



TOWN OF PARADISE

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The Oversight Board of the Successor Agency to the Paradise Redevelopment Agency Special Meeting Agenda

5:00 PM – February 27, 2014

The Oversight Board holds its meetings in the Town Council Chambers at Town Hall, located at 5555 Skyway, Paradise, California, 95969. In accordance with the Americans with Disabilities Act, if you need a special accommodation to participate, please contact the Town Clerk's Department at 872-6291 Extension 101 at least 48 hours in advance of the meeting. Hearing assistance devices for the hearing impaired are available from the Town Clerk.

Members of the public may address the Oversight Board on any agenda item, including closed session. If you wish to address the Oversight Board on any matter on the Agenda, it is requested that you complete a request card and give it to the Town Clerk prior to the beginning of the Oversight Board Meeting.

All writings or documents which are related to any item on an open session agenda and which are distributed to a majority of the Oversight Board will be available for public inspection at the Town Hall in the Town Clerk Department at 5555 Skyway, Room 3, at the same time the subject writing or document is distributed to a majority of the subject body. Regular business hours are Monday through Thursday from 8:00 a.m. to 5:00 p.m.

1. OPENING

- a. Call to Order
- b. Pledge of Allegiance to the Flag of the United States of America
- c. Roll call

2. ITEMS FOR CONSENT CALENDAR

- a. Approve special meeting minutes of September 26, 2013 and December 5, 2013.

3. ITEMS FOR CONSIDERATION - ACTION CALENDAR

- a.** Adopt a Resolution of the Oversight Board of the Successor Agency to the Paradise Redevelopment Agency, Approving the Amended Long Range Property Management Plan Pursuant to Health and Safety Code Section 34191.5. **(ROLL CALL VOTE)**
- b.** Adopt a Resolution of the Oversight Board of the Successor Agency to the Paradise Redevelopment Agency approving the Successor Agency Recognized Obligation Payment Schedule for the period of July 1 through December 31, 2014.
- c.** Adopt a Resolution of the Oversight Board of the Successor Agency to the Paradise Redevelopment Agency authorizing an application relating to cash advance loan agreements as an enforceable obligation in the Recognized Obligation Payment Schedule. **(ROLL CALL VOTE)**

4. ADJOURNMENT

STATE OF CALIFORNIA) COUNTY OF BUTTE)	SS.
I declare under penalty of perjury that I am employed by the Town of Paradise in the Town Clerk's Department and that I posted this Agenda on the bulletin Board both inside and outside of Town Hall on the following date: _____	
TOWN/ASSISTANT TOWN CLERK SIGNATURE _____	

**The Oversight Board of the Successor Agency
to the Paradise Redevelopment Agency
Meeting Minutes**

3:30 PM – September 26, 2013

1. OPENING

The Special Meeting of the Oversight Board was called to order at 3:40 pm by Chair Steve “Woody” Culleton in the Town Council Chamber located at 5555 Skyway, Paradise, CA.

DIRECTORS PRESENT:

- Steve “Woody” Culleton, Town of Paradise Council Member
- Lauren Gill, Town of Paradise, Town Manager
- Al McGreehan, Paradise Recreation & Parks District Board Member
- George Siler, Butte County Member of the Public
- Trevor Stewart, California Community College Chancellor’s Office Director of Business Services, Butte-Glenn Community College District

DIRECTORS ABSENT:

- Doug Teeter, Butte County Board of Supervisors District 5 Member
- Kevin Bultema, Chico Unified School District Assistant Superintendent, Business Services

2. CONSENT CALENDAR

- 2a. **MOTION by Gill, seconded by Siler**, approved the Minutes of the January 10, 2013 and the June 20, 2013 Minutes. Board vote was unanimous; Bultema and Teeter absent and not voting.

3. CONSIDERATION

- 3a. **MOTION by McGreehan, seconded by Gill**, adopted Resolution No. 13-04, A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency Finding Three Loan Agreements between the Town of Paradise and the Successor Agency of the Paradise Redevelopment Agency to be for Legitimate Redevelopment Purposes and Approving Three Loan Agreements as Enforceable Obligations. Roll call vote was unanimous; Bultema and Teeter absent and not voting.
- 3b. **MOTION by McGreehan, seconded by Gill**, adopted Resolution No. 13-04, A Resolution Approving the Recognized Obligation Payment Schedule

for the period of January 1 through June 30, 2014. Roll call vote was unanimous.

4. ADJOURNMENT

Chair Culleton adjourned the Oversight Board meeting at 4:00 pm.

DATE APPROVED:

By: _____
Steve "Woody" Culleton, Chair

Joanna Gutierrez, CMC, Town Clerk

**The Oversight Board of the Successor Agency
to the Paradise Redevelopment Agency
Meeting Minutes
3:30 PM – December 05, 2013**

1. OPENING

The special meeting of the Oversight Board was called to order by Chair Steve “Woody” Culleton at 3:35 p.m. Following the pledges, Town clerk Gutierrez called the roll:

DIRECTORS PRESENT: Lauren Gill, Trevor Stewart and Doug Teeter.

DIRECTORS ABSENT: Kevin Bultema, Albert J. “Al” McGreehan and George Siler

STAFF PRESENT: Town Clerk Joanna Gutierrez, Town Attorney Dwight Moore and Finance Director Gina Will.

2. ITEMS FOR CONSIDERATION - ACTION CALENDAR

The Department of Finance informed the Town Finance Director that the Long Range Property Management Plan (LRPMP) needs to provide for a compensation agreement with the other taxing entities relating to payments to them in proportion to their share of the base property tax for the value of 5456 Black Olive Drive, Paradise and based on conversations with Department of Finance personnel, the LRPMP has been amended by the addition of the following language regarding the property at 5456 Black Olive Drive, Paradise:

“Upon the sale of the property to a developer, the net proceeds, after satisfaction of all encumbrances on the property, will be provided to the Butte County Auditor-Controller for distribution to the other taxing entities in proportion to their share of the base property tax pursuant to Health and Safety Code section 34180(f)”.

The Successor Agency adopted a resolution at a special meeting on December 5, 2013 that approved the Amended Long Range Property Management Plan.

- 2a. **MOTION by Stewart, seconded by Teeter**, adopted Resolution No. 13-06, A Resolution of the Oversight Board to the Successor Agency to the Paradise Redevelopment Agency, Approving the Amended Long Range Property Management Plan Pursuant to Health and Safety Code Section 34191.5. Roll call vote of those present was unanimous; Bultema, McGreehan and Siler absent and not voting.

The owner of the property located at 5456 Black Olive Drive, Mica Gilkey, approached the Town regarding a lot line adjustment (LLA) to correct a surveying error from the early 1900’s, and has submitted an application to the Town of Paradise for a General Plan Amendment and Rezone that would resolve the zoning and right-of-way issues. The stated purpose of the lot line adjustment is to create resultant lot lines that do not bisect the Gilkey commercial building and deed additional Pearson Road right-of-way to

the Town. Normally, these types of “land swaps” would be handled through a standard LLA, processed administratively by the Town Engineer. This particular application is more complicated, since one of the parcels is privately owned and one is owned by the Successor Agency to the Paradise Redevelopment Agency (Agency). On December 5, 2013, the Successor Agency adopted a resolution conditionally authorizing the Oversight Board Chairman and designees to approve any documents related to the lot line adjustment of 5456 Black Olive Drive, Paradise, as it is anticipated that action related to the Successor Agency property will be necessary in the future.

- 2b. **MOTION by Teeter, seconded by Stewart**, adopted Resolution No. 13-07 of the Oversight Board to the Successor Agency of the Paradise Redevelopment Agency, Conditionally Authorizing the Oversight Board Chairman and His Designees to Approve Any Documents Related to the Lot Line Adjustment of 5456 Black Olive Drive, Paradise APN 052-223-027. Roll call vote of those present was unanimous; Bultema, McGreehan and Siler absent and not voting.

3. ADJOURNMENT

The special meeting of the Oversight Board was adjourned at 3:40 p.m.

Date Approved:

By: _____

Steve “Woody” Culleton, Chair

Joanna Gutierrez, CMC, Town Clerk



**Oversight Board of the Successor
Agency to the Paradise Redevelopment
Agency**

Agenda Item: 3a

**Agenda Summary
Date: February 27, 2014**

Originated by: Gina S. Will, Finance Director/Town Treasurer

Reviewed by: Lauren Gill, Town Manager

Subject: Amended Long-Range Property Management Plan

Action Requested: Adopt a Resolution of the Oversight Board of the Successor Agency to the Paradise Redevelopment Agency, Approving the Amended Long Range Property Management Plan Pursuant to Health and Safety Code Section 34191.5; or

Alternatives: Decline to adopt the resolution as presented.

Background:

On June 20, 2013 the original Long Range Property Management Plan (LRPMP) was approved by the Successor Agency, the Oversight Board and submitted to the Department of Finance for approval. On October 16, 2013, the Department of Finance sent a letter indicating the LRPMP was not approved as it did not include reference to a compensation agreement for the transfer of 5456 Black Olive Drive. On December 5, 2013 a revised LRPMP was again approved by the Successor Agency, the Oversight Board and submitted to Department of Finance for approval based on information from the legal staff of the Department of Finance. Unfortunately, that LRPMP was also denied approval.

Discussion:

After a number of additional conversations concerning the LRPMP provisions relating to 5456 Black Olive Drive, Paradise, the Department of Finance preliminarily approved the attached amended LRPMP. Below is the paragraph on page 10 that has been amended.

- The Black Olive property was acquired to eliminate existing blight in the project area and provide a space for a commercial business. The property was listed to be demolished in the 2008-2013 redevelopment five-year plan and used for future commercial development. The Redevelopment Agency lacked resources to demolish the building in the past, but with the Town taking over ownership, CDBG funds could be used to demolish and assist with future development. ~~Upon the sale of the property to a developer, the net proceeds, after satisfaction of all encumbrances on the property, will be provided to the Butte County Auditor Controller for distribution to the other taxing entities in proportion to their share of the base property tax pursuant to Health and Safety Code section 34180(f).~~

- The Black Olive property was acquired to eliminate existing blight in the project area and provide a space for a commercial business. The property was listed to be demolished in the 2008-2013 redevelopment five-year plan and used for future commercial development. The Redevelopment Agency lacked resources to demolish the building in the past, but with the Town taking over ownership, CDBG funds could be used to demolish and assist with future development. **Before the transfer of the property to the Town of Paradise, the Town shall enter into a compensation agreement with the other taxing entities pursuant to Health and Safety Code section 34181(f).**

Fiscal Impact Analysis:

The addition of this language has no additional fiscal impact to the Successor Agency to the Paradise Redevelopment Agency or to the Town of Paradise.

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
PARADISE REDEVELOPMENT AGENCY RESOLUTION NO. 14-__**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PARADISE
REDEVELOPMENT AGENCY APPROVING THE AMENDED LONG-RANGE PROPERTY
MANAGEMENT PLAN OF THE SUCCESSOR AGENCY OF THE PARADISE REDEVELOPMENT
AGENCY**

WHEREAS, on April 26, 2013, the California Department of Finance addressed a Finding of Completion letter to Gina Will, the Town of Paradise Finance Director concerning the Due Diligence Review of the Successor Agency of the Paradise Redevelopment Agency (Successor Agency; and

WHEREAS, Health and Safety Code section 34191.5(b) states as follows:

“The successor agency shall prepare a long-range property management plan that addresses the disposition and use of the real properties of the former redevelopment agency. The report shall be submitted to the oversight board and the Department of Finance for approval no later than six months following the issuance to the successor agency of the finding of completion.”; and

WHEREAS, on June 20, 2013, the Oversight Board of the Successor Agency adopted Resolution 13-03 which approved the Successor Agency Long-Range Property Management Plan (LRPMP); and

WHEREAS, on October 16, 2013, the Department of Finance informed the Town Finance Director that the LRPMP needs to provide for a compensation agreement with the other taxing entities relating to payments to them in proportion to their share of the base property tax for the value of 5456 Black Olive Drive, Paradise; and

WHEREAS, on December 5, 2013, the Oversight Board of the Successor Agency adopted resolution 13-06 which approved the revised LRPMP; and

WHEREAS, the Department of Finance again notified the Town Finance Director that the language on page ten, paragraph two, of the LRPMP was not sufficient related to the transfer of 5456 Black Olive Drive, Paradise; and

WHEREAS, based on additional conversations with the Department of Finance personnel, the language on page ten, paragraph two, relating to 5456 Black Olive Drive, Paradise has been amended as follows:

Deleted Language:

“Upon the sale of the property to a developer, the net proceeds, after satisfaction of all encumbrances on the property, will be provided to the Butte County Auditor-Controller for distribution to the other taxing entities in proportion to their share of the base property tax pursuant to Health and Safety Code Section 34180(f).”

New Language:

“Before the transfer of the property to the Town of Paradise, the Town shall enter into a compensation agreement with the other taxing entities pursuant to Health and Safety Code section 34181(f).”

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PARADISE REDEVELOPMENT AGENCY AS FOLLOWS:

Section 1. Pursuant to Health and Safety Code section 34191.5(b), the Oversight Board approves the Amended Long-Range Property Management Plan of the Successor Agency to the Paradise Redevelopment Agency. A copy of the amended LRPMP is attached as Exhibit 1.

PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Paradise Redevelopment Agency on this 27th day of February, 2014, by the following vote:

AYES:

NOES:

ABSENT:

NOT VOTING:

By: _____
Steve “Woody” Culleton, Chairperson

ATTEST:

Joanna Gutierrez, CMC

APPROVED AS TO FORM:

Dwight L. Moore, Town Attorney

LONG RANGE PROPERTY MANAGEMENT PLAN SUCCESSOR AGENCY TO THE FORMER PARADISE REDEVELOPMENT AGENCY

INTRODUCTION

In June of 2012, Governor Brown signed AB 1484, a budget trailer bill into law that made substantial changes to the redevelopment agency dissolution process implemented by AB 1X 26. One major component of this bill required all successor agencies to develop a long-range property management plan that governs the disposition and use of the former redevelopment agency property. This summary is the Long-Range Property Management Plan for the Successor Agency of the Paradise Redevelopment Agency (Successor Agency).

California Government Code Section 34181 (a) which states that all successor agency actions to transfer ownership of those assets that were constructed used for governmental purposes such as roads, school buildings, parks, police and fire stations, libraries, and local agency administrative buildings, to the appropriate public jurisdiction pursuant to any existing agreement relating to construction or use of such asset shall go to the Oversight Board for approval.

SUMMARY OF THE PROPERTIES OWNED BY THE SUCCESSOR AGENCY

There are three (3) properties owned and controlled by the Successor Agency. They include the following:

1. 786-794 Birch Street, a 6,098 sq. ft. parcel used as parking for the Community Park. The property is next the Police Department and serves as a public parking lot for the Community Park which is across the street.
2. 176 Pearson Road, a 8,276 sq. ft. parcel used as a public park and ride facility.
3. 5456 Black Olive Drive, a 11,325 sq. ft. parcel slated for demolition and future commercial development. In its current condition, the building would require considerable resources to make it a viable option for a growing business.

These properties are described in greater detail in the “Inventory” section below and are shown in Attachment A.

HISTORY OF PREVIOUS DEVELOPMENT PROPOSALS AND ACTIVITIES

All of the properties included in the Successor Agency’s inventory have been acquired in an effort to redevelop and revitalize a portion of the Town’s downtown area.

**Parcel #1
786-794 Birch
Street**



Date of acquisition and its value at that time, and an estimate of current value.

This property was acquired on October 24, 2003 for \$57,000. The property is located in a zoned central business area and is located across the street from the Community Park and the Police and Fire Stations. Based on comparable vacant properties in Town, Successor Agency staff has estimated this property would appraise around \$50,000.

The purpose for which the property was acquired.

This property, along with several other properties, was purchased as part of the Community Park. The strip parking adjacent to the park does not have sufficient parking when events are held at the park. The parcel's additional parking is a necessary feature if the park is to be a successful venue for community and private events.

Parcel data for each property, including address, lot size and current zoning.

The property address is 786 Birch Street. The assessor parcel number is 052-222-015. The lot size is 6,098.40 sq. ft. The property is used as a public, unimproved parking lot for the adjacent Community Park. The current zoning is Central Business.

An estimate of the current value of the parcel, including any appraisal information, if available.

The property was appraised for \$57,000 on September 15, 2003. The property has not been appraised since this date and based on comparisons of vacant property within the Town, it's estimated the property is valued around \$50,000.

An estimate of any lease, rental or other revenues generated by the property and a description of the contractual requirements for disposition of those revenues.

The parcel has never been leased and there have never been any revenue generated for its use. It is currently used as public, unimproved, un-metered parking lot and will continue to be used that way in the future.

Any history of environmental contamination or remediation efforts.

There is no known history of environmental contamination on this site. A phase one environmental review was performed on September 2, 2003, which did not reveal any issues of concern.

A description of the property's potential for transit-oriented development and the advancement of the planning objectives.

This parcel is located near transit stops, including the Town's park and ride facility on Pearson.

A brief history of previous development proposals and activities, including the rental or lease of property.

This property has never been rented or leased. The Town has never received income from this property.

**Parcel #2
176 Pearson Road**





Date of acquisition and its value at that time, and an estimate of current value.

This property was acquired on November 2, 2004 for \$75,000. The property is located in a community commercial zone with inadequate parking. The parcel is located behind commercial businesses and is situated near the Community Park. Based on comparable vacant properties in Town, Successor Agency staff has estimated this property would appraise around \$50,000.

The purpose for which the property was acquired.

This property was purchased with the intent of using the parcel for a park and ride facility. The completed project added safe and secure parking in the downtown area in order to allow motorists to either carpool or use transit services to access employment and shopping opportunities outside the Town of Paradise. The location is close to transit services, the main downtown area as well as close to the major highway corridor (Pearson Road).

Parcel data for each property, including address, lot size and current zoning.

The property address is 176 Pearson Road. The assessor parcel number is 052-225-019. The lot size is 8,276.40 sq. ft. The property is used as park and ride facility with 10 parking stalls, one which is a handicap stall. The current zoning is Central Business.

An estimate of the current value of the parcel, including any appraisal information, if available.

The property was appraised for \$140,000 on October 13, 2004. There are no comparables to the parcel as it's currently being utilized as a public park and ride facility. The property has not been appraised since this date and based on comparisons of vacant property within the Town, it's estimated the property is valued around \$50,000.

An estimate of any lease, rental or other revenues generated by the property and a description of the contractual requirements for disposition of those revenues.

The parcel has never been leased and there has never been any revenue generated for its use. It is currently used as a public park and ride facility and will continue to be used that way in the future.

Any history of environmental contamination or remediation efforts.

There is no known history of environmental contamination on this site. The project was determined to be categorically exempt from NEPA and was reviewed by the Town's Planning Director in 2010.

A description of the property's potential for transit-oriented development and the advancement of the planning objectives.

The parcel is located 500 feet to the transit hub at Birch and Almond Streets. The completed project added safe and secure parking in the downtown area in order to allow motorists to either carpool or use transit services to access employment and shopping opportunities outside the Town of Paradise. The location is close to transit services, the main downtown area as well as close to the major highway corridor (Pearson Road). The project goal was to help reduce the number of single-occupant vehicle travel to surrounding communities, to reduce automobile emissions, and also to improve inadequate parking.

A brief history of previous development proposals and activities, including the rental or lease of property.

The parcel remained underdeveloped until the Town improved it as a park and ride facility in 2010 and completed in 2011.

Parcel #3
5456 Black Olive Drive





Date of acquisition and its value at that time, and an estimate of current value.

This property was acquired on June 1, 2004 for \$150,000. Based on comparable properties in Town, Successor Agency staff has estimated this property would appraise for approximately \$100,000.

The purpose for which the property was acquired.

The goal of purchasing this property was to eliminate blighted conditions in the Town and to

encourage the conversion of obsolete or underutilized land uses to more economically efficient uses. More specifically, this lot has a septic easement with an adjacent privately-owned lot, which needs to be repaired so the adjacent lot can be made legal. At current standing, the adjacent lot cannot be sold or developed because it has an inadequate or illegal septic easement. The RDA was planning on deeding the septic easement to the adjacent land owner in order to fix an otherwise irreparable land situation.

In 2009, this property was in the RDA's Implementation Plan set for demolition and future commercial development—not only to fix the adjacent lot issues, but also to demolish the severely dilapidated building that currently exists on the property. As it stands, the current building is unusable for commercial business and is therefore leased at considerable discount to a non-profit organization. The building would require considerable resources to make it a viable option for any commercial business activity. By demolition of the building, and construction of a commercial building, the Town could improve the physical and aesthetic quality and appearance of Downtown area and also correct many health and safety code related issues that currently exist. By allowing a local business to purchase the property and rebuild a commercial building, the Town would be supporting and expanding the economic base of Paradise.

Parcel data for each property, including address, lot size and current zoning.

The property address is 5456 Black Olive Dr. The assessor parcel number is 052-223-027. The lot size is 11,325.60 sq. ft. The property has one 3,350 sq. ft. building split with one side 1,700 sq. ft and the other 1,650 sq. ft. The current zoning is central business.

An estimate of the current value of the parcel, including any appraisal information, if available.

The property was appraised on December 5, 2003 for \$200,000. There is a local non-profit organization that leases one side of the building for its non-profit headquarters. The non-profit has one annual community event which is why the building can be used at all. The rent is \$1.00/year. The property has not been appraised recently because the RDA had plans to demolish the property and build a commercial building. Based on comparable properties in Town, Successor Agency staff has estimated this property would appraise for approximately \$100,000.

An estimate of any lease, rental or other revenues generated by the property and a description of the contractual requirements for disposition of those revenues.

The building only generates \$1.00/year and the contract is month-to-month. Before the current contract lease, the building was occupied by a wood-working business and that contract was \$.40 per square foot per month.

There is a note pending on the ROPS with a payoff amount of about \$82,638. This indebtedness would be assumed by the Town of Paradise upon transfer of the property.

Any history of environmental contamination or remediation efforts.

There is no known history of environmental contamination on this site.

A description of the property's potential for transit-oriented development and the advancement of the planning objectives.

This parcel is located near transit stops, including the park and ride facility. The parcel is also located in the Town's downtown commercial area where other retail establishments are located. The plan to keep this parcel for demolition and future development will be critical for assisting businesses in the Downtown.

A brief history of previous development proposals and activities, including the rental or lease of property.

The property was purchased and one portion was used as a wood-working shop for a low-income business owner. The Town leased the space to the business owner and during that time, the tenant was renting one portion of the building for \$.40 a square foot/month. This lease ended and the City then rented out the other space to a non-profit organization who leases the space to organize for their annual event. The lease is \$1.00/year.

USE OR DISPOSITION OF PROPERTIES

Section 34191.5(c)(2) of the Health and Safety Code requires that Successor Agencies address the use or disposition of all properties in the Community Redevelopment Trust Fund. The properties can be retained for governmental use, retained for future development, sold, or used to fulfill an enforceable obligation. The legislation goes on to state the following:

- *The plan should separately identify and list properties dedicated to governmental uses purposes and properties retained for purposes of fulfilling an enforceable obligation.*
- *Property intended to be used for a project identified in an approved redevelopment plan will be transferred to the host city or county.*
- *If the successor agency plans to liquidate the property or use the revenues from the property for any purpose other than fulfilling an enforceable obligation or a contemplated redevelopment project, the proceeds from the sale shall be distributed as property tax to the taxing entities.*

As stated above, the Paradise Successor Agency is requesting transfer of all three properties to the Town of Paradise, as allowed under bullet point #2, above. All three properties were listed in the Town's 2008-2013 Five year implementation plan and as explained below, have, and continue to serve their intended purposes.

- The Birch Street location was and still is used in conjunction with the community park as a public parking lot. This parcel is used for governmental purposes and should be transferred to the Town to remain a parking area. Planned improvements to the parcel include: improving traffic circulation, allowing for a walkable community, supporting transportation hubs and improving circulation in the Downtown area.
- The newly developed Park & Ride facility on the Person Road parcel provides improved infrastructure for both pedestrian and automobile uses. The development of the park and

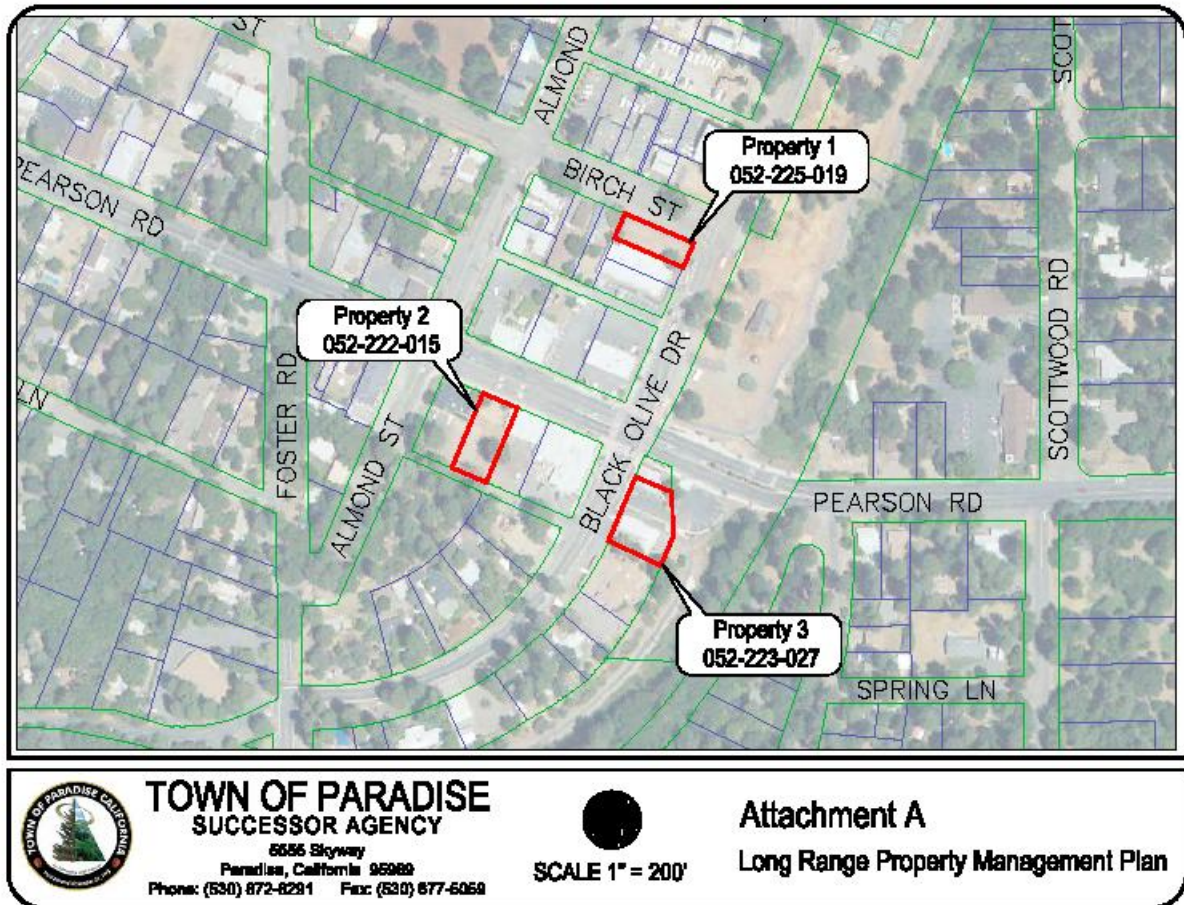
ride facility has helped to provide adequate parking in the downtown area. This parcel should also be transferred to the Town and remain a park and ride facility.

- The Black Olive property was acquired to eliminate existing blight in the project area and provide a space for a commercial business. The property was listed to be demolished in the 2008-2013 redevelopment five-year plan and used for future commercial development. The Redevelopment Agency lacked resources to demolish the building in the past, but with the Town taking over ownership, CDBG funds could be used to demolish and assist with future development. Before the transfer of the property to the Town of Paradise, the Town shall enter into a compensation agreement with the other taxing entities pursuant to Health and Safety Code section 34181(f).

Attachments

- A. Ariel Photo of Agency Properties
- B. Paradise Redevelopment Agency Five Year Implementation Plan (Excepts showing use of properties)

ATTACHMENT "A"



Additional Downtown Public Parking Improvements serving Town Civic Center and Community Park

Proposed Projects—Plan Year 2008-2013

This plan envisions multiple new small (10-20 spaces) parking facilities in the Downtown area. Additional parking is needed on the Pearson Road Corridor, near Almond, Birch Street, near the Paradise Community Park, in the core of the Downtown (near Almond/Fir Street) and along Skyway, near Foster and Fir Streets.

Pearson Road entrance to new proposed Park and Ride facility, to be constructed in 2009/2010. This project is funded through a Congestion Mitigation Air Quality (CMAQ) grant.

Goals/Objects met: Improve walkable communities and transportation hubs, and improve traffic circulation and provide adequate parking facilities in the Project Area.



Frontage Improvements—790 Birch Street Property/Private Commercial Development

Proposed Projects—Plan Year 2008-2013



Looking west on Birch Street from Black Olive. Parcel is currently used as a “de-facto” parking lot, even though it is not



Black Olive Drive, looking south along property frontage. Notice the lack of pedestrian amenities, curb ramps, sidewalks,

This is a RDA owned property, was purchased to allow the removal of hazardous, dilapidated buildings, and to insure that future business's at that location would be appropriate for it's location (across the street from the proposed new Town Civic Center).

Frontage improvements have been designed, and will be constructed once the necessary level of RDA funding is in place.

Goals/Objects met: Improve traffic circulation and walkable communities; Improve the physical and aesthetic quality and appearance; Eliminate existing blighting conditions and influences, including incompatible or un-economic land uses, and deteriorated public facilities; Provide opportunities for participation by owners in the RDA Project Area; Improve the infrastructure that supports the Project Area.

Demolition/Sale for private commercial development

Jeffords Building

Proposed Projects—Plan Year 2008-2013

Town will demolish current building.

Goals/Objects met: Eliminate blighted conditions; Encourage conversion of obsolete or underutilized land uses to more economically efficient uses; Improve the physical and aesthetic quality and appearance of the entire Project Area; Strengthen and expand the economic base in the Project Area.





**Oversight Board of the
Successor Agency to the Paradise
Redevelopment Agency**

Agenda Item: 3b

**Agenda Summary
Date: February 27, 2014**

Originated by: Gina S. Will, Finance Director/Town Treasurer

Reviewed by: Lauren Gill, Town Manager

Subject: Recognized Obligation Payment Schedule (ROPS) for July through December 2014

Action Requested: Approve the Recognized Obligation Payment Schedule for the period of July 1 through December 31, 2014.

Alternatives: Decline to ratify the ROPS as presented.

Discussion:

In order for the Successor Agency to the Paradise Redevelopment Agency to receive a distribution from the Butte County Auditor Controller from the Redevelopment Property Tax Trust Fund (RPTTF) for debt service requirements of July through December 2014, the Successor Agency needs to submit a ROPS for July through December 2014 approved by the Oversight Board to the Department of Finance and the Butte County Auditor Controller by March 1, 2014.

The Finding of Completion issued by the Department of Finance on April 26, 2013, allows the Town of Paradise as Successor Agency to the Paradise Redevelopment Agency to:

“Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4(b)(1).”

The Oversight Board has approved loans #4, #5, and #6 as legitimate redevelopment loans, so they have been included as enforceable obligations on this ROPS.

However, according to HSC section 34191.4(b)(2)(A), the maximum annual repayment amount, is limited to one-half of the increase between the residual amount distributed to taxing entities in the ROPS fiscal year compared to the residual amount distributed in the 2012-13 base year. There have been no residual distributions from RPTTF in any ROPS period to date. The most recent estimates received from Butte County indicate

that there will be approximately \$184,800 available for distribution for this ROPS cycle. In addition, staff analyzed the cash flow position of the Successor Agency and determined that about \$5,000 was needed to pay essential administrative expenses and to correct the existing cash flow imbalance. Based on the attached ROPS recommended for approval, and in order of priority, following is an estimate of how the RPTTF funds will be allocated for this ROPS cycle:

2009 Tax Allocation Bond	\$131,428
2006 Tax Allocation Note	31,838
Purchase of 5456 Black Olive	8,601
Trustee Fees	4,000
Administrative Fees	8,933
Total	\$184,800

The ROPS includes an \$11,100 request for administrative fees to cover some of the costs of staff time and appropriate other administrative expenses. A copy of the proposed Successor Agency budget for this same six month period, which must be approved by the Oversight Board, is attached for the Board's review. If received these funds could be used by the Successor Agency to help repay the funds advanced by the Town and used by the Former RDA. As a reminder, per section 34171(b) successor agencies may claim up to three percent of property tax allocated to the RPTTF or \$250,000, whichever is greater, beginning in fiscal year 2012-13 and each fiscal year thereafter. The \$11,100 is a conservative estimate of the expenses that the Successor Agency will incur during the dissolution of the RDA for this six month period.

Fiscal Impact Analysis:

Approval of the ROPS by the Oversight Board for July through December 2014 will allow for the eventual distribution of monies for debt service obligations of the former Paradise Redevelopment Agency.

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PARADISE REDEVELOPMENT AGENCY

RESOLUTION NO. 14-__

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE PARADISE REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND SUCCEEDSSOR AGENCY ADMINISTRATIVE BUDGET FOR JULY 1, 2014 THROUGH DECEMBER 31, 2014

WHEREAS, the Oversight board of the Successor Agency to the Paradise Redevelopment Agency has reviewed a Recognized Obligation Payment Schedule and a proposed administrative budget for the Successor Agency of the Paradise Redevelopment Agency;

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board to the Successor Agency of the Paradise Redevelopment Agency as follows:

Section 1. The Oversight Board to the Successor Agency of the Paradise Redevelopment Agency approves the Successor Agency to the Town of Paradise Recognized Obligation Payment Schedule (ROPS) for the period July 1, 2014 through December 31, 2014 in the amount of \$186,967, a copy of which is attached hereto, and authorizes the Oversight Board Chairman to execute the certification of such ROPS.

Section 2. The Oversight Board to the Successor Agency of the Paradise Redevelopment Agency approves the Successor Agency to the Town of Paradise Administrative Budget for the period July 1, 2014 through December 31, 2014 in the amount of \$11,100, a copy of which is attached hereto.

Section 3. The resolution shall become effective on the date of adoption by the Oversight Board.

PASSED AND ADOPTED by the Oversight Board to the Successor Agency to the Paradise Redevelopment Agency on this 27th day of February, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Steve "Woody" Culleton, Chair

Attest:

Joanna Gutierrez, CMC, Secretary to the
Oversight Board

Recognized Obligation Payment Schedule (ROPS 14-15A) - Summary

Filed for the July 1, 2014 through December 31, 2014 Period

Name of Successor Agency:	Paradise
Name of County:	Butte

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding		
A	Sources (B+C+D):	\$ -
B	Bond Proceeds Funding (ROPS Detail)	-
C	Reserve Balance Funding (ROPS Detail)	-
D	Other Funding (ROPS Detail)	-
E	Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 186,967
F	Non-Administrative Costs (ROPS Detail)	171,867
G	Administrative Costs (ROPS Detail)	15,100
H	Current Period Enforceable Obligations (A+E):	\$ 186,967

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I	Enforceable Obligations funded with RPTTF (E):	186,967
J	Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	-
K	Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 186,967

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L	Enforceable Obligations funded with RPTTF (E):	186,967
M	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N	Adjusted Current Period RPTTF Requested Funding (L-M)	186,967

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
/s/ _____	_____
Signature	Date

<p align="center">Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail July 1, 2014 through December 31, 2014 (Report Amounts in Whole Dollars)</p>	
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[illegible]

<p align="center">Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail July 1, 2014 through December 31, 2014 (Report Amounts in Whole Dollars)</p>	
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[illegible]

<p align="center">Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail July 1, 2014 through December 31, 2014 (Report Amounts in Whole Dollars)</p>	
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[illegible]

<p align="center">Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail July 1, 2014 through December 31, 2014 (Report Amounts in Whole Dollars)</p>	
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[illegible]

<p align="center">Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail July 1, 2014 through December 31, 2014 (Report Amounts in Whole Dollars)</p>	
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[illegible]

<p align="center">Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail July 1, 2014 through December 31, 2014 (Report Amounts in Whole Dollars)</p>	
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[illegible]

<p align="center">Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail July 1, 2014 through December 31, 2014 (Report Amounts in Whole Dollars)</p>	
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[illegible]

<p align="center">Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail July 1, 2014 through December 31, 2014 (Report Amounts in Whole Dollars)</p>	
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[illegible]

<p align="center">Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail July 1, 2014 through December 31, 2014 (Report Amounts in Whole Dollars)</p>	
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[illegible]

<p align="center">Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail July 1, 2014 through December 31, 2014 (Report Amounts in Whole Dollars)</p>	
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[illegible]

<p align="center">Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail July 1, 2014 through December 31, 2014 (Report Amounts in Whole Dollars)</p>	
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[illegible]

Recognized Obligation Payment Schedule (ROPS) 14-15A - Report of Cash Balances
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177(l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.								
A	B	C	D	E	F	G	H	I
	Cash Balance Information by ROPS Period	Fund Sources						Comments
		Bond Proceeds		Reserve Balance		Other	RPTTF	
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR balances retained	Prior ROPS RPTTF distributed as reserve for next bond payment	Rent, Grants, Interest, Etc.	Non-Admin and Admin	
ROPS 13-14A Actuals (07/01/13 - 12/31/13)								
1	Beginning Available Cash Balance (Actual 07/01/13) Note that for the RPTTF, 1 + 2 should tie to columns J and O in the Report of Prior Period Adjustments (PPAs)	-	-	-	106,945			
2	Revenue/Income (Actual 12/31/13) Note that the RPTTF amounts should tie to the ROPS 13-14A distribution from the County Auditor-Controller during June 2013					5	181,695	
3	Expenditures for ROPS 13-14A Enforceable Obligations (Actual 12/31/13) Note that for the RPTTF, 3 + 4 should tie to columns L and Q in the Report of PPAs						205,616	
4	Retention of Available Cash Balance (Actual 12/31/13) Note that the RPTTF amount should only include the retention of reserves for debt service approved in ROPS 13-14A				3,521			
5	ROPS 13-14A RPTTF Prior Period Adjustment Note that the RPTTF amount should tie to column S in the Report of PPAs.	No entry required					-	
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ 103,424	\$ 5	\$ (23,921)	
ROPS 13-14B Estimate (01/01/14 - 06/30/14)								
7	Beginning Available Cash Balance (Actual 01/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ -	\$ -	\$ -	\$ 106,945	\$ 5	\$ (23,921)	
8	Revenue/Income (Estimate 06/30/14) Note that the RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014					5	184,813	
9	Expenditures for 13-14B Enforceable Obligations (Estimate 06/30/14)						183,967	
10	Retention of Available Cash Balance (Estimate 06/30/14) Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14B							
11	Ending Estimated Available Cash Balance (7 + 8 - 9 -10)	\$ -	\$ -	\$ -	\$ 106,945	\$ 10	\$ (23,076)	

Recognized Obligation Payment Schedule (ROPS) 14-15A - Report of Prior Period Adjustments																											
Reported for the ROPS 13-14A (July 1, 2013 through December 31, 2013) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)																											
(Report Amounts in Whole Dollars)																											
ROPS 13-14A Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 13-14A (July through December 2013) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 14-15A (July through December 2014) period will be offset by the SA's self-reported ROPS 13-14A prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.																				ROPS 13-14A CAC PPA: To be completed by the CAC upon submittal of the ROPS 14-15A by the SA to Finance and the CAC. Note that CACs will need to enter their own formulas at the line item level pursuant to the manner in which they calculate the PPA. Also note that the admin amounts do not need to be listed at the line item level and may be entered as a lump sum.							
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures										Net SA Non-Admin and Admin PPA (Amount Used to Offset ROPS 14-15A Requested RPTTF)	SA Comments	RPTTF Expenditures						Net CAC Non-Admin and Admin PPA (Amount Used to Offset ROPS 14-15A Requested RPTTF)	CAC Comments
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin							Non-Admin CAC			Admin CAC				
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 13-14A distributed + all other available as of 07/1/13)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 13-14A distributed + all other available as of 07/1/13)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)			Net Difference (M+R)	Net Lesser of Authorized / Available	Actual	Difference	Net Lesser of Authorized / Available	Actual		
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 171,866	\$ 171,866	\$ 171,866	\$ 171,866	\$ -	\$ 33,750	\$ 9,829	\$ 9,829	\$ 33,750	\$ -	\$ -			\$ -			\$ -			
1	2006 Tax Allocation	-	-	-	-	-	-	31,838	31,838	\$ 31,838	31,838	\$ -						\$ -									
2	2009 Tax Allocation	-	-	-	-	-	-	131,427	131,427	\$ 131,427	131,427	\$ -						\$ -									
3	Land Purchase	-	-	-	-	-	-	8,601	8,601	\$ 8,601	8,601	\$ -						\$ -									
4	Town Loan #4 dated 03/27/07	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -									
5	Town Loan #5 dated 03/09/10	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -									
6	Town Loan #6 dated 03/01/11	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -									
7	Bond and Note Admin Fees	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -									
8	Administration Fees	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -									
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<p align="center">Recognized Obligation Payment Schedule 14-15A - Notes</p> <p align="center">July 1, 2014 through December 31, 2014</p>

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[illegible]

<p align="center">Recognized Obligation Payment Schedule 14-15A - Notes</p> <p align="center">July 1, 2014 through December 31, 2014</p>

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Recognized Obligation Payment Schedule 14-15A - Notes	
July 1, 2014 through December 31, 2014	
Item #	Notes/Comments

SUCCESSOR AGENCY TO THE PARADISE REDEVELOPMENT AGENCY

ADMINISTRATIVE BUDGET

FOR JULY 1, 2014 THROUGH DECEMBER 31, 2014

1.	Office Rent	Utilities – electricity, water phone and internet	\$1,000
		Facility Maintenance & Repair - Janitorial Supplies/Services	
		IT Infrastructure	
2.	Operating Expenses	Paper, Postage, Printing, Bank Fees	100
3.	Insurance	Crime, Equipment & Liability	500
4.	Staff	Town Manager	500
		Finance Director	3,500
		Town Clerk	500
5.	Legal Counsel	Successor Agency Attorney	5,000
	Total		\$11,100

The proposed source of payment for the administrative budget is the Redevelopment Property Tax Trust Fund.

Proposals for arrangements for administrative and operations services by the Town of Paradise will need to be set forth in a memorandum of understanding.

See Health and Safety Code section 34177(j).



**Oversight Board of the Successor
Agency to the Paradise Redevelopment
Agency**

Agenda Item: 3c

**Agenda Summary
Date: February 27, 2014**

Originated by: Dwight Moore, Town Attorney
Gina S. Will, Finance Director/Town Treasurer

Reviewed by: Lauren Gill, Town Manager

Subject: Approval of Town of Paradise Redevelopment Related Cash
Advance Loans

Action Requested: Adopt a Resolution of the Oversight Board of the Successor Agency to the Paradise Redevelopment Agency authorizing an application relating to a cash advance loan agreement as an enforceable obligation in the Recognized Obligation Payment Schedule; or

Alternatives: Decline to adopt the resolution and give alternative direction to staff.

Discussion:

On April 26, 2013, the Department of Finance sent a Finding of Completion letter to the Town of Paradise indicating that the Town as Successor Agency of the Paradise Redevelopment Agency has complied with all requirements of the Housing and Non-Housing Due Diligence Reviews and made full payments of any monies determined in those reviews for distribution to the other taxing entities. In addition the Successor Agency submitted a Long-Range Property Management Plan to the Department of Finance on June 26, 2013. As a result of this completion, the letter indicates that the Successor Agency may take the following action:

“Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4(b)(1).”

Prior to redevelopment dissolution and beginning with the 2007/08 fiscal year, the Town of Paradise was advancing loans to the Paradise Redevelopment Agency in the amount necessary for the Agency to make its debt service payments. Due to the recession, property values had declined and the tax increment distributed to the Paradise Redevelopment Agency was insufficient to make debt service payments on all redevelopment loans. As of June 30, 2011, the advance loan amounts recorded in both the Town of Paradise and the Paradise Redevelopment Agency Audited Financials equaled \$699,248. As of June 30, 2013, the cash advance loans had been reduced to \$529,030. The Successor Agency is seeking approval to add such loans as an

enforceable obligation to the ROPS.

In accordance with Health and Safety Code Section 34191.4, interest has been recalculated back to inception equal to interest earned by the Local Agency Investment Fund (LAIF) for each year. In addition, according to HSC section 34191.4(b)(2)(A), the maximum annual repayment amount, is limited to one-half of the increase between the residual amount distributed to taxing entities in the ROPS fiscal year compared to the residual amount distributed in the 2012-13 base year. Also in accordance with the law, repayments will be applied 80% to the General Fund and 20% to the Town Housing Fund. An amortization schedule has been created estimating the repayment schedule. The schedule will be updated each year to reflect actual LAIF earnings. The payments have been extended for ten years, but payment amounts may need to be revised annually based on available Redevelopment Property Tax Trust Fund (RPTTF) balances. These loans will remain subordinate to bond indebtedness, other notes, and taxing entity pass-through obligations.

Fiscal Impact Analysis:

Approval of this resolution will allow the Town to begin collecting on these legitimate redevelopment loans. Collection of these loans is vital to the financial health of the Town.

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
PARADISE REDEVELOPMENT AGENCY
RESOLUTION NO. 14-__

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO
THE REDEVELOPMENT AGENCY FINDING THE CASH ADVANCE LOAN
AGREEMENTS BETWEEN THE TOWN OF PARADISE AND THE SUCCESSOR
AGENCY OF THE PARADISE REDEVELOPMENT AGENCY TO BE FOR
LEGITIMATE REDEVELOPMENT PURPOSES AND APPROVING THE LOAN
AGREEMENT AS AN ENFORCEABLE OBLIGATION

WHEREAS, on April 26, 2013, the California Department of Finance addressed a Finding of Completion letter to Gina Will, the Town of Paradise Finance Director, in which it notified the Successor Agency of the Paradise Redevelopment Agency (Successor Agency) of the requirements to have loans between the Town of Paradise and the Paradise Redevelopment Agency as enforceable obligations in the Recognized Obligation Payment Schedule (ROPS) of the Successor Agency; and,

WHEREAS, Health and Safety Code section 34191.4(b) states as follows:

“(1) Notwithstanding subdivision (d) of Section 34171, upon application by the successor agency and approval by the oversight board, loan agreements entered into between the redevelopment agency and the city, county, or city and county that created by the redevelopment agency shall be deemed to be enforceable obligations provided that the oversight board makes a finding that the loan was for legitimate redevelopment purposes.

(2) If the oversight board finds that the loan is an enforceable obligation, the accumulated interest on the remaining principal amount of the loan shall be recalculated from origination at the interest rate earned by funds deposited into the Local Agency Investment Fund. The loan shall be repaid to the city, county, or city and county in accordance with a defined schedule over a reasonable term of years at an interest rate not to exceed the interest rate earned by funds deposited into the Local Agency Investment Fund. The annual loan repayments provided for in the recognized obligations payment schedules shall be subject to all of the following limitations:

(A) Loan repayments shall not be made prior to the 2013–14 fiscal year. Beginning in the 2013–14 fiscal year, the maximum repayment amount authorized each fiscal year for repayments made pursuant to this subdivision and paragraph (7) of subdivision (e) of Section 34176 combined shall be equal to one-half of the increase between the amount distributed to the taxing entities pursuant to paragraph (4) of subdivision (a) of Section 34183 in that fiscal year and the amount distributed to taxing entities pursuant to that paragraph in the 2012–13 base year. Loan or deferral repayments made pursuant to this subdivision shall be second in priority to amounts to be repaid pursuant to paragraph (7) of subdivision (e) of Section 34176.

(B) Repayments received by the city, county or city and county that formed the

redevelopment agency shall first be used to retire any outstanding amounts borrowed and owed to the Low and Moderate Income Housing Fund of the former redevelopment agency for purposes of the Supplemental Educational Revenue Augmentation Fund and shall be distributed to the Low and Moderate Income Housing Asset Fund established by subdivision (d) of Section 34176.

(C) Twenty percent of any loan repayment shall be deducted from the loan repayment amount and shall be transferred to the Low and Moderate Income Housing Asset Fund, after all outstanding loans from the Low and Moderate Income Housing Fund for purposes of the Supplemental Educational Revenue Augmentation Fund have been paid”; and

WHEREAS, in accordance with Health and Safety Code section 34191.4(b), on February 27, 2014, the Successor Agency of the Paradise Redevelopment Agency adopted a resolution authorizing an application relating to re-instituting the cash advance loan agreement with the Town of Paradise as an enforceable obligation in the Successor Agency’s ROPS.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PARADISE REDEVELOPMENT AGENCY AS FOLLOWS:

Section 1. Based on evidence set forth in the attached Exhibit A, the Oversight Board finds that the cash advance loans between the Town of Paradise and the Paradise Redevelopment Agency were for legitimate redevelopment purposes.

Section 2. Pursuant to Health and Safety Code section 34191.4(b), the Oversight Board approves the Successor Agency’s application to have the cash advance loans with the Town of Paradise, as amended, deemed to be an enforceable obligation on the Successor Agency’s ROPS based on the terms set forth in Exhibit B.

Section 3. In addition, the Chairperson is directed to take any action necessary to implement the loans and to include it in the Successor Agency’s ROPS as an enforceable obligation.

PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Paradise Redevelopment Agency on this 27th day of February, 2014, by the following vote:

AYES:

NOES:

ABSENT:

NOT VOTING:

By: _____
Steve “Woody” Culleton, Chairperson

ATTEST:

Joanna Gutierrez, CMC

EXHIBIT A

REDEVELOPMENT PURPOSES

The Town of Paradise provided the cash advance loans to the Paradise Redevelopment Agency (Agency) for the purpose of assisting the Agency with its debt service relating to other Agency loans for redevelopment administration services and other activities. The cash advance loans were necessary to prevent the Agency from defaulting on pre-existing loans for redevelopment purposes. See specific details concerning the cash advance loans attached.

TOWN OF PARADISE
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2011

NOTE 4 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Current Interfund Balances (Continued):

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
<u>Non-major Fund - Special Revenue Fund:</u>	<u>Non-major Funds - Special Revenue Funds:</u>	
Local Transportation Fund	Cluster Septic Fund	\$ 4,339
Local Transportation Fund	Animal Control Shelter Fund	23,174
Local Transportation Fund	Gas Tax Fund	278,976
Local Transportation Fund	Narc Task Force Fund	184
Local Transportation Fund	SLESF Fund	29,856
Local Transportation Fund	CMAQ Fund	35,297
Local Transportation Fund	School Resource Officer Fund	29,117
Local Transportation Fund	CDBG Fund	29,213
Local Transportation Fund	Building Safety and Waste Water Services I	194,749
95 Impact Road Fund	Building Safety and Waste Water Services I	13,429
95 Impact Road Fund	AVOID Fund	13,981
95 Impact Road Fund	First Time Home Buyer Fund	99,659
95 Impact Road Fund	ARRA Fund	213,377
<u>Non-major Fund - Special Revenue Fund:</u>	<u>Non-major Fund - Capital Projects Fund:</u>	
95 Impact Road Fund	Capital Leases Fund	259,554
95 Impact Drainage Fund	Capital Leases Fund	75,267
		\$ 1,675,267

Long-term Interfund Advances

At June 30, 2011, the funds below have made/received advances that were not expected to be repaid within one year.

The advance to the Redevelopment Agency (Agency) was to assist the Agency with administrative, operation, and program costs. The advance of \$1,879,772 for the Agency was composed of the following: \$43,316 is the balance as of June 30, 2011 of a loan that matures on March 21, 2012 and bears interest at 4.5%; \$657,595 is the balance as of June 30, 2011 of a loan that matures on July 1, 2015 and bears interest at 4.5%; \$479,613 is the balance as of June 30, 2011 of a loan that matures on March 1, 2016 and bears interest at 4.5%; \$699,248 is an advance that is to be repaid when funds become available to the Agency and carries an interest rate of 0%.

The advance to the General Fund was to assist the Town to pay for administrative, operational, and other costs of the General Fund. The advance of \$190,386 for the General Fund was composed of the following: \$28,476 is the balance as of June 30, 2011 of a loan that matures on July 1, 2012 and bears interest at 4.97%; \$109,785 is the balance as of June 30, 2011 of a loan that matures on March 15, 2014 and bears interest at 3.75%; \$52,125 is the balance as of June 30, 2011 of a loan that matures on January 1, 2016 and bears interest at 4.97%.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
<u>Major Fund:</u>	<u>Major Fund:</u>	
General Fund	Redevelopment Agency Fund	\$ 1,879,772
<u>Non-major Fund - Special Revenue Fund:</u>	<u>Major Fund:</u>	
Building Safety and Waste Water Services	General Fund	190,386
		\$ 2,070,158

**THE REDEVELOPMENT AGENCY OF THE TOWN OF PARADISE
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
June 30, 2011**

FUND BALANCES - GOVERNMENTAL FUNDS	\$	427,591
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Amounts reported for Governmental Activities in the Statement of Net Assets are different from those reported in the Governmental Funds Balance Sheet because of the following:

Loans receivable are not available to pay for current period expenditures and therefore, are offset by deferred revenue in the governmental funds.		450,493
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Capital assets used in Governmental Activities are not current assets or financial resources and therefore, are not reported in the Governmental Funds Balance Sheet. Capital assets at historical cost		361,905
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Deferred charges represent costs associated with the issuance of long-term debt, which is deferred and amortized over the period during which the debt is outstanding. The costs are reported as expenditures in governmental funds during the year of issuance.		174,348
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The liabilities below are not due and payable in the current period and therefore, are not reported in the Governmental Funds Balance Sheet:

Accrued interest on long term obligations		(65,269)
Advances from the Town of Paradise		(699,248)
Notes payable		(2,587,038)
Bonds payable, net of original issue discount		(4,375,992)
Compensated absences		(28,230)
		(6,341,440)

NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$	(6,341,440)
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THE REDEVELOPMENT AGENCY OF THE TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2011

Note 5 – Long-Term Debt (Continued)

Bonds Payable (Continued)

Fiscal Year Ended June 30,	2009 Tax Allocation Refunding Bonds		
	Principal Amount	Interest Amount	Total
2012	\$ -	\$ 262,855	\$ 262,855
2013		262,855	262,855
2014		262,855	262,855
2015		262,855	262,855
2016		262,855	262,855
2017-2021	410,000	1,275,408	1,685,408
2022-2026	535,000	1,151,175	1,686,175
2027-2031	715,000	977,725	1,692,725
2032-2036	945,000	738,300	1,683,300
2037-2041	1,260,000	420,000	1,680,000
2042-2043	615,000	55,800	670,800
	4,480,000	5,932,683	10,412,683
	(104,008)		(104,008)
	<u>\$ 4,375,992</u>	<u>\$ 5,932,683</u>	<u>\$ 10,308,675</u>

Advances from the Town

As of June 30, 2011, a total of \$699,248 is outstanding on advances that have been received by the Agency from the Town that were used for operating purposes. The advances will be repaid when funds become available to the Agency. The advances carry an interest rate of 0%.

Note 6 - Net Assets and Fund Balances

GASB Statement No. 34 adds the concept of Net Assets, which is measured on the full accrual basis, to the concept of Fund Balance, which is measured on the modified accrual basis.

A. Net Assets

Net Assets are divided into three captions under GASB Statement No. 34. These captions apply only to Net Assets as determined at the Government-wide level, and are described below:

Invested in Capital Assets, net of related debt describes the portion of Net Assets which is represented by the current net book value of the Agency's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Assets which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the Agency cannot unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements, and redevelopment funds restricted to low and moderate income housing purposes.

Unrestricted describes the portion of Net Assets which is not restricted as to use.

B. Fund Balances

As of June 30, 2011, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

EXHIBIT B

AGREEMENT

This Agreement is entered into on _____, 2014 between the Town of Paradise (Town) and the Town of Paradise as the Successor Agency of the Paradise Redevelopment Agency (Successor Agency).

RECITALS

- A. On February 1, 2012, the Paradise Redevelopment Agency (PRA) was dissolved.
- B. Based on Health and Safety Code section 34171, all cash advance loan agreements between the Town and the PRA were invalidated because they were made two or more years after the formation of the PRA. However, such agreements may be re-entered into by the Town and Successor Agency pursuant to Health and Safety Code section 34191.4(b) upon application to do so by the Successor Agency and the approval of the Oversight Board of the Successor Agency.

Now, therefore, the Town and the Successor Agency agree as follows:

- 1. Pursuant to Health and Safety Code section 34191.4(b), the Town and the Successor Agency hereby re-enter into the cash advance loan agreement between the Town of Paradise and the Paradise Redevelopment Agency with the following amendments in accordance with Health and Safety Code section 34191.4(b):
 - 1.1. The accumulated interest on the remaining principal amounts of the loans shall be recalculated from origination at the interest rate earned by funds deposited into the Local Agency Investment Fund.
 - 1.2. The loans shall be repaid to the Town of Paradise based on Exhibit 1 setting forth the new amortization schedules for the loans and the interest rate for the loans shall be the interest rate earned by funds deposited into the Local Agency Investment Fund.

- 1.3. Twenty percent of any loan repayment shall be deducted and transferred to the Low and Moderate Income Housing Asset Fund.
- 1.4. Loan repayments shall not be made prior to fiscal year 2013-14.
- 1.5. The maximum repayment amount authorized in each fiscal year, combined with repayment of Supplemental Education Revenue Augmentation Fund (SERAF) loans and deferred deposits to the Low and Moderate Income Housing fund (LMIHF) shall be equal to one-half of the increase between the Recognized Obligation Payment Schedule (ROPS) residual amounts distributed to the taxing entities in that fiscal year and the ROPS residual amounts distributed to the taxing entities in the 2012-13 based year.
2. The Basic Financial Statements for the loans are attached as Exhibit 2.
3. Except as amended in accordance with Health and Safety Code section 34191(b), all the terms, rights and obligations of the Paradise Redevelopment Agency under the agreements shall be assumed by the Successor Agency. Except as amended in accordance with Health and Safety Code section 34191(b), all the terms, rights and obligations of the Town under the loan agreements shall be assumed by the Town.
4. This Agreement shall not take effect until it approved by the Oversight Board of the Successor Agency.

Town of Paradise

Town of Paradise in the Capacity of
Successor Agency of the Paradise
Redevelopment Agency

Lauren M. Gill, Town Manager

Scott Lotter, Chairperson

ATTEST:

Joanna Gutierrez, CMC

Town Clerk

APPROVED AS TO FORM:

Dwight L. Moore

Agency Counsel

Attachments: Exhibits 1 and 2

EXHIBIT 1

Paradise Redevelopment Agency

Enter values	
Loan amount	\$ 529,030.00
Starting interest rate	0.307%
Loan period in years	10
Number of payments per year	1
Start date of loan	7/1/2011
Optional extra payments	

Loan summary	
Scheduled payment	\$ 53,800.37
Scheduled number of payments	10
Actual number of payments	13
Total early payments	\$ -
Total interest	\$ 83,688.01

Lender name: Town of Paradise - Cash Advance Loan

Pmt. No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest	LAIF Interest	Date Paid
1	7/1/2012	\$ 529,030.00	\$ 53,800.37	\$ -	\$ -	\$ -	\$ 1,624.12	\$ 530,654.12	\$ 1,624.12	0.307%	
2	7/1/2013	\$ 530,654.12	\$ 53,800.37	\$ -	\$ -	\$ -	\$ 1,438.07	\$ 532,092.19	\$ 3,062.19	0.271%	
3	7/1/2014	\$ 532,092.19	\$ 53,800.37	\$ -	\$ -	\$ -	\$ 2,309.28	\$ 534,401.47	\$ 5,371.47	0.434%	
4	7/1/2015	\$ 534,401.47	\$ 53,800.37	\$ -	\$ 62,000.00	\$ 57,837.01	\$ 4,162.99	\$ 476,564.46	\$ 9,534.46	0.779%	7/1/2015
5	7/1/2016	\$ 476,564.46	\$ 53,800.37	\$ -	\$ 62,000.00	\$ 56,190.68	\$ 5,809.32	\$ 420,373.78	\$ 15,343.78	1.219%	7/1/2016
6	7/1/2017	\$ 420,373.78	\$ 53,800.37	\$ -	\$ 62,000.00	\$ 54,126.40	\$ 7,873.60	\$ 366,247.38	\$ 23,217.38	1.873%	7/1/2017
7	7/1/2018	\$ 366,247.38	\$ 53,800.37	\$ -	\$ 62,000.00	\$ 52,199.22	\$ 9,800.78	\$ 314,048.16	\$ 33,018.16	2.676%	7/1/2018
8	7/1/2019	\$ 314,048.16	\$ 53,800.37	\$ -	\$ 62,000.00	\$ 51,799.72	\$ 10,200.28	\$ 262,248.45	\$ 43,218.45	3.248%	7/1/2019
9	7/1/2020	\$ 262,248.45	\$ 53,800.37	\$ -	\$ 62,000.00	\$ 50,697.09	\$ 11,302.91	\$ 211,551.36	\$ 54,521.36	4.310%	7/1/2020
10	7/1/2021	\$ 211,551.36	\$ 53,800.37	\$ -	\$ 62,000.00	\$ 50,413.33	\$ 11,586.67	\$ 161,138.02	\$ 66,108.02	5.477%	7/1/2021
11	7/1/2022	\$ 161,138.02	\$ 53,800.37	\$ -	\$ 62,000.00	\$ 53,174.47	\$ 8,825.53	\$ 107,963.55	\$ 74,933.55	5.477%	7/1/2022
12	7/1/2023	\$ 107,963.55	\$ 53,800.37	\$ -	\$ 62,000.00	\$ 56,086.84	\$ 5,913.16	\$ 51,876.72	\$ 80,846.72	5.477%	7/1/2023
13	7/1/2024	\$ 51,876.72	\$ 53,800.37	\$ -	\$ 54,718.01	\$ 51,876.72	\$ 2,841.29	\$ -	\$ 83,688.01	5.477%	7/1/2024

EXHIBIT 2

TOWN OF PARADISE
NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2011

NOTE 4 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Current Interfund Balances (Continued):

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
<u>Non-major Fund - Special Revenue Fund:</u>	<u>Non-major Funds - Special Revenue Funds:</u>	
Local Transportation Fund	Cluster Septic Fund	\$ 4,339
Local Transportation Fund	Animal Control Shelter Fund	23,174
Local Transportation Fund	Gas Tax Fund	278,976
Local Transportation Fund	Narc Task Force Fund	184
Local Transportation Fund	SLESF Fund	29,856
Local Transportation Fund	CMAQ Fund	35,297
Local Transportation Fund	School Resource Officer Fund	29,117
Local Transportation Fund	CDBG Fund	29,213
Local Transportation Fund	Building Safety and Waste Water Services F	194,749
95 Impact Road Fund	Building Safety and Waste Water Services F	13,429
95 Impact Road Fund	AVOID Fund	13,981
95 Impact Road Fund	First Time Home Buyer Fund	99,659
95 Impact Road Fund	ARRA Fund	213,377
<u>Non-major Fund - Special Revenue Fund:</u>	<u>Non-major Fund - Capital Projects Fund:</u>	
95 Impact Road Fund	Capital Leases Fund	259,554
95 Impact Drainage Fund	Capital Leases Fund	75,267
		\$ 1,675,267

Long-term Interfund Advances

At June 30, 2011, the funds below have made/received advances that were not expected to be repaid within one year.

The advance to the Redevelopment Agency (Agency) was to assist the Agency with administrative, operation, and program costs. The advance of \$1,879,772 for the Agency was composed of the following: \$43,316 is the balance as of June 30, 2011 of a loan that matures on March 21, 2012 and bears interest at 4.5%; \$657,595 is the balance as of June 30, 2011 of a loan that matures on July 1, 2015 and bears interest at 4.5%; \$479,613 is the balance as of June 30, 2011 of a loan that matures on March 1, 2016 and bears interest at 4.5%; \$699,248 is an advance that is to be repaid when funds become available to the Agency and carries an interest rate of 0%.

The advance to the General Fund was to assist the Town to pay for administrative, operational, and other costs of the General Fund. The advance of \$190,386 for the General Fund was composed of the following: \$28,476 is the balance as of June 30, 2011 of a loan that matures on July 1, 2012 and bears interest at 4.97%; \$109,785 is the balance as of June 30, 2011 of a loan that matures on March 15, 2014 and bears interest at 3.75%; \$52,125 is the balance as of June 30, 2011 of a loan that matures on January 1, 2016 and bears interest at 4.97%.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
<u>Major Fund:</u>	<u>Major Fund:</u>	
General Fund	Redevelopment Agency Fund	\$ 1,879,772
<u>Non-major Fund - Special Revenue Fund:</u>	<u>Major Fund:</u>	
Building Safety and Waste Water Services	General Fund	190,386
		\$ 2,070,158

**THE REDEVELOPMENT AGENCY OF THE TOWN OF PARADISE
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET ASSETS
June 30, 2011**

FUND BALANCES - GOVERNMENTAL FUNDS	\$	427,591
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THE REDEVELOPMENT AGENCY OF THE TOWN OF PARADISE
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JUNE 30, 2011

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Advances from the Town

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