



Winters City Council Meeting
City Council Chambers
318 First Street
Tuesday, March 27, 2012

Members of the City Council

*Woody Fridae, Mayor
Cecilia Aguiar-Curry, Mayor Pro-Tempore
Harold Anderson
Michael Martin
Tom Stone*

*John W. Donlevy, Jr., City Manager
John Wallace, City Attorney
Nanci Mills, City Clerk*

4:00 p.m. - Regular Session

AGENDA

PLEASE NOTE – The numerical order of items on this agenda is for convenience of reference. Items may be taken out of order upon request of the Mayor or Councilmembers. Public comments time may be limited and speakers will be asked to state their name.

Roll Call

Pledge of Allegiance

Approval of Agenda

COUNCIL/STAFF COMMENTS

**CITY OF WINTERS AS SUCCESSOR AGENCY TO THE WINTERS COMMUNITY
DEVELOPMENT AGENCY**

1. Consideration of Resolution 2012-15, A Resolution of the City of Winters as Successor Agency to the Winters Community Development Agency Adopting an Amended Draft Recognized Obligation Payment Schedule (ROPS) in Compliance with AB1X26 (pp 1-9)

Executive Session

AGENDA

Safe Harbor for Closed Session - Pursuant to Government Code Section 54954.5

Personnel – Management Analyst – Advice from Legal Counsel – Pursuant to Government Code Section 54956.9 (b) – EEOC Charge No. 550-2011-01815

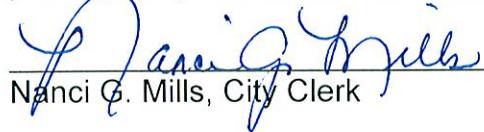
Public Employee Performance Evaluation – City Attorney – Pursuant to Government Code Section 54957

CITY MANAGER REPORT

INFORMATION ONLY

ADJOURNMENT

I declare under penalty of perjury that the foregoing agenda for the March 27, 2012 meeting of the Winters City Council was personally delivered to each Councilmember's mail boxes in City Hall and posted on the outside public bulletin board at City Hall, 318 First Street on March 23, 2012, and made available to the public during normal business hours.



Nanci G. Mills, City Clerk

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Staff recommendations are guidelines to the City Council. On any item, the Council may take action, which varies from that recommended by staff.

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other acceptable means of recordation. Such arrangements will be at the sole expense of the individual requesting the recordation.

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Wednesday at 10:00 a.m.

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WINTERS COMMUNITY DEVELOPMENT AGENCY
STAFF REPORT

TO: Honorable Chair and Boardmembers
DATE: March 27, 2012
THROUGH: John W. Donlevy, Jr., City Manager
FROM: Shelly A. Gunby, Director of Financial Management *Shelly*
SUBJECT: Consideration of Resolution 2012-15 of the City of Winters as Successor Agency to the Winters Community Development Agency adopting an amended Draft Recognized Obligation Payment Schedule pursuant to AB1X 26.

RECOMMENDATION:

That the City of Winters as Successor Agency to the Winters Community Development Agency adopt the attached Resolution adopting an amended Draft Recognized Obligation Payment Schedule in compliance with AB1X 26

SUMMARY:

In accordance with Health and Safety Code Section 34177, added by Assembly Bill 1X 26, the City of Winters as Successor Agency to the Winters Community Development Agency ("Agency") adopted an Enforceable Obligation Payment Schedule ("EOPS"), which serves as the basis for the payment of the Agency's outstanding financial obligations. Section 34177 requires the successor agency to adopt a Draft Recognized Obligation Payment Schedule (ROPS) prior to March 1, 2012. Resolution 2012-10 adopted on February 21, 2012 did adopt a Draft ROPS. On March 15, 2012, we received notification from Howard Newens, Yolo County Auditor-Controller, that the California Department of Finance had issued a new format for the ROPS and it was suggested that we use the new format for our ROPS. The attached ROPS includes all the information as the previous ROPS plus some additional information. Per instructions, the obligations are categorized on separate sheets, obligations (with the exception of pass throughs) paid by tax increment, items paid out of other sources, pass through payments and administration payments due to the City of Winters as Successor Agency. The prior draft did not include the contract information or the administration payments due to the City of Winters as Successor Agency. This Draft ROPS will have to be approved by the Oversight Board of the Successor Agency.

BACKGROUND:

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The Community Development Agency of the City of Winters (“Agency”) was created by the City Council for the purposes of implementing redevelopment activities in the City. The City Council adopted the Redevelopment Plan for the Winters Redevelopment Project in accordance with the Community Redevelopment Law (Health and Safety Code § 33000 *et seq.*) (“CRL”). The Winters Redevelopment Project Area was found to have a significant number of physical and economic blighting conditions that necessitated adoption of the Redevelopment Plan. The Redevelopment Plan authorizes the Agency to receive tax increment revenue to pay for programs and projects that address these conditions consistent with the CRL.

In January, 2011, the Governor announced his intent to eliminate redevelopment agencies as a way to help balance the State budget. The Legislature then enacted, and the Governor signed, Assembly Bill 1X 26 and Assembly Bill 1X 27, which took effect on June 29, 2011.

AB 1X 26 immediately suspended all new redevelopment activities and incurrence of indebtedness, and dissolves redevelopment agencies effective October 1, 2011. AB 1X 27 allowed a city or county that had a redevelopment agency to avoid dissolution by adopting an ordinance agreeing to make specified payments to reduce the State budget deficit.

A Petition for Writ of Mandate was filed in the Supreme Court of the State of California on July 18, 2011 (*California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861), challenging the constitutionality of AB 26 and AB 27 on behalf of cities, counties and redevelopment agencies and requesting a stay of enforcement. On August 11, 2011, and August 17, 2011, the Supreme Court stayed portions of AB 1X 26, and stayed AB 1X 27 in its entirety during the pendency of the matter.

The portion of AB 1X 26 that was not stayed required that redevelopment agencies prepare and file an Enforceable Obligations Payment Schedule in August, 2011.

On December 29, 2011, the Supreme Court issued its final decision in the aforesaid litigation, upholding AB 1X 26, invalidating AB 1X 27, and extending all statutory deadlines under AB 1X 26, essentially dissolving all redevelopment agencies throughout the State effective February 1, 2012.

DISCUSSION

AB 1X 26 suspended all new redevelopment activities and incurrence of indebtedness by terminating virtually all otherwise legal functions of the Agency and mandating a liquidation of any assets for the benefit of local taxing agencies. Some debts are allowed to be repaid, but any such remittances are to be managed by a successor agency, that would function primarily as a debt repayment administrator. The successor agency cannot continue or initiate any new redevelopment projects or programs. The activities of the successor agency will be overseen by an oversight board, comprised primarily of representatives of other taxing agencies, until such time as the remaining debts of the former redevelopment agency are paid off, all Agency assets liquidated and all property taxes are redirected to local taxing agencies.

Under Health and Safety Code Section 34177, the ROPS must list all of the “enforceable obligations” of the Agency, and must be certified by an independent external auditor and is subject to approval by the Department of Finance, The State Controller and must be posted on

the successor agency's website. "Recognized obligations" include: bonds; loans legally required to be repaid pursuant to a payment schedule with mandatory repayment terms; payments required by the federal government, preexisting obligations to the state or obligations imposed by state law; judgments, settlements or binding arbitration decisions that bind the agency; legally binding and enforceable agreements or contracts; and contracts or agreements necessary for the continued administration or operation of the agency, including agreements to purchase or rent office space, equipment and supplies.

FISCAL IMPACT:

None

ATTACHMENTS:

Draft Recognized Obligations Payment Schedule (ROPS)
Resolution 2012-15

**CITY OF WINTERS AS SUCCESSOR AGENCY TO THE WINTERS
COMMUNITY DEVELOPMENT AGENCY
RESOLUTION 2012-15**

**A RESOLUTION OF THE CITY OF WINTERS AS SUCCESSOR AGENCY TO
THE WINTERS COMMUNITY DEVELOPMENT AGENCY ADOPTING AN
AMENDED DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE
PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177**

WHEREAS, the City of Winters as Successor Agency to the Winters Community Development Agency (“Agency”) is the successor agency to the dissolved redevelopment agency, existing and exercising its powers pursuant to California Redevelopment Law, Health and Safety Code Section 34173 *et seq.* (“CRL”); and

WHEREAS, pursuant to subdivision (g) of Section 34177 (l)(l) of the CRL (enacted pursuant to Assembly Bill x1 26), the Successor Agency is required to adopt a Draft Recognized Obligation Payment Schedule that lists all of the enforceable obligations that are “enforceable obligations” within the meaning of subdivision (l) of Section 34177 of the CRL and which includes the following information about each such obligation:

- (A) Enforceable Obligation
- (B) The payee
- (C) Payment due Dates through June 30, 2012
- (D) Source of Payment

WHEREAS, a Recognized Obligation Payment Schedule, a copy of which is attached, has been presented to the City of Winters as Successor Agency, the City of Winters as Successor Agency is familiar with the contents thereof, and the City Manager has recommended approval of said Schedule subject to the contingencies and reservation of rights set forth in this Resolution: and

WHEREAS, the City of Winters as Successor Agency reserves the right to amend the Recognized Obligation Payments Schedule; and

WHEREAS, in adopting the Recognized Obligations Payment Schedule, the City of Winters as Successor Agency does not intend to waive, nor shall the City of Winters as Successor Agency be deemed to have waived any rights the City of Winters as Successor Agency or its successor may have pursuant to or in connection with any obligation listed on such Schedule, including without limitation, the right to modify, amend, terminate or challenge any obligation listed on such Schedule;

NOW, THEREFORE BE IT RESOLVED BY THE CITY OF WINTERS AS SUCCESSOR AGENCY TO THE WINTERS COMMUNITY DEVELOPMENT AGENCY that it hereby:

1. Finds that the Recitals set forth are true and correct, and are incorporated herein by reference.

2. Adopts the Amended Draft Recognized Obligation Payment Schedule attached hereto, subject to all reservations of rights and contingencies set forth above.
3. Authorizes the City Manager or designee to take all actions necessary to implement this Resolution, including, without limitation, the posting of this Resolution and the Recognized Obligation Payment Schedule to the City's website, and the provision of the notice of adoption of this Resolution and such Schedule to the County Auditor-Controller, the State Controller and the State Department of Finance.
4. Declares that if any provision, sentence, clause, section, or part of this Resolution is found to be unconstitutional, illegal, or invalid, such finding shall affect only such provision, sentence, clause, section, part, and shall not affect or impair any of the remaining parts.

PASSED AND ADOPTED by the City of Winters Community Development Agency this 27th day of March, 2012 by the following vote:

AYES;
NOES;
ABSTAIN;
ABSENT;

Woody Fridae, Mayor

ATTEST:

Nanci G. Mills, City Clerk

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE
Per AB 26 - Section 34177 (*)

Project Name / Debt Obligation	Contract/Agreement Execution Date	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2011-2012**	*** Funding Source	Payable from the Redevelopment Property Tax Trust Fund (RPTTF)						
								Payments by month						
								Jan 2012	Feb 2012	Mar 2012	Apr 2012	May 2012	Jun 2012	Total
1) 2004 Tax Allocation Bonds	2/27/04	Bank of New York Trustee	Bond issue to fund non-housing projects	CDA Project Area	4,608,527.75	277,648.50		58,824.25					218,824.25	\$ 277,648.50
2) 2004 Tax Allocation Bonds	2/27/04	Bank of New York Trustee	Bond issue to fund housing projects	CDA Project Area	4,789,845.00	266,195.75		62,065.25					204,130.50	\$ 266,195.75
3) 2007 Tax Allocation Bonds	5/31/07	Bank of New York Trustee	Bond issue to fund non housing projects	CDA Project Area	17,721,682.50	666,590.00		208,295.00					458,295.00	\$ 666,590.00
4) 2007 Tax Allocation Bonds	5/31/07	Bank of New York Trustee	Bond issue to fund housing projects	CDA Project Area	3,050,810.00	78,470.00		34,235.00					44,235.00	\$ 78,470.00
5) Loan due City of Winters	5/10/10	City of Winters	Loan due for 2010 SERAF paid by City of Winters	CDA Project Area	789,448.00	163,313.50		163,313.50					163,313.50	\$ 326,627.00
6) Loan due City of Winters	9/3/02	City of Winters	Loan due for CDA portion of General Plan Update (1992)	CDA Project Area	1,193,080.52	413,134.62							413,134.62	\$ 413,134.62
7) Employee Costs	8/3/10 Reso#2010.42 and	City of Winters	Employee Costs paid by City for Agency	CDA Project Area	122,510.82	15,761.85		15,761.85						\$ 15,761.85
8) Winters Opera House Lease		Winters Opera House	Palms Playhouse Rent Subsidy	CDA Project Area	62,650.25	30,072.12				7,518.03			7,518.03	\$ 15,036.06
9) Winters Opera House Lease	1/28/09	Winters Opera House	Rent Agreement for Winters Visitor Center	CDA Project Area	29,000.00	11,569.20			1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	\$ 5,000.00
10) Visitor Center Funding		Winters Chamber of Commerce	Winters Visitor Center Operations Funding	CDA Project Area	69,600.00	28,800.00			2,400.00	2,400.00	2,400.00	2,400.00	2,400.00	\$ 12,000.00
11) Agency Allocated Expenditures	8/3/10 Reso#2010.42 and	City of Winters	Allocation of Staff and Overhead Costs	CDA Project Area	181,392.78	181,392.78		22,660.63						\$ 22,660.63
12) Trustee Services	3/9/04	Bank of New York Mellon	Trustee Services for 2004 Tax Allocation Bonds	CDA Project Area	37,400.00					1,700.00				\$ 1,700.00
13) Trustee Services	6/1/07	Bank of New York Mellon	Trustee Services for 2007 Tax Allocation Bonds	CDA Project Area	42,500.00								1,700.00	\$ 1,700.00
14) Continuing Disclosure Services		Urban Futures, Inc.	Continuing Disclosure Reporting-2004 TABS	CDA Project Area	38,500.00				1,750.00					\$ 1,750.00
15) Continuing Disclosure Services		Urban Futures, Inc.	Continuing Disclosure Reporting-2007 TABS	CDA Project Area	43,750.00				1,750.00					\$ 1,750.00
16) Consulting Services		Urban Futures, Inc.	Consulting on Dissolution Issues	CDA Project Area	2,000.00					500.00	500.00	500.00	500.00	\$ 2,000.00
17) LMHF Set Aside		Winters Community Development Agency	20% Set Aside for Housing	CDA Project Area	11,928,467.00	306,973.13		168,835.22						\$ 168,835.22
18) Legal Services	6/20/11	Best, Best & Kreiger	Legal Services for Redevelopment issues	CDA Project Area	60,000.00	60,000.00		740.48	1,772.16	14,371.84	14,371.84	14,371.84	14,371.84	\$ 60,000.00
19) 305 First Street		Ana's Housekeeping	Janitorial Services	CDA Project Area	600.00	600.00			50.00	50.00	50.00	50.00	50.00	\$ 250.00
20) Water District Improvement	5/16/95	City of Winters Water Enterprise Fund	Water pipe replacement within the redevelopment project Area	CDA Project Area	1,500,000.00	600,000.18							600,000.18	\$ 600,000.18
21) City Attorney Fees		John Wallace	Legal Fees	CDA Project Area	15,000.00					3,750.00	3,750.00	3,750.00	3,750.00	\$ 15,000.00
22) Pers Unfunded Liability	Actuarial Valuation	CalPers	Unfunded Liability for Agency Employees	CDA Project Area	127,134.99									\$ -
23) 314 Railroad Ave	3/31/10	Rory and Theresa Linton	Relcoation Assistance	CDA Project Area	30,000.00									\$ -
24) 305 First Street		John Pickeral	Rental of Meeting Room	CDA Project Area	11,060.00	11,060.00	0.00	808.80	944.25	944.25	944.24	944.24	944.24	\$ 5,530.02
25) Auditing		Moss, Levy Hartzheim	Close out Audit of Redevelopment Agency 1-31-12	CDA Project Area	5,000.00	5,000.00							5,000.00	\$ 5,000.00
26) Legal Services Housing		Burke Williams	Legal Services for Housing Related issues	CDA Project Area	9,222.50	9,222.50	9,222.50							\$ -
27)														\$ -
28)														\$ -
29)														\$ -
30)														\$ -
31)														\$ -
32)														\$ -
Totals - This Page (RPTTF Funding)					\$ 46,469,202.11	\$ 3,125,804.13	N/A	\$ 735,539.98	\$ 9,666.41	\$ 32,234.12	\$ 23,016.08	\$ 23,016.08	\$ 23,016.08	\$ 2,962,639.83
Totals - Page 2 (Other Funding)					\$ -	\$ -	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Page 3 (Administrative Cost Allowance)					\$ 119,199.97	\$ 119,199.97	N/A	\$ -	\$ 23,839.99	\$ 23,839.99	\$ 23,839.99	\$ 23,839.99	\$ 23,839.99	\$ 119,199.95
Totals - Page 4 (Pass Thru Payments)					\$ 14,586,124.00	\$ 297,115.18	N/A	\$ 129,984.35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 129,984.35
Grand total - All Pages					\$ 46,588,402.08	\$ 3,245,004.10		\$ 735,539.98	\$ 33,506.40	\$ 58,074.11	\$ 46,856.07	\$ 46,856.07	\$ 46,856.07	\$ 3,211,824.13

* The Preliminary Draft Recognized Obligation Payment Schedule (ROPS) is to be completed by 3/1/2012 by the successor agency, and subsequently be approved by the oversight board before the final ROPS is submitted to the State Controller and State Department of Finance by April 15, 2012. It is not a requirement that the Agreed Upon Procedures Audit be completed before submitting the final Oversight Approved ROPS to the State Controller and State Department of Finance.

** All totals due during fiscal year and payment amounts are projected.

*** Funding sources from the successor agency: (For fiscal 2011-12 only, references to RPTTF could also mean tax increment allocated to the Agency prior to February 1, 2012.)

RPTTF - Redevelopment Property Tax Trust Fund

LMHF - Low and Moderate Income Housing Fund

Bonds - Bond proceeds

Admin - Successor Agency Administrative Allowance

Other - reserves, rents, interest earnings, etc

DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per AB 26 - Section 34177 (*)

	Project Name / Debt Obligation	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2011-2012**	Funding Source **	Payable from the Administrative Allowance Allocation ****						Total
								Jan 2012	Feb 2012	Mar 2012	Apr 2012	May 2012	Jun 2012	
1)	Successor Agency Allocated Expenditures	City of Winters	Allocation of Staff and Overhead Costs	CDA Project Area	119,199.97	119,199.97	RPTTF		23,839.99	23,839.99	23,839.99	23,839.99	23,839.99	\$ 119,199.95
2)							RPTTF							\$ -
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Totals - This Page					\$ 119,199.97	\$ 119,199.97		\$ -	\$ 23,839.99	\$ 23,839.99	\$ 23,839.99	\$ 23,839.99	\$ 23,839.99	\$ 119,199.95

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 ** All total due during fiscal year and payment amounts are projected.
 *** Funding sources from the successor agency: (For fiscal 2011-12 only, references to RPTTF could also mean tax increment allocated to the Agency prior to February 1, 2012.)
 RPTTF - Redevelopment Property Tax Trust Fund Bonds - Bond proceeds Other - reserves, rents, interest earnings, etc
 LMIHF - Low and Moderate Income Housing Fund Admin - Successor Agency Administrative Allowance
 **** - Administrative Cost Allowance caps are 5% of Form A 6-month totals in 2011-12 and 3% of Form A 6-month totals in 2012-13. The calculation should not factor in pass through payments paid for with RPTTF in Form D.