

**Oversight Board Meeting  
of the Successor Agency City of Foster City**

**REGULAR MEETING**

**Wednesday, September 9, 2015; 8:00 a.m.**

Location:  
Council Chambers – Conference Room  
City of Foster City  
620 Foster City Blvd  
Foster City, CA

1. Call to Order
2. Roll Call
3. Public Comment
  - a. *This is an opportunity for the public to address the Oversight Board on any item that is not on the agenda. Time for public comment may be limited at the discretion of the Chair.*
4. Communications
5. Minute Approval
  - a. February 11, 2015
6. Reports
7. Resolutions for Adoption
  - a. A Resolution Approving an Administrative Budget for the Period January 1 to June 30, 2016
  - b. A Resolution Approving the Recognized Obligation Payment Schedule 15-16B for the Period January 1 to June 30, 2016 (ROPS 15-16B)
8. Old Business
9. New Business
  - a. Selection of Officers – Chair and Vice-Chair

## 10. Future Agenda Items

- a. Approval of an Administrative Budget for the Period July 1, 2016 to December 31, 2016 (Due to DOF by March 1, 2016)
- b. Approval of Recognized Obligation Payment Schedule (ROPS 16-17A) for the Period July 1, 2016 to December 31, 2016 (Due to DOF by March 1, 2016)

[Please note that if pending legislation proposed by DOF is enacted, these items would have to cover the period from July 1, 2016 to June 30, 2017 and be submitted to DOF by February 1, 2016.]

## 11. Member Statements and Requests

## 12. Adjournment

Any attendee requiring special accommodations should contact Edmund Suen, Finance Director, at 650-286-3265 or [esuen@fostercity.org](mailto:esuen@fostercity.org) at least 24 hours in advance of the meeting.

Note: Any writings or documents provided to a majority of the Oversight Board regarding any item on this agenda after the agenda packet was distributed will be made available for public inspection at the office of the Finance Director located at Foster City City Hall, 610 Foster City Blvd., Foster City, during normal business hours and also made available in a marked binder at current and future meetings.

# Oversight Board Meeting of the Successor Agency City of Foster City

## Minutes

Meeting Date:  
February 11, 2015; 8:00 a.m.

Foster City Council Chambers Conference Room  
620 Foster City Blvd., Foster City, CA

1. Call to Order – **Meeting called to order at 8:04 a.m.**

Roll Call

Members Present: **Chair Dick W. Bennett, Members Tina Acree, Mike Callagy, Barbara Christensen (for Jim Keller) Linda Koelling, Elizabeth McManus, Rick Wykoff**

Staff Present: **Jim Hardy (City Manager), Curtis Banks (CDD Director), Edmund Suen (Finance Director), Oversight Board Legal Counsel Craig Labadie, Fiti Rusli (Accounting Manager), Karen Li (Accountant), Aileen Cadiz (Management Assistant)**

2. Public Comment - **None**
3. Communications - **None**
4. Minute Approval
  - a. September 10, 2014- **Motion by Member Koelling, Seconded by Member Wykoff to approve the minutes as submitted. Motion passed 5-0-1. Member Callagy abstained because he was not in attendance during the September 10, 2014 meeting. Member McManus arrived after the motion was passed.**
5. Reports
  - a. Oral Update on The State Controller's Office Review of Foster City Community Development Agency Assets Transfer for the dates of January 1, 2011 through January 31, 2012
    - i. **Finance Director Suen provided an update. No action taken.**

- b. Oral Update on Department of Finance Approval of Oversight Board Resolution no. 2014-005 approving the reinstatement of the City of Foster City's Loan made to the Former Redevelopment Agency.

- i. **Finance Director Suen provided an update. Discussion ensued. No action taken.**

6. Resolutions for Adoption

- a. A Resolution Approving an Administrative Budget for the Period July 1 to December 31, 2015.

- i. **Finance Director Suen provided the staff report. Legal Counsel Labadie provided information on administrative cost allowance limitations. Discussion ensued. Motion by Member Christensen, Seconded by Member Wykoff to approve the resolution as drafted. Motion passed 7-0-0 approving Resolution #2015-001 adopting the Administrative Budget for the Period July 1 to December 31, 2015.**

- b. Resolution Approving the Recognized Obligation Payment Schedule 15-16A for the Period July 1 to December 30, 2015 (ROPS 15-16A)

- i. **Finance Director Suen provided the staff report. Legal Counsel Labadie provided update on legislation. Motion by Member Koelling, Seconded by Member Acree to approve the resolution as drafted. Motion passed 7-0-0 approving Resolution #2015-002 adopting the ROPS 15-16aB for the period July 1 to December 30, 2015.**

- c. A Resolution of the Oversight Board of the Successor Agency of the Community Development Agency Confirming No Properties Exist That Would be Subject to a Long-Range Property Management Plan.

- i. **Finance Director Suen provided the staff report with a correction on the Executive Summary, 2<sup>nd</sup> sentence should be "However, the Foster City Successor Agency does not have any properties that are subject to the Long-Range Property Management Plan". Motion by Member Wykoff, Seconded by Member McManus to approve the resolution as drafted. Motion passed 7-0-0 approving Resolution #2015-003 confirming No Properties Exist That Would be Subject to a Long-Range Property Management Plan.**

7. Old Business - **None**

8. New Business - **None**

9. Future Agenda Items

- a. Approval of an Administrative Budget for the Period January 1 to June 30, 2016 (September 9, 2015 – Due to DOF on October 5, 2015)
- b. Approval of Recognized Obligation Payment Schedule (ROPS 15-16B) for the Period January 1 to June 30, 2016 (September 9, 2015 – Due to DOF on October 5, 2015)
- c. Election of Chair and Vice Chair

10. Member Statements and Requests –

**Future meeting dates: September 9, 2015, February 10, 2016**

11. Adjournment – **Meeting adjourned at 8:31 a.m.**





## Oversight Board of the Successor Agency City of Foster City

**Date:** September 9, 2015  
**To:** Chair and Members of the Oversight Board  
**Via:** Kevin M. Miller, City Manager  
**From:** Edmund Suen, Finance Director  
**Subject:** Resolution Approving a Recognized Obligations Payment Schedule for the Period January 1 to June 30, 2016 (ROPS 15-16B)

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### **RECOMMENDATION**

It is recommended that the Oversight Board adopt the attached resolution approving a Recognized Obligation Payment Schedule for the period January 1 to June 30, 2016 ("ROPS 15-16B" or "ROPS").

### **EXECUTIVE SUMMARY**

In accordance with California Health & Safety Code ("H&S Code") §34177(l), the Successor Agency has prepared ROPS 15-16B for the period January 1 to June 30, 2016. The ROPS is reflective of the actions taken by the Oversight Board and approved by the Department of Finance (DOF) relative to the ROPS from prior periods, and includes the obligations to PWM Residential Ventures LLC and Prometheus Development. The proposed ROPS 15-16B is reflective of the format required by the DOF.

### **BACKGROUND**

H&S Code §34177(l) requires that the Successor Agency prepare a ROPS every six months that reflects the enforceable obligations and the administrative cost allowance of the Successor Agency that are payable during that timeframe. The ROPS is then submitted to the Oversight Board for approval. Once the ROPS is approved, it is forwarded to the County Controller's Office for the allocation of tax revenues to support the payment of enforceable obligations and administrative costs. It is also submitted to the State Department of Finance, which has the authority to review all of the items on the ROPS and request clarification and/or overturn the Oversight Board's actions relative to the ROPS.

## **ANALYSIS**

The Oversight Board has previously approved eight (8) separate ROPS since the dissolution of the former Agency. Based upon the discussions in terms of those prior ROPS, a new ROPS 15-16B covering the period January 1 to June 30, 2016 has been prepared and is attached to this Staff Report.

Those ROPS's incorporated several enforceable obligations that were reviewed in detail. A brief summary of the items on this ROPS is provided below:

### **Marlin Cove Project Area**

- PWM Residential Ventures LLC – these represent the estimated payments required under the terms of the Disposition and Development Agreement (DDA) with the developer. The total outstanding obligations for the affordable housing subsidy, and utility subsidy are incorporated into this ROPS.
  - Utility Subsidy – this subsidy increases by a fixed 2% per year and is payable through 2029. An estimated amount of \$47,500 payment will be made in the 15-16B period.
  - Affordable Housing Subsidy – this is an amount that is paid to the Developer equal to 30% of the final available tax increment (now RPTTF) for the project area. The projected calculation of the amount owed to the Developer is based upon final RPTTF, net of the AB1290 and County property tax admin fees is expected to be \$200,000 and payable in the 15-16B period.

### **Hillsdale/Gull Project Area**

- Prometheus Development – the estimated payments required under the terms of the Disposition and Development Agreement with the developer is \$233,659. It is payable in the 15-16B period.

### **Reinstatement of City of Foster City Loan made to the Former Redevelopment Agency**

- Repayment of Loan to City – On November 10, 2014, the DOF approved the September 10, 2014 Oversight Board Resolution No. 2014-005 approving an agreement regarding reinstatement of a City of Foster City loan made to the Former Redevelopment Agency. As a result, the Successor Agency placed the loan commencing on its 15-16A ROPS subject to the repayment formula outlined in HSC section 34191.4 (b) (2) (A) which allows the repayment to be equal to one-half of the increase between the ROPS residual pass-through distributed to the taxing entities in FY 2014-15 and the ROPS pass-through distributed to the taxing entities in the 2012-13 base year. In addition, interest must now be calculated from the loan origination using the quarterly interest Local Agency Investment Fund (LAIF) rate at the time when the Oversight Board made its finding that the City Loan was for legitimate redevelopment purposes (i.e. September 10, 2014). Based on calculations using the repayment formula, there is insufficient increase over the base year for a repayment amount for the FY 2015-16.



**Administrative Cost Allowance**

- All Project Areas –The amount in this ROPS period of \$48,900 is based upon the recommended Administrative Cost Allowance Budget as presented in a separate staff report to the Oversight Board at this meeting.

Subject to approval of the attached resolutions, the final ROPS 15-16B will be transmitted to the State Department of Finance for approval by the deadline of October 5, 2015, and will also be transmitted simultaneously to the San Mateo County Controller's Office and the State Controller's Office.

**Attachments**

- Resolution
- Recognized Obligation Payment Schedule 15-16B for the Period January 1 to June 30, 2016



RESOLUTION NO. 2015-005

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY CITY OF FOSTER CITY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 15-16B FOR THE PERIOD JANUARY 1 TO JUNE 30, 2016 (ROPS 15-16B)

SUCCESSOR AGENCY CITY OF FOSTER CITY

WHEREAS, the Successor Agency has prepared a draft Recognized Obligation Payment Schedule for the period January 1 to June 30, 2016, referred to as "ROPS 15-16B" or "ROPS", pursuant to California Health & Safety Code (H&S Code) §34177; and

WHEREAS, the Oversight Board has reviewed each line item on the ROPS to determine that it represents an enforceable obligation of the Successor Agency; and

WHEREAS, the Oversight Board adopted an Administrative Budget at its September 9, 2015 Regular Meeting and the administrative cost allowance reflected in the attached ROPS is consistent with the Administrative Budget approved by the Oversight Board; and

WHEREAS, the attached ROPS is reflective of the enforceable obligations of the Successor Agency for the period January 1 to June 30, 2016; and

WHEREAS, the Oversight Board desires to ensure that the developers and other obligations in this ROPS 15-16B are fully funded and liquidated for the period; January 1 to June 30, 2016; and

WHEREAS, to the extent that there are any deficiencies in available RPTTF funds to pay the enforceable obligations listed within this ROPS, the Oversight Board desires to exercise its right to borrow funds from the City of Foster City per the terms of the Loan Agreement between the Successor Agency and the City dated September 10, 2012.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board of the Successor Agency City of Foster City, as follows:

1. That the Recognized Obligation Payment Schedule for the Period January 1 to June 30, 2016 (ROPS 15-16B), attached hereto and incorporated herein, is hereby approved.

2. That any deficiencies in available RPTTF funds to fully liquidate the enforceable obligations listed within this ROPS may be borrowed from the City of Foster City per the terms of the Loan Agreement between the Successor Agency and the City dated September 10, 2012.

BE IT FURTHER RESOLVED that the Secretary is instructed to transmit a copy of this resolution and the approved ROPS to the San Mateo County Controller's Office, the California Department of Finance, and the State Controller's Office as required by law by October 5, 2015.

PASSED AND ADOPTED as a resolution of the Oversight Board of the Successor Agency to the Community Development Agency of the City of Foster City at the regular meeting held on the 9<sup>th</sup> day of September 9, 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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DICK W. BENNETT, CHAIRPERSON

ATTEST:

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EDMUND SUEN, SECRETARY

## Recognized Obligation Payment Schedule (ROPS 15-16B) - Summary

Filed for the January 1, 2016 through June 30, 2016 Period

Name of Successor Agency: Foster City  
 Name of County: San Mateo

Current Period Requested Funding for Outstanding Debt or Obligation	Six-Month Total
<b>Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding Sources (B+C+D):</b>	
A Sources (B+C+D):	\$ -
B Bond Proceeds Funding (ROPS Detail)	-
C Reserve Balance Funding (ROPS Detail)	-
D Other Funding (ROPS Detail)	-
<b>Enforceable Obligations Funded with RPTTF Funding (F+G):</b>	
E Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 530,059
F Non-Administrative Costs (ROPS Detail)	481,159
G Administrative Costs (ROPS Detail)	48,900
<b>Total Current Period Enforceable Obligations (A+E):</b>	<b>\$ 530,059</b>

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I Enforceable Obligations funded with RPTTF (E):	530,059
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(89,404)
<b>K Adjusted Current Period RPTTF Requested Funding (I-J)</b>	<b>\$ 440,655</b>

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L Enforceable Obligations funded with RPTTF (E):	530,059
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
<b>N Adjusted Current Period RPTTF Requested Funding (L-M)</b>	<b>530,059</b>

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177 (m) 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 agency.

\_\_\_\_\_  
 Name  
 \_\_\_\_\_  
 Title  
 \_\_\_\_\_  
 Signature  
 \_\_\_\_\_  
 Date

Foster City Recognized Obligation Payment Schedule (ROPS 15-16B) - ROPS Detail  
 January 1, 2016 through June 30, 2016  
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	
																Item #
3	DDA	OPAVDDA/Construction	2/22/2000	1/31/2025	PWM Residential Ventures LLC	Affordable Housing Subsidy to Developer per the terms of the Disposition and Development Agreement for the Marlin Cove Project through January 2023.	Marlin Cove	\$ 3,728,000	N							
4	DDA	OPAVDDA/Construction	2/22/2000	1/31/2025	PWM Residential Ventures LLC	Utility Subsidy to Developer per the terms of the Disposition and Development Agreement for the Marlin Cove Project through January 2023.	Marlin Cove	760,200	N				47,500			47,500
6	DDA	OPAVDDA/Construction	7/3/2000	6/30/2018	Prometheus Development	Affordable Housing Subsidy to Developer per the terms of the Disposition and Development Agreement for the Hillside/Gull Project (aka "Miramar Apartments") through June 2018.	Hillside/Gull	701,000	N				233,659			233,659
9	Administrative Cost Allowance	Admin Costs	1/31/2012	12/31/2025	City of Foster City	Administrative Cost Allowance	All Project Areas	98,900	N						48,900	48,900
11	Reinstatement Loan Agreement per H&S 34.191.4(b)	City/County Loans	9/10/2014	12/31/2025	City of Foster City	Loan Repayment from Claw Back Period-Principal		1,115,697	N							
12	Reinstatement Loan Agreement per H&S 34.191.4(b)	City/County Loans	9/10/2014	12/31/2025	City of Foster City	Loan Repayment from Claw Back Period-Interest		17,953	N							
13	RPTTF shortfall, ROPS 14-15B	RPTTF Shortfall	1/1/2015	12/31/2015	City of Foster City	RPTTF shortfall, ROPS 14-15B			N							
14									N							
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## Oversight Board of the Successor Agency City of Foster City

**Date:** September 9, 2015  
**To:** Chair and Members of the Oversight Board  
**Via:** Kevin M. Miller, City Manager  
**From:** Edmund Suen, Finance Director  
**Subject:** Resolution Approving an Administrative Budget for January 1 to June 30, 2016 (ROPS 15-16B)

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### **RECOMMENDATION**

It is recommended that the Oversight Board adopt the attached resolution approving an Administrative Budget for the Successor Agency for the January 1 to June 30, 2016 (ROPS 15-16B) in an amount of \$53,300 that will be incorporated into the Recognized Obligation Payment Schedule (ROPS).

### **EXECUTIVE SUMMARY**

Staff has prepared for Oversight Board consideration an Administrative Budget for the January 1 to June 30, 2016 period based on the projection for that six-month period. The budget is prepared based on the anticipated administrative costs associated with handling the affairs of the Successor Agency. AB 1484 requires that a Recognized Obligation Payment Schedule (ROPS) for the period January 1 to June 30, 2016 be submitted to the Department of Finance (DOF) for approval by October 5, 2015.

### **BACKGROUND**

H&S Code §34177(j) requires the Successor Agency to prepare an administrative budget for Oversight Board approval that includes:

1. Estimated amounts for successor agency administrative costs for the upcoming six-month fiscal period.
2. Proposed sources of payment for the costs identified in paragraph (1).
3. Proposals for arrangements for administrative and operations services provided by a city, county, city and county, or other entity.

The administrative budget is then presented as an administrative cost allowance in the ROPS for the six-month period [H&S Code §34177(l) (1)].

The Code defines “administrative budget” to mean “the budget for administrative costs of the successor agencies as provided in Section 34177” [§34171(a)]. There is no further definition of what comprises “administrative costs”, other than indicating that “the successor agency shall pay for all of the costs of meetings of the oversight board and may include such costs in its administrative budget.” [§34179(c)]

Further, H&S Code §34171(b) provides that the overall administrative cost allowance is “payable from property tax revenues of up to 5 percent of the property tax allocated to the successor agency for the 2011-12 fiscal year and up to 3 percent of the property tax allocated to the Redevelopment Obligation Retirement Fund money that is allocated to the successor agency for each fiscal year thereafter; provided, however, that the amount shall not be less than two hundred fifty thousand dollars (\$250,000) for any fiscal year or such lesser amount as agreed to by the successor agency.”

## **ANALYSIS**

In preparing the Administrative Budget for the Successor Agency, three (3) cost categories have been identified that should be considered by the Oversight Board in adopting an Administrative Budget:

1. City Staff Costs
2. Professional Services and other costs in support of Successor Agency functions
3. Professional Services and other costs in support of the Oversight Board

Staff has developed an Administrative Budget that is presented as Attachment 1 to this Staff Report. Each of the cost categories identified above are discussed below, with brief explanations of each item listed in the Administrative Budget.

### **City Staff Costs**

Successor Agency staff are employees of the City of Foster City. The primary staff that supports the Successor Agency include: City Manager, Finance Director, Community Development Director, Assistant Finance Director, and Management Assistant.

The salary and benefits costs for each identified employee supporting the Successor Agency are identified in the attached “Analysis of Directly Attributable Personnel Time Dedicated to Successor Agency Activities” (Attachment 2). A brief description of each item in that analysis is presented below:

- Chargeable Hourly Rate – This represents the individual’s hourly pay rate, their benefits overhead rate (which is developed based upon the benefits

provided under the respective agreements with the employee groups and other employee-related costs such as workers compensation, Medicare, etc.), and the number of productive hours in a year (which is calculated for each employee based on 2,080 hours less vacation and sick leave benefits provided). It should be noted that these amounts have been updated to reflect the expected pension contribution rates based on the City's latest actuarial analysis of its pension obligations to CalPERS.

- Hours per Year – the number of hours per year have been estimated for each employee. The budgeted hours assume that no further legislation beyond ABx1 26 and AB 1484 is enacted that would require additional meetings or reporting requirements, and that procedural or reporting requirements required by the State Department of Finance, the State Controller's Office, or the San Mateo County Controller's Office are consistent with current practices and level of effort on the part of Successor Agency staff in two areas. It also assumes that the Oversight Board is not expected to meet more than just once during each ROPS period, in essence for the approval of the ROPS and Administrative Budgets of each subsequent ROPS period.

The projected hours were based upon a review of the actual hours spent by each position during the period from January 1 to June 30, 2015, including significant time invested by the Finance Director, and Assistant Finance Director in preparing the projections and reconciliation requested by the County Controller's office and ROPS reconciliation requested by the State Department of Finance (DOF).

**The total costs identified in terms of staff support for the Oversight Board during this ROPS 15-16B period is \$48,900.**

#### **Professional Services and other costs in support of Successor Agency functions**

There are three (3) costs identified on an annualized basis that will support the Successor Agency staff in administering the functions of the Successor Agency. A brief description of each item follows.

- Burke, Williams & Sorensen (BWS) – (**Total: \$30,000**) This is a professional services agreement with this law firm to provide legal support in terms of enforcing compliance of the terms and conditions of the DDA's of the respective project areas, including affordable housing obligations as part of those DDA's. While the City has elected to retain the affordable housing assets and obligations of the former Agency, the tax increment of these project areas was designed to pay for the costs associated with ensuring developer compliance with the terms of their respective DDA's. As such, these costs should be paid out of tax increment received from the former project areas, and the Oversight Board concurred with this approach in the prior Administrative Budget. The anticipated billings from BWS in the coming ROPS Period is expected to be \$30,000.

- Vavrinek, Trine and Day, LLP – **(Total: \$3,000)** This represent the costs associated with the audit of the financial records of the Successor Agency's funds presented on the City's Comprehensive Annual Financial Report.
- Foster City Islander and/or San Mateo Daily Journal – **(Total \$300)** This presents various miscellaneous out-of-pocket costs associated with Successor Agency and/or Oversight Board business.

### **Professional Services and other costs in support of the Oversight Board**

There is presently one cost identified for the ROPS 15-16A period that will support the Oversight Board in administering the responsibilities to the Successor Agency.

- Law Offices of Craig Labadie – **(Total: \$2,500)** This is a professional services agreement between the Successor Agency and this firm to provide legal support to the Oversight Board in fulfilling its responsibilities under ABx1 26 and under AB 1484.

### **Compliance with Law; Inclusion in ROPS**

The overall proposed Administrative Budget represents costs that Staff believes are in compliance with the H&S Code. **The total proposed Administrative Cost Allowance is \$48,900.** This amount is less than the \$250,000 baseline amount required under the legislation.

It is recommended that this amount be included in ROPS 15-16B for the period January 1 to June 30, 2016. ROPS 15-16B is also on the agenda for consideration at this meeting.

The implementation of AB 1484 requires that ROPS 15-16B be submitted to the Department of Finance by October 5, 2015.

### **Attachments**

- Resolution
- Attachment 1: Proposed Administrative Budget – January 1 to June 30, 2016
- Attachment 2: Analysis of Directly Attributable Personnel Time Dedicated to Successor Agency Activities – January 1 to June 30, 2016

RESOLUTION NO. 2015-004

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY CITY OF FOSTER CITY APPROVING AN ADMINISTRATIVE BUDGET FOR THE PERIOD JANUARY 1 TO JUNE 30, 2016

SUCCESSOR AGENCY CITY OF FOSTER CITY

WHEREAS, California Health & Safety Code ("H&S Code") §34177(j) requires the Successor Agency to prepare an administrative budget for Oversight Board approval that includes: 1) estimated amounts for successor agency administrative costs for the upcoming six-month fiscal period; 2) proposed sources of payment for the costs identified in item 1; and, 3) proposals for arrangements for administrative and operations services provided by a city, county, city and county, or other entity; and

WHEREAS, H&S Code §34171(b) provides that the overall administrative cost allowance shall be payable from property tax revenues of up to 3 percent of the property tax allocated to the Redevelopment Obligation Retirement Fund money that is allocated to the successor agency for each fiscal year; provided, however, that the amount shall not be less than two hundred fifty thousand dollars (\$250,000) for any fiscal year or such lesser amount as agreed to by the successor agency; and

WHEREAS, an Administrative Budget has been prepared for the period January 1 to June 30, 2016 that incorporates the costs associated with administering the affairs of the Successor Agency totaling \$48,900;

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board of the Successor Agency City of Foster City that the Administrative Budget for the Period January 1 to June 30, 2016 totaling \$48,900 is hereby approved.

PASSED AND ADOPTED as a resolution of the Oversight Board of the Successor Agency to the Community Development Agency of the City of Foster City at the regular meeting held on the 9<sup>th</sup> day of September, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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DICK W. BENNETT, CHAIRPERSON

ATTEST:

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EDMUND SUEN, SECRETARY

Successor Agency City of Foster City  
Proposed Administrative Budget  
For the ROPS 15-16B Period (January 1 to June 30, 2016)



Item	Description	Total Cost
<b>City Staff Costs</b>		
City of Foster City - Administrative Support	Administrative support services, including Oversight Board support, financial management, affordable housing compliance and monitoring, etc.	13,100
<b>Professional Services and other costs in support of Successor Agency functions</b>		
Burke, Williams & Sorensen	Legal consulting services for administering the obligations under the Marlin Cove and Hillsdale/Gull project areas and the wind-down of the former Agency's affairs through the Successor Agency's administration.	30,000
Vavrinek Trine and Day, LLP	Financial auditing services relative to the Successor Agency funds presented on the City's Financial Statements	3,000
Other miscellaneous supplies and services	Miscellaneous office supplies or other out-of-pocket administrative costs related to Successor Agency and/or Oversight Board business	300
<b>Professional Services and other costs in support of the Oversight Board</b>		
Law Offices of Craig Labadie	Legal consulting services to the Oversight Board	2,500
<b>Total Administrative Cost Allowance Request</b>		<b>48,900</b>





**Successor Agency City of Foster City**

**Analysis of Directly Attributable Personnel Time Dedicated to Successor Agency Activities**

**For the ROPS 15-16B Period (January 1 to June 30, 2016)**

Position	Projected Chargeable Hourly Rate	Cost Projections Prepared	
		# Hours for the 6 months	\$
City Manager	\$ 230.00	5	1,150
Community Development Director	\$ 179.00	3	537
Finance Director	\$ 174.00	55	9,570
Assistant Finance Director	\$ 126.00	9	1,134
Accountant	\$ 88.00	0.50	44
Accounting Clerk	\$ 58.00	0.75	44
Management Assistant	\$ 77.00	8	616
<b>Total</b>		81	13,095
		<b>say</b>	<b>13,100</b>

**Note:** Hours estimate based upon experience and professional judgment assuming the wind-down of Agency activities. Estimates do not assume any significant additional legislation other than what is already provided under ABx1 26 and AB1484, nor significant changes in administrative or process protocols from the California Department of Finance, the State Controller's Office, or the San Mateo County Controller. Assumes Oversight Board meetings are held only once per ROPS period.





## Oversight Board of the Successor Agency City of Foster City

**Date:** September 9, 2015  
**To:** Chair and Members of the Oversight Board  
**Via:** Kevin M. Miller, City Manager  
**From:** Edmund Suen, Finance Director  
**Subject:** Selection of Officers – Chair and Vice-Chair

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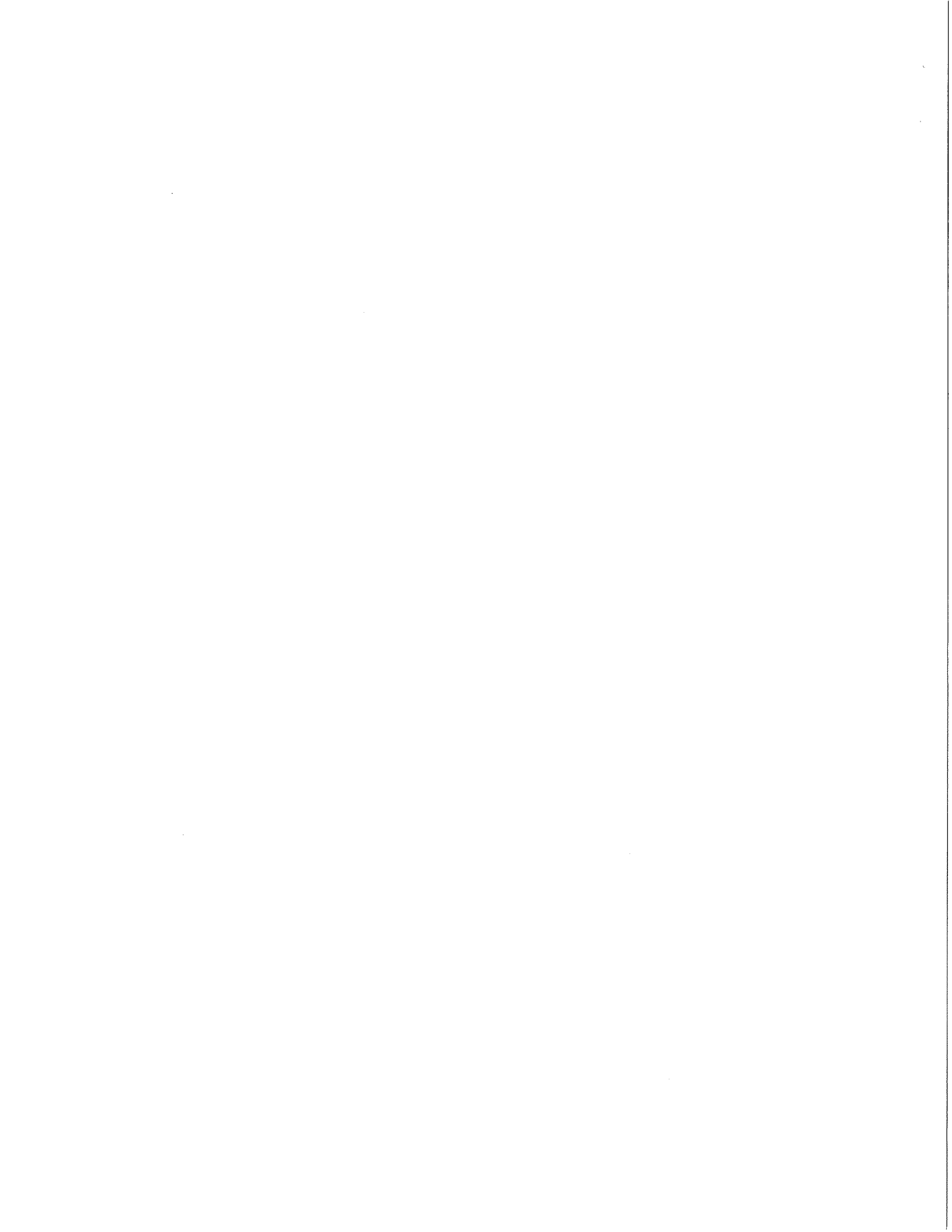
### **RECOMMENDATION**

Pursuant to the Oversight Board's Amended and Restated bylaws that were adopted on September 10, 2014, the Chair and Vice Chair shall be elected from among the members of the Oversight Board at each annual meeting.

The current Chair is Dick Bennett; he has served in this capacity since April 2012. The Vice-Chair position has been vacant since the August 2013 retirement of Mary McMillan as the representative for the County of San Mateo.

In accordance with the By-Laws of the Oversight Board, it is recommended that the Oversight Board select a new Chair and Vice-Chair.

Attachment: Amended and Restated Bylaws (Adopted September 10, 2014 by Resolution No. 2014-006)



**AMENDED AND RESTATED BYLAWS  
(Adopted September 10, 2014 by Resolution No. 2014-006)**

**OVERSIGHT BOARD  
FOR THE  
SUCCESSOR AGENCY CITY OF FOSTER CITY  
(Successor Agency of the Former Foster City Community Development Agency)**

**ARTICLE I - THE OVERSIGHT BOARD**

**Section 1. Name of Oversight Board**

The name of the Oversight Board shall be the "Oversight Board for the Successor Agency City of Foster City" (hereinafter referred to as the "Oversight Board").

**Section 2. Purpose**

The Oversight Board shall perform the duties described in Chapter 4 (commencing with Section 34179) of Part 1.85 of Division 24 of the Health and Safety Code ("H&S Code") in connection with the winding down of the affairs of the former Foster City Community Development Agency (hereinafter the "Former Agency") by the City of Foster City in its capacity as the successor agency (hereinafter the "Successor Agency") of the Former Agency.

a. **Duties and Responsibilities**

In accordance with §§34181 and 34191.3 of the H&S Code, the duties and responsibilities of the Oversight Board are to direct the Successor Agency to do all of the following:

- (1) Dispose of all assets and properties of the Former Agency; as provided in the Successor Agency's Long Range Property Management Plan approved pursuant to H&S Code §34191.5;
- (2) Cease performance in connection with and terminate all existing agreements that do not qualify as enforceable obligations, as that term is defined in subdivision (d) of §34171 of the H&S Code;
- (3) Transfer housing assets pursuant to §34176 of the H&S Code;
- (4) Terminate any agreement between the Former Agency and any public entity located in the County of San Mateo that obligates the Former Agency to provide funding for any debt service obligations of the public entity or for the construction or operation of facilities owned or operated by such public entity, in any instance where the

Oversight Board finds that early termination would be in the best interests of the taxing entities; and

- (5) Determine whether any contracts, agreements or other arrangements between the Former Agency and any private parties should be terminated or renegotiated to reduce liabilities and increase net revenues to the taxing entities, and present proposed termination or amendment agreements to the Oversight Board for consideration and approval. The Oversight Board may approve any amendments to or early termination of such agreements where it finds that amendments or early termination would be in the best interests of the taxing entities.

b. Approvals Required

The following actions of the Successor Agency shall first be approved by the Oversight Board in accordance with H&S Code §34180:

- (1) The establishment of new repayment terms for outstanding loans where the terms have not been specified prior to February 1, 2012. An oversight board shall not have the authority to reestablish loan agreements between the successor agency and the City of Foster City except as provided in Chapter 9 of the Redevelopment Dissolution Law, commencing with Section 34191.1;
- (2) The issuance of bonds or other indebtedness or the pledge or agreement for the pledge of property tax revenues (formerly tax increment prior to February 1, 2012) pursuant to H&S Code Section 34177.5(a).;
- (3) Setting aside of amounts in reserves as required by indentures, trust indentures, or similar documents governing the issuance of outstanding bonds of the Former Agency;
- (4) Merging of project areas;
- (5) Continuing the acceptance of federal or state grants, or other forms of financial assistance from either public or private sources, where assistance is conditioned upon the provision of matching funds by the Successor Agency as successor to the Former Agency, in an amount greater than five percent (5%);
- (6) If the City of Foster City and/or the County of San Mateo wish to retain any properties or other assets for future redevelopment activities, funded from its own funds and under its own auspices, the Oversight Board shall approve any compensation agreements by and between the City and/or County and other taxing entities to

provide payments to them in proportion to their shares of the base property tax, as determined pursuant to §34188 of the H&S Code, for the value of the property retained, provided however that if no agreement is reached on valuation of the retained assets, the value will be the fair market value as of the 2011 property tax lien date as determined by the county assessor.

- (7) Establishment of the recognized obligation payment schedule (“ROPS”) pursuant to §34177 of the H&S Code;
- (8) A request by the Successor Agency to enter into an agreement with the City of Foster City. The Oversight Board shall not have the authority to reestablish loan agreements between the Successor Agency and the City of Foster City except as provided in Chapter 9 of the Redevelopment Dissolution Law, commencing with Section 34191.1. Any actions to reestablish any other agreements that are in furtherance of enforceable obligations, with the City of Foster City are invalid until they are included in an approved and valid ROPS; and
- (9) A request by the Successor Agency or a taxing entity to pledge, or to enter into an agreement for the pledge of, property tax revenues pursuant to subdivision (b) of §34178 of the H&S Code.

c. Review by State Department of Finance

The State Department of Finance (hereinafter “DOF”) may review any action of the Oversight Board. The Oversight Board shall designate an official to be the contact between the Successor Agency and DOF and shall provide his/her telephone and email contact information to DOF. Pursuant to H&S Code §34179(h), actions taken by the Oversight Board shall not be effective for five (5) business days, pending a request for review by DOF. In the event that DOF requests review of an action taken by the Oversight Board, DOF shall have forty (40) days from the date of its request to approve the action or return it to the Oversight Board for reconsideration, and such action shall not be effective until approved by DOF. In the event that DOF returns the action to the Oversight Board for reconsideration, the Oversight Board shall consider the modified action, and resubmit the modified action to DOF for approval; the modified action shall not become effective until approved by DOF. However, with respect to ROPS approval, and pursuant to H&S Code §34177(m), the Oversight Board’s approval of a ROPS shall be submitted to the DOF and County Auditor-Controller no fewer than 90 days before the date of property tax distribution.

**Section 3. Membership/Duration**

a. Total Membership/Appointment

Pursuant to §34179 of the H&S Code, the total membership of the Oversight Board shall be seven (7) members, selected as follows:

- (1) One member shall be appointed by the Board of Supervisors of the County of San Mateo;
- (2) One member shall be appointed by the Mayor of the City of Foster City;
- (3) One member shall be appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the Former Agency, which is of the type of special district that is eligible to receive property tax revenues pursuant to §34188 of the H&S Code;
- (4) One member shall be appointed by the elected County of San Mateo Superintendent of Education or, if the County Superintendent is appointed, then this member shall be appointed by the County of San Mateo Board of Education;
- (5) One member shall be appointed by the Chancellor of the California Community Colleges to represent community college districts in the County of San Mateo;
- (6) One member shall be a member of the public appointed by the Board of Supervisors of the County of San Mateo; and
- (7) One member representing the employees of the Former Agency shall be appointed by the Mayor of the City of Foster City from the recognized employee organization representing the largest number of Former Agency employees employed by the Successor Agency at the time of appointment.

The members shall serve without compensation and without reimbursement for expenses. Each member shall serve at the pleasure of the entity that appointed such member.

The Governor may appoint individuals to fill any member position identified herein that has not been filled by May 15, 2012, or any member position that remains vacant for more than 60 days. The Oversight Board shall report the names of its officers and other members to DOF.

b. Duration

Pursuant to §34179(j) of the H&S Code, the Oversight Board shall be and remain established until the sooner of (1) the date that all indebtedness of the Former Agency has been repaid, or (2) July 1, 2016, at which time the Oversight Board shall be dissolved and replaced by a single oversight board for all successor agencies within the County of San Mateo.



#### **Section 4. Local Entity**

Pursuant to §34179(e) of the H&S Code, the Oversight Board shall be deemed to be a local entity for purposes of the Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act of 1974.

#### **Section 5. Personal Immunity**

Pursuant to §34179(d) of the H&S Code, Oversight Board members shall have personal immunity from suit for their actions taken within the scope of their responsibilities as members of the Oversight Board.

#### **Section 6. Fiduciary Responsibilities**

Oversight Board members shall have fiduciary responsibilities to holders of enforceable obligations, as that term is defined in §34171(d) of the H&S Code, and the taxing entities that benefit from distributions of property tax and other revenues pursuant to §34188 of the H&S Code.

#### **Section 7. Resignation**

Any Oversight Board member may resign at any time by giving written notice to the Chair, who shall forward such notice to the Successor Agency and to DOF. Any such resignation will take effect upon receipt or upon any date specified therein. The acceptance of such resignation shall not be necessary to make it effective.

#### **Section 8. Filling of Vacancies**

In the event of a vacancy on the Oversight Board, the appointing entity for the vacant seat shall select a member to fill such vacancy as soon as reasonably practicable, provided however that the Governor may appoint individuals to fill any member position that remains vacant for more than sixty (60) days.

#### **Section 9. Staff**

The Oversight Board may direct the staff of the Successor Agency, through the City Manager or his/her designee, to perform work in furtherance of the duties and responsibilities of the Oversight Board. The Successor Agency shall pay for all of the costs of the meetings of the Oversight Board and may include those costs in the administrative budget of the Successor Agency. The Successor Agency shall keep the records of the Oversight Board, and the City Manager shall designate a staff member to act as Secretary at the meetings of the Oversight Board. The Secretary shall prepare agendas and minutes of meetings of the Oversight Board, shall keep a record of the meetings in a journal of proceedings of the Oversight Board, and shall attest to and/or countersign all documents of the Oversight Board.

## ARTICLE II – OFFICERS

Officers of the Oversight Board shall be elected and serve as follows:

### **Section 1. Officers**

The officers of the Oversight Board shall consist of a Chair and a Vice Chair, who shall be elected in the manner set forth in this Article II.

### **Section 2. Chair**

The Chair shall preside at all meetings of the Oversight Board, and shall submit such agenda, recommendations and information at such meetings as are reasonable and proper for the conduct of the business affairs and policies of the Oversight Board. The Chair shall sign all documents necessary to carry out the business of the Oversight Board.

### **Section 3. Vice Chair**

The Vice Chair shall perform the duties of the Chair in the absence or incapacity of the Chair. In the event of the death, resignation or removal of the Chair, the Vice Chair shall assume the Chair's duties until such time as the Oversight Board shall elect a new Chair.

### **Section 4. Additional Duties**

The officers of the Oversight Board shall perform such other duties and functions as may from time to time be required by the Oversight Board, these Bylaws, or other rules and regulations, or which duties and functions are incidental to the office held by such officers.

### **Section 5. Election**

The Chair and Vice Chair shall be elected from among the members of the Oversight Board at the first regular meeting of the Oversight Board. Thereafter, the Chair and Vice Chair shall be elected from among the members of the Oversight Board at each annual meeting. Each officer shall hold office until the next annual meeting of the Oversight Board following his/her election and until his/her successor is elected and in office. Any such officer shall not be prohibited from succeeding himself or herself, but no person shall be elected as an officer in the same capacity for more than two consecutive full terms.

### **Section 6. Vacancies**

Should the office of the Chair or Vice Chair become vacant, the Oversight Board shall elect a successor from among the Oversight Board members at the next regular or special meeting, and such office shall be held for the unexpired term of said office.

## **ARTICLE III - MEETINGS**

### **Section 1. Annual Meetings**

Annual meetings shall be held on the 2<sup>nd</sup> Wednesday of September at the hour of 8:00 a.m., at the Council Chambers Conference Room, 620 Foster City Blvd, Foster City, California, or at such other locations as the Oversight Board may designate by resolution, provided however that should said date be a legal holiday, then any such annual meeting shall be held on the next business day thereafter ensuing which is not a legal holiday. At annual meetings, the Chair and Vice Chair shall be elected; reports of the affairs of the Oversight Board shall be considered; and any other business may be transacted which is within the purposes of the Oversight Board.

### **Section 2. Regular Meetings**

The Oversight Board shall meet regularly on a semi-annual basis on the 2<sup>nd</sup> Wednesday of the Month prior to the submittal due date for the Recognized Obligation Payment Schedule and Administrative Budgets due to the Department of Finance as required by law, at the hour of 8:00 a.m., at the Council Chambers Conference Room, 620 Foster City Blvd., Foster City, California, or at such other locations as the Oversight Board may designate by resolution or in the notice of call of any special meeting. In the event that the regular meeting date shall be a legal holiday, then any such regular meeting shall be held on the next business day thereafter ensuing that is not a legal holiday. A notice, agenda and other necessary documents shall be delivered to the members, personally or by mail, at least seventy-two (72) hours prior to the meeting.

### **Section 3. Special Meetings**

Special meetings may be held upon call of the Chair, or an affirmative vote by a majority of the members of the Oversight Board present at a regular or special meeting of the Oversight Board at which a quorum is present, for the purpose of transacting any business designated in the call, after notification of all members of the Oversight Board by written notice personally delivered or by mail at least twenty-four (24) hours before the time specified notice for a special meeting. At such special meeting, no business other than that designated in the call shall be considered.

### **Section 4. Adjourned Meetings**

Any meeting of the Oversight Board may be adjourned to an adjourned meeting without the need for notice requirements of a special meeting, provided the adjournment indicates the date, time and place of the adjourned meeting. Oversight Board members absent from the meeting at which the adjournment decision is made shall be notified by the Chair of the adjourned meeting.

## **Section 5. All Meetings to be Open and Public**

All meetings of the Oversight Board shall be open and public to the extent required by law. All persons shall be permitted to attend any such meetings, except as otherwise provided by law.

## **Section 6. Posting Agendas/Notices**

The Secretary, or his/her authorized representative, shall post an agenda for each regular Oversight Board meeting or a notice for each special Oversight Board meeting containing a brief description of each item of business to be transacted or discussed at the meeting together with the time and location of the meeting. Agendas/notices shall be posted at the Council Chambers, 620 Foster City Blvd., Foster City, California (a location readily accessible to the public) at least seventy-two (72) hours in advance of each regular meeting and at least twenty-four (24) hours in advance of each special meeting.

All notices required by law for proposed actions by the Oversight Board shall also be posted on the Successor Agency's internet web site.

## **Section 7. Right of Public to Appear and Speak**

At every regular meeting, members of the public shall have an opportunity to address the Oversight Board on matters within the Oversight Board subject matter jurisdiction. Public input and comment on matters on the agenda, as well as public input and comment on matters not otherwise on the agenda, shall be made during the time set aside for public comment; provided however that the Oversight Board may direct that public input and comment on matters on the agenda be heard when the matter regularly comes up on the agenda.

The Chair may limit the total amount of time allocated for public discussion on particular issues and/or the time allocated for each individual speaker.

## **Section 8. Non-Agenda Items**

Matters brought before the Oversight Board at a regular meeting which were not placed on the agenda of the meeting shall not be acted upon by the Oversight Board at that meeting unless action on such matters is permissible pursuant to the Ralph M. Brown Act (Gov. Code §54950 et seq.). Those non-agenda items brought before the Oversight Board which the Oversight Board determines will require Oversight Board consideration and action and where Oversight Board action at that meeting is not so authorized shall be placed on the agenda for the next regular meeting.

## **Section 9. Quorum**

The powers of the Oversight Board shall be vested in the members thereof in office from time to time. A majority of the total membership of the Oversight Board shall

constitute a quorum for the purpose of conducting the business of the Oversight Board, exercising its powers and for all other purposes, but less than that number may adjourn the meeting from time to time until a quorum is obtained. An affirmative vote by a majority of the total membership of the Oversight Board shall be required for approval of any questions brought before the Oversight Board.

#### **Section 10. Order of Business**

All business and matters before the Oversight Board shall be transacted in conformance with Robert's Rules of Order.

#### **Section 11. Minutes**

Minutes of the meetings of the Oversight Board shall be prepared in writing by the Secretary. Copies of the minutes of each Oversight Board meeting shall be made available to each member of the Oversight Board and the Successor Agency. Approved minutes shall be filed in the official book of minutes of the Oversight Board.

### **ARTICLE IV - REPRESENTATION BEFORE PUBLIC BODIES**

Any official representations on behalf of the Oversight Board before the Successor Agency, the San Mateo County Auditor-Controller, the State Controller, DOF, or any other public body shall be made by the Chair or his/her duly authorized designee.

### **ARTICLE V - AMENDMENTS**

These Bylaws may be amended upon an affirmative vote by a majority of the total membership of the Oversight Board, but no such amendment shall be adopted unless at least seven (7) days written notice thereof has previously been given to all members of the Oversight Board. Notice of the amendment shall identify the section or sections of these Bylaws proposed to be amended. The Successor Agency shall be notified of any amendments to these Bylaws.

