COUNCIL AGENDA: 12-19-17
FILE: 17-496
ITEM: 9.1

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: SUCCESSOR AGENCY BOARD

FROM: Julia H. Cooper
Richard A. Keit

SUBJECT: SEE BELOW

DATE: November 27, 2017

Approved D. DSyL

Date 12/8/17

SUBJECT: APPROVAL OF THE SUCCESSOR AGENCY'S AMENDED ADMINISTRATIVE BUDGET AND RECOGNIZED OBLIGATION PAYMENT SCHEDULE FISCAL YEAR 17-18

RECOMMENDATION

Successor Agency Board adopt resolutions approving:

a. The Amended Administrative Budget for July 1, 2017 through June 30, 2018; and
b. The proposed adjustments to the Recognized Obligation Payment Schedule 17-18 and authorizing payment for the amended amounts in the "B" period.

OUTCOME

Approval of these resolutions provides budget authority for the Successor Agency for expenditures as available funding permits in accordance with the priority of obligations.

EXECUTIVE SUMMARY

Under the original legislation dissolving redevelopment agencies, a Successor Agency had to submit a Recognized Obligation Payment Schedule (ROPS) and Administrative Budget to the Oversight Board of the Successor Agency to the Redevelopment Agency and California Department of Finance (DOF) for their approval every six months. On September 22, 2015, the Governor signed SB 107 which revised the timeline for the preparation of the ROPS from a bi-annual process to an annual process for the fiscal period beginning July 1, 2016.

The Annual ROPS 17-18 was approved by the Oversight Board on January 12, 2017 and submitted to the DOF on January 31, 2017. The DOF completed its review of the Annual ROPS 17-18 and released its final determination of enforceable obligations listed on the ROPS and approval of Redevelopment Property Tax Trust Fund (RPTTF) funding on April 14, 2017. The

Successor Agency's Administrative Budget and the Annual ROPS 17-18 were approved by the Successor Agency Board on June 13, 2017.

BACKGROUND

Pursuant to Health and Safety Code Section 34177 (o) (1) (E), once per the ROPS period, the Successor Agency may submit one amendment to the ROPS approved by the Oversight Board and DOF. On August 1, 2017, DOF released the Amended ROPS 17-18 template which contains a Summary Form and a ROPS Detail Form for reporting requested adjustments in the ROPS 17-18B (January 1 thru June 30, 2018) period. On August 24, 2017, the Oversight Board approved proposed adjustments to the Successor Agency's Administrative Budget and Annual ROPS 17-18 to increase funding for three ROPS line items. On November 14, 2017, DOF issued a final determination letter approving all the adjustments, including $157,800 in Bond Proceeds, requested on the Amended ROPS 17-18B.

The attached schedule includes proposed adjustments for obligations due during the ROPS 17-18B period. Successor Agency Board approval of these proposed adjustments, at this time, provides budget authority for expenditures as available funding permits in accordance with the priority of obligations.

ANALYSIS

Administrative Budget

On October 19, 2017, a copy of an Informational Memo submitted to the Oversight Board was distributed to the Successor Agency Board which provided a status update on the sale and issuance of the Tax Allocation Refunding Bonds. As stated in the Informational Memo, one of the critical elements in the refunding process is the tax analysis required to ensure compliance with Federal tax law restrictions.

Due to the complexity of the tax analysis, additional Successor Agency staff time and services provided by two non-benefited, specially assigned employees are required to track receipt of revenue from bond financed projects including information as to how the revenues were spent. The approved 2017-18 Administrative Budget for Successor Agency Direct Administrative Costs did not include funding for these additional personnel costs and services.

Attachment C includes a proposed increase of $130,000 in the Bond Proceeds Column for ROPS Line Item 117, Successor Agency Personnel. The adjusted total of $2,245,306 million for the amended FY 2017-18 Administrative Budget represents 40.7% of the maximum administrative allowance.

Currently, the approved 2017-2018 Administrative Budget for Successor Agency Direct Administrative Costs totals $879,676. It is projected that the Successor Agency will not have sufficient revenues to pay these costs; therefore, the City advances funds to the Successor Agency to cover actual costs. The 2017-2018 Adopted Budget includes a General Fund subsidy amount of $880,000. The additional costs for Successor Agency personnel costs and specially assigned employee services required for the tax analysis work will be repaid to the City from the proceeds of the Tax Allocation Refunding Bonds as cost of issuance.

Debt Obligation

Line 19 (Series 1997 Fiscal Agent Fees): The proposed increase of $150 in RPTTF for the 1997 Tax Allocation Bonds will provide additional funds for an administrative fee to invest the RPTTF after the funds are transferred to the trustee from the Successor Agency. Previously, the Successor Agency assigned that amount to the 1993 Tax Allocation Bonds; however, those bonds matured in 2015 and the line has been subsequently retired.

Other Obligation

Line 90 (North San Pedro Housing): The proposed increase of $27,800 in the Bond Proceeds Column represents the residual amount from the 2008A Tax Allocation Bonds issuance. The funds will be used to fund eligible capital expenditures for the North San Pedro Project in FY 2017-18. The use of the remaining bond proceeds has been reviewed and approved by bond/tax counsel.

EVALUATION AND FOLLOW-UP

There is no evaluation or follow-up needed.

PUBLIC OUTREACH

The memorandum will be posted for consideration at the City Council/Successor Agency Board meeting on December 19, 2017.

COORDINATION

This memorandum has been prepared by City Finance and Successor Agency staff in coordination with the City Attorney's Office and the City Manager's Budget Office.

COST SUMMARY/IMPLICATIONS

Attachment C summarizes proposed adjustments to the approved Annual 17-18 ROPS. As stated above, the proposed increase to ROPS Line Item 117 for additional Successor Agency personnel costs and specially assigned employee services required for the bond refunding tax analysis work will be repaid to the City from the proceeds of the Tax Allocation Refunding Bonds.

If the additional costs for Successor Agency personnel costs and specially assigned employee services required for the tax analysis work cannot be covered by the 2017-2018 adopted General Fund subsidy of $880,000, a request to increase the budget up to an additional $130,000 will be brought forward to the City Council later in the fiscal year. The additional cost to the City will be repaid to the City from the proceeds of the Tax Allocation Refunding Bonds as cost of issuance.

CEQA

Not a Project, File No. PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in potentially significant physical impact on the environment.

/s/

JULIA H. COOPER
Chief Financial Officer

/s/

RICHARD A. KEIT
Managing Director

Attachments:

- Attachment A: Amended 17-18 Successor Agency Administrative Costs Summary
- Attachment B: Amended Recognized Obligation Payment Schedule 17-18B – Summary
- Attachment C: Amended Recognized Obligation Payment Schedule 17-18B – Detail
- Exhibit A: DOF Amended ROPS 17-18B Final Determination Letter

For more information, contact Julia H. Cooper, Chief Financial Officer, at 408-535-7011.

SARA AMENDED ADMINISTRATIVE BUDGET
ROPS 17-18
July 2017-June 2018

COUNCIL AGENDA: 12/12/2017
Attachment A

ITEM #	ADMINISTRATION OF OPERATION	PAYEE	DESCRIPTION OF WORK	APPROVED BUDGET FY 2016-2017 TOTAL	APPROVED BUDGET FY 2017-2018 TOTAL	PROPOSED INCREASE BUDGET FY 2017-2018 TOTAL	AMENDED BUDGET FY 2017-2018 TOTAL
117	Successor Agency personnel	Personnel Staff	Personnel costs for operations	831,800	653,486	130,000	783,486
118	SJRA - unemployment benefits	EDD	Ongoing Unemployment benefits of former staff	10,000	8,000	0	8,000
121	Successor Agency operations	Jones Hall	Legal services - Bond Counsel*	8,000	8,000	0	8,000
123	Annual financial audit	Macias, Gini & O'Connell LLP	Financial Audit Services - Annual Audit (Retired Obligation)	60,000	0	0	0
261	Annual financial audit	Grant Thornton LLP	Financial Audit Services - Annual Audit	0	46,930	0	46,930
127	Successor Agency retirement plans	Standard Retirement Services, Inc.	Investment administration services	6,000	6,000	0	6,000
128	Successor Agency retirement plans	Stancorp Investment Advisers, Inc.	Investment advisory services	40,000	40,000	0	40,000
130	Successor Agency operations	City of San José - Finance	Monthly Successor Agency phone bill	1,400	660	0	660
131	Successor Agency operations	ADP, Inc.	Services associated with SARA payroll processing	8,000	8,000	0	8,000
132	Successor Agency operations	Value Business Products	Office supplies/equipment on an as-needed basis	4,000	2,000	0	2,000
138	Successor Agency operations	Ross Financial	On-going financial advisor services*	35,000	10,000	0	10,000
139	Successor Agency operations	Misc Vendors	Meeting, postage, and memberships	5,000	5,000	0	5,000
160	Successor Agency operations	Montoy Law Corporation	Oversight Board legal services - Conflict Counsel*	30,000	26,000	0	26,000
165	Successor Agency Banking Service Fees	Wells Fargo Bank	General banking service fees	28,000	15,600	0	15,600
258	Successor Agency operations	Successor Agency Consultants	Specific consulting services to assist with the winding down activities of the former Redevelopment Agency.	0	50,000	0	50,000
	SARA Admin Costs			**1,067,200**	**879,676**	**130,000**	**1,009,676**
158	City Support Services	City of San José	Services provided by City Staff to assist with the winding down activities of the former Agency	1,086,988	1,219,518	0	1,219,518
159	City Hall Lease	City of San José	Leased space-13th Floor Tower	16,112	16,112	0	16,112
	AMENDED ADMINISTRATIVE BUDGET JULY 2017 THRU JUNE 2018			**2,170,300**	**2,115,306**	**130,000**	**2,245,306**

* Contracted services on an as-needed basis; however, these projected budget amounts do not include bond refunding services performed by bond counsel or financial advisor.

Note:

The source of funding for these services is intended to be the Redevelopment Property Tax Trust Fund, however, due to projected insufficient tax increment to cover obligations, it is recommended that the City's General Fund provide support.

Pursuant to Health & Safety Code Section 34171 (b), the maximum allowable Administrative Allowance for July 2017 through June 2018 is $5.5 million.

Amended Recognized Obligation Payment Schedule (ROPS 17-18B) - Summary

Filed for the January 1, 2018 through June 30, 2018 Period

Successor Agency: **San Jose**

County: Santa Clara

	Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	ROPS 17-18B Authorized Amounts	ROPS 17-18B Requested Adjustments	ROPS 17-18B Amended Total
A	**Enforceable Obligations Funded as Follows (B+C+D):**	**$ 1,681,009**	**$ 157,800**	**$ 1,838,809**
B	Bond Proceeds	-	157,800	157,800
C	Reserve Balance	902,243	-	902,243
D	Other Funds	778,766	-	778,766
E	**Redevelopment Property Tax Trust Fund (RPTTF) (F+G):**	**$ 105,581,490**	**$ 150**	**$ 105,581,640**
F	RPTTF	104,646,967	150	104,647,117
G	Administrative RPTTF	934,523	-	934,523
H	**Current Period Enforceable Obligations (A+E):**	**$ 107,262,499**	**$ 157,950**	**$ 107,420,449**

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

Tony Estremera	Chair
Name	Title
/s/	8/24/2017
Signature	Date

San Jose Amended Recognized Obligation Payment Schedule (ROPS 17-18B) - ROPS Detail

January 1, 2018 through June 30, 2018

(Report Amounts in Whole Dollars)

				AUTHORIZED AMOUNTS						REQUESTED ADJUSTMENTS						
				Fund Sources						Fund Sources						
Item #	Project Name/Debt Obligation	Obligation Type	Total Outstanding Balance	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Total	Notes
			$ 2,839,166,215	$ -	$ 902,243	$ 778,766	$ 104,646,967	$ 934,523	$ 107,262,499	$ 157,800	$ -	$ -	$ 150	$ -	$ 157,950	
1	Allowable Bond Reserve-Pursuant to Health and	Bonds Issued On or Before	$ 14,757,771	-	-	-	14,757,771		$ 14,757,771						$ -	
3	Series 1997 (Merged Area)	Bonds Issued On or Before 12/31/10	$ 5,661,276	-	-	-	101,550		$ 101,550						$ -	
4	Series 1999 (Merged Area)	Bonds Issued On or Before 12/31/10	$ 14,113,913	-	-	-	306,850		$ 306,850						$ -	
6	Series 2003 (Merged Area)	Bonds Issued On or Before 12/31/10	$ 201,382,674	-	-	-	3,042,207		$ 3,042,207						$ -	
7	Series 2004A (Merged Area)	Bonds Issued On or Before 12/31/10	$ 82,259,128	-	-	-	1,117,880		$ 1,117,880						$ -	
8	Series 2005A (Merged Area)	Bonds Issued On or Before 12/31/10	$ 132,516,541	-	-	-	2,070,774		$ 2,070,774						$ -	
10	Series 2006A (Taxable) (Merged Area)	Bonds Issued On or Before 12/31/10	$ 16,918,825	-	-	-	375,725		$ 375,725						$ -	
11	Series 2006B (Merged Area)	Bonds Issued On or Before 12/31/10	$ 116,210,750	-	-	-	1,540,750		$ 1,540,750						$ -	
12	Series 2006C (Merged Area)	Bonds Issued On or Before 12/31/10	$ 625,707,869	-	-	-	9,568,571		$ 9,568,571						$ -	
13	Series 2006D (Merged Area)	Bonds Issued On or Before 12/31/10	$ 322,100,475	-	-	-	6,464,875		$ 6,464,875						$ -	
14	Series 2007A (Taxable) (Merged Area)	Bonds Issued On or Before 12/31/10	$ 2,738,085	-	-	-	-		$ -						$ -	
15	Series 2007B (Merged Area)	Bonds Issued On or Before 12/31/10	$ 310,199,538	-	-	-	4,486,263		$ 4,486,263						$ -	
16	Series 2008A (Merged Area)	Bonds Issued On or Before 12/31/10	$ 9,545,038	-	-	-	149,500		$ 149,500						$ -	
17	Series 2008B (Merged Area)	Bonds Issued On or Before 12/31/10	$ 134,186,197	-	-	-	2,667,759		$ 2,667,759						$ -	
19	Series 1997 (Merged Area)	Fees	$ 36,685	-	-	-	3,335		$ 3,335				150		$ 150	Increase in administrative fee assessed by trustee for investing RPTTF.
20	Series 1999 (Merged Area)	Fees	$ 9,750	-	-	-	-		$ -						$ -	
22	Series 2003 (Merged Area)	Fees	$ 52,560	-	-	-	-		$ -						$ -	
23	Series 2004A (Merged Area)	Fees	$ 7,170	-	-	-	3,585		$ 3,585						$ -	
24	Series 2005A & B (Merged Area)	Fees	$ 53,400	-	-	-	-		$ -						$ -	
25	Series 2006A & B (Merged Area)	Fees	$ 54,990	-	-	-	-		$ -						$ -	
26	Series 2006C & D (Merged Area)	Fees	$ 65,700	-	-	-	-		$ -						$ -	
27	Series 2007A & B (Merged Area)	Fees	$ 90,535	-	-	-	-		$ -						$ -	
28	Series 2008A (Merged Area)	Fees	$ 2,575	-	-	-	-		$ -						$ -	
29	Series 2008B (Merged Area)	Fees	$ 39,420	-	-	-	-		$ -						$ -	
30	Series 1996A (Merged Area) - (refer to "Notes" section)	Revenue Bonds Issued On or Before 12/31/10	$ 18,893,608	-	6,931	-	127,450		$ 134,381						$ -	
31	Series 1996B (Merged Area) - (refer to "Notes" section)	Revenue Bonds Issued On or Before 12/31/10	$ 18,893,608	-	-	-	134,381		$ 134,381						$ -	
32	Series 2003A (Merged Area) - (refer to "Notes" section)	Revenue Bonds Issued On or Before 12/31/10	$ 24,138,155	-	-	-	191,375		$ 191,375						$ -	
33	Series 2003B (Merged Area) - (refer to "Notes" section)	Revenue Bonds Issued On or Before 12/31/10	$ 20,705,861	-	-	-	130,171		$ 130,171						$ -	
34	Fiscal Agent Fees - Subordinate Obligations	Fees	$ 171,900	-	-	-	-		$ -						$ -	
35	Letter of Credit Fees/Commercial Callable Paper (refer to "Notes" section)	Fees	$ 1,457,760	-	-	461,390	249,193		$ 710,583						$ -	
36	Series 1996A (Merged Area)	Fees	$ 83,653	-	-	-	7,679		$ 7,679						$ -	
37	Series 2003A (Taxable) (Merged Area)	Fees	$ 73,429	-	-	-	6,220		$ 6,220						$ -	
39	Series 1996A & B; Series 2003A &B; Series 2001F (Merged Area)	Fees	$ 140,000	-	-	-	-		$ -						$ -	
40	Series 1997E (AMT) (Merged Area)	Bonds Issued On or Before 12/31/10	$ 22,087,588	-	-	-	427,781		$ 427,781						$ -	
41	Series 2003J (Taxable) (Merged Area)	Bonds Issued On or Before 12/31/10	$ 26,596,370	-	-	-	500,683		$ 500,683						$ -	
42	Series 2003K (Merged Area)	Bonds Issued On or Before 12/31/10	$ 6,116,676	-	-	-	95,403		$ 95,403						$ -	
43	Series 2005A (Merged Area)	Bonds Issued On or Before 12/31/10	$ 13,045,019	-	-	-	240,794		$ 240,794						$ -	
44	Series 2005B (Merged Area)	Bonds Issued On or Before 12/31/10	$ 144,131,719	-	-	-	2,391,594		$ 2,391,594						$ -	
45	Series 2010A-1 (Merged Area)	Bonds Issued On or Before 12/31/10	$ 86,041,116	-	-	-	1,396,516		$ 1,396,516						$ -	

San Jose Amended Recognized Obligation Payment Schedule (ROPS 17-18B) - ROPS Detail

January 1, 2018 through June 30, 2018

(Report Amounts in Whole Dollars)

				AUTHORIZED AMOUNTS						REQUESTED ADJUSTMENTS						
				Fund Sources						Fund Sources						
Item #	Project Name/Debt Obligation	Obligation Type	Total Outstanding Balance	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Total	Notes
46	Series 2010A-2 (Merged Area)	Bonds Issued On or Before 12/31/10	$ 507,375	-	-	-	-		$ -						$ -	
48	Series 2010C (Taxable) (Merged Area) (refer to "Notes" section)	Bonds Issued On or Before 12/31/10	$ 91,809,157	-	895,312	-	-		$ 895,312						$ -	
49	Series 1997E (AMT) (Merged Area)	Fees	$ 11,000	-	-	-	-		$ -						$ -	
50	Series 2003J (Taxable) (Merged Area)	Fees	$ 10,800	-	-	-	-		$ -						$ -	
51	Series 2003K (Merged Area)	Fees	$ 17,550	-	-	-	-		$ -						$ -	
52	Series 2005A&B (Merged Area)	Fees	$ 51,300	-	-	-	-		$ -						$ -	
53	Series 2010A-1 (Merged Area)	Fees	$ 27,000	-	-	-	1,500		$ 1,500						$ -	
55	Series 2010C (Taxable) (Merged Area)	Fees	$ 27,000	-	-	-	1,500		$ 1,500						$ -	
56	Commercial Paper	Third-Party Loans	$ 4,827,000	-	-	-	4,777,000		$ 4,777,000						$ -	
58	4th and San Fernando - Series 2001A	Bonds Issued On or Before 12/31/10	$ 33,656,489	-	-	-	1,683,052		$ 1,683,052						$ -	
59	4th and San Fernando - Series 2001A	Fees	$ 19,800	-	-	-	2,200		$ 2,200						$ -	
60	Convention Center - Series 2001F	Bonds Issued On or Before 12/31/10	$ 91,030,500	-	-	-	1,677,125		$ 1,677,125						$ -	
61	Convention Center - Series 2001F	Fees	$ 12,650	-	-	-	-		$ -						$ -	
64	HUD Section 108 Note (Masson/Dr. Eu/Security)	Third-Party Loans	$ -	-	-	-	-		$ -						$ -	
65	HUD Section 108 Note (CIM Block 3/Central Place)	Third-Party Loans	$ 9,629,372	-	-	90,105	-		$ 90,105						$ -	
66	HUD Section 108 Note (Story/King Retail)	Third-Party Loans	$ 13,065,172	-	-	122,456	-		$ 122,456						$ -	
69	Successor Agency Bond Activities	Professional Services	$ 66,875	-	-	-	30,000		$ 30,000						$ -	
70	San Jose Redevelopment Agency vs Solis, Torrez dba Patty's Inn	RPTTF Shortfall	$ 49,730	-	-	-	-		$ -						$ -	
71	IDT Lease (refer to "Notes" section)	RPTTF Shortfall	$ 1,639,000	-	-	-	-		$ -						$ -	
72	IDT Lease with Option to Purchase (refer to "Notes" section)	RPTTF Shortfall	$ 300,927	-	-	-	-		$ -						$ -	
74	Block 3: Central Place Parking (refer to "Notes" section)	RPTTF Shortfall	$ -	-	-	-	-		$ -						$ -	
78	Automatic Public Toilets (refer to "Notes" section)	RPTTF Shortfall	$ 4,961,989	-	-	-	-		$ -						$ -	
79	Corporate Expansion Program - Accrual (refer to "Notes" section)	RPTTF Shortfall	$ 32,935	-	-	-	-		$ -						$ -	
80	San Jose Innovation Center (refer to "Notes" section)	RPTTF Shortfall	$ 1,000,000	-	-	-	-		$ -						$ -	
82	Asset Management (refer to "Notes" section)	Property Maintenance	$ -	-	-	-	-		$ -						$ -	
84	Property-Based Business Improvement District (refer to "Notes" section)	Property Maintenance	$ 160,000	-	-	-	-		$ -						$ -	
85	Asset Management/Successor Agency's Lease Obligations (refer to "Notes" section)	Property Maintenance	$ 100,000	-	-	-	50,000		$ 50,000						$ -	
90	North San Pedro Housing	OPA/DDA/Construction	$ 318	-	-	-	-		$ -	27,800					$ 27,800	Residual amount from the 2008A Tax Allocation Bonds issuance to fund eligible capital expenditures for the North San Pedro Housing Project.
96	Corporate Expansion Program (refer to "Notes" section)	RPTTF Shortfall	$ 500,000	-	-	-	-		$ -						$ -	
101	Purchase & Sale Agreement (refer to "Notes" section)	OPA/DDA/Construction	$ 22,595	-	-	-	-		$ -						$ -	
115	County of Santa Clara vs San Jose Redevelopment Agency (refer to "Notes" section)	Litigation	$ 25,421,454	-	-	-	-		$ -						$ -	
117	Successor Agency Personnel	Admin Costs	$ 653,486	-	-	104,665	-		$ 104,665	130,000					$ 130,000	Additional funds for staff costs and services provided by specially assigned employees in connection with the tax analysis required to comply with Federal tax law restrictions for the sale and issuance of the Tax Allocation Refunding Bonds.
118	Successor Agency-Unemployment Benefits	Admin Costs	$ 8,000	-	-	-	-		$ -						$ -	
121	Successor Agency operations	Admin Costs	$ 8,000	-	-	-	-		$ -						$ -	
123	Successor Agency operations	Admin Costs	$ -	-	-	-	-		$ -						$ -	
127	Successor Agency retirement plans (refer to "Notes" section)	Admin Costs	$ 6,000	-	-	-	-		$ -						$ -	
128	Successor Agency retirement plans (refer to "Notes" section)	Admin Costs	$ 40,000	-	-	-	-		$ -						$ -	
130	Successor Agency operations	Admin Costs	$ 660	-	-	-	-		$ -						$ -	
131	Successor Agency operations	Admin Costs	$ 8,000	-	-	-	-		$ -						$ -	
132	Successor Agency operations	Admin Costs	$ 2,000	-	-	-	-		$ -						$ -	
138	Successor Agency operations (refer to "Notes" section)	Admin Costs	$ 50,000	-	-	-	-		$ -						$ -	
139	Successor Agency operations	Admin Costs	$ 5,000	-	-	-	-		$ -						$ -	
140	City Support Services (refer to "Notes" section)	RPTTF Shortfall	$ 174,994	-	-	-	-		$ -						$ -	
141	City Hall Lease (refer to "Notes" section)	RPTTF Shortfall	$ 25,000	-	-	-	-		$ -						$ -	

San Jose Amended Recognized Obligation Payment Schedule (ROPS 17-18B) - ROPS Detail

January 1, 2018 through June 30, 2018

(Report Amounts in Whole Dollars)

				AUTHORIZED AMOUNTS						REQUESTED ADJUSTMENTS						
				Fund Sources						Fund Sources						
Item #	Project Name/Debt Obligation	Obligation Type	Total Outstanding Balance	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Total	Notes
143	Successor Agency Bond Activities	Professional Services	$ 86,070	-	-	-	25,000		$ 25,000						$ -	
144	May 2001 Amended & Restated Agreement (refer to "Notes" section)	RPTTF Shortfall	$ 64,401,464	-	-	-	-		$ -						$ -	
145	12-13 Reimbursement Agreement-Bond Obligations (refer to "Notes" section)	City/County Loans After 6/27/11	$ 2,746,851	-	-	-	-		$ -						$ -	
146	12-13 Reimbursement Agreement-Unsecured Enforceable Obligations (refer to "Notes" section)	City/County Loans After 6/27/11	$ 358,918	-	-	-	-		$ -						$ -	
147	12-13 Reimbursement Agreement-Administrative Costs (refer to "Notes" section)	City/County Loans After 6/27/11	$ 2,965,774	-	-	-	-		$ -						$ -	
148	Edenvale Community Center (refer to "Notes" section)	Litigation	$ 4,500	-	-	-	-		$ -						$ -	
149	Jones Hall-Successor Agency Bond Activities (refer to "Notes" section)	Legal	$ 20,338	-	-	-	10,000		$ 10,000						$ -	
150	Ross Financial-Successor Agency Bond Activities (refer to "Notes" section)	Professional Services	$ 200,000	-	-	-	20,000		$ 20,000						$ -	
152	Series 1996B (Merged Area)	Fees	$ 83,653	-	-	-	7,679		$ 7,679						$ -	
153	Series 2003B (Merged Area)	Fees	$ 207,119	-	-	-	7,480		$ 7,480						$ -	
154	Bonds-Annual Analytical Review	Fees	$ 190,000	-	-	-	10,000		$ 10,000						$ -	
155	Long-Term Reimbursement Agreement (2013-2014 and 2014-2015) - Bond Obligations (refer to "Notes" section)	City/County Loans After 6/27/11	$ 3,630,438	-	-	-	-		$ -						$ -	
156	Long-Term Reimbursement Agreement (2013-2014 and 2014-2015) - Unsecured Enforceable Obligations (refer to "Notes" section)	City/County Loans After 6/27/11	$ 456,722	-	-	-	-		$ -						$ -	
157	Long-Term Reimbursement Agreement (2013-2014 and 2014-2015) - Administrative Costs (refer to "Notes" section)	City/County Loans After 6/27/11	$ 5,256,820	-	-	-	-		$ -						$ -	
158	City Support Services (refer to "Notes" section)	Admin Costs	$ 1,219,518	-	-	-	-		$ -						$ -	
159	City Hall Lease (refer to "Notes" section)	Admin Costs	$ 16,112	-	-	-	-		$ -						$ -	
160	Successor Agency operations (refer to "Notes" section)	Admin Costs	$ 36,967	-	-	-	-		$ -						$ -	
162	Property Disposition Costs (refer to "Notes" section)	Property Maintenance	$ 42,000	-	-	-	21,000		$ 21,000						$ -	
163	SERAF Loan (refer to "Notes" section)	SERAF/ERAF	$ -	-	-	-	-		$ -						$ -	
164	RDA HUD Custodial Fees (refer to "Notes" section)	Fees	$ 2,700	-	-	150	-		$ 150						$ -	
165	Successor Agency Banking Service Fees (refer to "Notes" section)	Fees	$ 15,600	-	-	-	-		$ -						$ -	
205	JPMorgan Legal Fees (refer to "Notes" section)	Fees	$ 20,000	-	-	-	20,000		$ 20,000						$ -	
240	Security Deposit - Property Use Agreement (refer to "Notes" section)	Miscellaneous	$ 1,100	-	-	-	-		$ -						$ -	
241	Security Deposit - Property Use Agreement (refer to "Notes" section)	Miscellaneous	$ 5,000	-	-	-	-		$ -						$ -	
242	Security Deposit - Property Use Agreement (refer to "Notes" section)	Miscellaneous	$ 1,000	-	-	-	-		$ -						$ -	
243	Security Deposit - Lease Agreement (refer to "Notes" section)	Miscellaneous	$ 1,800	-	-	-	-		$ -						$ -	
244	North San Pedro Housing - Prop 1C (refer to "Notes" section)	OPA/DDA/Construction	$ 2,416,040	-	-	-	-		$ -						$ -	
245	Transfer of Asset Audit Recovery (refer to "Notes" section)	Dissolution Audits	$ 48,417	-	-	-	-		$ -						$ -	
246	Long-Term Reimbursement (2015-2016) - Bond Obligations (refer to "Notes" section)	City/County Loans After 6/27/11	$ 11,558,158	-	-	-	-		$ -						$ -	
247	Long-Term Reimbursement (2015-2016) - Unsecured Enforceable Obligations (refer to "Notes" section)	City/County Loans After 6/27/11	$ 152,645	-	-	-	-		$ -						$ -	
248	Long-Term Reimbursement (2015-2016) - Administrative Costs (refer to "Notes" section)	City/County Loans After 6/27/11	$ 1,362,577	-	-	-	-		$ -						$ -	
249	Allowable Bond Reserve-Pursuant to Health and Safety Code §34171(d)(1)(A).	Bonds Issued On or Before 12/31/10	$ 34,102,500	-	-	-	34,102,500		$ 34,102,500						$ -	
250	Allowable Bond Reserve-Pursuant to Health and Safety Code §34171(d)(1)(A).	Reserves	$ 5,229,001	-	-	-	4,333,688		$ 4,333,688						$ -	
251	Allowable Bond Reserve-Pursuant to Health and Safety Code §34171(d)(1)(A).	Bonds Issued On or Before 12/31/10	$ 5,310,608	-	-	-	5,310,608		$ 5,310,608						$ -	
252	Long-Term Reimbursement (2016-2017) - Unsecured Enforceable Obligations (refer to "Notes" section)	City/County Loans After 6/27/11	$ 150,000	-	-	-	-		$ -						$ -	
253	Long-Term Reimbursement (2016-2017) - Administrative Costs (refer to "Notes" section)	City/County Loans After 6/27/11	$ 1,400,000	-	-	-	-		$ -						$ -	

San Jose Amended Recognized Obligation Payment Schedule (ROPS 17-18B) - ROPS Detail

January 1, 2018 through June 30, 2018

(Report Amounts in Whole Dollars)

				AUTHORIZED AMOUNTS						REQUESTED ADJUSTMENTS						
				Fund Sources						Fund Sources						
Item #	Project Name/Debt Obligation	Obligation Type	Total Outstanding Balance	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Total	Notes
254	2011 Housing Fund SERAF Loan	City/County Loan (Prior 06/28/11), 3rd party agmt-infrastructure	$ 13,263,359	-	-	-	-		$ -						$ -	
255	2010 Inter-Fund SERAF Loan	City/County Loan (Prior 06/28/11), 3rd party agmt-infrastructure	$ 12,544,265	-	-	-	-		$ -						$ -	
256	City of San Jose Parking Fund Loans	City/County Loan (Prior 06/28/11), 3rd party agmt-infrastructure	$ 14,334,796	-	-	-	-		$ -						$ -	
257	Annual Financial Audit	Admin Costs	$ 46,930	-	-	-	-		$ -						$ -	
258	Successor Agency operations	Admin Costs	$ 50,000	-	-	-	-		$ -						$ -	
259	Arbitrage Rebate	Bonds Issued On or Before 12/31/10	$ 4,000,000	-	-	-	-		$ -						$ -	
			$ -						$ -						$ -	

COUNCIL AGENDA: 12/12/2017
EXHIBIT A

DEPARTMENT OF FINANCE

EDMUND G. BROWN JR. ▪ GOVERNOR
915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

November 14, 2017

Mr. Richard Keit, Managing Director
City of San Jose
200 East Santa Clara Street, 14th Floor Tower
San Jose, CA 95113

Dear Mr. Keit:

Subject: Amended Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1) (E), the City of San Jose Successor Agency (Agency) submitted an amended Recognized Obligation Payment Schedule for the period January 1, 2018 through June 30, 2018 (Amended ROPS 17-18B) to the California Department of Finance (Finance) on September 22, 2017. Finance has completed its review of the Amended ROPS 17-18B.

Based on our review, Finance is approving all the adjustments, including $157,800 in Bond Proceeds, requested on the Amended ROPS 17-18B.

The Agency's amended maximum approved Redevelopment Property Tax Trust Fund (RPTTF) distribution for the ROPS 17-18B period is $105,581,640 as summarized in the Approved RPTTF Distribution table on Page 3 (see Attachment).

Please refer to the ROPS 17-18B schedule used to calculate the total RPTTF approved for distribution:

http://www.dof.ca.gov/redevelopment/ROPS

This is Finance's determination related to the funding of enforceable obligations reported on your Amended ROPS 17-18B. Please note there is no Meet and Confer option for the Amended ROPS process and Finance's determination is final. This determination is effective for this time period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to review and may be denied even if not denied on this Amended ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to Kylie Oltmann, Supervisor, or Daisy Rose, Lead Analyst, at (916) 322-2985.

Sincerely,

for

ERIKA LI
Program Budget Manager

cc: Ms. Julia Cooper, Chief Financial Officer, City of San Jose
Ms. Emily Harrison, Finance Agency Director, Santa Clara County

Attachment

Approved RPTTF Distribution For the period of January 2018 through June 2018		
Authorized RPTTF on ROPS 17-18B	$	104,646,967
Authorized Administrative RPTTF on ROPS 17-18B		934,523
Total Authorized RPTTF on ROPS 17-18B		**105,581,490**
Authorized 17-18B RPTTF Adjustments		**150**
Total Amended ROPS 17-18B RPTTF approved for distribution	**$**	**105,581,640**