



SANTA CRUZ COUNTY CONSOLIDATED REDEVELOPMENT SUCCESSOR AGENCY - OVERSIGHT BOARD

SPECIAL MEETING AGENDA

County Government Center Board Chambers
701 Ocean Street, Room 525, Santa Cruz, CA

Zoom Link <https://us06web.zoom.us/j/82943357111>

Telephone +1 669 900 6833

Webinar ID: 829 4335 7111

Tuesday, March 4, 2025 – 9:00 AM

NOTICE OF SPECIAL MEETING

NOTICE IS HEREBY GIVEN that the Santa Cruz County Consolidated Redevelopment Agency – Oversight Board will convene a Special Meeting on Tuesday, March 4, 2025, to consider minutes of the 1/15/25 meeting, election of the Chair and Vice Chair, Bond Refunding, and Oversight Board member orientation. The meeting will take place in person at the Santa Cruz County Government Center, 701 Ocean Street, Room 525, Santa Cruz, CA 95060, beginning at 9:00 AM or thereafter. The public may attend either in person in the Board Chambers or may join the meeting virtually by computer or telephone using the details provided. There will be an opportunity for the public to address the Board on the Special Meeting topics.

INTRODUCTORY ITEMS

1. CALL TO ORDER
2. ROLL CALL

REGULAR AGENDA

3. Adopt resolution approving the meeting minutes of the January 15, 2025, Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board meeting
4. Adopt resolution electing Chairperson and Vice Chairperson for the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board
5. Adopt resolution providing for the issuance and sale of Tax Allocation Refunding Bonds, 2025 Series A by the Santa Cruz County Redevelopment Successor Agency and approving certain other actions in connection therewith
6. Consider presentation on the purpose and duties of the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board

ADJOURNMENT



County of Santa Cruz Consolidated Redevelopment Successor Agency Oversight Board

Agenda Item Submittal

From: Santa Cruz County Redevelopment Successor Agency

Subject: Approval of Meeting Minutes: January 15, 2025 CRSA-OB Meeting

Meeting Date: March 4, 2025

Formal Title: Adopt resolution approving the meeting minutes of the January 15, 2025, Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board meeting

Recommended Actions

Adopt resolution approving the meeting minutes of the January 15, 2025, Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board meeting.

Executive Summary

Health and Safety Code Section 34179(e) requires that all actions taken by the Oversight Board shall be adopted by resolution.

Submitted By:

Edith Driscoll, Auditor-Controller-Treasure-Tax Collector

Recommended By:

Carlos J. Palacios, County Administrative Officer

Artificial Intelligence Acknowledgment:

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.

BEFORE THE SANTA CRUZ COUNTY CONSOLIDATED
REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD
RESOLUTION NO. _____

On the motion of Oversight Board Member _____ duly seconded by Oversight Board Member _____ the following resolution is adopted:

RESOLUTION APPROVING MEETING MINUTES OF THE
CONSOLIDATED OVERSIGHT BOARD

WHEREAS, the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board ("Oversight Board") has been established to direct the five Redevelopment Successor Agencies of Santa Cruz County ("Successor Agencies") to take certain actions to wind down the affairs of the respective former Redevelopment Agencies ("Agencies") in accordance with the requirements of Assembly Bill 26 ("ABx1 26"), also known as chapter 5, Statutes 2011, First Extraordinary Session, which added Part 1.8 and Part 1.85 of Division 24 of the California Health and Safety Code, Assembly Bill 1484, also known as chapter 26, Statutes of 2012, and Senate Bill 107, 2015-16 Legislative Session, which made certain revisions to the statutes added by ABx1 26; and

WHEREAS, Health and Safety Code Section 34179(e) requires that all actions taken by the Oversight Board shall be adopted by resolution; and

WHEREAS, the Oversight Board conducted a public meeting on January 15, 2025, the minutes of which are attached hereto as Exhibit 1; and

WHEREAS, these meeting minutes reflect the actions of the Oversight Board;

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED by the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board as follows:

SECTION 1. The above Recitals are true and correct.

SECTION 2. The meeting minutes of the Oversight Board meeting on January 15, 2025, are hereby approved.

PASSED, APPROVED and ADOPTED by the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board, this 4th day of March, 2025 by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

Chairperson of the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board

ATTEST:

Clerk of the Oversight Board

Approved as to form:

Signed by:
Jason M. Heath
2336E053FF38435

Attorney for the Oversight Board
Jason M. Heath

Distribution:
Auditor-Controller
CAO
County Counsel
Successor Agency

**PROCEEDINGS OF THE
COUNTY OF SANTA CRUZ CONSOLIDATED REDEVELOPMENT SUCCESSOR
AGENCY OVERSIGHT BOARD**

January 15, 2025

ACTION SUMMARY MINUTES

INTRODUCTORY ITEMS

1. CALL TO ORDER – 9:04 AM

Attendee Name	Title	Status	Arrived
Adam Spickler	Board Member	Present	
Joe Hall	Board Member	Present	
Jim Anderson	Board Member -- Acting Chair	Present	
Liann Reyes	Board Member	Present	
Kathryn Mintz	Board Member	Present	
Manu Koenig	(Chair) Board Member (BOS)	Absent	
Allan Timms	Board Member	Present	

2. CONSIDERATION OF LATE ADDITIONS TO THE AGENDA; ADDITIONS AND DELETIONS TO THE AGENDA

None.

3. PUBLIC COMMENT

No one addressed the Board.

REGULAR AGENDA

4. Adopt resolution approving the meeting minutes of the January 16, 2024, Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board meeting

No one addressed the Board.

RESULT:	ADOPTED [5 TO 0]
MOVER:	Joe Hall, Board Member
SECONDER:	Kathryn Mintz, Board Member
AYES:	Hall, Anderson, Reyes, Mintz, Timms
ABSENT:	Spickler, Koenig

5. Adopt resolution electing Chairperson and Vice Chairperson for the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board

No one addressed the Board.

RESULT:	NO ACTION TAKEN
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Minutes - January 15, 2025

- 6. Adopt resolution approving the schedule for meetings in 2025 and January 2026 of the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board

No one addressed the Board.

RESULT:	ADOPTED [6 TO 0]
MOVER:	Liann Reyes, Board Member
SECONDER:	Allan Timms
AYES:	Spickler, Hall, Anderson, Reyes, Mintz, Timms
ABSENT:	Koenig

- 7. Adopt resolution approving the Santa Cruz County Redevelopment Successor Agency Administrative Budget for 2025-26

No one addressed the Board.

RESULT:	ADOPTED [6 TO 0]
MOVER:	Kathryn Mintz, Board Member
SECONDER:	Joe Hall, Board Member
AYES:	Spickler, Hall, Anderson, Reyes, Mintz, Timms
ABSENT:	Koenig

- 8. Adopt resolution approving the Santa Cruz County Redevelopment Successor Agency Recognized Obligation Payment Schedule (ROPS) for 2025-26

No one addressed the Board.

RESULT:	ADOPTED [6 TO 0]
MOVER:	Adam Spickler, Board Member
SECONDER:	Kathryn Mintz, Board Member
AYES:	Spickler, Hall, Anderson, Reyes, Mintz, Timms
ABSENT:	Koenig

- 9. Adopt resolution approving the City of Watsonville Redevelopment Successor Agency Administrative Budget for 2025-26

No one addressed the Board.

RESULT:	ADOPTED [6 TO 0]
MOVER:	Adam Spickler, Board Member
SECONDER:	Joe Hall, Board Member
AYES:	Spickler, Hall, Anderson, Reyes, Mintz, Timms
ABSENT:	Koenig

Minutes - January 15, 2025

- 10. Adopt resolution approving the City of Watsonville Redevelopment Successor Agency Recognized Obligation Schedule for 2025-26

No one addressed the Board.

RESULT:	ADOPTED [6 TO 0]
MOVER:	Allan Timms
SECONDER:	Kathryn Mintz, Board Member
AYES:	Spickler, Hall, Anderson, Reyes, Mintz, Timms
ABSENT:	Koenig

- 11. Adopt resolution approving the Scotts Valley Redevelopment Successor Agency Administrative Budget for 2025-26

No one addressed the Board.

RESULT:	ADOPTED [6 TO 0]
MOVER:	Allan Timms
SECONDER:	Kathryn Mintz, Board Member
AYES:	Spickler, Hall, Anderson, Reyes, Mintz, Timms
ABSENT:	Koenig

- 12. Adopt resolution approving the Scotts Valley Redevelopment Successor Agency Recognized Obligation Payment Schedule for 2025-26

No one addressed the Board.

RESULT:	ADOPTED [6 TO 0]
MOVER:	Kathryn Mintz, Board Member
SECONDER:	Allan Timms
AYES:	Spickler, Hall, Anderson, Reyes, Mintz, Timms
ABSENT:	Koenig

- 13. Adopt resolution approving the Original Loan Agreement between the City of Scotts Valley and the Redevelopment Agency of the City of Scotts Valley, dated July 16, 2009, and the Loan Agreement between the City of Scotts Valley and the Successor Agency of the Scotts Valley Redevelopment Agency, dated May 16, 2012

No one addressed the Board.

RESULT:	ADOPTED [6 TO 0]
MOVER:	Kathryn Mintz, Board Member
SECONDER:	Joe Hall, Board Member
AYES:	Spickler, Hall, Anderson, Reyes, Mintz, Timms
ABSENT:	Koenig

Minutes - January 15, 2025

ADJOURNMENT – 9:17 AM

APPROVED:

Jim Anderson, Acting Chair of the Oversight Board

ATTEST:

Juliette Rezzato, Clerk of the Oversight Board

DATE:

NOTE:

This set of CRSA Oversight Board Meeting Minutes is scheduled for approval by the Oversight Board on March 4, 2025.

Certificate Of Completion

Envelope Id: 2E6FAC23-2FCB-40C9-8525-03AFB55D04BF

Status: Completed

Subject: Complete with Docusign: Resolution CRSA-OB minutes for 2025-01-15.docx, Draft Minutes for Appro...

Source Envelope:

Document Pages: 6

Signatures: 1

Envelope Originator:

Certificate Pages: 4

Initials: 0

Kim Namba

AutoNav: Enabled

701 Ocean Street

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Santa Cruz, CA 95060

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Pool: County of Santa Cruz

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Signer Events

Jason M. Heath

jason.heath@santacruzcountyca.gov

County Counsel

Security Level: Email, Account Authentication
(None)

Signature

Signed by:

2336E053FF38435...

Signature Adoption: Pre-selected Style

Using IP Address: 73.189.24.90

Timestamp

Sent: 2/12/2025 11:24:08 AM

Viewed: 2/12/2025 12:01:48 PM

Signed: 2/12/2025 12:02:58 PM

Electronic Record and Signature Disclosure:

Accepted: 2/12/2025 12:01:48 PM

ID: 7d58ca6f-d2ad-4a1c-baf5-865e27dbdbf1

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events

Status

Timestamp

Witness Events

Signature

Timestamp

Notary Events

Signature

Timestamp

Envelope Summary Events

Status

Timestamps

Envelope Sent

Hashed/Encrypted

2/12/2025 11:24:08 AM

Certified Delivered

Security Checked

2/12/2025 12:01:48 PM

Signing Complete

Security Checked

2/12/2025 12:02:58 PM

Completed

Security Checked

2/12/2025 12:02:58 PM

Payment Events

Status

Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, County of Santa Cruz (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact County of Santa Cruz:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: nada.algharib@santacruzcounty.us

To advise County of Santa Cruz of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at nada.algharib@santacruzcounty.us and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from County of Santa Cruz

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to nada.algharib@santacruzcounty.us and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with County of Santa Cruz

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an email to nada.algharib@santacruzcounty.us and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

By selecting the check-box next to ‘I agree to use electronic records and signatures’, you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify County of Santa Cruz as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by County of Santa Cruz during the course of your relationship with County of Santa Cruz.



County of Santa Cruz Consolidated Redevelopment Successor Agency Oversight Board

Agenda Item Submittal

From: Santa Cruz County Redevelopment Successor Agency

Subject: Elect Chair and Vice Chair

Meeting Date: March 4, 2025

Formal Title: Adopt resolution electing Chairperson and Vice Chairperson for the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board

Recommended Actions

Adopt resolution electing one member to serve as Chairperson and one member to serve as Vice Chairperson for the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board (Oversight Board).

Executive Summary

It is necessary to elect a Chairperson and Vice Chairperson in order to conduct the business of the Oversight Board.

Discussion

A Chairperson of the Oversight Board must be selected to preside over the Oversight Board's meetings. A Vice Chairperson should also be selected to preside over the meeting when the Chairperson is unavailable. Staff recommends that the next Chairperson and Vice Chairperson serve until the January 2026 meeting.

Submitted By:

Edith Driscoll, Auditor-Controller-Treasurer-Tax Collector

Recommended By:

Carlos J. Palacios, County Administrative Officer

Artificial Intelligence Acknowledgment:

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.

BEFORE THE SANTA CRUZ COUNTY CONSOLIDATED
REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD
RESOLUTION NO. _____

On the motion of Oversight Board Member _____ duly seconded by Oversight Board
Member _____ the following resolution is adopted:

RESOLUTION ELECTING A CHAIRPERSON AND VICE
CHAIRPERSON OF THE SANTA CRUZ COUNTY
CONSOLIDATED REDEVELOPMENT SUCCESSOR AGENCY
OVERSIGHT BOARD

WHEREAS, the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board ("Oversight Board") has been established to direct the five Redevelopment Successor Agencies of Santa Cruz County ("Successor Agencies") to take certain actions to wind down the affairs of the respective former Redevelopment Agencies ("Agencies") in accordance with the requirements of Assembly Bill 26 ("ABx1 26"), also known as chapter 5, Statutes 2011, First Extraordinary Session, which added Part 1.8 and Part 1.85 of Division 24 of the California Health and Safety Code, Assembly Bill 1484, also known as chapter 26, Statutes of 2012, and Senate Bill 107, 2015-16 Legislative Session, which made certain revisions to the statutes added by ABx1 26; and

WHEREAS, Health and Safety Code Section 34179(e) requires that all actions taken by the Oversight Board shall be adopted by resolution; and

WHEREAS, the Oversight Board conducted a public meeting on March 4, 2025, and elected _____ as Chairperson and _____ as Vice Chairperson, each to serve until January, 2026;

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED by the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board as follows:

SECTION 1. The above Recitals are true and correct.

SECTION 2. _____ is elected as Chairperson and _____ is elected as Vice Chairperson, each to serve until January, 2026.

PASSED, APPROVED and ADOPTED by the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board, this 4th day of March, 2025 by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

Chairperson of the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board

ATTEST:

Clerk of the Oversight Board

Approved as to form:

Signed by:

Jason M. Heath

Attorney for the Oversight Board
Jason M. Heath

Distribution:

Auditor-Controller
CAO
County Counsel

Certificate Of Completion

Envelope Id: 21D528E0-29D1-499C-9703-452911CF661F

Status: Completed

Subject: Complete with Docusign: 2025-03-4 resolution elect chair.docx

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Pool: County of Santa Cruz

Location: DocuSign

Signer Events

Jason M. Heath

jason.heath@santacruzcountyca.gov

County Counsel

Security Level: Email, Account Authentication (None)

Signature

Signed by:

2336E053FF38435...

Signature Adoption: Pre-selected Style

Using IP Address: 73.189.24.90

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Sent: 2/12/2025 11:27:43 AM

Viewed: 2/12/2025 12:00:38 PM

Signed: 2/12/2025 12:01:11 PM

Electronic Record and Signature Disclosure:

Accepted: 2/12/2025 12:00:38 PM

ID: ec52bde4-7182-41d1-af45-496a4472ebb0

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events

Status

Timestamp

Witness Events

Signature

Timestamp

Notary Events

Signature

Timestamp

Envelope Summary Events

Status

Timestamps

Envelope Sent

Hashed/Encrypted

2/12/2025 11:27:43 AM

Certified Delivered

Security Checked

2/12/2025 12:00:38 PM

Signing Complete

Security Checked

2/12/2025 12:01:11 PM

Completed

Security Checked

2/12/2025 12:01:11 PM

Payment Events

Status

Timestamps

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At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

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You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: nada.algharib@santacruzcounty.us

To advise County of Santa Cruz of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at nada.algharib@santacruzcounty.us and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from County of Santa Cruz

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to nada.algharib@santacruzcounty.us and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with County of Santa Cruz

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an email to nada.algharib@santacruzcounty.us and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

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- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify County of Santa Cruz as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by County of Santa Cruz during the course of your relationship with County of Santa Cruz.



County of Santa Cruz Consolidated Redevelopment Successor Agency Oversight Board

Agenda Item Submittal

From: Santa Cruz County Redevelopment Successor Agency

Subject: Refinancing County Redevelopment Successor Agency Bonds

Meeting Date: March 4, 2025

Formal Title: Adopt resolution providing for the issuance and sale of Tax Allocation Refunding Bonds, 2025 Series A by the Santa Cruz County Redevelopment Successor Agency and approving certain other actions in connection therewith

Recommended Actions

Adopt resolution providing for the issuance and sale of Tax Allocation Refunding Bonds, 2025 Series A (Refunding Bonds) in an amount not exceeding \$95,000,000 by the Santa Cruz County Redevelopment Successor Agency and approving certain other actions in connection therewith.

Executive Summary

The Santa Cruz County Redevelopment Successor Agency's Tax Allocation Refunding Bonds, 2015 Series A (2015A Bonds) and Tax Allocation Refunding Bonds, 2016 Series A (2016 Bonds) are now eligible to be refinanced. If approved, the resolution would authorize the refunding of the 2015A Bonds and 2016 Bonds by the Santa Cruz County Redevelopment Successor Agency ("Successor Agency"), with an expected total savings of \$8.8 million over the remaining 11 years (average 7.5% reduction in payments). Approximately \$1.16 million of the savings will be distributed to the County's General Fund, \$7,231,000 would be distributed to the schools and College District and the balance would be distributed to affected special districts in the form of additional residual Redevelopment Property Tax Trust Fund payments.

Background

There are currently five series of bonds of the Successor Agency outstanding, with four of the five series issued in 2015, 2016 and in 2017 to refinance bonds previously issued by the Redevelopment Agency.

The County's debt policy states that refinancings which produce a net present value savings of at least 4% of the refunded debt will be considered economically viable. The Successor Agency's 2015A Bonds and 2016 Bonds have reached their call date and refinancing these series will produce an economic benefit.

Discussion

There are currently \$55,255,000 2015A Bonds outstanding, bearing an interest rate of 5%, with a final maturity of 2035. There are currently \$42,025,000 2016 Bonds outstanding, bearing an average interest rate of 4.27%, with a final maturity of 2036.

The Successor Agency's Financial Advisor estimates that refinancing of the 2015A Bonds and 2016 Bonds will be at an effective rate of 3.01% (rates current as of January

2025). The repayment is scheduled to occur over the same term as the existing bonds.

The total debt service savings over the remaining 11 years that the 2015A Bonds and 2016 Bonds are outstanding is approximately \$8,800,000, which will increase the Redevelopment Property Tax Trust Fund (RPTTF) residual available to be distributed to all taxing agencies. This represents a reduction in payments of 7.5%. The County's refinancing policy requires a minimum savings of 4%.

The debt service for Fiscal Year 2024-25 is already funded through the approved 24-25 ROPS, so there are no savings in the first year. The increased residual RPTTF as a result of the refinancing would be distributed in future years to the Live Oak and Soquel School Districts, the College District, the County and other taxing agencies through the regular RPTTF distribution process.

Between the time that the refinancing is approved by the Oversight Board and the time that the Successor Agency can actually enter the market to sell the refunding bonds based on the Health and Safety Code (HSC) requirements (discussed below), interest rates could increase or decrease, and debt service savings may be reduced or may improve. Therefore, the current estimate of \$8.8 million savings to be shared among taxing agencies over the next 11 years is an estimate at this time. For every quarter percent change in the bonds interest rate, the total savings will be increased or decreased by \$1.65 million, or an average annual savings increase of \$150,000. If rates decrease by a quarter percent, the reduction in total payments increases from 7.5% to 9.0%. If rates increase by a quarter percent, the reduction in total payments decreases from 7.5% to 5.9%.

Authorization Process

The Successor Agency authorized the issuance of the refunding bonds on February 11, 2025 (Attachment B). Final approval authority for any refinancing resides with your Board and the Department of Finance

In order to authorize the issuance of the refunding bonds, your Board is being presented with a resolution for consideration. The resolution authorizes sale of a principal amount of refunding bonds not-to-exceed \$95,000,000 to refinance the 2015A Bonds and the 2016 Bonds.

The Department of Finance has 60 days after review of the resolution to authorize the Successor Agency to proceed with the refunding. Therefore, the bonds are expected to be sold in early June after Department of Finance approval is received.

Financial Impact

The increase in the residual property tax (RPTTF) that gets distributed to all the taxing entities will increase by approximately \$8.8 over the remaining 11 years that the 2015A Bonds and 2016 Bonds are outstanding, based on interest rates as of December 2024, shown in the attached Debt Service Savings Analysis (Attachment C). The incremental residual property tax will be distributed to taxing agencies, including the County, through the regular RPTTF distribution process. The County will receive approximately 13.2% of the benefit of the reduced debt service, and the remaining 86.8% of the benefit will be shared among the school districts, the college district, and other taxing agencies.

The Dissolution Act also provides that staff costs related to refunding proceedings can be recovered as authorized by Section 34177.5(f) of the Health and Safety Code.

Submitted By:

Edith Driscoll, Auditor-Controller-Treasurer-Tax Collector

Recommended By:

Carlos J. Palacios, County Administrative Officer

Artificial Intelligence Acknowledgment:

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.

BEFORE THE SANTA CRUZ COUNTY CONSOLIDATED REDEVELOPMENT
SUCCESSOR AGENCY OVERSIGHT BOARD

RESOLUTION NO. _____

On the motion of _____ duly seconded by _____ the following resolution is adopted:

RESOLUTION APPROVING THE ISSUANCE AND SALE OF
TAX ALLOCATION REFUNDING BONDS, 2025 SERIES A
BY THE SANTA CRUZ COUNTY REDEVELOPMENT
SUCCESSOR AGENCY AND APPROVING CERTAIN OTHER
ACTIONS IN CONNECTION THEREWITH

WHEREAS, the County of Santa Cruz Redevelopment Agency (the “Prior Agency”) was a public body, corporate and politic, duly created, established and authorized to transact business and exercise its powers under and pursuant to the provisions of the Community Redevelopment Law (Part 1 of Division 24 (commencing with Section 33000) of the Health and Safety Code of the State of California) (the “Law”), and the powers of the Prior Agency included the power to issue Bonds for any of its corporate purposes; and

WHEREAS, a redevelopment plan for a redevelopment project known and designated as the Live Oak/Soquel Community Improvement Project Area (the “Redevelopment Project”) has been adopted and approved by Ordinance No. 3836 of the Board of Supervisors (the “Board”) of the County of Santa Cruz (the “County”), and all requirements of the Law for and precedent to the adoption and approval of the Redevelopment Project have been duly complied with; and

WHEREAS the Prior Agency previously issued its Subordinate Tax Allocation Bonds 2000 Series A (the “2000 Series A Bonds”), Tax Allocation Bonds, 2005 Series A (the “2005 Series A Bonds”) and Tax Allocation Bonds, 2009 Series A (the “2009 Series A Bonds”) to finance improvements of benefit to the Redevelopment Project; and

WHEREAS the Successor Agency previously issued its (i) Tax Allocation Refunding Bonds, 2015 Series A (the “2015 Series A Bonds”) to refund certain of the outstanding 2000 Series A Bonds and the outstanding 2005 Series A Bonds and (ii) Tax Allocation Refunding Bonds, 2016 Series A (the “2016 Series A Bonds” and, together with the 2015 Series A Bonds, the “Refunded Bonds”) to refund the outstanding 2009 Series A Bonds; and

WHEREAS, Section 34177.5 authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the “Refunding Law”) for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(1) (the “Savings Parameters”); and

WHEREAS, the Successor Agency has determined that, based on current conditions in the municipal bond market, it will achieve debt service savings in compliance with the Savings Parameters as evidenced by the analysis prepared by its Municipal Advisor, Harrell & Company Advisors, LLC, describing potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the refunding of the Refunded Bonds (the “Debt Service Savings Analysis”); and

WHEREAS, the Successor Agency proposes to achieve the potential debt service savings evidenced by the Debt Service Savings Analysis by the issuance of its Santa Cruz County Redevelopment Successor Tax Allocation Refunding Bonds, 2025 Series A (the “Refunding Bonds”) pursuant to the Law, the Refunding Law and the form of Indenture of Trust, dated as of February 1, 2025, by and between the Successor Agency and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Indenture”) on file with the Clerk of the Board; and

WHEREAS, pursuant to Section 34179, this Oversight Board has been established for the Successor Agency and the Successor Agency by its resolution adopted February 11, 2025, (the “Successor Agency Resolution”) requested that the Oversight Board pursuant to Section 34177.5(f) direct the Successor Agency to undertake such refunding proceedings by the issuance of the Refunding Bonds, it being understood that such direction by the Oversight Board will enable the Successor Agency to recover its related costs in connection with the refunding proceedings, as authorized by Section 34177.5(f); and

WHEREAS, in the Successor Agency Resolution, the Successor Agency approved the issuance and sale of the Refunding Bonds and authorized the execution and delivery of the Indenture, subject to the conditions set forth in the Successor Agency Resolution; and

WHEREAS, in the Successor Agency Resolution, the Successor Agency also requested that this Oversight Board approve the issuance of the Refunding Bonds pursuant to the Successor Agency Resolution and the Indenture and that this Oversight Board make certain determinations described below on which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds; and

WHEREAS, the Successor Agency has, with the assistance of its Disclosure Counsel and its Municipal Advisor, caused to be prepared a form of Preliminary Official Statement and approved a final Official Statement describing the Refunding Bonds and containing material information relating to the Refunding Bonds, the preliminary form of which was submitted to the Successor Agency and approved for distribution to persons and institutions interested in purchasing the Refunding Bonds; and

WHEREAS, the Successor Agency will sell the Refunding Bonds by competitive sale and will authorize and direct its officers and staff to implement the sale and delivery of the Refunding Bonds;; and

WHEREAS, this Oversight Board has completed its review of the refunding proceedings and the Debt Service Savings Analysis and wishes at this time to give its approval to the issuance of the Refunding Bonds by the Successor Agency without further authorization or approval by this Board;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE SANTA CRUZ COUNTY CONSOLIDATED REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD, AS FOLLOWS:

Section 1. Determination of Savings. This Oversight Board has determined that there are significant potential savings available to the Successor Agency and to applicable taxing entities in compliance with the Savings Parameters by the issuance by the Successor Agency of the

Refunding Bonds to provide funds to refund and defease the Refunded Bonds, all as evidenced by the Debt Service Savings Analysis presented herewith and on file with the Clerk of the Board of the Oversight Board, which Debt Service Savings Analysis is hereby approved.

Section 2. Direction to Refund. The Oversight Board hereby directs the Successor Agency to undertake the refunding proceedings pursuant to Section 34177.5(a)(1) for the issuance, sale and delivery of the Refunding Bonds, as requested in the Successor Agency Resolution presented herewith and on file with the Secretary of the Oversight Board.

Section 3. Approval of Issuance of the Refunding Bonds. As authorized by Section 34177.5(f) and Section 34180, this Oversight Board hereby approves the issuance by the Successor Agency of the Refunding Bonds pursuant to Section 34177.5(a)(1) and under applicable provisions of the Law and the Refunding Law and as provided in the Successor Agency Resolution and the Indenture in the aggregate principal amount of not to exceed \$95,000,000, provided that the principal and interest payable with respect to the Refunding Bonds complies in all respects with the requirements of the Savings Parameters, as shall be certified to by the Municipal Advisor upon delivery of the Refunding Bonds.

Section 4. Issuance in Separate Series. The Refunding Bonds may be issued as a single issue, or from time to time in separate series, as the Successor Agency shall determine. The approval of the issuance of the Refunding Bonds by the Oversight Board shall constitute the approval of each and every separate series of Refunding Bonds, without the need for any further approval from the Oversight Board, provided that each such separate series of Refunding Bonds complies in all respects with the Saving Parameters required to be met by Section 34177.5(a)(1).

Section 5. Determinations by the Oversight Board. As requested by the Successor Agency in the Successor Agency Resolution, the Oversight Board makes the following determinations upon which the Successor Agency shall rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds:

(a) The Successor Agency is authorized, as provided in Section 34177.5(f), to recover its costs related to the issuance of the Refunding Bonds from the proceeds of the Refunding Bonds, including the cost of reimbursing the County of Santa Cruz for administrative staff time spent with respect to the authorization, issuance, sale and delivery of the Refunding Bonds;

(b) The application of proceeds of the Refunding Bonds by the Successor Agency to the refunding and defeasance of the Refunded Bonds, as well as to the payment by the Successor Agency of all costs of issuance of the Refunding Bonds, as provided in Section 34177.5(a), shall be implemented by the Successor Agency promptly upon sale and delivery of the Refunding Bonds, and, notwithstanding Section 34177.3 or any other provision of law to the contrary, no further approval of the Oversight Board, the California Department of Finance, the Santa Cruz County Auditor-Controller-Treasurer-Tax Collector, or any other person or entity other than the Successor Agency shall be required; and

(c) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under Section 34183(a)(3) without any deductions with respect to continuing costs related to the Refunding Bonds, such as trustee’s fees, auditing and fiscal consultant fees and continuing disclosure and rating agency costs (collectively, “Continuing Costs of Issuance”), and such Continuing Costs of Issuance shall be payable from property tax revenues pursuant to Section 34183. In addition, and as provided by Section 34177.5(f), if the Successor Agency is unable to complete the issuance of the Refunding Bonds for any reason, the Successor Agency shall, nevertheless, be entitled to recover its costs incurred with respect to the refunding proceedings from such property tax revenues pursuant to Section 34183 without reduction in its Administrative Cost Allowance.

Section 6. Effective Date. Pursuant to Section 34179(h), all actions taken by this Oversight Board may be reviewed by the California Department of Finance and, therefore, this Resolution shall be effective five (5) business days after notice to the Department of Finance unless the Department of Finance requests a review of the actions taken in this Resolution, in which case this Resolution will be effective upon approval by the Department of Finance after such review.

PASSED, APPROVED AND ADOPTED this 4th day of March, 2025.

AYES:
NOES:
ABSENT:
ABSTAIN:

Chairperson of the Santa Cruz County Consolidated
Redevelopment Successor Agency Oversight Board

ATTEST:

Clerk of the Oversight Board

APPROVED AS TO FORM:



Bond Counsel

Distribution:

- Auditor-Controller
- CAO
- County Counsel
- Successor Agency
- State Department of Finance

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RESOLUTION NO. 10 - 2025

On Motion of Supervisor Cummings, duly seconded by Supervisor Koenig

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY AUTHORIZING THE ISSUANCE OF TAX ALLOCATION REFUNDING BONDS, 2025 SERIES A TO REFUND BONDS OF THE SUCCESSOR AGENCY, AND APPROVING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, NOTICE OF INTENTION TO SELL, OFFICIAL NOTICE OF SALE, PRELIMINARY OFFICIAL STATEMENT, CONTINUING DISCLOSURE CERTIFICATE AND ESCROW AGREEMENTS AND PROVIDING OTHER MATTERS RELATING TO THE ISSUANCE OF THE REFUNDING BONDS

WHEREAS, the Santa Cruz County Redevelopment Agency (the “Prior Agency”) was a public body, corporate and politic, duly created, established and authorized to transact business and exercise its powers under and pursuant to the provisions of the Community Redevelopment Law (Part 1 of Division 24 (commencing with Section 33000) of the Health and Safety Code of the State of California) (the “Law”), and the powers of the Santa Cruz County Redevelopment Agency included the power to issue bonds for any of its corporate purposes; and

WHEREAS, a Redevelopment Plan for a redevelopment project known and designated as the Live Oak/Soquel Community Improvement Project Area (the “Redevelopment Project”) has been adopted and approved by Ordinance No. 3836 of the Board of Supervisors (the “Board”) of the County of Santa Cruz (the “County”), and all requirements of the Law for and precedent to the adoption and approval of the Redevelopment Project have been duly complied with; and

WHEREAS the Prior Agency previously issued its Subordinate Tax Allocation Bonds 2000 Series A (the “2000 Series A Bonds”), Tax Allocation Bonds, 2005 Series A (the “2005 Series A Bonds”) and Tax Allocation Bonds, 2009 Series A (the “2009 Series A Bonds”) to finance improvements of benefit to the Redevelopment Project; and

WHEREAS, on June 28, 2011, the California Legislature adopted ABx1 26 (the “Dissolution Act”); and

WHEREAS, the California Supreme Court subsequently upheld the provisions of the Dissolution Act, resulting in the Prior Agency being dissolved as of February 1, 2012; and

WHEREAS, on January 10, 2012, the Board adopted Resolution No. 5-2012 declaring itself as the successor agency to the Prior Agency (the “Successor Agency”) upon the dissolution of the Prior Agency; and

WHEREAS, the powers, assets, duties and obligations of the Prior Agency were transferred on February 1, 2012 to the Successor Agency; and

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WHEREAS, on or about June 27, 2012, the California Legislature adopted AB 1484 as a trailer bill in connection with the 2012-13 California budget; and

WHEREAS, AB 1484 added various provisions to the Law, including section 34177.5(a)(1) thereof which specifically authorizes the issuance of refunding bonds by the Successor Agency in certain circumstances to refund bonds and indebtedness of the Prior Agency; and

WHEREAS the Successor Agency previously issued its (i) Tax Allocation Refunding Bonds, 2015 Series A (the “2015 Series A Bonds”) to refund certain of the outstanding 2000 Series A Bonds and the outstanding 2005 Series A Bonds and (ii) Tax Allocation Refunding Bonds, 2016 Series A (the “2016 Series A Bonds” and, together with the 2015 Series A Bonds, the “Refunded Bonds”) to refund the outstanding 2009 Series A Bonds; and

WHEREAS, Section 34177.5(a)(1) authorizes the Successor Agency to undertake proceedings for the refunding of outstanding bonds and other obligations of the Successor Agency in order to achieve debt service savings within the parameters set forth in Section 34177.5(a)(1) (the “Savings Parameters”), and to issue bonds for such purpose pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the “Refunding Law”); and

WHEREAS, the Successor Agency has determined, based on current conditions in the municipal bond market, that it will achieve debt service savings in compliance with the Savings Parameters as evidenced by the analysis prepared by its Municipal Advisor, Harrell & Company Advisors, LLC, describing potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the refunding of the Refunded Bonds (the “Debt Service Savings Analysis”); and

WHEREAS, the Successor Agency has determined that issuance of the Bonds and refunding of the Refunded Bonds will satisfy the debt service savings conditions set forth in Section 34177.5(a)(1) of the Health and Safety Code; and

WHEREAS, the Successor Agency has now determined that, due to prevailing financial market conditions, it is in the best interests of the Successor Agency at this time to refinance redevelopment activities within and for the benefit to the Redevelopment Project by means of the refunding of the Refunded Bonds; and

WHEREAS, the Successor Agency desires to issue its Tax Allocation Refunding Bonds, 2025 Series A (the “Refunding Bonds”) for the purpose of refunding the Refunded Bonds, to fund a debt service reserve account and pay costs of issuance; and

WHEREAS, the Municipal Advisor to the Successor Agency for the Refunding Bonds has had input into the Board letter for this Resolution, which Board letter addresses matters described in Section 34177.5(h) of the Law; and

WHEREAS, the Successor Agency, with the aid of its staff, has reviewed the Indenture, the Notice of Intention to Sell, the Official Notice of Sale, the Preliminary Official Statement, the Continuing Disclosure Certificate and the two separate Escrow Deposit and Trust Agreements

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relating to the refunding of the Refunded Bonds (the “Escrow Agreements”), the forms of which are presented herewith and on file with the Clerk of the Board, and the Successor Agency wishes to approve the Indenture, the Notice of Intention to Sell, the Official Notice of Sale, the Preliminary Official Statement, a final Official Statement, the Continuing Disclosure Certificate and the Escrow Agreements and the issuance, sale and delivery of the Refunding Bonds; and

WHEREAS, pursuant to Section 34179 of the Law, an oversight board (the “Oversight Board”) has been established for the Successor Agency and the Successor Agency has requested that the Oversight Board approve the issuance of the Refunding Bonds by the Successor Agency, as authorized by Section 34177.5(f) of the Law and the Indenture; and

WHEREAS, following approval by the Oversight Board of the issuance of the Refunding Bonds by the Successor Agency to be effective upon approval by the California Department of Finance of such approval by the Oversight Board, the Successor Agency, with the assistance of its Municipal Advisor, will offer the Refunding Bonds by competitive sale;

NOW, THEREFORE, THE SANTA CRUZ COUNTY REDEVELOPMENT SUCCESSOR AGENCY DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1 Determination of Savings. The Successor Agency has determined that there are significant potential savings available to the Successor Agency and to applicable taxing entities in compliance with the Savings Parameters by the issuance by the Successor Agency of the Refunding Bonds to provide funds to refund the Refunded Bonds, all as evidenced by the Debt Service Savings Analysis presented herewith and on file with the Clerk of the Board of the Successor Agency, which Debt Service Savings Analysis is hereby approved.

Section 2 Request for Direction. The Oversight Board is hereby requested to direct the Successor Agency to undertake the refunding proceedings pursuant to Section 34177.5(a)(1) for the issuance, sale and delivery of the Refunding Bonds.

Section 3 Approval of Issuance of the Refunding Bonds. The Successor Agency hereby authorizes and approves the issuance of the Refunding Bonds pursuant to the Refunding Law in the aggregate principal amount of not to exceed \$95,000,000 for the purpose of providing funds to refinance the Refunded Bonds in whole or in part, to fund a debt service reserve account and pay costs of issuance. The Successor Agency further authorizes the sale of the Refunding Bonds, provided that the Refunding Bonds shall bear interest at such rates and shall be sold at such a price so as to (1) achieve the Savings Parameters required to be met by Section 34177.5(a)(1) of the Law and (2) achieve a net present value savings amount generated from the issuance of the Refunding Bonds, expressed as a percentage of the principal amount of the Refunded Bonds, of at least 4%, and the underwriter’s discount shall not exceed 1% of the par amount of the Refunding Bonds, excluding original issue discount.

Section 4 Indenture of Trust. The Successor Agency hereby approves the Indenture prescribing the terms and provisions of the Refunding Bonds and the application of the proceeds of the Refunding Bonds. Each of the Chairperson of the Board of Supervisors, as the presiding officer of the Successor Agency, the County Administrative Officer of the County of Santa Cruz,

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as the chief administrative officer of the Successor Agency, the Assistant County Administrative Officer of the County of Santa Cruz, as the assistant chief administrative officer of the Successor Agency, the Auditor-Controller-Treasurer-Tax Collector as Treasurer of the Successor Agency (each, an “Authorized Officer”), is hereby authorized and directed to execute and deliver, and the Clerk of the Board of the Successor Agency, is hereby authorized and directed to attest to, the Indenture for and in the name and on behalf of the Successor Agency, in substantially the form on file with the Clerk of the Board, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer shall approve, such approval to be conclusively evidenced by the execution and delivery of the Indenture. The Successor Agency hereby authorizes the delivery and performance of the Indenture.

Section 5 Issuance in Separate Series. The Refunding Bonds may be issued as a single issue, or from time to time in separate series, as the Successor Agency shall determine. The approval of the issuance of the Refunding Bonds by the Successor Agency and by the Oversight Board shall constitute the approval of each and every separate series of Refunding Bonds, without the need for any further approval from the Oversight Board, provided that each such separate series of Refunding Bonds complies with the Saving Parameters required to be met by Section 34177.5(a)(1).

Section 6 Notice of Intention to Sell. The Notice of Intention to Sell (the “Notice of Intention to Sell”), in the form presented herewith and on file with the Clerk of the Board of the Successor Agency, with such changes, insertions and omissions therein as may be approved by an Authorized Officer, is hereby approved, and the use of the Notice of Intention to Sell in connection with the offering and sale of the Refunding Bonds is hereby approved. The Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to cause the Notice of Intention to Sell to be published once in *The Bond Buyer* (or in such other financial publication generally circulated throughout the State of California or reasonably expected to be disseminated among prospective bidders for the Refunding Bonds as an Authorized Officer shall approve as being in the best interests of the Successor Agency) at least five days prior to the date set for the opening of bids in the Official Notice of Sale, with such changes, insertions and omissions therein as an Authorized Officer may require or approve, such requirement or approval to be conclusively evidenced by such publishing of the Notice of Intention to Sell.

Section 7 Official Notice of Sale. The Official Notice of Sale (the “Official Notice of Sale”), in the form presented herewith and on file with the Clerk of the Board of the Successor Agency, with such changes, insertions and omissions therein as may be approved by an Authorized Officer, is hereby approved, and the use of the Official Notice of Sale in connection with the offering and sale of the Refunding Bonds is hereby authorized and approved. The terms and conditions of the offering and sale of the Refunding Bonds shall be as specified in the Official Notice of Sale. Bids for the purchase of the Refunding Bonds shall be received at the time and place set forth in the Official Notice of Sale. The Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to accept the bid for the

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Refunding Bonds with the lowest true interest cost, or to reject all bids therefor, in accordance with the terms of the Official Notice of Sale.

Section 8 Preliminary Official Statement and Final Official Statement. The Preliminary Official Statement relating to the Refunding Bonds, in the form presented herewith and on file with the Clerk of the Board of the Successor Agency, is hereby approved. The Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to cause the Preliminary Official Statement in substantially said form, with such additions or changes therein as the Authorized Officer may approve, to be deemed final for the purposes of Rule 15c2-12 of the Securities and Exchange Act of 1934 (“Rule 15c2-12”). The distribution of the Preliminary Official Statement to prospective purchasers of the Refunding Bonds in substantially the form hereby approved, together with such additions thereto and changes therein as are determined necessary by the Authorized Officer to make the Preliminary Official Statement final as of its date for purposes of Rule 15c2-12, including, but not limited to, such additions and changes as are necessary to make all information set forth therein accurate and not misleading.

The preparation and delivery of a final official statement (the “Official Statement”), and its use by the Successor Agency and the winning bidder (the “Underwriter”) under the Official Notice of Sale, in connection with the offering and sale of the Refunding Bonds, is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be requested by Bond Counsel or the Underwriter and approved by the Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. Each Authorized Officer is hereby authorized and directed to execute the Official Statement and any amendment or supplement thereto, in the name of and on behalf of the Successor Agency, and thereupon to cause the Official Statement and any such amendment or supplement to be delivered to the Underwriter.

Section 9 Continuing Disclosure Certificate. The form of a continuing disclosure certificate in substantially the form appended to the Preliminary Official Statement and made a part hereof as though set forth in full herein (the “Continuing Disclosure Certificate”), is hereby approved. Each Authorized Officer is hereby authorized and directed to execute and deliver the Continuing Disclosure Certificate in the form appended to the Preliminary Official Statement with such changes insertions and omissions as may be requested by Disclosure Counsel and approved by the Authorized Officer, said execution being conclusive evidence of such approval.

Section 10 Escrow Agreements. The Successor Agency hereby approves the Escrow Agreements prescribing the provisions for refunding the Refunded Bonds, namely, the 2015A Escrow Deposit and Trust Agreement and the 2016A Escrow Deposit and Trust Agreement. Each Authorized Officer is hereby authorized and directed to execute and deliver, and the Clerk of the Board of the Successor Agency is hereby authorized and directed to attest to, the Escrow Agreements for and in the name and on behalf of the Successor Agency, in substantially the forms presented herewith and on file with the Clerk of the Board, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer shall approve, such approval to be

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conclusively evidenced by the execution and delivery of the Escrow Agreements. The Successor Agency hereby authorizes the delivery and performance of the Escrow Agreements.

Section 11 Oversight Board Approval of the Issuance of the Refunding Bonds. The Successor Agency hereby requests that the Oversight Board approve the issuance, sale and delivery of the Refunding Bonds pursuant to this Resolution and the Indenture, as above described.

Section 12 Filing of this Resolution. The Clerk of the Board of the Successor Agency is hereby authorized and directed to file a certified copy of this Resolution with the Oversight Board, together with the Debt Service Savings Analysis, and, as provided in Section 34180(j), with the Santa Cruz County Administrative Officer, the Santa Cruz County Auditor-Controller-Treasurer-Tax Collector, and the California Department of Finance.

Section 13 Determinations by the Oversight Board. The Successor Agency requests that the Oversight Board make the following determinations upon which the Successor Agency will rely in undertaking the refunding proceedings and the issuance, sale and delivery of the Refunding Bonds:

(a) The Successor Agency is authorized, as provided in Section 34177.5(f), to recover its costs related to the issuance of the Refunding Bonds from the proceeds of the Refunding Bonds, including the cost of reimbursing the County of Santa Cruz for administrative staff time spent with respect to the authorization, issuance, sale and delivery of the Refunding Bonds;

(b) The application of proceeds of the Refunding Bonds by the Successor Agency to the refunding and defeasance of the Refunded Bonds, as well as to the payment by the Successor Agency of all costs of issuance of the Refunding Bonds, as provided in Section 34177.5(a), shall be implemented by the Successor Agency promptly upon sale and delivery of the Refunding Bonds, and, notwithstanding Section 34177.3 or any other provision of law to the contrary, no further approval of the Oversight Board, the California Department of Finance, the Santa Cruz County Auditor-Controller-Treasurer-Tax Collector, or any other person or entity other than the Successor Agency shall be required; and

(c) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under Section 34183(a)(3) without any deductions with respect to continuing costs related to the Refunding Bonds, such as trustee's fees, auditing and fiscal consultant fees and continuing disclosure and rating agency costs (collectively, "Continuing Costs of Issuance"), and such Continuing Costs of Issuance shall be payable from property tax revenues pursuant to Section 34183. In addition, and as provided by Section 34177.5(f), if the Successor Agency is unable to complete the issuance of the Refunding Bonds for any reason, the Successor Agency shall, nevertheless, be entitled to recover its costs incurred with respect to the refunding proceedings from such property tax revenues pursuant to Section 34183 without reduction in its Administrative Cost Allowance.

Section 14 Appointments. The appointments of Harrell & Company Advisors, LLC as Municipal Advisor, Norton Rose Fulbright US LLP, as bond counsel, and Stradling Yocca Carlson & Rauth LLP, as disclosure counsel, are hereby confirmed to act on behalf of the Successor Agency in the presentation of this Resolution and the Debt Service Savings Analysis to

Resolution 10-2025

the Oversight Board and for purposes of the proceedings for the issuance, sale and delivery of the Refunding Bonds.

Section 15 Official Actions. All actions heretofore taken by the officers and agents of the Successor Agency with respect to the issuance of the Refunding Bonds are hereby approved, confirmed and ratified. The Authorized Officers, the County Counsel as general counsel of the Successor Agency, the Clerk of the Board and any and all other officers of the Successor Agency are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, which they, or any of them, may deem necessary or advisable, including execution and delivery of any and all assignments, certificates, requisitions, including requisitions for the payment of costs of issuance of the Refunding Bonds, agreements, including agreements in customary form providing for the investment of the proceeds of the Refunding Bonds, notices, consents, and other documents, which they, or any of them, may deem necessary or advisable in order to obtain the requested approvals by the Oversight Board and the California Department of Finance and to consummate the sale, issuance and delivery of the Refunding Bonds; the funding of a reserve fund with proceeds of the Refunding Bonds or a letter of credit, surety bond or insurance policy if, upon the advice of the Municipal Advisor, the funding of the reserve fund will be economically beneficial to the financing; the insuring of all or any portion of the Refunding Bonds through one or more municipal bond insurance companies, if, upon the advice of the Municipal Advisor, such insurance will result in a lower true interest cost on the Refunding Bonds. Whenever in this Resolution any officer of the Successor Agency is directed to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

Section 16 California Department of Finance Approval. Notwithstanding anything herein to the contrary, the Refunding Bonds shall not be offered for sale or issued unless and until the California Department of Finance issues its letter approving the Oversight Board Resolution relating to the Refunding Bonds.

Section 17 Effective Date. This Resolution shall take effect from and after its passage and adoption.

Resolution 10-2025

IN WITNESS WHEREOF, this Resolution is adopted and approved the 11th day of February, 2025.

Ayes: Supervisors Koenig, De Serpa, Cummings, Martinez and Hernandez

Noes: None

Absent: None

DocuSigned by:
Felipe Hernandez
309EB769DA614E4...

2/13/2025

Felipe Hernandez
Chairperson of the Santa Cruz County
Redevelopment Successor Agency

(SEAL)

ATTEST

DocuSigned by:
Juliette Rezzato
466B074F3141450...

2/13/2025

Juliette Rezzato
Clerk of the Board of the Santa Cruz County
Redevelopment Successor Agency

APPROVED AS TO FORM:



Bond Counsel

SOURCES AND USES OF FUNDS

Santa Cruz County Redevelopment Successor Agency
Tax Allocation Refunding Bonds, 2025 Series A
Debt Service Savings Analysis for February 11, 2025 Successor Agency Agenda

Sources:	Tax Allocation Refunding Bonds Allocable to 2015A Refunding	Tax Allocation Refunding Bonds Allocable to 2016 Refunding	Total
Bond Proceeds:			
Par Amount	46,510,000.00	36,395,000.00	82,905,000.00
Premium	5,654,697.15	5,030,946.75	10,685,643.90
	<u>52,164,697.15</u>	<u>41,425,946.75</u>	<u>93,590,643.90</u>
Other Sources of Funds:			
Debt Service Fund for 9/1/2025 Payment	5,076,375.00	2,493,600.00	7,569,975.00
	<u>57,241,072.15</u>	<u>43,919,546.75</u>	<u>101,160,618.90</u>
<hr/> <hr/>			
Uses:	Tax Allocation Refunding Bonds Allocable to 2015A Refunding	Tax Allocation Refunding Bonds Allocable to 2016 Refunding	Total
Refunding Escrow Deposits:			
Cash Deposit	0.68	0.38	1.06
SLGS Purchases	56,132,230.00	42,977,255.00	99,109,485.00
	<u>56,132,230.68</u>	<u>42,977,255.38</u>	<u>99,109,486.06</u>
Delivery Date Expenses:			
Cost of Issuance	176,716.12	138,283.88	315,000.00
Underwriter's Discount	465,100.00	363,950.00	829,050.00
Bond Insurance Premium	305,471.75	249,644.75	555,116.50
Surety Bond Premium	158,756.25	185,325.00	344,081.25
	<u>1,106,044.12</u>	<u>937,203.63</u>	<u>2,043,247.75</u>
Other Uses of Funds:			
Rounding Amount	2,797.35	5,087.74	7,885.09
	<u>57,241,072.15</u>	<u>43,919,546.75</u>	<u>101,160,618.90</u>
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BOND DEBT SERVICE

Santa Cruz County Redevelopment Successor Agency
Tax Allocation Refunding Bonds, 2025 Series A
Debt Service Savings Analysis for February 11, 2025 Successor Agency Agenda

Period Ending	Principal	Coupon	Interest	Debt Service
09/01/2026	4,085,000	5.000%	4,974,300	9,059,300
09/01/2027	5,065,000	5.000%	3,941,000	9,006,000
09/01/2028	6,750,000	5.000%	3,687,750	10,437,750
09/01/2029	7,040,000	5.000%	3,350,250	10,390,250
09/01/2030	7,390,000	5.000%	2,998,250	10,388,250
09/01/2031	8,240,000	5.000%	2,628,750	10,868,750
09/01/2032	8,645,000	5.000%	2,216,750	10,861,750
09/01/2033	9,085,000	5.000%	1,784,500	10,869,500
09/01/2034	9,535,000	5.000%	1,330,250	10,865,250
09/01/2035	10,010,000	5.000%	853,500	10,863,500
09/01/2036	7,060,000	5.000%	353,000	7,413,000
	82,905,000		28,118,300	111,023,300

SUMMARY OF REFUNDING RESULTS

Santa Cruz County Redevelopment Successor Agency
 Tax Allocation Refunding Bonds, 2025 Series A
 Debt Service Savings Analysis for February 11, 2025 Successor Agency Agenda

	Tax Allocation Refunding Bonds Allocable to 2015A Refunding	Tax Allocation Refunding Bonds Allocable to 2016 Refunding	Total
Dated Date	06/19/2025	06/19/2025	06/19/2025
Delivery Date	06/19/2025	06/19/2025	06/19/2025
Arbitrage Yield	2.961780%	2.961780%	2.961780%
Escrow Yield	4.520980%	4.520980%	4.520980%
Value of Negative Arbitrage	-172,092.40	-131,761.36	-303,853.76
Bond Par Amount	46,510,000.00	36,395,000.00	82,905,000.00
True Interest Cost	2.998842%	3.027892%	3.012767%
Net Interest Cost	3.220834%	3.275819%	3.247299%
All-In TIC	3.230300%	3.253184%	3.241259%
Average Coupon	5.000000%	5.000000%	5.000000%
Average Life	6.271	7.437	6.783
Par amount of refunded bonds	55,255,000.00	42,025,000.00	97,280,000.00
Average coupon of refunded bonds	5.000000%	4.267985%	4.649043%
Average life of refunded bonds	5.821	7.049	6.351
PV of prior debt	61,925,689.78	46,012,699.57	107,938,389.36
Net PV Savings	5,048,860.61	2,291,911.44	7,340,772.05
Percentage savings of refunded bonds	9.137382%	5.453686%	7.546024%
Percentage savings of refunding bonds	10.855430%	6.297325%	8.854438%

SAVINGS

Santa Cruz County Redevelopment Successor Agency
Tax Allocation Refunding Bonds, 2025 Series A
Debt Service Savings Analysis for February 11, 2025 Successor Agency Agenda

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 06/19/2025 @ 2.9617802%
09/01/2025	7,569,975.00	7,569,975.00				-44,381.81
09/01/2026	9,817,200.00		9,817,200.00	9,059,300.00	757,900.00	721,361.63
09/01/2027	9,759,700.00		9,759,700.00	9,006,000.00	753,700.00	707,559.58
09/01/2028	11,271,450.00		11,271,450.00	10,437,750.00	833,700.00	759,674.16
09/01/2029	11,218,450.00		11,218,450.00	10,390,250.00	828,200.00	732,570.96
09/01/2030	11,219,450.00		11,219,450.00	10,388,250.00	831,200.00	713,686.01
09/01/2031	11,740,600.00		11,740,600.00	10,868,750.00	871,850.00	726,858.07
09/01/2032	11,737,350.00		11,737,350.00	10,861,750.00	875,600.00	708,586.48
09/01/2033	11,746,600.00		11,746,600.00	10,869,500.00	877,100.00	688,982.42
09/01/2034	11,741,400.00		11,741,400.00	10,865,250.00	876,150.00	668,262.31
09/01/2035	11,740,000.00		11,740,000.00	10,863,500.00	876,500.00	649,134.79
09/01/2036	7,831,200.00		7,831,200.00	7,413,000.00	418,200.00	300,592.36
	127,393,375.00	7,569,975.00	119,823,400.00	111,023,300.00	8,800,100.00	7,332,886.96

Savings Summary

Dated Date	06/19/2025
Delivery Date	06/19/2025
PV of savings from cash flow	7,332,886.96
Plus: Refunding funds on hand	7,885.09
	7,340,772.05
Net PV Savings	7,340,772.05

SAVINGS

Santa Cruz County Redevelopment Successor Agency
Tax Allocation Refunding Bonds Allocable to 2015A Refunding
Debt Service Savings Analysis for February 11, 2025 Successor Agency Agenda

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 06/19/2025 @ 2.9617802%
09/01/2025	5,076,375.00	5,076,375.00				-29,762.15
09/01/2026	6,448,000.00		6,448,000.00	5,870,600.00	577,400.00	552,540.01
09/01/2027	6,449,500.00		6,449,500.00	5,871,500.00	578,000.00	543,275.94
09/01/2028	6,451,250.00		6,451,250.00	5,876,500.00	574,750.00	524,454.63
09/01/2029	6,442,750.00		6,442,750.00	5,867,000.00	575,750.00	510,019.28
09/01/2030	6,449,000.00		6,449,000.00	5,873,250.00	575,750.00	495,115.58
09/01/2031	6,968,750.00		6,968,750.00	6,349,000.00	619,750.00	517,309.24
09/01/2032	6,970,750.00		6,970,750.00	6,350,250.00	620,500.00	502,783.03
09/01/2033	6,969,000.00		6,969,000.00	6,344,000.00	625,000.00	491,603.70
09/01/2034	6,968,000.00		6,968,000.00	6,345,000.00	623,000.00	475,682.08
09/01/2035	6,972,000.00		6,972,000.00	6,347,250.00	624,750.00	463,041.91
	72,165,375.00	5,076,375.00	67,089,000.00	61,094,350.00	5,994,650.00	5,046,063.26

Savings Summary

Dated Date	06/19/2025
Delivery Date	06/19/2025
PV of savings from cash flow	5,046,063.26
Plus: Refunding funds on hand	2,797.35
	5,048,860.61
Net PV Savings	5,048,860.61

SAVINGS

Santa Cruz County Redevelopment Successor Agency
 Tax Allocation Refunding Bonds Allocable to 2016 Refunding
 Debt Service Savings Analysis for February 11, 2025 Successor Agency Agenda

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 06/19/2025 @ 2.9617802%
09/01/2025	2,493,600.00	2,493,600.00				-14,619.66
09/01/2026	3,369,200.00		3,369,200.00	3,188,700.00	180,500.00	168,821.62
09/01/2027	3,310,200.00		3,310,200.00	3,134,500.00	175,700.00	164,283.63
09/01/2028	4,820,200.00		4,820,200.00	4,561,250.00	258,950.00	235,219.53
09/01/2029	4,775,700.00		4,775,700.00	4,523,250.00	252,450.00	222,551.68
09/01/2030	4,770,450.00		4,770,450.00	4,515,000.00	255,450.00	218,570.43
09/01/2031	4,771,850.00		4,771,850.00	4,519,750.00	252,100.00	209,548.83
09/01/2032	4,766,600.00		4,766,600.00	4,511,500.00	255,100.00	205,803.45
09/01/2033	4,777,600.00		4,777,600.00	4,525,500.00	252,100.00	197,378.73
09/01/2034	4,773,400.00		4,773,400.00	4,520,250.00	253,150.00	192,580.23
09/01/2035	4,768,000.00		4,768,000.00	4,516,250.00	251,750.00	186,092.87
09/01/2036	7,831,200.00		7,831,200.00	7,413,000.00	418,200.00	300,592.36
	55,228,000.00	2,493,600.00	52,734,400.00	49,928,950.00	2,805,450.00	2,286,823.70

Savings Summary

Dated Date	06/19/2025
Delivery Date	06/19/2025
PV of savings from cash flow	2,286,823.70
Plus: Refunding funds on hand	5,087.74
Net PV Savings	2,291,911.44

SUMMARY OF BONDS REFUNDED

Santa Cruz County Redevelopment Successor Agency
Tax Allocation Refunding Bonds, 2025 Series A
Debt Service Savings Analysis for February 11, 2025 Successor Agency Agenda

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price	
Tax Allocation Refunding Bonds, 2015 Series A:						
SERIAL	09/01/2025	5.000%	3,695,000.00			
	09/01/2026	5.000%	3,870,000.00	09/01/2025	100.000	
	09/01/2027	5.000%	4,065,000.00	09/01/2025	100.000	
	09/01/2028	5.000%	4,270,000.00	09/01/2025	100.000	
	09/01/2029	5.000%	4,475,000.00	09/01/2025	100.000	
	09/01/2030	5.000%	500,000.00	09/01/2025	100.000	
	TERM	09/01/2030	5.000%	4,205,000.00	09/01/2025	100.000
		09/01/2031	5.000%	5,460,000.00	09/01/2025	100.000
		09/01/2032	5.000%	5,735,000.00	09/01/2025	100.000
		09/01/2033	5.000%	6,020,000.00	09/01/2025	100.000
09/01/2034		5.000%	6,320,000.00	09/01/2025	100.000	
	09/01/2035	5.000%	6,640,000.00	09/01/2025	100.000	
			55,255,000.00			
Tax Allocation Refunding Bonds, 2016 Series A:						
SERIAL	09/01/2025	5.000%	1,560,000.00			
	09/01/2026	5.000%	1,580,000.00	09/01/2025	101.000	
	09/01/2027	5.000%	1,600,000.00	09/01/2025	101.000	
	09/01/2028	5.000%	3,190,000.00	09/01/2025	101.000	
	09/01/2029	5.000%	3,305,000.00	09/01/2025	101.000	
	09/01/2030	4.000%	3,465,000.00	09/01/2025	101.000	
	09/01/2031	5.000%	3,605,000.00	09/01/2025	101.000	
	09/01/2032	5.000%	3,780,000.00	09/01/2025	101.000	
	09/01/2033	4.000%	3,980,000.00	09/01/2025	101.000	
	09/01/2034	4.000%	4,135,000.00	09/01/2025	101.000	
	09/01/2035	4.000%	4,295,000.00	09/01/2025	101.000	
	09/01/2036	4.000%	7,530,000.00	09/01/2025	101.000	
				42,025,000.00		
				97,280,000.00		

BOND PRICING

Santa Cruz County Redevelopment Successor Agency
 Tax Allocation Refunding Bonds, 2025 Series A
 Debt Service Savings Analysis for February 11, 2025 Successor Agency Agenda

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Premium (-Discount)
Serial Bonds:						
	09/01/2026	4,085,000	5.000%	2.760%	102.622	107,108.70
	09/01/2027	5,065,000	5.000%	2.640%	105.008	253,655.20
	09/01/2028	6,750,000	5.000%	2.680%	107.065	476,887.50
	09/01/2029	7,040,000	5.000%	2.720%	108.987	632,684.80
	09/01/2030	7,390,000	5.000%	2.720%	110.982	811,569.80
	09/01/2031	8,240,000	5.000%	2.730%	112.862	1,059,828.80
	09/01/2032	8,645,000	5.000%	2.760%	114.532	1,256,291.40
	09/01/2033	9,085,000	5.000%	2.870%	115.460	1,404,541.00
	09/01/2034	9,535,000	5.000%	2.900%	116.846	1,606,266.10
	09/01/2035	10,010,000	5.000%	2.990%	117.554	1,757,155.40
	09/01/2036	7,060,000	5.000%	3.020%	118.692	1,319,655.20
		82,905,000				10,685,643.90

Dated Date	06/19/2025	
Delivery Date	06/19/2025	
First Coupon	03/01/2026	
Par Amount	82,905,000.00	
Premium	10,685,643.90	
Production	93,590,643.90	112.889022%
Underwriter's Discount	-829,050.00	-1.000000%
Purchase Price	92,761,593.90	111.889022%
Accrued Interest		
Net Proceeds	92,761,593.90	



County of Santa Cruz Consolidated Redevelopment Successor Agency Oversight Board

Agenda Item Submittal

From: Santa Cruz County Redevelopment Successor Agency

Subject: Oversight Board purpose and duties

Meeting Date: March 4, 2025

Formal Title: Consider presentation on the purpose and duties of the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board

Recommended Actions

Consider presentation on the purpose and duties of the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board (CRSA-OB).

Executive Summary

Upon request of Board members, staff is providing an overview of the purpose and duties of the CRSA-OB.

Background

The creation of redevelopment agencies in California was authorized by the Community Redevelopment Act, adopted in 1945. In 1952, Proposition 18 established tax increment financing for redevelopment agencies. Tax increment financing redirected property tax revenues over the amount levied in the base year (the inception year of each redevelopment project area) within the redevelopment project area from the affected taxing entities (school districts, county or city, special districts, etc.) to the redevelopment agency.

On February 1, 2012, pursuant to ABX1 26, all redevelopment agencies in California were dissolved and the process for unwinding their financial affairs began. The process focuses on two goals: (1) ensuring that existing financial obligations of the former redevelopment agencies are honored and paid and (2) minimizing any additional obligations so that more funds are available to transfer to the affected taxing entities. To that end, the dissolution legislation established three new entities: the redevelopment successor agency, housing successor agency, and oversight board; and added duties and responsibilities to the county auditor-controller and the California Department of Finance (DOF).

Roles and responsibilities

The successor agency manages redevelopment projects underway at the time of dissolution, prepares the annual budget, prepares the Redevelopment Obligation Payment Schedule (ROPS) annually, makes payments identified on the ROPS, prepares the Prior Period Adjustment report, may refinance bonds to achieve savings, and disposes of redevelopment assets and properties as directed by the oversight board. Its actions are subject to the review of the oversight board and DOF.

The housing successor agency manages the former redevelopment agency's housing functions and housing assets. Its actions are not subject to the review of the oversight board and DOF.

Oversight boards were established pursuant to California Health and Safety Code Section 34179 (Attachment A), which requires the formation of oversight boards to the successor agencies of the former redevelopment agencies; defines the composition of the oversight board; defines what constitutes a quorum; that an oversight board must comply with the Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act of 1974; and that oversight boards have a fiduciary responsibility to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenue. California Health and Safety Code Section 34179(j) further mandates the dissolution of the former individual city or county Oversight Boards within each county and the creation of a single Consolidated Oversight Board overseeing all redevelopment successor agencies within the County commencing on July 1, 2018.

The primary purpose of the oversight board, and as further defined in Health and Safety Code Sections 34180 and 34181 (Attachment 1), is to assist with the disposition of assets of the former redevelopment agencies. Oversight boards approve each successor agency's administrative budget; duly approve each Recognized Obligation Payment; approve bond refinancings or direct a successor agency to commence bond refinancings pursuant to Health and Safety Code Section 34177.5, may direct a successor agency to dispose of assets and properties of a former redevelopment agency or transfer them to a local government; and may terminate or renegotiate existing agreements of a former redevelopment agency if it finds that early termination or other terms would be in the best interest of the local agencies or that the agreement does not qualify as an enforceable obligation.

The county auditor-controller administers each RSA's Redevelopment Property Tax Trust Fund (RPTTF). Tax revenues, equal to the amounts that would have been allocated to each former redevelopment agency, are placed in each RPTTF. Twice annually, the auditor-controller distributes to each RSA the amount identified on the oversight board- and DOF-approved ROPS as necessary to pay its obligations for each 6-month period, and distributes any remaining balance to the affected taxing entities in each former redevelopment project area. The auditor-controller also audits the Prior Period Adjustment report of each RSA annually.

The DOF has the right to review all actions of local oversight boards, and to approve or deny approval. Actions of the oversight board do not go into effect for five business days. During this time, the Department of Finance may request a review of the oversight board's action. The Department of Finance, in turn, has 60 days from the date of the review request to approve the oversight board's action or return it to the oversight board for reconsideration.

Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board

The members of the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board include:

- 1) One member appointed by the County Board of Supervisors;
- 2) One member appointed by the city selection committee;
- 3) One member appointed by the independent special district selection committee;
- 4) One member appointed by the County Superintendent of Education to represent schools;
- 5) One member appointed by the Chancellor of the California Community Colleges to represent community college districts;
- 6) One member of the public appointed by the County Board of Supervisors; and
- 7) One member appointed by the recognized employee organization representing the largest number of successor agency employees in the county.

A list of the current Board members and alternates is attached (Attachment B).

At the first meeting of the CRSA-OB in August 2018, the CRSA-OB adopted Bylaws (Attachment C) to facilitate the process of the meetings and establish the rules for the Oversight Board. The Bylaws conform to the requirements of the Brown Act and Rosenberg's Rules of Order.

In Santa Cruz County, the county and all 4 cities each elected to act as the redevelopment successor agency (RSA) for their former redevelopment agencies. The City of Santa Cruz RSA submitted and the DOF approved a Last and Final ROPS pursuant to Health and Safety Code Section 34191.6 prior to the formation of the CRSA-OB. They are therefore not subject to review by the CRSA-OB, with exceptions for bond refinancings, long-range property management plans, amendments to the Last and Final ROPS, and final dissolution. The City of Capitola RSA's final dissolution was authorized by the DOF in October 2022, and approved by the CRSA-OB in January 2023, after it paid off all its enforceable obligations and disposed of all its assets. Currently, the 3 RSA's of the County of Santa Cruz, City of Scotts Valley, and City of Watsonville remain subject to review by the CRSA-OB and DOF until their Last and Final ROPS or final dissolution. After the final dissolutions of the four remaining RSA's the CRSA-OB will dissolve.

Submitted By:

Edith Driscoll, Auditor-Controller-Treasurer-Tax Collector

Recommended By:

Carlos J. Palacios, County Administrative Officer

Artificial Intelligence Acknowledgment:

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.



State of California

HEALTH AND SAFETY CODE

Section 34179

34179. (a) Each successor agency shall have an oversight board composed of seven members. The members shall elect one of their members as the chairperson and shall report the name of the chairperson and other members to the Department of Finance on or before May 1, 2012. Members shall be selected as follows:

- (1) One member appointed by the county board of supervisors.
- (2) One member appointed by the mayor for the city that formed the redevelopment agency.
- (3) (A) One member appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the former redevelopment agency that is of the type of special district that is eligible to receive property tax revenues pursuant to Section 34188.
(B) On or after the effective date of this subparagraph, the county auditor-controller may determine which is the largest special district for purposes of this section.
- (4) One member appointed by the county superintendent of education to represent schools if the superintendent is elected. If the county superintendent of education is appointed, then the appointment made pursuant to this paragraph shall be made by the county board of education.
- (5) One member appointed by the Chancellor of the California Community Colleges to represent community college districts in the county.
- (6) One member of the public appointed by the county board of supervisors.
- (7) One member representing the employees of the former redevelopment agency appointed by the mayor or chair of the board of supervisors from the recognized employee organization representing the largest number of former redevelopment agency employees employed by the successor agency at that time. If city or county employees performed administrative duties of the former redevelopment agency, the appointment shall be made from the recognized employee organization representing those employees. If a recognized employee organization does not exist for either the employees of the former redevelopment agency or the city or county employees performing administrative duties of the former redevelopment agency, the appointment shall be made from among the employees of the successor agency. In voting to approve a contract as an enforceable obligation, a member appointed pursuant to this paragraph shall not be deemed to be interested in the contract by virtue of being an employee of the successor agency or community for purposes of Section 1090 of the Government Code.
- (8) If the county or a joint powers agency formed the redevelopment agency, the largest city by acreage in the territorial jurisdiction of the former redevelopment

agency may select one member. If there are no cities with territory in a project area of the redevelopment agency, the county superintendent of education may appoint an additional member to represent the public.

(9) If there are no special districts of the type that are eligible to receive property tax pursuant to Section 34188 within the territorial jurisdiction of the former redevelopment agency, the county may appoint one member to represent the public.

(10) If a redevelopment agency was formed by an entity that is both a charter city and a county, the oversight board shall be composed of seven members selected as follows:

(A) Three members appointed by the mayor of the city, if that appointment is subject to confirmation by the county board of supervisors.

(B) One member appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the former redevelopment agency, that is the type of special district that is eligible to receive property tax revenues pursuant to Section 34188.

(C) One member appointed by the county superintendent of education to represent schools.

(D) One member appointed by the Chancellor of the California Community Colleges to represent community college districts.

(E) One member representing employees of the former redevelopment agency appointed by the mayor of the city if that appointment is subject to confirmation by the county board of supervisors, to represent the largest number of former redevelopment agency employees employed by the successor agency at that time.

(11) Each appointing authority identified in this subdivision may, but is not required to, appoint alternate representatives to serve on the oversight board as may be necessary to attend any meeting of the oversight board in the event that the appointing authority's primary representative is unable to attend any meeting for any reason. If an alternate representative attends any meeting in place of the primary representative, the alternate representative shall have the same participatory and voting rights as all other attending members of the oversight board.

(b) The Governor may appoint individuals to fill any oversight board member position described in subdivision (a) that has not been filled by May 15, 2012, or any member position that remains vacant for more than 60 days.

(c) The oversight board may direct the staff of the successor agency to perform work in furtherance of the oversight board's and the successor agency's duties and responsibilities under this part. The successor agency shall pay for all of the costs of meetings of the oversight board and may include those costs in its administrative budget. Oversight board members shall serve without compensation or reimbursement for expenses.

(d) Oversight board members are protected by the immunities applicable to public entities and public employees governed by Part 1 (commencing with Section 810) and Part 2 (commencing with Section 814) of Division 3.6 of Title 1 of the Government Code.

(e) A majority of the total membership of the oversight board shall constitute a quorum for the transaction of business. A majority vote of the total membership of the oversight board is required for the oversight board to take action. The oversight board shall be deemed to be a local entity for purposes of the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code), and the Political Reform Act of 1974 (Chapter 1 (commencing with Section 81000) of Title 9 of the Government Code). All actions taken by the oversight board shall be adopted by resolution.

(f) All notices required by law for proposed oversight board actions shall also be posted on the successor agency's internet website or the oversight board's internet website.

(g) Each member of an oversight board shall serve at the pleasure of the entity that appointed that member.

(h) (1) The department may review an oversight board action taken pursuant to this part. Written notice and information about all actions taken by an oversight board shall be provided to the department as an approved resolution by electronic means and in a manner of the department's choosing. Without abrogating the department's authority to review all matters related to the Recognized Obligation Payment Schedule pursuant to Section 34177, oversight boards are not required to submit the following oversight board actions for department approval:

(A) Meeting minutes and agendas.

(B) Administrative budgets.

(C) Changes in oversight board members, or the selection of an oversight board chair or vice chair.

(D) Transfers of governmental property pursuant to an approved long-range property management plan.

(E) Transfers of property to be retained by the sponsoring entity for future development pursuant to an approved long-range property management plan.

(2) An oversight board action submitted in a manner specified by the department shall become effective five business days after submission, unless the department requests a review of the action. Each oversight board shall designate an official to whom the department may make those requests and who shall provide the department with the telephone number and email contact information for the purpose of communicating with the department pursuant to this subdivision. Except as otherwise provided in this part, if the department requests a review of a given oversight board action, it shall have 40 days from the date of its request to approve the oversight board action or return it to the oversight board for reconsideration and the oversight board action shall not be effective until approved by the department. If the department returns the oversight board action to the oversight board for reconsideration, the oversight board shall resubmit the modified action for department approval and the modified oversight board action shall not become effective until approved by the department. If the department reviews a Recognized Obligation Payment Schedule,

the department may eliminate or modify any item on that schedule prior to its approval. The county auditor-controller shall reflect the actions of the department in determining the amount of property tax revenues to allocate to the successor agency. The department shall provide notice to the successor agency and the county auditor-controller as to the reasons for its actions. To the extent that an oversight board continues to dispute a determination with the department, one or more future Recognized Obligation Payment Schedules may reflect any resolution of that dispute. The department may also agree to an amendment to a Recognized Obligation Payment Schedule to reflect a resolution of a disputed item; however, this shall not affect a past allocation of property tax or create a liability for any affected taxing entity.

(i) Oversight boards shall have fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188. Further, the provisions of Division 4 (commencing with Section 1000) of Title 1 of the Government Code shall apply to oversight boards. Notwithstanding Section 1099 of the Government Code, or any other law, any individual may simultaneously be appointed to up to five oversight boards and may hold an office in a city, county, city and county, special district, school district, or community college district.

(j) Except as specified in subdivision (q), commencing on and after July 1, 2018, in each county where more than one oversight board was created by operation of the act adding this part, there shall be only one oversight board, which shall be staffed by the county auditor-controller, by another county entity selected by the county auditor-controller, or by a city within the county that the county auditor-controller may select after consulting with the department. Pursuant to Section 34183, the county auditor-controller may recover directly from the Redevelopment Property Tax Trust Fund, and distribute to the appropriate city or county entity, reimbursement for all costs incurred by it or by the city or county pursuant to this subdivision, which shall include any associated startup costs. However, if only one successor agency exists within the county, the county auditor-controller may designate the successor agency to staff the oversight board. The oversight board is appointed as follows:

- (1) One member may be appointed by the county board of supervisors.
- (2) One member may be appointed by the city selection committee established pursuant to Section 50270 of the Government Code. In a city and county, the mayor may appoint one member.
- (3) One member may be appointed by the independent special district selection committee established pursuant to Section 56332 of the Government Code, for the types of special districts that are eligible to receive property tax revenues pursuant to Section 34188.
- (4) One member may be appointed by the county superintendent of education to represent schools if the superintendent is elected. If the county superintendent of education is appointed, then the appointment made pursuant to this paragraph shall be made by the county board of education.
- (5) One member may be appointed by the Chancellor of the California Community Colleges to represent community college districts in the county.

(6) One member of the public may be appointed by the county board of supervisors.

(7) One member may be appointed by the recognized employee organization representing the largest number of successor agency employees in the county.

(k) The Governor may appoint individuals to fill any oversight board member position described in subdivision (j) that has not been filled by July 15, 2018, or any member position that remains vacant for more than 60 days.

(l) Commencing on and after July 1, 2018, in each county where only one oversight board was created by operation of the act adding this part, then there will be no change to the composition of that oversight board as a result of the operation of subdivision (j).

(m) Any oversight board for a given successor agency, with the exception of countywide oversight boards, shall cease to exist when the successor agency has been formally dissolved pursuant to Section 34187. A county oversight board shall cease to exist when all successor agencies subject to its oversight have been formally dissolved pursuant to Section 34187.

(n) An oversight board may direct a successor agency to provide legal or financial advice in addition to that provided by agency staff.

(o) An oversight board is authorized to contract with the county or other public or private agencies for administrative support.

(p) On matters within the purview of the oversight board, decisions made by the oversight board supersede those made by the successor agency or the staff of the successor agency.

(q) (1) Commencing on and after July 1, 2018, in each county where more than 40 oversight boards were created by operation of the act adding this part, there shall be five oversight boards, which shall each be staffed in the same manner as specified in subdivision (j). The membership of each oversight board shall be as specified in paragraphs (1) through (7), inclusive, of subdivision (j).

(2) The oversight boards shall be numbered one through five, and their respective jurisdictions shall encompass the same territory located within the respective borders of the first through fifth county board of supervisors districts, as those district boundaries are determined and adjusted by the Citizens Redistricting Commission of that county. Except as specified in paragraph (3), each oversight board shall have jurisdiction over each successor agency located within its borders.

(3) By July 15, 2025, and by July 15 of the year following a year that the county board of supervisors district's boundaries are adjusted, if a successor agency has territory located within more than one county board of supervisors' district, the county board of supervisors shall determine which oversight board shall have jurisdiction over that successor agency. The county board of supervisors or their designee shall report this information to the successor agency and the department by the aforementioned dates.

(4) The successor agency to the former redevelopment agency created by a county where more than 40 oversight boards were created by operation of the act adding this

part, shall be under the jurisdiction of the oversight board with the fewest successor agencies under its jurisdiction.

(Amended by Stats. 2024, Ch. 63, Sec. 1. (AB 2213) Effective January 1, 2025.)



State of California

HEALTH AND SAFETY CODE

Section 34180

34180. All of the following successor agency actions shall first be approved by the oversight board:

(a) The establishment of new repayment terms for outstanding loans where the terms have not been specified prior to the date of this part. An oversight board shall not have the authority to reestablish loan agreements between the successor agency and the city, county, or city and county that formed the redevelopment agency except as provided in Chapter 9 (commencing with Section 34191.1).

(b) The issuance of bonds or other indebtedness or the pledge or agreement for the pledge of property tax revenues (formerly tax increment prior to the effective date of this part) pursuant to subdivision (a) of Section 34177.5.

(c) Setting aside of amounts in reserves as required by indentures, trust indentures, or similar documents governing the issuance of outstanding redevelopment agency bonds.

(d) Merging of project areas.

(e) Continuing the acceptance of federal or state grants, or other forms of financial assistance from either public or private sources, if that assistance is conditioned upon the provision of matching funds, by the successor entity as successor to the former redevelopment agency, in an amount greater than 5 percent.

(f) (1) If a city, county, or city and county wishes to retain any properties or other assets for future redevelopment activities, funded from its own funds and under its own auspices, it must reach a compensation agreement with the other taxing entities to provide payments to them in proportion to their shares of the base property tax, as determined pursuant to Section 34188, for the value of the property retained.

(2) If no other agreement is reached on valuation of the retained assets, the value will be the fair market value as of the 2011 property tax lien date as determined by an independent appraiser approved by the oversight board.

(g) Establishment of the Recognized Obligation Payment Schedule.

(h) A request by the successor agency to enter or reenter into an agreement with the city, county, or city and county that formed the redevelopment agency that it is succeeding pursuant to Section 34178. An oversight board shall not have the authority to reestablish loan agreements between the successor agency and the city, county, or city and county that formed the redevelopment agency except as provided in Chapter 9 (commencing with Section 34191.1). Any actions to establish or reestablish any other agreements that are authorized under this part, with the city, county, or city and county that formed the redevelopment agency are invalid until they are included in an approved and valid Recognized Obligation Payment Schedule.

(i) A request by a successor agency or taxing entity to pledge, or to enter into an agreement for the pledge of, property tax revenues pursuant to subdivision (b) of Section 34178.

(j) Any document submitted by a successor agency to an oversight board for approval by any provision of this part shall also be submitted to the county administrative officer, the county auditor-controller, and the Department of Finance at the same time that the successor agency submits the document to the oversight board.

(Amended by Stats. 2015, Ch. 325, Sec. 14. (SB 107) Effective September 22, 2015.)



State of California

HEALTH AND SAFETY CODE

Section 34181

34181. The oversight board shall direct the successor agency to do all of the following:

(a) (1) Dispose of all assets and properties of the former redevelopment agency; provided, however, that the oversight board may instead direct the successor agency to transfer ownership of those assets that were constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, parking facilities and lots dedicated solely to public parking, and local agency administrative buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset. Any compensation to be provided to the successor agency for the transfer of the asset shall be governed by the agreements relating to the construction or use of that asset. Disposal shall be done expeditiously and in a manner aimed at maximizing value. Asset disposition may be accomplished by a distribution of income to taxing entities proportionate to their property tax share from one or more properties that may be transferred to a public or private agency for management pursuant to the direction of the oversight board.

(2) "Parking facilities and lots dedicated solely to public parking" do not include properties that generate revenues in excess of reasonable maintenance costs of the properties.

(b) Cease performance in connection with and terminate all existing agreements that do not qualify as enforceable obligations.

(c) Transfer housing assets pursuant to Section 34176.

(d) Terminate any agreement, between the dissolved redevelopment agency and any public entity located in the same county, obligating the redevelopment agency to provide funding for any debt service obligations of the public entity or for the construction, or operation of facilities owned or operated by such public entity, in any instance where the oversight board has found that early termination would be in the best interests of the taxing entities.

(e) Determine whether any contracts, agreements, or other arrangements between the dissolved redevelopment agency and any private parties should be terminated or renegotiated to reduce liabilities and increase net revenues to the taxing entities, and present proposed termination or amendment agreements to the oversight board for its approval. The board may approve any amendments to or early termination of those agreements if it finds that amendments or early termination would be in the best interests of the taxing entities.

(f) All actions taken pursuant to subdivisions (a) and (c) shall be approved by resolution of the oversight board at a public meeting after at least 10 days' notice to

the public of the specific proposed actions. The actions shall be subject to review by the department pursuant to Section 34179 except that the department may extend its review period by up to 60 days. If the department does not object to an action subject to this section, and if no action challenging an action is commenced within 60 days of the approval of the action by the oversight board, the action of the oversight board shall be considered final and can be relied upon as conclusive by any person. If an action is brought to challenge an action involving title to or an interest in real property, a notice of pendency of action shall be recorded by the claimant as provided in Title 4.5 (commencing with Section 405) of Part 2 of the Code of Civil Procedure within a 60-day period.

(Amended by Stats. 2015, Ch. 325, Sec. 15. (SB 107) Effective September 22, 2015.)

**Santa Cruz County Consolidated Redevelopment Successor Agency
OVERSIGHT BOARD– 2025 ROSTER**

CHAIR:	VICE CHAIR:
--------	-------------

POSITION HSC	MEMBER	FIRST ALTERNATE	SECOND ALTERNATE
appointed by County BOARD OF SUPERVISORS	Manu Koenig manu.koenig@santacruzcountyca.gov		
appointed by CITY SELECTION COMMITTEE	Allan Timms, Scotts Valley Atimms@scottsvalley.gov		
appointed by INDEPENDENT SPECIAL DISTRICT Selection Committee (LAFCO)	Jim Anderson, Felton Fire Protection District Jimwanderson@comcast.net	Ed Banks, Pajaro Valley Public Cemetery District EdBanks@kbkinsurance.com	
appointed by the COUNTY SUPERINTENDENT OF EDUCATION	Liann Reyes , Deputy Superintendent Business Services, Santa Cruz County COE lreyes@santacruzcoe.org	Jim Monreal, Chief Business Official jmonreal@sccs.net	Rebecca Olker, Executive Director, Fiscal Services, rolker@santacruzcoe.org
appointed by the Chancellor of the CALIFORNIA COMMUNITY COLLEGES	Adam Spickler, Gov. Board Trustee, Cabrillo College, adspickl@trustee.cabrillo.edu ,	Donna Ziel, Gov. Board Trustee, Area I zield43@yahoo.com ,	
appointed by the County BOARD OF SUPERVISORS Member of the PUBLIC	Joe Hall rama@cruzio.com		
appointed by the recognized EMPLOYEE ORGANIZATION representing the largest number of successor agency employees	Kathryn Mintz Development Manager kmintz@santacruzca.gov		

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Santa Cruz:

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Staff to the CRSA-OB:

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Auditor-Controller-Treasurer-Tax Collector:

Edith Driscoll Edith.Driscoll@santacruzcountyca.gov

Exhibit 1

BYLAWS OF THE
SANTA CRUZ COUNTY CONSOLIDATED REDEVELOPMENT SUCCESSOR
AGENCY OVERSIGHT BOARD

ARTICLE I - THE OVERSIGHT BOARD

Section 1. Name of Authority

The official name shall be the "Santa Cruz Consolidated Redevelopment Successor Agency Oversight Board" (herein referred to as "Oversight Board").

Section 2. Purpose and Powers

The Oversight Board shall be vested with all the rights, powers, duties, privileges, and immunities established by the California Health and Safety Code Sections 34179, 34180, and 34181.

Section 3. Place of Business

The office and regular place of business of the Oversight Board shall be at the Santa Cruz County Government Offices at 701 Ocean Street, Suite 100, Santa Cruz, California.

ARTICLE II- OFFICERS

Section 1. Officers and Officials

The officers of the Oversight Board shall be composed of seven board members. The members shall elect one of their members as the chairperson and select one of their members as the vice chairperson. All Oversight Board members shall be selected pursuant to the guidelines set forth in the California Health and Safety Code 34179.

Other officials acting as staff shall include the County Auditor-Controller-Treasurer-Tax Collector, Clerk of the Board, and such other employees of the County of Santa Cruz as deemed necessary.

Section 2. Chairperson

The Chairperson of the Oversight Board shall preside at all meetings of the Oversight Board.

Section 3. Vice-Chairperson

The Vice-Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson.

Section 4. Secretary

The Clerk of the Board of the County of Santa Cruz shall serve as the Secretary to the Oversight Board. The Secretary shall keep the records of the Oversight Board, shall act as secretary at meetings of the Oversight Board, shall record all votes, keep a record of the proceedings of the Oversight Board in a journal of proceedings to be kept for such purpose and shall perform all duties incident to the office. The Secretary shall maintain a record of all official proceedings of the Oversight Board. In the absence of the Secretary, the County Administrative Officer shall designate staff to act as Secretary.

Section 5. Vacancies

When a seat of the Oversight Board becomes vacant, the position will be filled by a member appointed by the agency who originally appointed the former member.

Section 6. Alternates

Each appointing authority may, but is not required to, designate alternate representatives, including first and second alternates, to their member pursuant to California Health and Safety Code 34179(a)(B)(11). If the first alternate attends any meeting in place of the primary representative, the first alternate shall have the same participatory and voting rights as all other attending members of the oversight board. If the second alternate attends any meeting in place of the primary representative and first alternate, the second alternate shall have the same participatory and voting rights as all other attending members of the oversight board.

Section 7. Compensation

Oversight Board members shall serve without compensation or reimbursement for expenses.

Section 8. Terms of Office

Each Oversight Board member shall serve at the pleasure of the entity that appointed such member.

ARTICLE III- MEETINGS

Section 1. Regular Meetings

Regular meetings of the Oversight Board shall be held at a time and place which the Oversight Board may from time to time designate.

Section 2. Special Meetings

The Chairperson of the Oversight Board may, when he or she deems it necessary, and, upon the written notice to the members of the Oversight Board, call a special meeting of the Oversight Board for the purpose of transacting the business designated. The means and method for calling such a special meeting shall be as set forth in the Ralph M. Brown Act, California Government Code Section 54950 et seq., as it now exists or may hereafter be amended (the "Brown Act").

Section 3. Quorum

Four (4) board members of the Oversight Board shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other purposes. Every official act of the Oversight Board shall be adopted by a majority vote except in situations where the law calls for a vote of greater than a majority.

Section 4. Conducting Business

(a) Agenda. The order of business of each meeting shall be as contained in the Agenda prepared by the staff, with input of the chairperson. The Agenda shall be a listing by topic of the subjects which shall be taken up for consideration:

- (i) Call to Order
- (ii) Approval of Minutes
- (iii) Consent Calendar
- (iv) Regular Agenda Items
- (v) Oral Communications
- (vi) Adjournment

ARTICLE IV - MISCELLANEOUS

Section 1: Amendments to Bylaws

The Bylaws of the Oversight Board may be amended by the Oversight Board at any regular or special meeting by a vote of the majority of the Oversight Board members, provided that no such amendment shall be adopted unless at least seven days' written notice thereof has been previously given to all board members of the Oversight Board. Such notice shall identify the section or sections of the Bylaws proposed to be amended.

Section 2: Conflicts of Interest

All board members are subject to the provisions of California Law, including Chapter 7, Title 9, of the California Government Code, relative to conflicts of interest and to any additional conflicts of interest codes adopted by the Oversight Board.

Section 3: Procedures In Absence of Rules

In the absence of a rule herein to govern a point or procedure, Rosenberg's Rules of Order shall be used as a guide.



Rosenberg's Rules of Order

REVISED 2011

Simple Rules of Parliamentary Procedure for the 21st Century

By Judge Dave Rosenberg



MISSION AND CORE BELIEFS

To expand and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.

VISION

To be recognized and respected as the leading advocate for the common interests of California's cities.

About the League of California Cities

Established in 1898, the League of California Cities is a member organization that represents California's incorporated cities. The League strives to protect the local authority and autonomy of city government and help California's cities effectively serve their residents. In addition to advocating on cities' behalf at the state capitol, the League provides its members with professional development programs and information resources, conducts education conferences and research, and publishes *Western City* magazine.

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ABOUT THE AUTHOR

Dave Rosenberg is a Superior Court Judge in Yolo County. He has served as presiding judge of his court, and as presiding judge of the Superior Court Appellate Division. He also has served as chair of the Trial Court Presiding Judges Advisory Committee (the committee composed of all 58 California presiding judges) and as an advisory member of the California Judicial Council. Prior to his appointment to the bench, Rosenberg was member of the Yolo County Board of Supervisors, where he served two terms as chair. Rosenberg also served on the Davis City Council, including two terms as mayor. He has served on the senior staff of two governors, and worked for 19 years in private law practice. Rosenberg has served as a member and chair of numerous state, regional and local boards. Rosenberg chaired the California State Lottery Commission, the California Victim Compensation and Government Claims Board, the Yolo-Solano Air Quality Management District, the Yolo County Economic Development Commission, and the Yolo County Criminal Justice Cabinet. For many years, he has taught classes on parliamentary procedure and has served as parliamentarian for large and small bodies.



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INTRODUCTION

The rules of procedure at meetings should be simple enough for most people to understand. Unfortunately, that has not always been the case. Virtually all clubs, associations, boards, councils and bodies follow a set of rules — *Robert's Rules of Order* — which are embodied in a small, but complex, book. Virtually no one I know has actually read this book cover to cover. Worse yet, the book was written for another time and for another purpose. If one is chairing or running a parliament, then *Robert's Rules of Order* is a dandy and quite useful handbook for procedure in that complex setting. On the other hand, **if one is running a meeting of say, a five-member body with a few members of the public in attendance, a simplified version of the rules of parliamentary procedure is in order.**

Hence, the birth of *Rosenberg's Rules of Order*.

What follows is my version of the rules of parliamentary procedure, based on my decades of experience chairing meetings in state and local government. **These rules have been simplified for the smaller bodies we chair or in which we participate, slimmed down for the 21st Century, yet retaining the basic tenets of order to which we have grown accustomed.** Interestingly enough, *Rosenberg's Rules* has found a welcoming audience. Hundreds of cities, counties, special districts, committees, boards, commissions, neighborhood associations and private corporations and companies have adopted *Rosenberg's Rules* in lieu of *Robert's Rules* because they have found them practical, logical, simple, easy to learn and user friendly.

This treatise on modern parliamentary procedure is built on a foundation supported by the following four pillars:

1. **Rules should establish order.** The first purpose of rules of parliamentary procedure is to establish a framework for the orderly conduct of meetings.
2. **Rules should be clear.** Simple rules lead to wider understanding and participation. Complex rules create two classes: those who understand and participate; and those who do not fully understand and do not fully participate.
3. **Rules should be user friendly.** That is, the rules must be simple enough that the public is invited into the body and feels that it has participated in the process.
4. **Rules should enforce the will of the majority while protecting the rights of the minority.** The ultimate purpose of rules of procedure is to encourage discussion and to facilitate decision making by the body. In a democracy, majority rules. The rules must enable the majority to express itself and fashion a result, while permitting the minority to also express itself, but not dominate, while fully participating in the process.

Establishing a Quorum

The starting point for a meeting is the establishment of a quorum. **A quorum is defined as the minimum number of members of the body who must be present at a meeting for business to be legally transacted.** The default rule is that a quorum is one more than half the body. **For example, in a five-member body a quorum is three.** When the body has three members present, it can legally transact business. If the body has less than a quorum of members present, it cannot legally transact business. And even if the body has a quorum to begin the meeting, the body can lose the quorum during the meeting when a member departs (or even when a member leaves the dais). When that occurs the body loses its ability to transact business until and unless a quorum is reestablished.

The default rule, identified above, however, gives way to a specific rule of the body that establishes a quorum. For example, the rules of a particular five-member body may indicate that a quorum is four members for that particular body. The body must follow the rules it has established for its quorum. **In the absence of such a specific rule, the quorum is one more than half the members of the body.**

The Role of the Chair

While all members of the body should know and understand the rules of parliamentary procedure, it is the chair of the body who is charged with applying the rules of conduct of the meeting. The chair should be well versed in those rules. For all intents and purposes, **the chair makes the final ruling on the rules every time the chair states an action. In fact, all decisions by the chair are final unless overruled by the body itself.**

Since the chair runs the conduct of the meeting, it is usual courtesy for the chair to play a less active role in the debate and discussion than other members of the body. This does not mean that the chair should not participate in the debate or discussion. To the contrary, as a member of the body, the chair has the full right to participate in the debate, discussion and decision-making of the body. What the chair should do, however, is strive to be the last to speak at the discussion and debate stage. The chair should not make or second a motion unless the chair is convinced that no other member of the body will do so at that point in time.

The Basic Format for an Agenda Item Discussion

Formal meetings normally have a written, often published agenda. Informal meetings may have only an oral or understood agenda. In either case, the meeting is governed by the agenda and the agenda constitutes the body's agreed-upon roadmap for the meeting. Each agenda item can be handled by the chair in the following basic format:

First, the chair should clearly announce the agenda item number and should clearly state what the agenda item subject is. The chair should then announce the format (which follows) that will be followed in considering the agenda item.

Second, following that agenda format, the chair should invite the appropriate person or persons to report on the item, including any recommendation that they might have. The appropriate person or persons may be the chair, a member of the body, a staff person, or a committee chair charged with providing input on the agenda item.

Third, the chair should ask members of the body if they have any **technical questions of clarification**. At this point, members of the body may ask clarifying questions to the person or persons who reported on the item, and that person or persons should be given time to respond.

Fourth, the chair should invite public comments, or if appropriate at a formal meeting, should open the public meeting for public input. If numerous members of the public indicate a desire to speak to the subject, the chair may limit the time of public speakers. At the conclusion of the public comments, the chair should announce that public input has concluded (or the public hearing, as the case may be, is closed).

Fifth, the chair should invite a motion. The chair should announce the name of the member of the body who makes the motion.

Sixth, the chair should determine if any member of the body wishes to second the motion. The chair should announce the name of the member of the body who seconds the motion. It is normally good practice for a motion to require a second before proceeding to ensure that it is not just one member of the body who is interested in a particular approach. However, a second is not an absolute requirement, and the chair can proceed with consideration and vote on a motion even when there is no second. This is a matter left to the discretion of the chair.

Seventh, if the motion is made and seconded, the chair should make sure everyone understands the motion.

This is done in one of three ways:

1. The chair can ask the maker of the motion to repeat it;
2. The chair can repeat the motion; or
3. The chair can ask the secretary or the clerk of the body to repeat the motion.

Eighth, the chair should now invite discussion of the motion by the body. If there is no desired discussion, or after the discussion has ended, the chair should announce that the body will vote on the motion. If there has been no discussion or very brief discussion, then the vote on the motion should proceed immediately and there is no need to repeat the motion. If there has been substantial discussion, then it is normally best to make sure everyone understands the motion by repeating it.

Ninth, the chair takes a vote. Simply asking for the “ayes” and then asking for the “nays” normally does this. If members of the body do not vote, then they “abstain.” Unless the rules of the body provide otherwise (or unless a super majority is required as delineated later **in these rules**), then a **simple majority (as defined in law or the rules of the body as delineated later in these rules)** determines whether the motion passes or is defeated.

Tenth, the chair should announce the result of the vote and what action (if any) the body has taken. In announcing the result, the chair should indicate the names of the members of the body, if any, who voted in the minority on the motion. This announcement might take the following form: “The motion passes by a vote of 3-2, with Smith and Jones dissenting. We have passed the motion requiring a 10-day notice for all future meetings of this body.”

Motions in General

Motions are the vehicles for decision making by a body. It is usually best to have a motion before the body prior to commencing discussion of an agenda item. This helps the body focus.

Motions are made in a simple two-step process. First, the chair should recognize the member of the body. Second, the member of the body makes a motion by preceding the member’s desired approach with the words “I move ...”

A typical motion might be: “I move that we give a 10-day notice in the future for all our meetings.”

The chair usually initiates the motion in one of three ways:

1. **Inviting the members of the body to make a motion**, for example, “A motion at this time would be in order.”
2. **Suggesting a motion to the members of the body**, “A motion would be in order that we give a 10-day notice in the future for all our meetings.”
3. **Making the motion**. As noted, the chair has every right as a member of the body to make a motion, but should normally do so only if the chair wishes to make a motion on an item but is convinced that no other member of the body is willing to step forward to do so at a particular time.

The Three Basic Motions

There are three motions that are the most common and recur often at meetings:

The basic motion. The basic motion is the one that puts forward a decision for the body’s consideration. A basic motion might be: “I move that we create a five-member committee to plan and put on our annual fundraiser.”

The motion to amend. If a member wants to change a basic motion that is before the body, they would move to amend it. A motion to amend might be: "I move that we amend the motion to have a 10-member committee." A motion to amend takes the basic motion that is before the body and seeks to change it in some way.

The substitute motion. If a member wants to completely do away with the basic motion that is before the body, and put a new motion before the body, they would move a substitute motion. A substitute motion might be: "I move a substitute motion that we cancel the annual fundraiser this year."

"Motions to amend" and "substitute motions" are often confused, but they are quite different, and their effect (if passed) is quite different. **A motion to amend seeks to retain the basic motion on the floor, but modify it in some way. A substitute motion seeks to throw out the basic motion on the floor, and substitute a new and different motion for it.** The decision as to whether a motion is really a "motion to amend" or a "substitute motion" is left to the chair. So if a member makes what that member calls a "motion to amend," but the chair determines that it is really a "substitute motion," then the chair's designation governs.

A "friendly amendment" is a practical parliamentary tool that is simple, informal, saves time and avoids bogging a meeting down with numerous formal motions. It works in the following way: In the discussion on a pending motion, it may appear that a change to the motion is desirable or may win support for the motion from some members. **When that happens, a member who has the floor may simply say, "I want to suggest a friendly amendment to the motion."** The member suggests the friendly amendment, and if the maker and **the person who seconded the motion pending on the floor accepts the friendly amendment, that now becomes the pending motion on the floor. If either the maker or the person who seconded rejects the proposed friendly amendment, then the proposer can formally move to amend.**

Multiple Motions Before the Body

There can be up to three motions on the floor at the same time. The chair can reject a fourth motion until the chair has dealt with the three that are on the floor and has resolved them. **This rule has practical value. More than three motions on the floor at any given time is confusing and unwieldy for almost everyone, including the chair.**

When there are two or three motions on the floor (after motions and seconds) at the same time, the vote should proceed *first* on the *last* motion that is made. For example, assume the first motion is a basic "motion to have a five-member committee to plan and put on our annual fundraiser." During the discussion of this motion, a member might make a second motion to "amend the main motion to have a 10-member committee, not a five-member committee to plan and put on our annual fundraiser." And perhaps, during that discussion, a member makes yet a third motion as a "substitute motion that we not have an annual fundraiser this year." The proper procedure would be as follows:

First, the chair would deal with the *third* (the last) motion on the floor, the substitute motion. **After discussion and debate, a vote would be taken first on the third motion. If the substitute motion passed, it would be a substitute for the basic motion and would eliminate it. The first motion would be moot, as would the second motion (which sought to amend the first motion), and the action on the agenda item would be completed on the passage by the body of the third motion (the substitute motion). No vote would be taken on the first or second motions.**

Second, if the substitute motion *failed*, the chair would then deal with the **second (now the last) motion on the floor, the motion to amend.** The discussion and debate would focus strictly on the amendment (should the committee be five or 10 members). **If the motion to amend passed, the chair would then move to consider the main motion (the first motion) as amended.** If the motion to amend *failed*, the chair would then move to consider the main motion (the first motion) in its original format, not amended.

Third, the chair would now deal with the first motion that was placed on the floor. **The original motion would either be in its original format (five-member committee), or if amended, would be in its amended format (10-member committee).** The question on the floor for discussion and decision would be whether a committee should plan and put on the annual fundraiser.

To Debate or Not to Debate

The basic rule of motions is that they are subject to discussion and debate. Accordingly, basic motions, motions to amend, and substitute motions are all eligible, each in their turn, for full discussion before and by the body. The debate can continue as long as members of the body wish to discuss an item, subject to the decision of the chair that it is time to move on and take action.

There are exceptions to the general rule of free and open debate on motions. The exceptions all apply when there is a desire of the body to move on. The following motions are not debatable (that is, when the following motions are made and seconded, the chair must immediately call for a vote of the body without debate on the motion):

Motion to adjourn. This motion, if passed, requires the body to immediately adjourn to its next regularly scheduled meeting. It requires a simple majority vote.

Motion to recess. This motion, if passed, requires the body to immediately take a recess. Normally, the chair determines the length of the recess which may be a few minutes or an hour. It requires a simple majority vote.

Motion to fix the time to adjourn. This motion, if passed, requires the body to adjourn the meeting at the specific time set in the motion. For example, the motion might be: "I move we adjourn this meeting at midnight." It requires a simple majority vote.

Motion to table. This motion, if passed, requires discussion of the agenda item to be halted and the agenda item to be placed on “hold.” The motion can contain a specific time in which the item can come back to the body. “I move we table this item until our regular meeting in October.” Or the motion can contain no specific time for the return of the item, in which case a motion to take the item off the table and bring it back to the body will have to be taken at a future meeting. A motion to table an item (or to bring it back to the body) requires a simple majority vote.

Motion to limit debate. The most common form of this motion is to say, “I move the previous question” or “I move the question” or “I call the question” or sometimes someone simply shouts out “question.” As a practical matter, when a member calls out one of these phrases, the chair can expedite matters by treating it as a “request” rather than as a formal motion. The chair can simply inquire of the body, “any further discussion?” If no one wishes to have further discussion, then the chair can go right to the pending motion that is on the floor. However, if even one person wishes to discuss the pending motion further, then at that point, the chair should treat the call for the “question” as a formal motion, and proceed to it.

When a member of the body makes such a motion (“I move the previous question”), the member is really saying: “I’ve had enough debate. Let’s get on with the vote.” When such a motion is made, the chair should ask for a second, stop debate, and vote on the motion to limit debate. The motion to limit debate requires a two-thirds vote of the body.

NOTE: A motion to limit debate could include a time limit. For example: “I move we limit debate on this agenda item to 15 minutes.” Even in this format, the motion to limit debate requires a two-thirds vote of the body. A similar motion is a *motion to object to consideration of an item*. This motion is not debatable, and if passed, precludes the body from even considering an item on the agenda. It also requires a two-thirds vote.

Majority and Super Majority Votes

In a democracy, a simple majority vote determines a question. A tie vote means the motion fails. So in a seven-member body, a vote of 4-3 passes the motion. A vote of 3-3 with one abstention means the motion fails. If one member is absent and the vote is 3-3, the motion still fails.

All motions require a simple majority, but there are a few exceptions. The exceptions come up when the body is taking an action which effectively cuts off the ability of a minority of the body to take an action or discuss an item. These extraordinary motions require a two-thirds majority (a super majority) to pass:

Motion to limit debate. Whether a member says, “I move the previous question,” or “I move the question,” or “I call the question,” or “I move to limit debate,” it all amounts to an attempt to cut off the ability of the minority to discuss an item, and it requires a two-thirds vote to pass.

Motion to close nominations. When choosing officers of the body (such as the chair), nominations are in order either from a nominating committee or from the floor of the body. A motion to close nominations effectively cuts off the right of the minority to nominate officers and it requires a two-thirds vote to pass.

Motion to object to the consideration of a question. Normally, such a motion is unnecessary since the objectionable item can be tabled or defeated straight up. However, when members of a body do not even want an item on the agenda to be considered, then such a motion is in order. It is not debatable, and it requires a two-thirds vote to pass.

Motion to suspend the rules. This motion is debatable, but requires a two-thirds vote to pass. If the body has its own rules of order, conduct or procedure, this motion allows the body to suspend the rules for a particular purpose. For example, the body (a private club) might have a rule prohibiting the attendance at meetings by non-club members. A motion to suspend the rules would be in order to allow a non-club member to attend a meeting of the club on a particular date or on a particular agenda item.

Counting Votes

The matter of counting votes starts simple, but can become complicated.

Usually, it’s pretty easy to determine whether a particular motion passed or whether it was defeated. If a simple majority vote is needed to pass a motion, then one vote more than 50 percent of the body is required. For example, in a five-member body, if the vote is three in favor and two opposed, the motion passes. If it is two in favor and three opposed, the motion is defeated.

If a two-thirds majority vote is needed to pass a motion, then how many affirmative votes are required? The simple rule of thumb is to count the “no” votes and double that count to determine how many “yes” votes are needed to pass a particular motion. For example, in a seven-member body, if two members vote “no” then the “yes” vote of at least four members is required to achieve a two-thirds majority vote to pass the motion.

What about tie votes? In the event of a tie, the motion always fails since an affirmative vote is required to pass any motion. For example, in a five-member body, if the vote is two in favor and two opposed, with one member absent, the motion is defeated.

Vote counting starts to become complicated when members vote “abstain” or in the case of a written ballot, cast a blank (or unreadable) ballot. Do these votes count, and if so, how does one count them? The starting point is always to check the statutes.

In California, for example, for an action of a board of supervisors to be valid and binding, the action must be approved by a majority of the board. (California Government Code Section 25005.) Typically, this means three of the five members of the board must vote affirmatively in favor of the action. A vote of 2-1 would not be sufficient. A vote of 3-0 with two abstentions would be sufficient. In general law cities in

California, as another example, resolutions or orders for the payment of money and all ordinances require a recorded vote of the total members of the city council. (California Government Code Section 36936.) Cities with charters may prescribe their own vote requirements. Local elected officials are always well-advised to consult with their local agency counsel on how state law may affect the vote count.

After consulting state statutes, step number two is to check the rules of the body. If the rules of the body say that you count votes of “those present” then you treat abstentions one way. However, if the rules of the body say that you count the votes of those “present and voting,” then you treat abstentions a different way. And if the rules of the body are silent on the subject, then the general rule of thumb (and default rule) is that you count all votes that are “present and voting.”

Accordingly, under the “present and voting” system, you would **NOT** count abstention votes on the motion. Members who abstain are counted for purposes of determining quorum (they are “present”), but you treat the abstention votes on the motion as if they did not exist (they are not “voting”). On the other hand, if the rules of the body specifically say that you count votes of those “present” then you **DO** count abstention votes both in establishing the quorum and on the motion. In this event, the abstention votes act just like “no” votes.

How does this work in practice?

Here are a few examples.

Assume that a five-member city council is voting on a motion that requires a simple majority vote to pass, and assume further that the body has no specific rule on counting votes. Accordingly, the default rule kicks in and we count all votes of members that are “present and voting.” If the vote on the motion is 3-2, the motion passes. If the motion is 2-2 with one abstention, the motion fails.

Assume a five-member city council voting on a motion that requires a two-thirds majority vote to pass, and further assume that the body has no specific rule on counting votes. Again, the default rule applies. If the vote is 3-2, the motion fails for lack of a two-thirds majority. If the vote is 4-1, the motion passes with a clear two-thirds majority. A vote of three “yes,” one “no” and one “abstain” also results in passage of the motion. Once again, the abstention is counted only for the purpose of determining quorum, but on the actual vote on the motion, it is as if the abstention vote never existed — so an effective 3-1 vote is clearly a two-thirds majority vote.

Now, change the scenario slightly. Assume the same five-member city council voting on a motion that requires a two-thirds majority vote to pass, but now assume that the body **DOES** have a specific rule requiring a two-thirds vote of members “present.” Under this specific rule, we must count the members present not only for quorum but also for the motion. In this scenario, any abstention has the same force and effect as if it were a “no” vote. Accordingly, if the votes were three “yes,” one “no” and one “abstain,” then the motion fails. The abstention in this case is treated like a “no” vote and effective vote of 3-2 is not enough to pass two-thirds majority muster.

Now, exactly how does a member cast an “abstention” vote? Any time a member votes “abstain” or says, “I abstain,” that is an abstention. However, if a member votes “present” that is also treated as an abstention (the member is essentially saying, “Count me for purposes of a quorum, but my vote on the issue is abstain.”) In fact, any manifestation of intention not to vote either “yes” or “no” on the pending motion may be treated by the chair as an abstention. If written ballots are cast, a blank or unreadable ballot is counted as an abstention as well.

Can a member vote “absent” or “count me as absent?” Interesting question. The ruling on this is up to the chair. The better approach is for the chair to count this as if the member had left his/her chair and is actually “absent.” That, of course, affects the quorum. However, the chair may also treat this as a vote to abstain, particularly if the person does not actually leave the dais.

The Motion to Reconsider

There is a special and unique motion that requires a bit of explanation all by itself; the motion to reconsider. A tenet of **parliamentary procedure is finality. After vigorous discussion, debate and a vote, there must be some closure to the issue.** And so, after a vote is taken, the matter is deemed closed, subject only to reopening if a proper motion to consider is made and passed.

A motion to reconsider requires a majority vote to pass like other garden-variety motions, but there are two special rules that apply only to the motion to reconsider.

First, is the matter of timing. A motion to reconsider must be made **at the meeting where the item was first voted upon. A motion to reconsider made at a later time is untimely.** (The body, however, can always vote to suspend the rules and, by a two-thirds majority, allow a motion to reconsider to be made at another time.)

Second, a motion to reconsider may be made only by certain members of the body. Accordingly, a motion to reconsider may be made only by a member who voted in the majority on the original motion. If such a member has a change of heart, he or she may make the motion to reconsider (any other member of the body — including a member who voted in the minority on the original motion — may second the motion). If a member who voted in the minority seeks to make the motion to reconsider, it must be ruled **out of order. The purpose of this rule is finality.** If a member of minority could make a motion to reconsider, then the item could be brought back to the body again and again, which would defeat the purpose of finality.

If the motion to reconsider passes, then the original matter is back before the body, and a new original motion is in order. The matter may be discussed and debated as if it were on the floor for the first time.

Courtesy and Decorum

The rules of order are meant to create an atmosphere where the members of the body and the members of the public can attend to **business efficiently, fairly and with full participation. At the same time, it is up to the chair and the members of the body to maintain common courtesy and decorum. Unless the setting is very informal, it is always best for only one person at a time to have the floor, and it is always best for every speaker to be first recognized by the chair before proceeding to speak.**

The chair should always ensure that debate and discussion of an agenda item focuses on the item and the policy in question, not the personalities of the members of the body. Debate on policy is healthy, debate on personalities is not. The chair has the right to cut off discussion that is too personal, is too loud, or is too crude.

Debate and discussion should be focused, but free and open. In the interest of time, the chair may, however, limit the time allotted to speakers, including members of the body.

Can a member of the body interrupt the speaker? The general rule is “no.” There are, however, exceptions. A speaker may be interrupted for the following reasons:

Privilege. The proper interruption would be, “point of privilege.” The chair would then ask the interrupter to “state your point.” Appropriate points of privilege relate to anything that would interfere with the normal comfort of the meeting. For example, the room may be too hot or too cold, or a blowing fan might interfere with a person’s ability to hear.

Order. The proper interruption would be, “point of order.” Again, the chair would ask the interrupter to “state your point.” Appropriate points of order relate to anything that would not be considered appropriate conduct of the meeting. For example, if the chair moved on to a vote on a motion that permits debate without allowing that discussion or debate.

Appeal. If the chair makes a ruling that a member of the body disagrees with, that member may appeal the ruling of the chair. If the motion is seconded, and after debate, if it passes by a simple majority vote, then the ruling of the chair is deemed reversed.

Call for orders of the day. This is simply another way of saying, “return to the agenda.” If a member believes that the body has drifted from the agreed-upon agenda, such a call may be made. It does not require a vote, and when the chair discovers that the agenda has not been followed, the chair simply reminds the body to return to the agenda item properly before them. If the chair fails to do so, the chair’s determination may be appealed.

Withdraw a motion. During debate and discussion of a motion, **the maker of the motion on the floor, at any time, may interrupt a speaker to withdraw his or her motion from the floor. The motion is immediately deemed withdrawn, although the chair may ask the person who seconded the motion if he or she wishes to make the motion, and any other member may make the motion if properly recognized.**

Special Notes About Public Input

The rules outlined above will help make meetings very public-friendly. But in addition, and particularly for the chair, it is wise to remember three special rules that apply to each agenda item:

Rule One: Tell the public what the body will be doing.

Rule Two: Keep the public informed while the body is doing it.

Rule Three: When the body has acted, tell the public what the body did.



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