated: June 4, 2014  
File Number: SRDAA 14-001

Gail T. Borkowski, Clerk of the Board of Supervisors  
County of Monterey, State of California

By Denise Hancock  
Deputy



### **SETTLEMENT AGREEMENT AND MUTUAL RELEASE**

This Settlement Agreement and Mutual Release ("**Settlement Agreement**") is made and entered into as of the **3<sup>RD</sup>** day of **JUNE**, 2014 (the "**Effective Date**"), by and between the following parties:

1. Hartnell Community College District, a California public community college district ("**Hartnell**"); and
2. Monterey County Office of Education, a California public education entity ("**MCOE**"); and
3. North Monterey County Unified School District, a California public school district ("**NMC**");
4. Salinas Union High School District, a California public school district ("**Salinas Union**"); and
5. Salinas City Elementary School District, a California public school district ("**Salinas City**"); and
6. County of Monterey, as Successor Agency to the former Monterey County Redevelopment Agency ("**Monterey County SA**").

Hartnell, MCOE, NMC, Salinas Union and Salinas City may be referred to herein as the local educational agencies and community college districts ("**LEA's and CCD's**"). Hartnell, MCOE, NMC, Salinas Union, Salinas City and Monterey County SA may be referred to herein individually and/or collectively as "Party" or "Parties."

### **RECITALS**

WHEREAS, the LEA's and CCD's asserted that provisions of the Health and Safety Code required the former Monterey County RDA to make tax increment payments to the LEA's and CCD's as a local taxing entity within the former Monterey County RDA project area ("**Pass-through Payments**");

WHEREAS, in January, 2012, the LEA's and CCD's each made an initial request to the former Monterey County RDA for unpaid Pass-through Payments for fiscal years 2007/2008 thru 2010/2011; and

WHEREAS, pursuant to ABX 1-26, on February 1, 2012, the former Monterey County RDA was dissolved, and the Monterey County SA was created by law to wind-down the operations and business of the former Monterey County RDA; and

WHEREAS, the Parties have been working cooperatively to identify and reach an amicable, full and final settlement relating to the amount of any Contractual and Statutory Pass-through Payments that have been alleged to remain due and owing to the LEA's and CCD's; and

WHEREAS, except as otherwise set forth herein, nothing in this Settlement Agreement is intended to affect or waive the rights of any of the Parties in relation to future pass-through payments.

### **TERMS OF SETTLEMENT**

NOW, THEREFORE, in consideration of the premises and covenants contained herein, the Parties agree as follows:

1. **Governing Board Approval:** The Parties agree that this Settlement Agreement is contingent upon approval by each Party's governing board ("**Board**"). In the event that any Board rejects this Settlement Agreement, this Settlement Agreement shall be of no force and effect and none of the Parties shall be deemed to have waived any rights with respect to the Disputes.
2. **Settlement of Claims:** The Parties hereby agree to resolve all disputes related to the amount of pass-through payments due to LEA's and CCD's in the total amount of **Eight Hundred Fourteen Thousand Eight Hundred Eight Dollars and 00/100 Cents** (\$814, 808.00) as follows:
  - a) **Hartnell CCD.** The Monterey County SA shall pay from funds it receives from the Real Property Tax Transfer Fund ("**RPTTF**") a Pass-through Payment to Hartnell in total amount of One Hundred Thirty Nine Thousand Six Hundred Twenty Eight Dollars (\$139,628.00) (the "**Hartnell Obligation**").
  - b) **MCOE Obligation.** The Monterey County SA shall pay from funds it receives from the RPTTF a Pass-through Payment to MCOE in total amount of Forty-Six Thousand Six Hundred Forty Six Dollars (\$46,646.00) (the "**MCOE Obligation**").
  - c) **NMC Obligation.** The Monterey County SA shall pay from funds it receives from the RPTTF a Pass-through Payment to NMC in the total amount of Four Hundred Fifty Nine Thousand Three Hundred Fifty Three Dollars (\$459,353.00) (the "**NMC Obligation**").
  - d) **Salinas City Obligation.** The Monterey County SA shall pay from funds it receives from the RPTTF a Pass-through Payment to Salinas City in the total amount of Ninety Nine Thousand One Hundred Ninety Nine Dollars (\$99,199.00) (the "**Salinas City Obligation**").
  - e) **Salinas Union Obligation.** The Monterey County SA shall pay from funds it receives from the RPTTF a Pass-through Payment to Salinas Union in the total amount of Sixty Nine Thousand Nine Hundred Eighty Two Dollars (\$69,982.00) (the "**Salinas Union Obligation**").
  - f) **RPTTF.** The Monterey County SA shall satisfy the Hartnell, MCOE, NMC, Salinas Union and Salinas City Obligations (collectively, the "**LEA and CCD Obligations**") from monies it receives from its RPTTF. The Parties acknowledge that any payments from the RPTTF to the

Monterey County SA must be approved by the Oversight Board for the Monterey County SA (the "**OB**") and the State Department of Finance ("**DOF**"). Subject to approval of the OB, the Monterey County SA shall schedule payment of the LEA and CCD Obligations as "recognized obligations" on the Recognized Obligation Payment Schedules ("**ROPS**") for the period of July 1, 2014 to December 31, 2014 (2014/2015 ROPS A Period). Monterey County SA's funding the LEA and CCD Obligations will be triggered by and funded as recognized obligations on the 2014/2015 ROPS B (period January 1, 2015 to June 30, 2015).

3. **Release and Waiver of Claims:**

- a) Excepting the obligations arising out of this Settlement Agreement, each Party, on behalf of itself, and all present or former Board members, officers, employees, agents, attorneys and representatives, successors and assigns, and each of them (the "**Party Representatives**"), does hereby fully and finally settle, release, relieve, acquit and forever discharges all other Parties and their Party Representatives from any and all claims, claims for indemnification or contribution, complaints, causes of action, demands, liabilities, losses, or damages, including attorneys' fees and costs, experts' and consultants' fees and costs, whether asserted, or could have been asserted, known or unknown, which the Party or Party Representatives may now or hereafter have against any other Party and their Party Representatives, arising out of or in any way related to the matters herein.

- c) Each of the Parties hereto acknowledges that it is familiar with Section 1542 of the California Civil Code which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

- c) Except as provided for specifically in this Settlement Agreement, the Parties waive and relinquish any and all rights and benefits which they may have under, or which may be conferred upon them by the provisions of Section 1542 of the California Civil Code, to the fullest extent that they may lawfully waive such rights or benefits pertaining to the subject matter of this Settlement Agreement. In connection with such waiver and relinquishment, the Parties hereby acknowledge that they are aware that they or their attorneys may hereafter discover claims or facts in addition to or different from those which they now know or believe to exist with respect to the subject matter of this Settlement Agreement, but that it is the intention of each of the Parties to this Settlement Agreement to hereby fully, finally and forever waive said claims, whether known or unknown, suspected or

unsuspected, which concern, arise out of, or are in any way connected with the matters set forth in this Settlement Agreement.

\_\_\_\_\_  
Hartnell CCD

\_\_\_\_\_  
MCOE

\_\_\_\_\_  
NMC

\_\_\_\_\_  
Salinas City

\_\_\_\_\_  
Salinas Union

\_\_\_\_\_  
Monterey SA

- d) Except for proceedings to enforce the terms of this Settlement Agreement and proceedings related to matters not released by this Settlement Agreement, the Parties covenant and agree that at no time subsequent to the date of their respective executions of this Settlement Agreement will they file or maintain or cause or knowingly permit the filing or maintenance of, in any state, federal or foreign court, or before any local, state, federal or foreign administrative agency, or any other tribunal, any charge, claim, or action of any kind, nature or character whatsoever, known or unknown, which they may now have, or have ever had, or which they may later discover, against another Party or Parties, which is based in whole or in part on any act, omission or event relating to the matters herein. The Parties agree that this Settlement Agreement shall constitute a full and complete defense to, and may be used as a basis for a permanent injunction against, any action, suit, or other proceeding which may be instituted, prosecuted, or attempted by any of them in breach of this Settlement Agreement. Any damages suffered by any of the Parties by reason of any breach of the provisions of this Settlement Agreement by any of the other Parties shall be recoverable including attorneys' fees and costs reasonably incurred in instituting, prosecuting or defending any action, grievance, or proceeding resulting from said breach of this Settlement Agreement.
4. **No Admission of Liability:** This Settlement Agreement embodies a compromise of disputed issues and is made in good faith. The Parties understand that no Party hereto admits any negligence, breach of contract, or any wrongdoing in connection with the matters herein referred to, and that the compromise embodied in this Settlement Agreement is not an admission of any fault, liability, or culpability by any Party.
5. **Attorneys' Fees:** Except in any proceeding to enforce this Settlement Agreement, each Party shall bear its own fees and costs.
6. **Enforcement of Settlement:** In any proceeding to enforce any rights and/or construe any obligations under this Settlement Agreement, the prevailing party in such proceeding shall be entitled to recover its reasonable attorneys' fees and costs incurred, including compensation paid to experts.
7. **Authority:** Subject to the provisions of of Paragraph 2.f), above, recognizing the need for approval by the OB and DOF, each Party represents and warrants that it has full power and authority to enter into and perform this Agreement and that the person executing this Settlement Agreement on

behalf of that Party has been properly authorized and empowered to enter into this Settlement Agreement and bind that Party hereto.

8. **Interpretation:** This Settlement Agreement shall be interpreted and enforced in accordance with the laws of the State of California, provided that no provision of this Settlement Agreement shall be interpreted for or against a Party because that Party or Parties' legal representative drafted such provision, and that this Settlement Agreement shall be construed as if jointly prepared by the Parties.
9. **Independent Counsel:** Each of the Parties to this Settlement Agreement warrants that it has, through its representatives, carefully read and understood the terms and conditions of this Settlement Agreement, and that it has not relied upon the representations or advice of any other Party or any attorney not its own.
10. **Amendments:** No modification, waiver, or amendment to this Settlement Agreement shall be valid unless the same is in writing and executed by the Party against which the enforcement of such modification, waiver or amendment is or may be sought.
11. **Counterparts:** This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original. A facsimile or electronic signature shall be deemed to be the equivalent of the actual original signature. All counterparts so executed shall constitute one Settlement Agreement binding all the Parties hereto.
12. **Severability:** The Parties agree that should any provision of this Settlement Agreement, or any portion of any provision, be declared or determined by any court of competent jurisdiction to be illegal, invalid or unenforceable, the remainder of the provision and the Settlement Agreement shall nonetheless remain binding in effect, unless this would result in a substantial failure of consideration.
13. **Waiver:** Except as may be provided expressly in writing by each Party, no action or want of action on the part of any Party hereto at any time to exercise any rights or remedies conferred upon it under this Settlement Agreement shall be, or shall be asserted to be, a waiver on the part of any such Party of any of its rights or remedies hereunder.
14. **Performance of Settlement:** The Parties agree to perform any further acts and execute and deliver any further documents that may reasonably be necessary to carry out the provisions of this Settlement Agreement.
15. **Entire Agreement:** There are no representations, warranties, agreements, arrangements, or undertakings, oral or written, between or among the Parties hereto relating to the subject matter of this Settlement Agreement which are not fully expressed herein. This Settlement Agreement shall be interpreted according to its own terms, as defined in this Settlement Agreement or otherwise according to their ordinary meaning without any parol evidence. This is an integrated Settlement Agreement.

<p>Approved as to Form</p> <hr/> <p><b>DANNIS WOLIVER KELLEY</b>          Clarissa R. Canady          Attorneys for LEA's and CCD's</p>	<p><b>MONTEREY COUNTY OFFICE OF EDUCATION</b></p> <hr/> <p>Dr. Nancy Kotowski          Superintendent of Schools</p>
	<p><b>NORTH MONTEREY COUNTY UNIFIED SCHOOL DISTRICT</b></p> <hr/> <p>Kari Yeater          Superintendent</p>
	<p><b>HARTNELL COMMUNITY COLLEGE DISTRICT</b></p> <hr/> <p>Dr. Willard Clark Lewallen          Superintendent/President</p>
	<p><b>SALINAS CITY ELEMENTARY SCHOOL DISTRICT</b></p> <hr/> <p>Dr. Juvenal Luza          Superintendent</p>
	<p><b>SALINAS UNION HIGH SCHOOL DISTRICT</b></p> <hr/> <p>Timothy J. Vanoli          Superintendent</p>

Approved as to Form



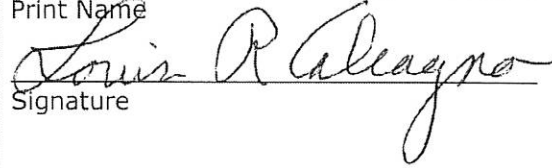
**MONTEREY COUNTY COUNSEL**

Kathryn Reimann  
Senior Deputy County Counsel  
Attorneys for the Monterey County  
Successor Agency

**MONTEREY COUNTY SUCCESSOR AGENCY**

Louis R. CALCAGNO

Print Name



Signature

**EXHIBIT "A"**

**BREAKDOWN OF LEA/CCD OBLIGATIONS**

<b>LEA/CCD</b>	<b>AMOUNT DUE FY's 2007/2008 - 2010/2011</b>
MCOE	\$46,646
Hartnell	\$139,628
Salinas City	\$99,199
Salinas High	\$69,982
NMUSD	\$459,353
<b>Total</b>	<b>\$814,808</b>



# **OVERSIGHT BOARD**

## **MONTEREY COUNTY ACTING AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY**

<b>MEETING:</b> June 16, 2014	<b>AGENDA NO.:</b> 5
<b>SUBJECT</b> Approve a resolution approving the Successor Agency Administrative Budget for Fiscal Year 2014/15 and direct staff to submit the resolution and budget to the Department of Finance	
<b>DEPARTMENT:</b> Economic Development Department	


### **RECOMMENDATION:**

Approve a resolution approving the Successor Agency Administrative Budget for Fiscal Year 2014/15 and direct staff to submit the resolution and budget to the Department of Finance.

### **DISCUSSION:**

Pursuant to the Dissolution Act, as amended by Assembly Bill (AB) 1484, the Successor Agency is required to prepare a budget for administrative activities related to the unwind of the former Redevelopment Agency. Currently, the Successor Agency is allowed to reserve up to \$250,000 in what would have been tax increment to fund these activities. Successor Agency staff has prepared the draft Administrative Budget for Fiscal Year 2014/15 (July 1, 2014 – June 30, 2015). Successor Agency approved the recommended Administrative Budget as part of the County's Budget approval on June 3, 2014. The recommended budget (Attachment A) includes general categories of work including accounting, staffing of the Oversight Board, preparation and processing of reports and documents required by the Department of Finance (DOF), including the Property Management Plan. Given the lack of clarity in specific requirements it is difficult to accurately estimate the number of staff hours and costs that will be required, but it is important to allocate adequate resources to ensure that the requirements associated with the unwind activities can be complied with.

Prepared by:



Marti Noel, 755-5394, Assistant Director RMA

Date: 06/11/2014

**Before the Oversight Board of the Successor Agency for the  
County of Monterey, State of California**

**Resolution No.**

Approve the Successor Agency Administrative Budget for Fiscal Year                 )  
2014/15 and authorize submittal to the State Department of Finance.                 )

WHEREAS, the California state legislature enacted Assembly Bill x1 26 (as amended by AB 1484, the "Dissolution Act") to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.); and

WHEREAS, on January 10, 2012, the Monterey County Board of Supervisors adopted Resolution No. 12-006 agreeing to serve as the Successor Agency to the former Redevelopment Agency (RDA) of the County of Monterey; and

WHEREAS, on February 1, 2012, the RDA of the County of Monterey was dissolved pursuant to Health and Safety Code Section 34172; and

WHEREAS, pursuant to the Dissolution Act, the Successor Agency is now confirmed to be a separate legal entity from the County of Monterey; and

WHEREAS, Dissolution Act provides for funding for administrative activities required by the Successor Agency and directs the preparation and approval of an Administrative Budget by the Oversight Board; and

WHEREAS, Successor Agency staff prepared a draft Administrative Budget for Fiscal Year 2014/15 and on June 3, 2014 the Board of Supervisors, acting as the Successor Agency approved that Administrative Budget (the "Proposed Administrative Budget"); and

WHEREAS, under the Dissolution Act, the Proposed Administrative Budget must be submitted by the Successor Agency to the Oversight Board for the Oversight Board's approval in accordance with the Dissolution Act; and

WHEREAS, the Oversight Board has reviewed the Proposed Administrative Budget and has considered the staff presentation and any comments from the public related thereto.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board hereby finds and determines that the foregoing recitals are true and correct, and together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions and determinations set forth below.

BE IT FURTHER RESOLVED that in accordance with the Dissolution Act, the Oversight Board hereby approves the Proposed Administrative Budget for Fiscal Year 2014/15.

PASSED AND ADOPTED this 16th day of June, 2014, by the following vote, to wit:

AYES:

NOES:

ABSENT:

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Ron Stefani, Chairperson

I, Marti Noel, Successor Agency Staff of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Oversight Board duly made and entered in the minutes thereof for the meeting on June 16, 2014.

Dated:

Marti Noel, Assistant Director  
Resource Management Agency  
County of Monterey, State of California

By \_\_\_\_\_

<b>County of Monterey acting as the Successor Agency to the Redevelopment Agency of the County of Monterey</b>				
<b>Draft Administrative Budget</b>				
<b>FY 2014-2015</b>				
		1,594		
		Hourly Rate	Estimated Hours	Total Budgeted
<b>General Administration*</b>				
	RMA Director	160.90	10	1,609
	RMA Deputy Director	131.13	40	5,245
	RMA Finance Director	117.81	300	35,342
	County Counsel	206.63	80	16,530
	Clerical Support Staff	55.80	20	1,116
	<b>Subtotal - General Administration</b>			<b>59,843</b>
<b>Staff Support for Oversight Board</b>				
	RMA Planning Manager	97.50	100	9,750
	RMA Finance Manager	103.86	40	4,154
	Clerical Support Staff	55.80	50	2,790
	<b>Subtotal - Staff Support for Oversight Board</b>			<b>16,694</b>
<b>Coordination with County Auditor</b>				
				-
	RMA Finance Manager	103.86	40	4,154
	County Counsel	206.63	20	4,133
	<b>Subtotal - Coordination with County Auditor</b>			<b>8,287</b>
<b>Implementation of East Garrison DDA</b>				
	RMA Deputy Director	131.13	20	2,623
	RMA Planning Manager	97.50	300	29,249
	RMA Civil Engineer	89.89	200	17,979
	RMA Finance Manager	103.86	100	10,386
<b>Implementation of LRPMP</b>				
	RMA Deputy Director	131.13	20	2,623
	RMA Civil Engineer	89.89	200	17,979
	RMA Planning Manager	97.50	100	9,750
	<b>Subtotal - Management of Accounting Review</b>			<b>90,587</b>
<b>Other Costs</b>				
	Successor Agency Outside Legal Counsel			3,000
	Monitoring of Units for Affordability Covenants			10,000
	Property Maintenance Allocation			20,000
	Contingency for Unknown Costs			40,932
	<b>Subtotal - Other Costs</b>			<b>73,932</b>
	<b>Total Administrative Budget</b>			<b>249,343</b>
*Includes but not limited to: Preparation and management of ROPS; preparation and management of property management plan; contract administration; review and interpretation of legal requirements.				