



A G E N D A



**CITY OF IMPERIAL BEACH
CITY COUNCIL
PLANNING COMMISSION
PUBLIC FINANCING AUTHORITY
HOUSING AUTHORITY**

IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY

MARCH 7, 2012

**Council Chambers
825 Imperial Beach Boulevard
Imperial Beach, CA 91932**

***CLOSED SESSION MEETING – 5:00 P.M.
REGULAR MEETING – 6:00 P.M.***

**THE CITY COUNCIL ALSO SITS AS THE CITY OF IMPERIAL BEACH PLANNING COMMISSION,
PUBLIC FINANCING AUTHORITY, HOUSING AUTHORITY AND IMPERIAL BEACH
REDEVELOPMENT AGENCY SUCCESSOR AGENCY**

The City of Imperial Beach is endeavoring to be in total compliance with the Americans with Disabilities Act (ADA). If you require assistance or auxiliary aids in order to participate at City Council meetings, please contact the City Clerk's Office at (619) 423-8301, as far in advance of the meeting as possible.

CLOSED SESSION CALL TO ORDER

ROLL CALL BY CITY CLERK

CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(b)(3)(A)
(2 cases)

2. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION

Initiation of litigation pursuant to Government Code §54956.9(c)
(2 cases)

3. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(b)(3)(C):
(1 case)

RECONVENE AND ANNOUNCE ACTION (IF APPROPRIATE)

REGULAR MEETING CALL TO ORDER

ROLL CALL BY CITY CLERK

PLEDGE OF ALLEGIANCE

AGENDA CHANGES

Any writings or documents provided to a majority of the City Council/Planning Commission/Public Financing Authority/Housing Authority/I.B. Redevelopment Agency Successor Agency regarding any item on this agenda will be made available for public inspection in the office of the City Clerk located at 825 Imperial Beach Blvd., Imperial Beach, CA 91932 during normal business hours.

**MAYOR/COUNCIL REIMBURSEMENT DISCLOSURE/COMMUNITY ANNOUNCEMENTS/
REPORTS ON ASSIGNMENTS AND COMMITTEES**

COMMUNICATIONS FROM CITY STAFF

PUBLIC COMMENT - *Each person wishing to address the City Council regarding items not on the posted agenda may do so at this time. In accordance with State law, Council may not take action on an item not scheduled on the agenda. If appropriate, the item will be referred to the City Manager or placed on a future agenda.*

PRESENTATIONS (1)

None.

CONSENT CALENDAR (2.1-2.6) - *All matters listed under Consent Calendar are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items, unless a Councilmember or member of the public requests that particular item(s) be removed from the Consent Calendar and considered separately. Those items removed from the Consent Calendar will be discussed at the end of the Agenda.*

2.1 MINUTES.

City Manager's Recommendation: Approve the minutes of the Special Meetings of December 14, 2011 and January 5, 2012.

2.2 RATIFICATION OF WARRANT REGISTER. (0300-25)

City Manager's Recommendation: Ratify the following registers: Accounts Payable Numbers 79925 through 80052 with a subtotal amount of \$1,406,945.28 and Payroll Checks 44483 through 44504 for a subtotal amount of \$142,234.55 for a total amount of \$1,549,179.83.

2.3 RESOLUTION NO. 2012-7163 RELATED TO COUNCIL HEALTH BENEFITS. (0520-50)

City Manager's Recommendation: Adopt resolution.

2.4 RESOLUTION NO. 2012-7161 INITIATING PROCEEDINGS FOR THE ANNUAL LEVY OF ASSESSMENTS AND ORDERING THE PREPARATION OF AN ENGINEER'S "REPORT" FOR A SPECIAL ASSESSMENT DISTRICT – AD-67M. (0345-10)

City Manager's Recommendation: Authorize the Public Works Director to initiate the Engineer's Report for – AD 67-M and adopt resolution.

2.5 RESOLUTION NO. 2012-7162 SETTING THE TIME AND PLACE FOR PUBLIC HEARING TO REVIEW THE SETTING OF THE SEWER CAPACITY FEE FOR FY 2013. (0390-55)

City Manager's Recommendation: Adopt resolution.

2.6 RESOLUTION NO. 2012-7166 SETTING THE TIME AND PLACE FOR A PUBLIC HEARING AND FIRST READING OF ORDINANCE TO CONSIDER ADOPTION OF THE SEWER SERVICE CHARGE FOR FISCAL YEAR 2013. (0830-95)

City Manager's Recommendation: Adopt resolution.

ORDINANCES – INTRODUCTION/FIRST READING/PUBLIC HEARING (3)

None.

ORDINANCES – SECOND READING & ADOPTION (4)

None.

PUBLIC HEARINGS (5)

None.

REPORTS (6.1-6.6)

6.1 QUARTERLY UPDATE REPORT ON THE REDEVELOPMENT OF THE SEACOAST INN HOTEL. (0660-43)

City Manager's Recommendation: That the City Council receive the update report on the Seacoast Inn project and provide comment and input as necessary.

6.2 ADOPTION OF RESOLUTION NO. HA-12-10 APPROVING THE FIRST AMENDMENT TO THE AFFORDABLE HOUSING AGREEMENT FOR THE PROVISION OF FINANCING FOR REDEVELOPMENT OF AN EXISTING AMERICAN LEGION POST AND SINGLE-FAMILY RESIDENCE LOCATED AT 1252 AND 1268 PALM AVENUE AND 655 FLORENCE STREET (APN 626-242-09-00, 626-242-23-00, 626-242-24-00) INTO AN AFFORDABLE HOUSING PROJECT AND NEW AMERICAN LEGION POST. (0640-20)

City Manager's Recommendation: That the Housing Authority:

1. Adopt Resolution No. HA-12-10 approving the First Amendment to the Affordable Housing Agreement between the Housing Authority and The Post By HDC, LP for the American Legion mixed-use affordable housing project;
2. Authorizing the Executive Director or his designee to execute, for and on behalf of the Authority, the final form of the First Amendment to the Affordable Housing Agreement with the Developer for the development of the Project; and
3. Authorizing the Executive Director to sign all documents necessary and appropriate to carry out and implement the Agreement, as amended, and to administer the Authority's obligations, responsibilities, and duties to be performed under said Agreement.

6.3 RESOLUTION NO. 2012-7164 APPROVING STREET IMPROVEMENTS PHASE 4/5 (CIP S11-105) CHANGE ORDER NO. 1 WITH SOUTHLAND PAVING, INC. (0720-25)

City Manager's Recommendation: Receive report and adopt resolution.

6.4 REQUEST BY MEMBER OF THE CITY COUNCIL TO PLACE AN ITEM ON A CITY COUNCIL AGENDA. (0410-14)

City Manager's Recommendation:

1. Consider Councilmember Spriggs' request to discuss the vision for Seacoast Drive Commercial Zone at night: renderings and lighting plans for a pedestrian-friendly town center and Council action as appropriate to move these items forward and
2. Decide if the City Manager should place the item on a future meeting agenda after staff work, if any, is completed.

6.5 MAYOR'S APPOINTMENTS TO THE OVERSIGHT BOARD FOR THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY. (0418-05)

City Manager's Recommendation:

1. Request that the Mayor appoint (an individual) to the Oversight Board of the Successor Agency to represent the City of Imperial Beach and
2. Request that the Mayor appoint (an individual) to the Oversight Board of the Successor Agency to represent employees of the former Imperial Beach Redevelopment Agency.

6.6* EMERGENT SEWER REPAIRS TO SANCON CONTRACT. (0830-10)

* No Staff Report

I.B. REDEVELOPMENT AGENCY SUCCESSOR AGENCY REPORTS (7.1)

7.1 RESOLUTION NO. SA-12-03 OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY AMENDING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) TO INCLUDE OCTOBER 2011 THROUGH DECEMBER 2011. (0418-20 & 0418-95)

City Manager's Recommendation: That the Successor Agency adopt resolution.

ITEMS PULLED FROM THE CONSENT CALENDAR (IF ANY)

ADJOURNMENT

The Imperial Beach City Council welcomes you and encourages your continued interest and involvement in the City's decision-making process.

FOR YOUR CONVENIENCE, A COPY OF THE AGENDA AND COUNCIL MEETING PACKET MAY BE VIEWED IN THE OFFICE OF THE CITY CLERK AT CITY HALL OR ON OUR WEBSITE AT

www.cityofib.com.

_____/s/
Jacqueline M. Hald, MMC
City Clerk

MINUTES

**IMPERIAL BEACH CITY COUNCIL
REDEVELOPMENT AGENCY
PLANNING COMMISSION
PUBLIC FINANCING AUTHORITY
HOUSING AUTHORITY**

DECEMBER 14, 2011

**Council Chambers
825 Imperial Beach Boulevard
Imperial Beach, CA 91932**

SPECIAL MEETING – 6:00 P.M.

SPECIAL MEETING CALL TO ORDER

MAYOR JANNEY called the Special Meeting to order at 6:00 p.m.

ROLL CALL BY CITY CLERK

| | |
|-------------------------|---|
| Councilmembers present: | Spriggs, Bragg, King |
| Councilmembers absent: | None |
| Mayor present: | Janney |
| Mayor Pro Tem present: | Bilbray |
| Staff present: | City Manager Brown; City Attorney Lyon; City Clerk Hald |

PLEDGE OF ALLEGIANCE

MAYOR JANNEY led everyone in the Pledge of Allegiance.

AGENDA CHANGES

None.

**MAYOR/COUNCIL REIMBURSEMENT DISCLOSURE/COMMUNITY ANNOUNCEMENTS/
REPORTS ON ASSIGNMENTS AND COMMITTEES**

MAYOR JANNEY announced the SANDAG Board will consider the purchase of the SR 125 Toll Road at their meeting on Friday.

COMMUNICATIONS FROM CITY STAFF

None.

PUBLIC COMMENT

None.

PRESENTATIONS (1)

None.

CONSENT CALENDAR (2.1-2.2)

MOTION BY BILBRAY, SECOND BY KING, TO APPROVE CONSENT CALENDAR ITEM NOS. 2.1 AND 2.2. MOTION CARRIED UNANIMOUSLY.

2.1 ROTATION OF MAYOR PRO TEM DUTIES. (0410-13)

Appointed Councilmember Ed Spriggs as Mayor Pro Tempore for a one-year period pursuant to rotational requirements and be seated at the first Council meeting in January pursuant to requirements as stated under Council Policy No. 112.

2.2 FINAL MAP (FM 110020) FOR A NEW MIXED-USE PROJECT THAT WOULD PROVIDE 30 RESIDENTIAL UNITS (29 AFFORDABLE UNITS, 1 MANAGER UNIT) AND 3,600 SQUARE FOOT AMERICAN LEGION POST AT 1252 AND 1268 PALM AVENUE AND 655 FLORENCE STREET IN THE C-1 (GENERAL COMMERCIAL ZONE) ZONE. MF 1072. (0600-20)

Approved Final Map for recordation with the County Recorder.

ORDINANCES – INTRODUCTION/FIRST READING/PUBLIC HEARING (3.1)

3.1 ORDINANCE 2012-1124 AND ADOPT RESOLUTION OF INTENTION 2011-7135 RELATING TO SECOND TIER RETIREMENT BENEFITS FOR ALL EMPLOYEE GROUPS AND ADOPT RESOLUTION 2011-7134 RESCINDING PREVIOUS CALPERS RESOLUTION 2011-7118 AND EXPLAINING WHY ORDINANCE 2011-1123 WILL NOT BE ADOPTED DUE TO REQUIRED REVISED CALPERS PAPERWORK. (0540-95)

CITY MANAGER BROWN reported the item.

MOTION BY BILBRAY, SECOND BY BRAGG, TO ADOPT RESOLUTION NO. 2011-7134 RESCINDING PREVIOUS CALPERS RESOLUTION NO. 2011-7118 AND EXPLAINING WHY ORDINANCE NO. 2011-1123 WILL NOT BE ADOPTED. MOTION CARRIED UNANIMOUSLY.

MOTION BY KING, SECOND BY BILBRAY, TO ADOPT RESOLUTION NO. 2011-7135 APPROVING THE CITY'S INTENTION TO AMEND ITS CALPERS CONTRACT IN ORDER TO ADD SECOND TIER PLANS FOR ALL EMPLOYEES. MOTION CARRIED UNANIMOUSLY.

MAYOR JANNEY called for the first reading of the title of Ordinance No. 2012-1124.

CITY CLERK HALD read the title of Ordinance No. 2012-1124 "AN ORDINANCE OF THE CITY COUNCIL FOR THE CITY OF IMPERIAL BEACH, CALIFORNIA, AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM."

MOTION BY BILBRAY, SECOND BY BRAGG, TO WAIVE FURTHER READING OF ORDINANCE NO. 2012-1124 AND DISPENSE INTRODUCTION BY TITLE ONLY AND SET THE MATTER FOR ADOPTION AT THE NEXT REGULARLY SCHEDULED CITY COUNCIL MEETING. MOTION CARRIED UNANIMOUSLY.

ORDINANCES – SECOND READING & ADOPTION (4)

None.

PUBLIC HEARINGS (5.1-5.2)

5.1 SADBERRY-PALM, LLC (APPLICANT); ADMINISTRATIVE COASTAL PERMIT (ACP 110024), DESIGN REVIEW CASE (DRC 110025), SITE PLAN REVIEW (SPR 110026), TENTATIVE MAP (TM 110027), MITIGATED NEGATIVE DECLARATION (EIA 110028 AND SCH #2011111018) AND VACATION OF PORTIONS OF 8TH AND DELAWARE STREETS TO CONSTRUCT A NEW COMMERCIAL CENTER BETWEEN 7TH AND 9TH STREETS IN THE C-1 (GENERAL COMMERCIAL) ZONE. MF 1062. (0600-20)

MAYOR JANNEY declared the public hearing open.

A revised Resolution No. 2011-7131 was submitted as Last Minute Agenda Information.

CITY MANAGER BROWN introduced the item.

COMMUNITY DEVELOPMENT DIRECTOR WADE gave a Power Point presentation on the item.

With regard to the alley located south of the project, JACK FISHER was concerned about use by emergency vehicles and trucks, the speed of traffic, and increased traffic entering and exiting the site. He questioned if a wall will be built on the south side of the alley and if the width of the alley will remain the same.

In response to Mr. Fisher, COMMUNITY DEVELOPMENT DIRECTOR WADE stated the width of the alley will not be reduced, most truck traffic will access the site to and from 9th Street and/or Palm Ave., and a wall is not proposed for the south side of the alley. He anticipated that there will be less traffic in the alley than there was with the previous development as there will not be through access to and from the site.

TERESA IRISH expressed concern about the reference to "vacation" on the agenda and requested clarification. She was also concerned about the possibility of increased traffic in the alley as well as a carpet that was discarded in the alley.

COMMUNITY DEVELOPMENT DIRECTOR WADE defined a vacation of a right of way and noted that vacation of the right of way would decrease traffic in the alley not increase it.

MAYOR JANNEY closed the public hearing.

City Staff reviewed the standard urban stormwater mitigation plan for treating/managing the stormwater flows from the site prior to entering the City's storm drain conveyance system. In response to requests for a more creative design for the building located at the corner of 9th Street and Palm Ave., staff will continue to work with the developer to ensure concerns are addressed. He spoke about the design challenges of the building noting that the floor plan is tenant driven.

In response to City Council's concerns, COLTON SADBERRY, developer, stated that they are not attached to the name Breakwater, that the wall (located on the southern end of the project) will extend 3 feet above grade for safety and to block the lights and that he understood the concerns raised about the eastern building and the importance for making it look appealing.

MOTION BY KING, SECOND BY BILBRAY, TO ADOPT RESOLUTION NO. 2011-7131 (AS PROVIDED AS LAST MINUTE AGENDA INFORMATION), APPROVING ADMINISTRATIVE COASTAL PERMIT (ACP 110024), DESIGN REVIEW CASE (DRC 110025), SITE PLAN REVIEW (SPR 110026), TENTATIVE MAP (TM 110027), AND MITIGATED NEGATIVE DECLARATION (EIA 110028 AND SCH #20111111018) AND MITIGATION MONITORING AND REPORTING PROGRAM WHICH MAKES THE NECESSARY FINDINGS AND PROVIDES CONDITIONS OF APPROVAL IN COMPLIANCE WITH LOCAL AND STATE REQUIREMENTS. MOTION CARRIED UNANIMOUSLY.

MOTION BY KING, SECOND BY BILBRAY, TO ADOPT RESOLUTION NO. 2011-7133 WHICH MAKES THE NECESSARY FINDINGS TO VACATE A PORTION OF 8TH STREET AND DELAWARE STREET SO THAT THE PROPERTIES NO LONGER CONSTITUTE A STREET, HIGHWAY, OR PUBLIC SERVICE EASEMENT. MOTION CARRIED UNANIMOUSLY.

5.2 RESOLUTION NO. 2011-7132 APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT BY AND BETWEEN SADBERRY- PALM LLC AND THE CITY OF IMPERIAL BEACH FOR THE BREAKWATER RETAIL DEVELOPMENT PROJECT LOCATED AT 735-849 PALM AVENUE (APN 626-250-03, 04, 05 & 06) AND FUNDING FOR PUBLICLY OWNED IMPROVEMENTS IN CONNECTION THEREWITH AND AUTHORIZING THE CITY MANAGER TO SIGN ALL DOCUMENTS NECESSARY AND APPROPRIATE TO CARRY OUT AND IMPLEMENT THE AGREEMENT AND TO ADMINISTER THE CITY'S OBLIGATIONS, RESPONSIBILITIES, AND DUTIES TO BE PERFORMED UNDER SAID AGREEMENT. (0600-20)

MAYOR JANNEY declared the public hearing open.

CITY MANAGER BROWN introduced the item and announced a summary of the key points of the DDA and a revised DDA were provided as Last Minute Agenda Information.

PAUL MARRA, of Keyser Marston Associates, Inc., reviewed the summary report: cost to the City for entering into the DDA, the fair market value of the land, the fair reuse value and the price the developer is going to pay. He noted that the estimated sales tax upon completion is \$112,000 per year, the estimate for discretionary tax increment is \$62,000 per year and the housing set aside is \$20,000 per year.

REDEVELOPMENT COORDINATOR SELBY stated that the site generated \$17,795 in sales tax in 2007 and he reviewed the preliminary project schedule and the development process.

COLTON SADBERRY, developer, was optimistic about building the project in one phase as there are potential tenant deals for building F.

In response to City Council's comments about development in Imperial Beach, CITY MANAGER BROWN stated that City staff continues to work with Imperial Beach property owners who may want to develop their property. He noted caution as 1/3 of the estimated market for retail space in Imperial Beach will be taken by this development. The multiplier effect by the construction of the project has not been determined. However, the project has already generated some employment and more employment is anticipated with the completion of the project.

COUNCILMEMBER SPRIGGS spoke of the need for demographics in Imperial Beach to move in a direction that can support the types of businesses wanted by the people in the community. He also spoke about attracting mixed-use development to expand the tax base.

CITY CLERK HALD announced no public speaker slips were submitted.

MAYOR JANNEY concurred with comments made by Councilmember Spriggs regarding the need for mixed-use development and he thanked Sudberry for working on the development project especially during a difficult economy.

CITY ATTORNEY LYON reported that the resolution approves the latest version of the DDA which was provided as Last Minute Agenda Information. She also noted a modification to the DDA, on page 76, Section 512 (b) that the City's right to terminate is before April 1, 2012 and that the version with this modification has been approved by Mr. Sudberry.

MOTION BY BILBRAY, SECOND BY BRAGG, TO ADOPT RESOLUTION NO. 2011-7132 APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT (DDA) BY AND BETWEEN SUDBERRY – PALM LLC AND THE CITY OF IMPERIAL BEACH FOR THE BREAKWATER RETAIL / COMMERCIAL DEVELOPMENT PROJECT LOCATED AT 735-849 PALM AVENUE (APNs: 626-250-03, 04, 05 & 06) AND TO AUTHORIZE THE CITY MANAGER TO SIGN ALL DOCUMENTS NECESSARY AND APPROPRIATE TO CARRY OUT AND IMPLEMENT THE DDA AND TO ADMINISTER THE CITY'S OBLIGATIONS, RESPONSIBILITIES, AND DUTIES TO BE PERFORMED UNDER THE DDA. MOTION CARRIED UNANIMOUSLY.

REPORTS (6)

None.

ITEMS PULLED FROM THE CONSENT CALENDAR (IF ANY)

None.

ADJOURNMENT

MAYOR JANNEY adjourned the meeting at 7:51 p.m.

James C. Janney, Mayor

Jacqueline M. Hald, MMC
City Clerk

MINUTES

**IMPERIAL BEACH CITY COUNCIL
REDEVELOPMENT AGENCY
HOUSING AUTHORITY
PLANNING COMMISSION
PUBLIC FINANCING AUTHORITY**

THURSDAY, JANUARY 5, 2012

**Council Chambers
825 Imperial Beach Boulevard
Imperial Beach, CA 91932**

SPECIAL MEETING – 6:00 P.M.

SPECIAL MEETING CALL TO ORDER

MAYOR/CHAIRPERSON JANNEY called the Special Meeting of the City Council and Housing Authority to order at 6:00 p.m.

ROLL CALL

Councilmembers/Commissioners present: Bragg, King, Bilbray

Councilmembers/Commissioners absent: None

Mayor/Chairperson present: Janney

Mayor Pro Tem/Vice Chairperson present: Spriggs

Staff present: City Manager/Executive Director Brown; City Attorney Lyon; City Clerk/Secretary Hald

PUBLIC COMMENT

None.

REPORTS

- 1. RESOLUTION OF ELECTION BY CITY OF IMPERIAL BEACH TO SERVE AS SUCCESSOR AGENCY TO THE IMPERIAL BEACH REDEVELOPMENT AGENCY PURSUANT TO AB 26; TRANSFER OF AGENCY HOUSING ASSETS TO THE IMPERIAL BEACH HOUSING AUTHORITY PURSUANT TO AB 26. (0412-95 & 0640-05)**

CITY MANAGER BROWN reported on the item.

CITY ATTORNEY LYON reported that January 13th is the deadline to declare a successor agency.

SPECIAL COUNSEL COLA stated that she is not aware of any cities that do not want to be a successor agency and spoke about the composition and duties of the oversight board.

MOTION BY KING, SECOND BY BRAGG, TO ADOPT RESOLUTION NO. 2012-7136 DESIGNATING THE CITY OF IMPERIAL BEACH AS THE SUCCESSOR AGENCY UNDER PART 1.85 OF THE HEALTH AND SAFETY CODE SUBJECT TO RESERVATIONS HEREIN STATED AND TO ADOPT RESOLUTION NO. 2012-7137 UNDER PART 1.85 OF DIVISION 24 OF THE HEALTH AND SAFETY CODE DESIGNATING THE IMPERIAL BEACH HOUSING AUTHORITY TO PERFORM THE HOUSING FUNCTIONS PREVIOUSLY PERFORMED BY THE AGENCY SUBJECT TO RESERVATIONS HEREIN STATED. MOTION CARRIED UNANIMOUSLY.

2. RESOLUTION PURSUANT TO AB 26 FOR APPROVAL OF TRANSFER OF AGENCY HOUSING ASSETS TO THE IMPERIAL BEACH HOUSING AUTHORITY. (0412-95 & 0640-05)

EXECUTIVE DIRECTOR BROWN reported on the item.

MOTION BY BILBRAY, SECOND BY KING, TO ADOPT RESOLUTION NO. HA-12-06 ACCEPTING THE TRANSFER OF THE HOUSING ASSETS AND FUNCTIONS OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY UNDER PART 1.85 OF DIVISION 24 OF THE HEALTH AND SAFETY CODE SUBJECT TO RESERVATIONS HEREIN STATED. MOTION CARRIED UNANIMOUSLY.

ADJOURNMENT

MAYOR/CHAIRPERSON JANNEY adjourned the meeting at 6:22 p.m.

James C. Janney, Mayor/Chairperson

Jacqueline M. Hald, MMC
City Clerk/Secretary



**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY BROWN, CITY MANAGER
MEETING DATE: March 7, 2012
ORIGINATING DEPT.: Michael McGrane *MM*
 Finance Director
SUBJECT: RATIFICATION OF WARRANT REGISTER

BACKGROUND:

None

DISCUSSION:

As of April 7, 2004, all large warrants above \$100,000 will be separately highlighted and explained on the staff report.

| Vendor | Check | Amount | Description |
|----------------------|-------|--------------|---|
| City of San Diego | 79930 | \$596,736.00 | Metro Sewer Charge 3 rd Qtr 2012 |
| Goodwill Industries | 79938 | \$200,000.00 | Settlement Agreement |
| Patriot General Engr | 79949 | \$275,438.70 | 9 th & Palm Demolition |

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

The following registers are submitted for Council ratification.

| <u>WARRANT #</u> | <u>DATE</u> | <u>AMOUNT</u> |
|-------------------------|------------------|-------------------------------|
| <u>Accounts Payable</u> | | |
| 79925-79961 | 02/09/12 | \$ 1,179,233.82 |
| 79962-80032 | 02/17/12 | 173,056.48 |
| 80033-80052 | 02/23/12 | 54,654.98 |
| | Sub-Total | <u>\$ 1,406,945.28</u> |

PAYROLL CHECKS:

| | | |
|-------------|------------------|-------------------------------|
| 44483-44504 | P.P.E. 02/09/12 | \$ 142,234.55 |
| | Sub Total | \$ 142,234.55 |
| | TOTAL | <u>\$ 1,549,179.83</u> |

FISCAL IMPACT:

Warrants are issued from budgeted funds.

DEPARTMENT RECOMMENDATION:

It is respectfully requested that the City Council ratify the warrant register.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.



Gary Brown, City Manager

Attachments:

1. Warrant Registers

PREPARED 02/27/2012, 13:24:27
 PROGRAM: GM350L
 CITY OF IMPERIAL BEACH

A/P CHECKS BY PERIOD AND YEAR
 FROM 02/09/2012 TO 02/23/2012

PAGE 1

BANK CODE 00

| CHECK DATE | CHECK NUMBER | VENDOR NAME | VENDOR # | CHECK AMOUNT | | |
|--------------------|--------------|--------------------------------|---------------|--------------|----------|------------|
| ACCOUNT # | TRN DATE | DESCRIPTION | INVOICE | PO # | PER/YEAR | TRN AMOUNT |
| 02/09/2012 | 79925 | AK & COMPANY | 1640 | | | 2,375.00 |
| 101-1210-413.20-06 | 12/26/2011 | PREP & SUB TO STATE CONTR | IBEACH-1 | 120715 | 06/2012 | 2,375.00 |
| 02/09/2012 | 79926 | ARROWHEAD MOUNTAIN SPRING WATE | 1340 | | | 97.52 |
| 101-1010-411.30-02 | 01/24/2012 | DRINKING WATER CITY HALL | 02A0031149578 | 120098 | 07/2012 | 40.93 |
| 101-5020-432.30-02 | 01/24/2012 | DRINKING WATER SERV PW | 02A0026726646 | 120222 | 07/2012 | 56.59 |
| 02/09/2012 | 79927 | ASBURY ENVIRONMENTAL SERVICES | 277 | | | 254.93 |
| 101-5040-434.21-04 | 01/09/2012 | 15 GAL NEW DRUMS/POLYCHLO | 130387241 | 120016 | 07/2012 | 254.93 |
| 02/09/2012 | 79928 | AT&T TELECONFERENCE SERVICES | 1827 | | | 111.36 |
| 101-1110-412.28-04 | 01/01/2012 | TELECONFERENCES | 01-01-2012 | 120487 | 07/2012 | .29 |
| 101-1110-412.29-04 | 01/01/2012 | TELECONFERENCES | 01-01-2012 | 120487 | 07/2012 | 111.07 |
| 02/09/2012 | 79929 | AZTEC LANDSCAPING INC | 310 | | | 1,451.43 |
| 101-5010-431.21-04 | 01/12/2012 | IRRIGATION REPAIR ON PAL | 12259L | 120094 | 07/2012 | 1,451.43 |
| 02/09/2012 | 79930 | CITY OF SAN DIEGO | 896 | | | 596,736.00 |
| 601-5060-436.21-04 | 01/26/2012 | METRO SEWERAGE 3QTR | 1000045567 | | 08/2012 | 596,736.00 |
| 02/09/2012 | 79931 | COX COMMUNICATIONS | 1073 | | | 600.00 |
| 503-1923-419.21-04 | 01/27/2012 | INTERNET SERVICE | 01-27-2012 | 120188 | 07/2012 | 600.00 |
| 02/09/2012 | 79932 | CRAIG WEAVER | 1088 | | | 204.00 |
| 101-1920-419.29-01 | 02/07/2012 | COMMAND IC TRAINING | 11-28-2011 | | 07/2012 | 204.00 |
| 02/09/2012 | 79933 | CYNTHIA TITGEN | 2340 | | | 1,500.00 |
| 101-1130-412.20-06 | 01/22/2012 | EMPLOYEE BENEFIT STUDY | 01-22-2012 | 120101 | 07/2012 | 850.00 |
| 101-1130-412.20-06 | 02/01/2012 | IB EMPLOYEE BENEFIT STUDY | 01-31-2012 | 120101 | 08/2012 | 650.00 |
| 02/09/2012 | 79934 | DKC ASSOCIATES, INC. | 2187 | | | 2,060.00 |
| 101-1110-412.20-06 | 01/28/2012 | CONSULTING SERV 13-28 JAN | 241 | 120117 | 07/2012 | 700.40 |
| 405-1260-413.20-06 | 01/28/2012 | CONSULTING SERV 13-28 JAN | 241 | 120117 | 07/2012 | 679.80 |
| 502-1922-419.20-06 | 01/28/2012 | CONSULTING SERV 13-28 JAN | 241 | 120117 | 07/2012 | 679.80 |
| 02/09/2012 | 79935 | ESGIL CORPORATION | 1225 | | | 6,296.16 |
| 101-3040-424.20-16 | 11/30/2011 | VALUATION & PLAN CHECK FE | 12112781 | 120710 | 05/2012 | 6,296.16 |
| 02/09/2012 | 79936 | FIRE ETC | 924 | | | 53.95 |
| 101-3020-422.30-02 | 01/17/2012 | PART FOR E-39 | 31854 | 120299 | 07/2012 | 41.00 |
| 101-3020-422.30-02 | 01/30/2012 | EXTINGUISHER RECHARGE | 32263 | 120299 | 07/2012 | 12.95 |
| 02/09/2012 | 79937 | GERALD FARRELLY | 2 | | | 246.91 |
| 601-0000-346.70-03 | 02/01/2012 | REFUND SEWER CHARGE | 02-01-2012 | | 08/2012 | 246.91 |
| 02/09/2012 | 79938 | GOODWILL INDUSTRIES OF SAN DIE | 2 | | | 200,000.00 |
| 405-1260-513.20-06 | 01/30/2012 | SETTLEMENT AGREEMENT | 01-30-2012 | | 07/2012 | 200,000.00 |
| 02/09/2012 | 79939 | GRAINGER | 1051 | | | 136.66 |
| 101-6040-454.30-02 | 01/03/2012 | BARREL BOLT, BINDING SCRE | 9719463938 | 120020 | 07/2012 | 136.66 |

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| 02/09/2012 | 79940 | IKON OFFICE SOLUTIONS, INC. | 2392 | | | 1,840.38 | |
| 101-1110-412.28-01 | 01/04/2012 | COPIER MONTHLY LEASE | 86225122 | 120374 | 07/2012 | 306.73 | |
| 101-1210-413.28-01 | 01/04/2012 | COPIER MONTHLY LEASE | 86225122 | 120374 | 07/2012 | 306.73 | |
| 101-1230-413.28-01 | 01/04/2012 | COPIER MONTHLY LEASE | 86225122 | 120374 | 07/2012 | 306.73 | |
| 101-3020-422.28-01 | 01/04/2012 | COPIER MONTHLY LEASE | 86225122 | 120374 | 07/2012 | 306.73 | |
| 101-3030-423.28-01 | 01/04/2012 | COPIER MONTHLY LEASE | 86225122 | 120374 | 07/2012 | 306.73 | |
| 101-5020-432.28-01 | 01/04/2012 | COPIER MONTHLY LEASE | 86225122 | 120374 | 07/2012 | 306.73 | |
| 02/09/2012 | 79941 | JETER SYSTEMS | 483 | | | 78.36 | |
| 101-1210-413.30-01 | 01/24/2012 | AP/CR FLIES | 2078732 | F12060 | 07/2012 | 78.36 | |
| 02/09/2012 | 79942 | JOHN DEERE LANDSCAPES | 1986 | | | 204.03 | |
| 101-6020-452.30-02 | 01/05/2012 | VALVE W/FLOW CONTROL | 60067331 | 120040 | 07/2012 | 69.64 | |
| 101-6020-452.30-02 | 01/10/2012 | PIPE DOPE W/TEFLON, ADAPT | 60084323 | 120040 | 07/2012 | 134.39 | |
| 02/09/2012 | 79943 | KANE, BALLMER & BERKMAN | 1828 | | | 696.00 | |
| 101-1920-419.20-06 | 01/09/2012 | LEGAL SERVICES 12/31/2011 | 17601 | 120646 | 07/2012 | 696.00 | |
| 02/09/2012 | 79944 | LEAGUE OF CALIF CITIES | 761 | | | 200.00 | |
| 101-5010-431.20-06 | 12/20/2011 | LOCAL ROADS & STREET | 98121 | | 08/2012 | 200.00 | |
| 02/09/2012 | 79945 | MASON'S SAW & LAWNMOWER | 923 | | | 80.71 | |
| 501-1921-419.28-16 | 01/09/2012 | FUEL PUMPS | 267776 | 120039 | 07/2012 | 56.21 | |
| 501-1921-419.28-16 | 01/09/2012 | AIR FILTERS | 267805 | 120039 | 07/2012 | 24.50 | |
| 02/09/2012 | 79946 | MCDUGAL LOVE ECKIS & | 962 | | | 39,897.11 | |
| 101-1220-413.20-02 | 12/31/2011 | DEC 2011 MONTHLY RETAINER | 12-31-2011 | | 07/2012 | 8,227.00 | |
| 405-1260-513.20-06 | 12/31/2011 | GENERAL MISC | 12-31-2011 | | 07/2012 | 4,987.36 | |
| 405-1260-513.20-06 | 12/31/2011 | SOUTHBAY DRUGS | 12-31-2011 | | 07/2012 | 7,947.73 | |
| 405-1260-513.20-06 | 12/31/2011 | GOODWILL INDUSTRIES | 12-31-2011 | | 07/2012 | 664.70 | |
| 101-1220-413.20-01 | 12/31/2011 | CODE ENFORCEMENT | 12-31-2011 | | 07/2012 | 749.87 | |
| 101-1220-413.21-04 | 12/31/2011 | PITCHES MOTION | 12-31-2011 | | 07/2012 | 606.90 | |
| 101-1220-413.21-04 | 12/31/2011 | SPECIAL PROJECTS | 12-31-2011 | | 07/2012 | 779.09 | |
| 502-1922-419.20-01 | 12/31/2011 | GENERAL TORT CLAIMS | 12-31-2011 | | 07/2012 | 404.60 | |
| 101-1220-413.21-04 | 12/31/2011 | PERSONNEL INVESTIGATION | 12-31-2011 | | 07/2012 | 7,333.83 | |
| 101-1220-413.20-01 | 12/31/2011 | GARZA V CITY OF IB | 12-31-2011 | | 07/2012 | 2,006.37 | |
| 101-1220-413.20-01 | 12/31/2011 | JOHN PALMER | 12-31-2011 | | 07/2012 | 556.67 | |
| 101-1220-413.20-01 | 12/31/2011 | JOHN PALMER | 12-31-2011 | | 07/2012 | 5,387.34 | |
| 101-1220-413.20-01 | 12/31/2011 | HARRY & TAMARA WILLIAMS | 12-31-2011 | | 07/2012 | 14.45 | |
| 101-1220-413.20-01 | 12/31/2011 | ALVARADO V | 12-31-2011 | | 07/2012 | 231.20 | |
| 02/09/2012 | 79947 | NOAH TAPOLLA | 2413 | | | 180.00 | |
| 101-1010-411.30-02 | 01/06/2012 | 9 WONDERLAND DVD'S | 01062012 | F12056 | 07/2012 | 180.00 | |
| 02/09/2012 | 79948 | OFFICE DEPOT, INC | 1262 | | | 179.18 | |
| 101-5020-432.30-01 | 01/13/2012 | PW-PENS MARKERS PAPER | 594018431001 | 120001 | 07/2012 | 50.53 | |
| 101-5020-432.30-01 | 01/13/2012 | PW-HIGHLIGHTERS | 594018713001 | 120001 | 07/2012 | 5.32 | |
| 101-1010-411.30-02 | 01/11/2012 | CHAIRMAT, SODAS | 593535729001 | 120001 | 07/2012 | 12.07 | |
| 101-1130-412.30-01 | 01/11/2012 | CHAIRMAT, SODAS | 593535729001 | 120001 | 07/2012 | 16.09 | |

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| 101-1130-412.30-01 | 01/11/2012 | MICROCASSETTE | 593624760001 | 120001 07/2012 21.53 |
| 101-3070-427.28-11 | 01/12/2012 | BUSINESS CARD DGARCIA | 592879815001 | 120001 07/2012 73.64 |
| 02/09/2012 79949 | PATRIOT GENERAL ENGINEERING IN 2395 | | | 275,438.70 |
| 101-5000-532.20-06 | 01/13/2012 | 9TH & PALM DEMOLITION | 14003-2 | 120458 07/2012 275,438.70 |
| 02/09/2012 79950 | PITNEY BOWES INC 271 | | | 148.35 |
| 101-1920-419.28-09 | 01/18/2012 | POSTAGE MACHINE SEALER & | 5501823111 | F12057 07/2012 148.35 |
| 02/09/2012 79951 | FMI 23 | | | 311.01 |
| 101-6040-454.30-02 | 01/12/2012 | DIAMOND GRIP LARGE, GLOVE | 0334376 | 120024 07/2012 311.01 |
| 02/09/2012 79952 | PROJECT DESIGN CONSULTANT 65 | | | 3,826.63 |
| 402-5000-532.20-06 | 01/10/2012 | 9TH & PALM AVE-CIVIL SITE | 80831 | 111167 07/2012 3,826.63 |
| 02/09/2012 79953 | PRUDENTIAL OVERALL SUPPLY 72 | | | 148.53 |
| 101-5020-432.25-03 | 01/11/2012 | UNIFORMS SERVICE | 30233379 | 120092 07/2012 148.53 |
| 02/09/2012 79954 | SDGE 289 | | | 4,755.96 |
| 101-5010-431.27-01 | 02/16/2012 | 30628433719 | 02-16-2012 | 08/2012 11.97 |
| 215-6026-452.27-01 | 02/16/2012 | 28198716315 12/31-1/31 | 02-16-2012 | 08/2012 1,826.33 |
| 101-5010-431.27-01 | 02/16/2012 | 27419699359 12/31-1/31 | 02-16-2012 | 08/2012 135.01 |
| 101-5010-431.27-01 | 02/16/2012 | 06467531938 | 02-16-2012 | 08/2012 10.16 |
| 101-6010-451.27-01 | 02/17/2012 | 20816897619 | 02-17-2012 | 08/2012 373.27 |
| 101-5010-431.27-01 | 02/14/2012 | 19124092723 | 02-14-2012 | 08/2012 10.07 |
| 101-5010-431.27-01 | 02/14/2012 | 52803406641 | 02-14-2012 | 08/2012 63.51 |
| 101-5010-431.27-01 | 02/16/2012 | 34489309643 | 02-16-2012 | 08/2012 10.01 |
| 101-5010-431.27-01 | 02/14/2012 | 55761880541 | 02-14-2012 | 08/2012 10.07 |
| 101-6010-451.27-01 | 02/17/2012 | 99566936272 | 02-17-2012 | 08/2012 114.31 |
| 101-6020-452.27-01 | 02/17/2012 | 93278981346 | 02-17-2012 | 08/2012 135.04 |
| 101-5010-431.27-01 | 02/17/2012 | 77067957872 | 02-17-2012 | 08/2012 12.10 |
| 101-5010-431.27-01 | 02/18/2012 | 94760016989 | 02-18-2012 | 08/2012 1,139.05 |
| 101-6020-452.27-01 | 02/17/2012 | 69210032109 | 02-17-2012 | 08/2012 299.61 |
| 101-6020-452.27-01 | 02/17/2012 | 54566928951 | 02-17-2012 | 08/2012 35.71 |
| 101-5010-431.27-01 | 02/17/2012 | 51532726712 | 02-17-2012 | 08/2012 14.36 |
| 101-6010-451.27-01 | 02/17/2012 | 32067009265 | 02-17-2012 | 08/2012 26.25 |
| 101-6020-452.27-01 | 02/17/2012 | 20838479032 | 02-17-2012 | 08/2012 39.62 |
| 101-6010-451.27-01 | 02/17/2012 | 20816923399 | 02-17-2012 | 08/2012 41.19 |
| 101-5010-431.27-01 | 02/17/2012 | 08243292041 | 02-17-2012 | 08/2012 338.08 |
| 101-6020-452.27-01 | 02/17/2012 | 01752753776 | 02-17-2012 | 08/2012 110.24 |
| 02/09/2012 79955 | SKS INC. 412 | | | 4,172.70 |
| 501-1921-419.28-15 | 01/19/2012 | 997 GL REG GAS/169.5 GL D | 1245653 | 120058 07/2012 4,172.70 |
| 02/09/2012 79956 | SOUTH COUNTY ECONOMIC 484 | | | 1,000.00 |
| 101-1010-411.28-08 | 01/26/2012 | EDCO COMMUNITY GRANT | 01-26-2012 | 07/2012 1,000.00 |
| 02/09/2012 79957 | US BANK TRUST 749 | | | 1,750.00 |
| 725-0000-221.03-04 | 02/06/2012 | ASSESSMENT DISTRICT 66 | 03-02-2012 | 08/2012 1,750.00 |
| 02/09/2012 79958 | WEST-TECH CONTRACTING, INC. 2138 | | | 5,856.31 |
| 101-0000-202.00-00 | 12/31/2011 | RETAINAGE RELEASE | 203512311 | 010429 06/2012 5,856.31 |

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| 02/09/2012 | 79959 | WESTON SOLUTIONS INC. | 2016 | | | 26,329.87 | |
| 101-5050-535.20-06 | 11/17/2011 | TIJUANA RIVER WQ 2010 | NOV2011-02380 | 011171 | 05/2012 | 26,329.87 | |
| 02/09/2012 | 79960 | STEPHANIE FILREATH | 2 | | | .00 | |
| 601-0000-346.70-03 | 02/01/2012 | REFUND SEWER CHARGE | 02-01-2012 | | 08/2012 | 16.07 | |
| 601-0000-346.70-03 | 02/09/2012 | REFUND SEWER CHARGE | 02-01-2012 | | 08/2012 | 16.07 | |
| 02/09/2012 | 79961 | STEPHANIE GILREATH | 2 | | | 16.07 | |
| 601-0000-346.70-03 | 02/09/2012 | REFUND SEWER CHARGE | 02-01-2012 | | 08/2012 | 16.07 | |
| 02/17/2012 | 79962 | AECOM TECHNICAL SERVICES, INC. | 2109 | | | 6,399.66 | |
| 402-5000-532.20-06 | 01/23/2012 | 11/26/11-12/30/11 ZONING | 37203049 | 120116 | 07/2012 | 6,399.66 | |
| 02/17/2012 | 79963 | AGRICULTURAL PEST CONTROL | 123 | | | 95.00 | |
| 101-6020-452.21-04 | 01/24/2012 | SP RODENT CONTROL | 265139 | 120242 | 07/2012 | 95.00 | |
| 02/17/2012 | 79964 | AT&T | 291 | | | 17.35 | |
| 101-1230-413.27-04 | 02/20/2012 | 0303570356001 | 02-20-2012 | | 08/2012 | 16.18 | |
| 101-5020-432.27-04 | 02/25/2012 | 0304807925001 | 02-25-2012 | | 08/2012 | .93 | |
| 101-1920-419.27-04 | 01/27/2012 | 0304807925001 | 01-27-2012 | | 08/2012 | .12 | |
| 101-1920-419.27-04 | 12/27/2011 | 0304807925001 | 12-27-2011 | | 08/2012 | .12 | |
| 02/17/2012 | 79965 | AT&T | 2052 | | | 888.74 | |
| 503-1923-419.27-04 | 02/27/2012 | 3393439371447 | 2980929 | | 08/2012 | 177.75 | |
| 503-1923-419.27-04 | 02/27/2012 | 3393431504727 | 2978231 | | 08/2012 | 177.75 | |
| 503-1923-419.27-04 | 02/27/2012 | 3372571583448 | 2979839 | | 08/2012 | 355.49 | |
| 503-1923-419.27-04 | 02/27/2012 | 3393442323406 | 2981238 | | 08/2012 | 177.75 | |
| 02/17/2012 | 79966 | AT&T TELECONFERENCE SERVICES | 1827 | | | 484.27 | |
| 101-1010-411.28-04 | 02/01/2012 | 55037702-00001 | 02-01-2012 | 120487 | 08/2012 | 392.34 | |
| 101-1230-413.28-04 | 02/01/2012 | 55037702-00001 | 02-01-2012 | 120487 | 08/2012 | 91.93 | |
| 02/17/2012 | 79967 | BDS ENGINEERING INC | 372 | | | 4,547.00 | |
| 205-5017-531.20-06 | 01/18/2012 | STREET IMP PHASE 4/5 | 10-41N | 110675 | 07/2012 | 3,780.00 | |
| 402-5000-532.20-06 | 01/18/2012 | STREET IMP PHASE 4/5 | 10-41N | 110675 | 07/2012 | 292.00 | |
| 402-5000-532.20-06 | 01/18/2012 | SKATE PARK DECEMBER 2011 | 11-09D | 111046 | 07/2012 | 475.00 | |
| 02/17/2012 | 79968 | BOYCE INDUSTRIES INC | 486 | | | 169.01 | |
| 405-5030-433.30-02 | 01/26/2012 | VALVES, FILTERS | 01-26-2012 | 120017 | 07/2012 | 169.01 | |
| 02/17/2012 | 79969 | CALIFORNIA COMMERCIAL ASPHALT | 590 | | | 603.25 | |
| 101-5010-431.30-02 | 01/18/2012 | ASPHALT | 111829 | 120046 | 07/2012 | 603.25 | |
| 02/17/2012 | 79970 | CALIFORNIA AMERICAN WATER | 612 | | | 48.48 | |
| 101-3030-423.27-02 | 02/14/2012 | 0501550198 950 OCEAN LN 4 | 02-27-2012 | | 08/2012 | 21.15 | |
| 101-5030-433.27-02 | 02/14/2012 | 0501550370 CONST MTR #22 | 02-27-2012 | | 08/2012 | 27.33 | |
| 02/17/2012 | 79971 | CARSO CONSTRUCTION | 2418 | | | 1,880.00 | |
| 402-5000-532.20-06 | 02/09/2012 | REPAIR IRRIGATION @ SKATE | 02-09-2012 | 120720 | 08/2012 | 1,880.00 | |

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| 02/17/2012 | 79972 | CVA SECURITY | 797 | | | 70.00 | |
| 101-1910-419.20-23 | 02/01/2012 | ALARM MONITORING EOC | 21069 | 120079 | 08/2012 | 30.00 | |
| 101-1910-419.20-23 | 02/01/2012 | ALARM MONITORING | 21163 | 120079 | 08/2012 | 40.00 | |
| 02/17/2012 | 79973 | CITY OF CHULA VISTA | 823 | | | 17,626.00 | |
| 101-3050-425.20-06 | 01/20/2012 | DECEMBER ANIMAL CONTROL | AR131559 | 120457 | 07/2012 | 17,626.00 | |
| 02/17/2012 | 79974 | CITY OF TUSTIN | 1925 | | | 275.00 | |
| 101-1130-412.28-12 | 01/31/2012 | CALPACS 2012 MEMBERSHIP R | 2012 | 120712 | 07/2012 | 275.00 | |
| 02/17/2012 | 79975 | CLEAN HARBORS | 913 | | | 1,414.74 | |
| 101-5040-434.21-04 | 01/31/2012 | ENVIROMENTAL SERVICES | 6Y1228870 | 120038 | 07/2012 | 1,414.74 | |
| 02/17/2012 | 79976 | CORODATA MEDIA STORAGE, INC. | 2334 | | | 136.62 | |
| 503-1923-419.20-06 | 01/31/2012 | JAN 2012 SERVICE | DS1248177 | 120105 | 07/2012 | 136.62 | |
| 02/17/2012 | 79977 | COUNTY OF SAN DIEGO | 1055 | | | 2,252.00 | |
| 101-3010-421.21-04 | 02/07/2012 | PARKING PENALTY REMITTANC | 02-07-2012 | | 08/2012 | 2,252.00 | |
| 02/17/2012 | 79978 | COUNTY OF SAN DIEGO (PW) | 1440 | | | 3,333.00 | |
| 601-5050-436.29-04 | 01/31/2012 | STORM WATER POLL PROGRAM | SDREF-2012-005 | 120714 | 07/2012 | 3,333.00 | |
| 02/17/2012 | 79979 | COX COMMUNICATIONS | 1073 | | | 189.94 | |
| 503-1923-419.29-04 | 02/02/2012 | CITY HALL CABLE SERVICE | 02-02-2012 | 120188 | 08/2012 | 10.94 | |
| 601-5050-436.21-04 | 02/05/2012 | 0013110091187001 JAN 2012 | 02-25-2012 | 120188 | 08/2012 | 179.00 | |
| 02/17/2012 | 79980 | CTE INC, CLARK TELECOM & ELECT | 2316 | | | 9,286.30 | |
| 101-5020-532.20-06 | 02/01/2012 | CITY WIDE STREET LIGHTING | 1122 | 110874 | 08/2012 | 9,286.30 | |
| 02/17/2012 | 79981 | D.A.R. CONTRACTORS | 1122 | | | 347.00 | |
| 101-3050-425.20-06 | 02/01/2012 | JAN 2012 | 0101229 | 120252 | 08/2012 | 347.00 | |
| 02/17/2012 | 79982 | DATAQUICK | 1134 | | | 75.00 | |
| 101-1210-413.21-04 | 02/01/2012 | BUSINESS LICENSE MONTHLY | B1-2008317 | 120189 | 08/2012 | 21.50 | |
| 101-3020-422.21-04 | 02/01/2012 | PUBLIC SAFETY MONTHLY SER | B1-2008317 | 120189 | 08/2012 | 23.00 | |
| 101-3070-427.21-04 | 02/01/2012 | CODE ENFORC MONTHLY SERV | B1-2008317 | 120189 | 08/2012 | 30.50 | |
| 02/17/2012 | 79983 | DEPARTMENT OF CORRECTIONS AND | 169 | | | 4,212.54 | |
| 101-6020-452.21-04 | 01/30/2012 | 87.5 HRS WORK CREW | 1800128889 | 120115 | 07/2012 | 4,212.54 | |
| 02/17/2012 | 79984 | DKC ASSOCIATES, INC. | 2187 | | | 1,680.00 | |
| 101-1110-412.20-06 | 02/10/2012 | 1/29-2/10 CONSULTING SERV | 242 | 120117 | 08/2012 | 571.20 | |
| 405-1260-413.20-06 | 02/10/2012 | 1/29-2/10 CONSULTING SERV | 242 | 120117 | 08/2012 | 554.40 | |
| 502-1922-419.20-06 | 02/10/2012 | 1/29-2/10 CONSULTING SERV | 242 | 120117 | 08/2012 | 554.40 | |
| 02/17/2012 | 79985 | FASTENAL | 909 | | | 35.53 | |
| 101-6040-454.30-02 | 01/30/2012 | 3/8-16 INSRT | CACHU26724 | 120019 | 07/2012 | 5.32 | |
| 101-5010-431.30-02 | 01/31/2012 | NYLOCK, SPLIT | CACHU23732 | 120019 | 07/2012 | 19.72 | |
| 601-5060-436.30-02 | 01/24/2012 | DIG ALERT PAINT | CACHU26670 | 120019 | 07/2012 | 10.49 | |

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| 02/17/2012 | 79986 | FERGUSON ENTERPRISES INC. | 915 | | | 1,892.92 | |
| 601-5060-436.28-01 | 01/26/2012 | 6" CLOW CHECK VALVE PARTS | 0396542 | 120063 | 07/2012 | 826.19 | |
| 601-5060-436.30-02 | 01/23/2012 | VALVE | 0398041 | 120063 | 07/2012 | 1,066.73 | |
| 02/17/2012 | 79987 | FOCUS ON INTERVENTION | 1490 | | | 395.50 | |
| 502-1922-419.30-02 | 01/17/2012 | SGALAVIZ ERGONOMIC EVALUA | 49051 | 120713 | 07/2012 | 395.50 | |
| 02/17/2012 | 79988 | G & G BACKFLOW AND PLUMBING | 1486 | | | 3,246.07 | |
| 101-6020-452.21-04 | 01/28/2012 | TEST BACKFLOWS | 6204 | 120644 | 07/2012 | 3,246.07 | |
| 02/17/2012 | 79989 | GRAINGER | 1051 | | | 826.57 | |
| 101-6040-454.30-02 | 01/26/2012 | 5 PK FILTERS | 9739887132 | 120020 | 07/2012 | 31.47 | |
| 101-1910-419.28-01 | 01/30/2012 | EMERGENCY EXIT FIXTURE | 9741470885 | 120020 | 07/2012 | 395.99 | |
| 101-1910-419.28-01 | 01/30/2012 | COMPOUND, LAMP, PADLOCK | 9741470893 | 120020 | 07/2012 | 399.11 | |
| 02/17/2012 | 79990 | HARRIS STEEL FENCE CO INC. | 2390 | | | 43,788.60 | |
| 402-5000-532.20-06 | 02/07/2012 | SKATE PARK FENCE | 21591 | 120390 | 08/2012 | 43,788.60 | |
| 02/17/2012 | 79991 | HDL COREN & CONE | 111 | | | 300.00 | |
| 101-1210-413.20-06 | 01/31/2012 | SALES TAX 1ST QTR | 0018993-IN | 120206 | 07/2012 | 300.00 | |
| 02/17/2012 | 79992 | I B FIREFIGHTERS ASSOCIATION | 214 | | | 216.50 | |
| 101-0000-209.01-08 | 02/16/2012 | PR AP PPE 02/09/2012 | 20120216 | | 08/2012 | 216.50 | |
| 02/17/2012 | 79993 | ICMA RETIREMENT TRUST 457 | 242 | | | 5,893.72 | |
| 101-0000-209.01-10 | 02/16/2012 | PR AP PPE 02/09/2012 | 20120216 | | 08/2012 | 5,893.72 | |
| 02/17/2012 | 79994 | JOHN DEERE LANDSCAPES | 1986 | | | 1,419.64 | |
| 101-6020-452.30-02 | 01/18/2012 | NODE CONTROLLER, SOLENOID | 60122352 | 120040 | 07/2012 | 118.93 | |
| 101-6020-452.28-01 | 01/19/2012 | ULTRA ROTOR, SELENOID | 60133882 | 120040 | 07/2012 | 547.78 | |
| 101-6020-452.28-01 | 01/24/2012 | COUPLING VALVE, GREEN BOX | 60151916 | 120040 | 07/2012 | 186.00 | |
| 101-5010-431.30-02 | 02/01/2012 | AGRIFORM PLANT, TECHLINE | 60194861 | 120040 | 08/2012 | 313.63 | |
| 101-5010-431.30-02 | 02/01/2012 | XERI-BIRD W/EMITTERS, DIF | 60194975 | 120040 | 08/2012 | 83.37 | |
| 101-6020-452.30-02 | 02/01/2012 | PIPES | 60195147 | 120040 | 08/2012 | 81.57 | |
| 101-6020-452.30-02 | 02/01/2012 | BAG SOIL, REOUND GRATE | 60197198 | 120040 | 08/2012 | 88.36 | |
| 02/17/2012 | 79995 | JOSE LUIS MORENO | 560 | | | 35.00 | |
| 101-5010-431.28-01 | 01/25/2012 | CITY BANNER REPAIR | 4 | 120554 | 07/2012 | 35.00 | |
| 02/17/2012 | 79996 | KOA CORPORATION | 611 | | | 1,008.21 | |
| 101-5010-431.20-06 | 02/13/2012 | CROSSWALK INCIDENT | JB14106X1 | | 08/2012 | 350.00 | |
| 101-3020-422.20-06 | 02/14/2012 | PROFESSIONAL SERVICES | JB14106X1 | | 08/2012 | 658.21 | |
| 02/17/2012 | 79997 | MASON'S SAW & LAWNMOWER | 923 | | | 183.68 | |
| 501-1921-419.28-16 | 01/30/2012 | CARBURETOR | 269608 | 120039 | 07/2012 | 42.97 | |
| 601-5050-436.28-01 | 01/31/2012 | MUFLER KIT, CHOKE KNOB | 269850 | 120039 | 07/2012 | 140.71 | |
| 02/17/2012 | 79998 | MIDORI STARBUCK | 2 | | | 2.84 | |
| 601-5060-436.29-04 | 02/02/2012 | REFUND ON OVERPAYMENT | 02-01-2012 | | 08/2012 | 2.84 | |

| CHECK DATE | CHECK NUMBER | VENDOR NAME | VENDOR # | | | | CHECK AMOUNT |
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| 02/17/2012 | 79999 | MIRELES LANDSCAPING | 2107 | | | | 120.00 |
| 245-1240-413.20-06 | 01/31/2012 | JAN 12 SERVICE | 1268 | 120226 | 07/2012 | | 120.00 |
| 02/17/2012 | 80000 | MOBILE HOME ACCEPTANCE CORPORA | 1533 | | | | 296.31 |
| 408-5020-432.25-01 | 01/24/2012 | OFFICE TRAILER RENT | 163324 | 120205 | 07/2012 | | 296.31 |
| 02/17/2012 | 80001 | NASLAND ENGINEERING | 1656 | | | | 1,529.29 |
| 405-1260-513.20-06 | 01/31/2012 | PROF. SERV DATE ST | 91507 | 090544 | 07/2012 | | 576.79 |
| 402-5000-532.20-06 | 01/31/2012 | CRI-CONSULTATION DURING C | 91509 | 111165 | 07/2012 | | 952.50 |
| 02/17/2012 | 80002 | NORTHWEST PUMP & EQUIPMENT | 1703 | | | | 6,400.95 |
| 501-1921-419.50-04 | 01/31/2012 | GB ASTRA SYSTEM W/FILTER | 2281237-00 | | 07/2012 | | 6,400.95 |
| 02/17/2012 | 80003 | OFFICE DEPOT, INC | 1262 | | | | 1,180.01 |
| 101-1010-411.28-11 | 01/14/2012 | CITY MANAGER ENVELOPES | 593623539001 | 120001 | 07/2012 | | 75.41 |
| 101-1210-413.30-01 | 01/16/2012 | STORAGE BOXES | 594059592001 | 120001 | 07/2012 | | 25.82 |
| 101-5020-432.30-01 | 01/18/2012 | WINDOW ENVELOPES #10 | 594018714001 | 120001 | 07/2012 | | 99.69 |
| 101-5020-432.30-01 | 01/20/2012 | POST IT | 594962922001 | 120001 | 07/2012 | | 14.00 |
| 101-1010-411.30-01 | 01/23/2012 | FILE POCKETS, PETTY CASH | 595068456001 | 120001 | 07/2012 | | 92.24 |
| 101-5020-432.30-01 | 01/25/2012 | POST IT, DUSTER, TISSUE | 595535768001 | 120001 | 07/2012 | | 65.06 |
| 502-1922-419.30-02 | 02/02/2012 | LOGIC MID BACK MULTIFUNCT | 161881 | 120001 | 08/2012 | | 336.89 |
| 101-1130-412.30-01 | 01/25/2012 | PRESSBOARD END-TAB GUIDES | 595512213001 | 120001 | 07/2012 | | 86.18 |
| 101-1210-413.30-01 | 01/17/2012 | POST IT FLAGS | 594035782001 | 120001 | 07/2012 | | 11.25 |
| 101-1210-413.30-01 | 01/18/2012 | PRINTER INK | 594034087001 | 120001 | 07/2012 | | 331.68 |
| 101-1020-411.30-01 | 01/25/2012 | LABELS AND BATTERIES | 595508019001 | 120001 | 07/2012 | | 27.67 |
| 101-1110-412.30-01 | 01/25/2012 | LABELS AND BATTERIES | 595508019001 | 120001 | 07/2012 | | 14.12 |
| 02/17/2012 | 80004 | ONE SOURCE DISTRIBUTORS | 1071 | | | | 358.81 |
| 101-6040-454.30-02 | 02/01/2012 | QUAD BLST/PHIL METAL | S3710310.001 | 120023 | 08/2012 | | 126.03 |
| 601-5060-436.30-02 | 11/03/2011 | WINDLAND WATERBUG | S3638262-001 | 120023 | 05/2012 | | 232.78 |
| 02/17/2012 | 80005 | PACIFIC SAFETY COUNCIL | 1275 | | | | 9.79 |
| 101-5020-432.28-04 | 01/31/2012 | SHIPPING SERVICE 1/9/12 | 68828 | 120382 | 07/2012 | | 9.79 |
| 02/17/2012 | 80006 | PADRE JANITORIAL SUPPLIES | 1430 | | | | 139.30 |
| 101-6040-454.30-02 | 01/23/2012 | LEMON STRIKE BACK | 324736 | 120034 | 07/2012 | | 139.30 |
| 02/17/2012 | 80007 | PARTNERSHIP WITH INDUSTRY | 1302 | | | | 1,012.09 |
| 101-6040-454.21-04 | 01/19/2012 | PE 1/15/2012 | GS03992 | 120012 | 07/2012 | | 1,012.09 |
| 02/17/2012 | 80008 | FMI | 23 | | | | 721.97 |
| 601-5060-436.30-02 | 01/20/2012 | DIAMOND GRIP GLOVES | 0335718 | 120024 | 07/2012 | | 459.38 |
| 101-6040-454.30-02 | 01/24/2012 | DIAMOND GRIP LARGE | 0336020 | 120024 | 07/2012 | | 262.59 |
| 02/17/2012 | 80009 | PORT OF SAN DIEGO | 28 | | | | 271.00 |
| 601-5050-436.29-04 | 01/25/2012 | CITY OF IB SHARE-SD BAY W | 1800023739 | 120708 | 07/2012 | | 271.00 |
| 02/17/2012 | 80010 | PRO LINE PAINT COMPANY | 52 | | | | 69.27 |
| 601-5060-436.30-02 | 01/24/2012 | MACH GREY PAINT | 8350-8 | 120030 | 07/2012 | | 69.27 |

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| ACCOUNT # | TRN DATE | | | | | | | TRN AMOUNT |
| 02/17/2012 | 80011 | PROTECTION ONE ALARM MONITORIN | 69 | | | | | 277.37 |
| 601-5060-436.28-01 | 01/22/2012 | | | ALARM MONITORING | 86361347 | 120470 | 07/2012 | 277.37 |
| 02/17/2012 | 80012 | PRUDENTIAL OVERALL SUPPLY | 72 | | | | | 303.49 |
| 101-5020-432.25-03 | 01/18/2012 | | | UNIFORM RENT | 30234854 | 120092 | 07/2012 | 153.71 |
| 101-5020-432.25-03 | 01/25/2012 | | | UNIFORM RENTAL/CLEANING | 30236326 | 120092 | 07/2012 | 149.78 |
| 02/17/2012 | 80013 | RANCHO AUTO & TRUCK PARTS | 1685 | | | | | 998.32 |
| 501-1921-419.28-16 | 01/12/2012 | | | OIL FILTER, AIR FILTER, T | 7693-104508 | 120028 | 07/2012 | 53.48 |
| 501-1921-419.28-16 | 01/17/2012 | | | SLIME AIR W/HOSE, TIRE IN | 7693-105140 | 120028 | 07/2012 | 32.67 |
| 501-1921-419.28-16 | 01/18/2012 | | | DRUMS & ROTORS, REAR SHOE | 7693-105225 | 120028 | 07/2012 | 132.64 |
| 501-1921-419.28-16 | 01/18/2012 | | | BELT | 7693-105290 | 120028 | 07/2012 | 29.29 |
| 501-1921-419.28-16 | 01/18/2012 | | | CON & TRACTOR BATTERY | 7693-105304 | 120028 | 07/2012 | 504.27 |
| 501-1921-419.28-16 | 01/18/2012 | | | RERUTN TRACTOR BATTERI | 7693-105339 | 120028 | 07/2012 | 81.89 |
| 501-1921-419.28-16 | 01/19/2012 | | | OIL FILTER | 7693-105388 | 120028 | 07/2012 | 37.35 |
| 501-1921-419.28-16 | 01/19/2012 | | | RUBBERIZED UNDERCOAT, OIL | 7693-105389 | 120028 | 07/2012 | 23.51 |
| 501-1921-419.28-16 | 01/19/2012 | | | CERAMIC BRAKE PADS | 7693-105460 | 120028 | 07/2012 | 166.88 |
| 501-1921-419.28-16 | 01/23/2012 | | | OIL SEALS, BEARINGS | 7693-105912 | 120028 | 07/2012 | 55.36 |
| 501-1921-419.28-16 | 01/26/2012 | | | BELTS, FILTERS | 7693-106239 | 120028 | 07/2012 | 44.76 |
| 02/17/2012 | 80014 | SAN DIEGO GAS & ELECTRIC | 1399 | | | | | 15,131.69 |
| 101-5010-431.27-01 | 02/23/2012 | | | 56497714749 ALL OTHERS | 02-23-2012 | | 08/2012 | 6,549.92 |
| 101-6020-452.27-01 | 02/23/2012 | | | 56497714749 209 ELDER AVE | 02-23-2012 | | 08/2012 | 9.86 |
| 101-3020-422.27-01 | 02/23/2012 | | | 19807697764 865 IB BLVD | 02-23-2012 | | 08/2012 | 2,054.50 |
| 101-1910-419.27-01 | 02/23/2012 | | | 10087869371 825 IB BLVD | 02-23-2012 | | 08/2012 | 291.62 |
| 101-3020-422.27-01 | 02/23/2012 | | | 10087869371 865 IB BLVD | 02-23-2012 | | 08/2012 | 75.53 |
| 101-5010-431.27-01 | 02/23/2012 | | | 85075178464 1355 IB BLVD | 02-23-2012 | | 08/2012 | 12.29 |
| 101-6020-452.27-01 | 02/23/2012 | | | 85075178464 ALL OTHERS | 02-23-2012 | | 08/2012 | 1,118.98 |
| 101-5010-431.27-01 | 02/23/2012 | | | 10088604389 495 10TH ST | 02-23-2012 | | 08/2012 | 454.73 |
| 601-5060-436.27-01 | 02/23/2012 | | | 52635219238 814 CYPRESS | 02-23-2012 | | 08/2012 | 10.00 |
| 601-5060-436.27-01 | 02/23/2012 | | | 85417701270 ALL OTHERS | 02-23-2012 | | 08/2012 | 3,675.26 |
| 101-5020-432.27-01 | 02/23/2012 | | | 91692992261 495 10TH ST | 02-23-2012 | | 08/2012 | 879.00 |
| 02/17/2012 | 80015 | SAN DIEGO COUNTY SHERIFF | 882 | | | | | 2,085.57 |
| 213-3037-421.20-06 | 01/17/2012 | | | SALARIES & BENEFITS STUDY | 01-17-2012 | | 07/2012 | 2,085.57 |
| 02/17/2012 | 80016 | SANDPIPA | 321 | | | | | 1,615.00 |
| 502-1922-419.28-02 | 01/30/2012 | | | BOND/CRIME PROGRAM RENEWA | BC2012-6 | 120717 | 07/2012 | 1,615.00 |
| 02/17/2012 | 80017 | SEIU LOCAL 221 | 1821 | | | | | 1,273.25 |
| 101-0000-209.01-08 | 02/16/2012 | | | PR AP PPE 02/09/2012 | 20120216 | | 08/2012 | 1,273.25 |
| 02/17/2012 | 80018 | SKS INC. | 412 | | | | | 4,934.48 |
| 501-1921-419.28-15 | 01/26/2012 | | | 925.90 GL REG GAS | 1245772-IN | 120058 | 07/2012 | 3,300.14 |
| 501-1921-419.28-15 | 02/01/2012 | | | 450 GAL REG GASOLINE | 1245908-IN | 120058 | 08/2012 | 1,634.34 |
| 02/17/2012 | 80019 | SLOAN ELECTRIC COMPANY | 417 | | | | | 200.00 |
| 601-5060-436.21-04 | 01/25/2012 | | | CONTROLS CHECKOUT | 0060160 | 120073 | 07/2012 | 200.00 |
| 02/17/2012 | 80020 | SOUTH BAY COMMUNITY SVCS | 472 | | | | | 12,183.42 |
| 248-1920-519.20-06 | 01/26/2012 | | | CASA ESTABLE REHAB PROJEC | 13 | 081176 | 07/2012 | 12,183.42 |

| CHECK DATE | CHECK NUMBER | VENDOR NAME | VENDOR # | | | | CHECK AMOUNT |
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| ACCOUNT # | TRN DATE | DESCRIPTION | INVOICE | PO # | PER/YEAR | TRN AMOUNT | |
| 02/17/2012 101-5010-431.21-04 | 80021 01/31/2012 | SOUTH WEST SIGNAL | 488 | | | | 160.00 |
| | | SIGNAL MONTHLY MAINTENANC | 50606 | 120047 | 07/2012 | | 160.00 |
| 02/17/2012 101-3020-422.27-05 | 80022 01/29/2012 | SPRINT | 2040 | | | | 149.97 |
| | | 12/26/2011-01/25/2012 | 594768811-050 | | 07/2012 | | 149.97 |
| 02/17/2012 101-1210-413.20-06 | 80023 12/22/2011 | SUNGARD PUBLIC SECTOR INC. | 1370 | | | | 800.00 |
| | | PAYROLL PROGRAM ADD PAY | 44902 | 120718 | 06/2012 | | 800.00 |
| 02/17/2012 601-5060-436.21-04 | 80024 02/01/2012 | UNDERGROUND SERVICE ALERT OF | 731 | | | | 54.00 |
| | | ALARM SERVICES | 120120327 | 120106 | 08/2012 | | 54.00 |
| 02/17/2012 101-0000-209.01-20 | 80025 02/16/2012 | UNION BANK PARS-#6746022400 | 2400 | | | | 1,381.82 |
| | | PR AP PPE 02/09/2012 | 20120216 | | 08/2012 | | 1,381.82 |
| 02/17/2012 101-0000-221.01-02 | 80026 02/14/2012 | UNION TRIBUNE | 738 | | | | 954.00 |
| | | NOTICE OF COUNCIL HEARING | 255911 | | 08/2012 | | 2,032.40 |
| | | NOTICE OF COUNCIL HEARING | 252919 | | 08/2012 | | 1,078.40- |
| 02/17/2012 101-0000-221.01-03 | 80027 02/07/2012 | VICTOR MARQUEZ | 2 | | | | 550.00 |
| | | REFUND MARINA VISTA DEP | 02-07-2012 | | 08/2012 | | 550.00 |
| 02/17/2012 101-1920-419.21-04 | 80028 01/30/2012 | WAGE WORKS INC. | 2210 | | | | 113.00 |
| | | FSA ADMIN FEE | 125AI0178344 | 120126 | 07/2012 | | 113.00 |
| 02/17/2012 101-6040-454.30-02 | 80029 01/20/2012 | WAXIE SANITARY SUPPLY | 802 | | | | 1,036.15 |
| | | JANITORAL SUPPLIES | 73076994 | 120025 | 07/2012 | | 1,036.15 |
| 02/17/2012 735-0000-221.03-01 | 80030 02/09/2012 | WELLS FARGO CORPORATE TRUST SE | 2384 | | | | 1,167.50 |
| | | ASSESSMANT DIST #71 | 831924 | | 08/2012 | | 1,167.50 |
| 02/17/2012 101-6040-454.30-02 | 80031 01/11/2012 | WHITE CAP CONSTRUCTION SUPPLY | 1434 | | | | 11.05 |
| | | SIKAFLEX SEALANT | 15060456 | 120027 | 07/2012 | | 11.05 |
| 02/17/2012 402-5000-532.20-06 | 80032 01/19/2012 | ZUMAR INDUSTRIED INC. | 875 | | | | 291.93 |
| | | LOGO FOR SKATE PARK | 0135837 | 120026 | 07/2012 | | 291.93 |
| 02/23/2012 101-0000-221.01-04 | 80033 02/21/2012 | ALLIANT INSURANCE SERVICES, IN | 1194 | | | | 444.38 |
| | | OCT-DEC SPECIAL EVENT INS | 02-21-2012 | | 08/2012 | | 444.38 |
| 02/23/2012 101-3020-422.21-04 | 80034 01/31/2012 | AMERICAN MESSAGING | 1759 | | | | 260.84 |
| | | 2/1/12-2/29/12 PAGER SVC | L1074045MB | 120300 | 07/2012 | | 260.84 |
| 02/23/2012 101-0000-321.72-10 | 80035 02/21/2012 | ANTOJITOS LUCY'S | 2 | | | | 150.00 |
| | | OL REFUNDS | 0003151 | | 08/2012 | | 150.00 |
| 02/23/2012 101-3010-421.21-25 | 80036 02/01/2012 | COUNTY OF SAN DIEGO RCS | 1065 | | | | 3,412.00 |
| | | MOBILE DATA TERMINALS | 12CTFIBN07 | 120368 | 08/2012 | | 2,325.50 |
| | | MOBILE DATA TERMINALS | 12CTFIBN07 | 120368 | 08/2012 | | 53.00 |

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| 101-3030-423.20-06 | 02/01/2012 | MOBILE DATA TERMINALS | 12CTFIBN07 | 120368 | 08/2012 | 1,033.50 | |
| 02/23/2012 | 80037 | COX COMMUNICATIONS | 1073 | | | 125.80 | |
| 101-6010-451.29-04 | 02/15/2012 | FEB-MARCH CABLE SVCS | 03-05-2012 | 120188 | 08/2012 | 125.80 | |
| 02/23/2012 | 80038 | DELTACARE USA | 2420 | | | 1,493.96 | |
| 101-0000-209.01-12 | 02/21/2012 | JAN/FEB 2012 DENTAL HMO | 02-21-2012 | | 08/2012 | 746.98 | |
| 101-0000-209.01-12 | 02/21/2012 | JAN/FEB 2012 DENTAL HMO | 02-21-2012 | | 08/2012 | 746.98 | |
| 02/23/2012 | 80039 | FASTENAL | 909 | | | 219.48 | |
| 101-6040-454.30-02 | 02/01/2012 | CAUTION TAPE | CACHU26750 | 120019 | 08/2012 | 171.14 | |
| 101-6040-454.30-02 | 02/01/2012 | CAUTION TAPE | CACHU26750 | 120019 | 08/2012 | 48.34 | |
| 02/23/2012 | 80040 | GTC SYSTEMS INC | 1910 | | | 1,137.50 | |
| 503-1923-419.20-06 | 01/31/2012 | 4 HRS CONSULTING SERVICES | 32901 | 120558 | 07/2012 | 700.00 | |
| 503-1923-419.20-06 | 01/31/2012 | 2.50 HRS CONSULTING SERVI | 32901 | 120722 | 07/2012 | 437.50 | |
| 02/23/2012 | 80041 | PUROCLEAN EMERGENCY | 2423 | | | 1,066.41 | |
| 101-3020-422.20-06 | 02/17/2012 | EMERGENCY CLEAN UP SVCS | 2012-01-30-1332 | | 08/2012 | 1,066.41 | |
| 02/23/2012 | 80042 | IKON OFFICE SOLUTIONS, INC. | 2392 | | | 1,930.89 | |
| 101-1110-412.28-01 | 02/03/2012 | FEBRUARY SERVICE | 86411000 | 120374 | 08/2012 | 275.79 | |
| 101-1210-413.28-01 | 02/03/2012 | FEBRUARY SERVICE | 86411000 | 120374 | 08/2012 | 275.85 | |
| 101-1230-413.28-01 | 02/03/2012 | FEBRUARY SERVICE | 86411000 | 120374 | 08/2012 | 275.85 | |
| 101-3020-422.28-01 | 02/03/2012 | FEBRUARY SERVICE | 86411000 | 120374 | 08/2012 | 275.85 | |
| 101-3030-423.28-01 | 02/03/2012 | FEBRUARY SERVICE | 86411000 | 120374 | 08/2012 | 275.85 | |
| 101-5020-432.28-01 | 02/03/2012 | FEBRUARY SERVICE | 86411000 | 120374 | 08/2012 | 275.85 | |
| 101-6010-451.28-01 | 02/03/2012 | FEBRUARY SERVICE | 86411000 | 120374 | 08/2012 | 275.85 | |
| 02/23/2012 | 80043 | JOHN FRENCH | 534 | | | 600.00 | |
| 101-1920-419.29-01 | 02/22/2012 | JFRENCH TUITION REIMBURSE | 02-22-2012 | 120230 | 08/2012 | 600.00 | |
| 02/23/2012 | 80044 | LLOYD PEST CONTROL | 814 | | | 300.00 | |
| 101-1910-419.21-04 | 01/13/2012 | 1075 8TH ST PEST CONTROL | 3285422 | 120083 | 07/2012 | 49.00 | |
| 101-1910-419.21-04 | 01/11/2012 | 425 IB BLVD PEST CONTROL | 3270639 | 120083 | 07/2012 | 47.00 | |
| 101-1910-419.21-04 | 01/11/2012 | 495 10TH ST PEST CONTROL | 3272576 | 120083 | 07/2012 | 49.00 | |
| 101-1910-419.21-04 | 01/12/2012 | 825 IB BLVD PEST CONTROL | 3285131 | 120083 | 07/2012 | 33.00 | |
| 101-1910-419.21-04 | 01/12/2012 | 865 IB BLVD PEST CONTROL | 3285132 | 120083 | 07/2012 | 33.00 | |
| 101-1910-419.21-04 | 01/12/2012 | 845 IB BLVD PEST CONTROL | 3285335 | 120083 | 07/2012 | 33.00 | |
| 101-1910-419.21-04 | 01/22/2012 | 950 OCEAN LN PEST CONTROL | 3272886 | 120083 | 07/2012 | 56.00 | |
| 02/23/2012 | 80045 | MCDUGAL LOVE ECKIS & | 962 | | | 36,736.52 | |
| 405-1260-413.20-01 | 02/06/2012 | LEGAL SVCS JAN 2012 | 01-31-2012 | | 08/2012 | 9,162.96 | |
| 405-1260-413.20-01 | 02/06/2012 | LEGAL SVCS JAN 2012 | 01-31-2012 | | 08/2012 | 2,329.21 | |
| 405-1260-413.20-01 | 02/06/2012 | LEGAL SVCS JAN 2012 | 01-31-2012 | | 08/2012 | 5,436.19 | |
| 101-1220-413.20-01 | 02/06/2012 | LEGAL SVCS JAN 2012 | 01-31-2012 | | 08/2012 | 1,465.56 | |
| 101-1220-413.21-04 | 02/06/2012 | LEGAL SVCS JAN 2012 | 01-31-2012 | | 08/2012 | 14.89 | |
| 101-1220-413.21-04 | 02/06/2012 | LEGAL SVCS JAN 2012 | 01-31-2012 | | 08/2012 | 7,066.21 | |
| 101-1220-413.20-01 | 02/06/2012 | LEGAL SVCS JAN 2012 | 01-31-2012 | | 08/2012 | 520.20 | |
| 101-1220-413.20-01 | 02/06/2012 | LEGAL SVCS JAN 2012 | 01-31-2012 | | 08/2012 | 2,398.70 | |

| CHECK DATE | CHECK NUMBER | VENDOR NAME | VENDOR # | CHECK AMOUNT | |
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| 101-1220-413.20-01 | 02/06/2012 | LEGAL SVCS JAN 2012 | 01-31-2012 | 08/2012 | 115.60 |
| 101-1220-413.20-02 | 02/06/2012 | RETAINER JAN 2012 | 01-31-2012 | 08/2012 | 8,227.00 |
| 02/23/2012 | 80046 | OFFICE DEPOT, INC | 1262 | | 94.57 |
| 101-1230-413.30-01 | 01/30/2012 | OFFICE SUPPLIES | 596251453-001 | 120001 07/2012 | 25.12 |
| 101-3040-424.30-01 | 01/30/2012 | OFFICE SUPPLIES | 596251453-001 | 120001 07/2012 | 26.65 |
| 101-1210-413.30-01 | 02/01/2012 | ELECTRIC STAPLER | 596493934001 | 120001 08/2012 | 14.79 |
| 101-5020-432.30-01 | 01/31/2012 | RUBBER STAPLER | 595548959001 | 120001 07/2012 | 28.00 |
| 02/23/2012 | 80047 | FITNEY BOWES | 1369 | | 2,518.99 |
| 101-1920-419.28-09 | 02/06/2012 | POSTAGE SERVICE | 02-06-2012 | 120214 08/2012 | 2,518.99 |
| 02/23/2012 | 80048 | PREFERRED BENEFIT INS ADMIN IN | 37 | | 2,275.54 |
| 101-0000-209.01-12 | 02/02/2012 | PR AP PPE 01/26/2012 | 20120202 | 08/2012 | 1,465.16 |
| 101-0000-209.01-12 | 02/16/2012 | PR AP PPE 02/09/2012 | 20120216 | 08/2012 | 1,444.41 |
| 101-0000-209.01-12 | 02/23/2012 | FEB 2012 DENTAL HEALTH | EIA4760 | 08/2012 | 634.03 |
| 101-0000-209.01-12 | 02/23/2012 | TO CORRECT FEB 2012 DENTA | EIA4760 | 08/2012 | 1,268.06- |
| 02/23/2012 | 80049 | PRUDENTIAL OVERALL SUPPLY | 72 | | 136.68 |
| 101-5020-432.25-03 | 02/01/2012 | UNIFORM RENT | 30237803 | 120092 08/2012 | 136.68 |
| 02/23/2012 | 80050 | SPARKLETTS | 2341 | | 32.84 |
| 101-1210-413.30-01 | 02/11/2012 | DRINKING WATER SERVICE | 10552239-021112 | 120127 08/2012 | 32.84 |
| 02/23/2012 | 80051 | VERIZON WIRELESS | 2317 | | 1,509.55 |
| 101-5020-432.27-05 | 02/08/2012 | 01/09/2012-02/08/2012 | 1055407479 | 08/2012 | 682.10 |
| 101-3040-424.27-05 | 02/08/2012 | 01/09/2012-02/08/2012 | 1055407479 | 08/2012 | 54.64 |
| 101-3020-422.27-05 | 02/08/2012 | 01/09/2012-02/08/2012 | 1055407479 | 08/2012 | 108.18 |
| 101-3030-423.27-05 | 02/08/2012 | 01/09/2012-02/08/2012 | 1055407479 | 08/2012 | 277.69 |
| 101-3070-427.27-05 | 02/08/2012 | 01/09/2012-02/08/2012 | 1055407479 | 08/2012 | 81.79 |
| 101-1230-413.27-05 | 02/08/2012 | 01/09/2012-02/08/2012 | 1055407479 | 08/2012 | 101.98 |
| 503-1923-419.27-05 | 02/08/2012 | 01/09/2012-02/08/2012 | 1055407479 | 08/2012 | 199.77 |
| 503-1923-419.27-05 | 02/08/2012 | 01/09/2012-02/08/2012 | 1055407479 | 08/2012 | 3.40 |
| 02/23/2012 | 80052 | VISION PLAN OF AMERICA | 785 | | 209.03 |
| 101-0000-209.01-18 | 02/02/2012 | PR AP PPE 01/26/2012 | 20120202 | 08/2012 | 99.59 |
| 101-0000-209.01-18 | 02/16/2012 | PR AP PPE 02/09/2012 | 20120216 | 08/2012 | 99.59 |
| 101-1920-419.29-04 | 02/23/2012 | MARCH 2012 VISION PLAN PR | 02-01-2012 | 08/2012 | 9.85 |

DATE RANGE TOTAL * 1,406,945.28 *



**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY R. BROWN, CITY MANAGER
MEETING DATE: March 7, 2012
ORIGINATING DEPT.: CITY MANAGER
SUBJECT: ADOPT RESOLUTION NO. 2012- 7163 RELATED TO COUNCIL HEALTH BENEFITS

BACKGROUND:

California law allows any member of a legislative body to receive health benefits in an amount no greater than that received by non-safety employees of that public agency. In FY 1999-2000, the City Council established a health benefit that could be used by the Mayor and Council members for the purchase of health benefits. On August 3, 2011, Council adopted Resolution 2011-7067 implementing pay and benefit changes for Department Heads, mid-management and confidential employees. Because the changes made for City employees affects the amount of benefit that is provided to Council, this item is before Council to update the health benefit provided to the Council to be consistent with Council Resolution 2011-7067.

DISCUSSION:

Pursuant to the City's Fiscal Year 2011-2013 Salary and Compensation Plan, all management classifications receive City payment of the employee's health care benefits to a maximum payment of \$875 per month per employee effective January 1, 2012, and \$905 per month per employee effective January 1, 2013. In keeping with the City's goal of fiscal sustainability, the City reduced the amount employees could receive as cash-in-lieu if they opted not to participate in the City's health plans. A Department Head who elects not to be covered under the City's health plan may cash out up to a maximum of \$460 per month.

This resolution approves providing a monthly Flexible Health Benefit to the Mayor and Council members in an amount equivalent to what non-public safety Department Head employees receive (same as now). Under the current benefit plan, the Mayor and Council members will receive City payment of health care benefits up to a maximum of \$875 per month per Council member. Consistent with other management employees, effective January 1, 2013, the amount will increase to \$905 per month per Council member. If the Mayor or Council members elect not to be covered under the City's health insurance plans but demonstrate proof of alternative medical coverage, they may receive a cash-in-lieu amount not to exceed their monthly salary (currently \$300 a month for Council members). Any cash-in-lieu amount received by the Mayor or Council members must either be used in the Flexible Spending Account- Health Care reimbursement program (pre-tax money designated for dental, medical and vision benefits), or placed in a 457 deferred compensation account, both of which are available to Department Head management employees. The total combined amount

contributed each month to a health care reimbursement program or a 457 deferred compensation account will not exceed the Council member's or Mayor's monthly salary. The Mayor and Council members will not receive the cash-in-lieu amount as a taxable cash benefit.

ENVIRONMENTAL IMPACT

This activity is not a "project" and is therefore exempt from CEQA pursuant to State CEQA Guidelines Section 15060(c)(3).

FISCAL IMPACT:

The current budget will accommodate this update.

CITY MANAGER'S RECOMMENDATION:

ADOPT RESOLUTION NO. 2012-7163 UPDATING THE HEALTH BENEFITS FOR THE MAYOR AND COUNCILMEMBERS



Gary R. Brown, City Manager

Attachment:

1. Resolution 2012-71163

RESOLUTION NO 2012-7163**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH
UPDATING THE HEALTH BENEFITS FOR THE MAYOR AND COUNCILMEMBERS**

WHEREAS, in FY 1999-2000 the City Council established a health benefit that could be used by the Mayor and Council for the purchase of health benefits from the City equivalent to what management employees receive; and

WHEREAS, on August 3, 2011, Council adopted Resolution 2011-7067 implementing pay and benefit changes for Department Heads, mid-management and confidential employees which necessitates an update for the Council; and

WHEREAS, Council has approved a health benefit for the Mayor and Council members equal to the benefit currently provided to non-public safety Department Head employees.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial Beach as follows:

Section 1: The foregoing recitals are true and correct.

Section 2: Provide the Mayor and Council members a Flexible Health Benefit for the purchase of health benefits from the City in an amount equivalent to what non-public safety Department Head employees receive.

Section 3: If the Mayor or Council members elect not to be covered under the City's health insurance plans but demonstrate proof of alternative medical coverage, they may receive as cash-in-lieu an amount not to exceed their monthly salary, but in no case can a Council member or the Mayor receive a cash-in-lieu amount greater than the amount received by non-public safety Department Head employees. Any cash-in-lieu amount received by the Mayor or Council members must either be used in the health care reimbursement program (pre-tax money designated for dental, medical and vision benefits), or placed in a 457 deferred compensation account, both of which are available to Department Head management

employees. The total combined amount contributed each month to a health care reimbursement program or a 457 deferred compensation account will not exceed the Council member's or Mayor's monthly salary.

Section 4: The City Council directs the City Manager, or his designee, to take any and all necessary and appropriate actions to immediately implement these benefit changes.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Imperial Beach at its regular meeting held on the 7th day of March 2012, by the following roll call vote:

| | |
|---------|-----------------|
| AYES: | COUNCILMEMBERS: |
| NOES: | COUNCILMEMBERS: |
| ABSENT: | COUNCILMEMBERS: |

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD
CITY CLERK



STAFF REPORT
CITY OF IMPERIAL BEACH

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY BROWN, CITY MANAGER
MEETING DATE: MARCH 7, 2012 *Had*
ORIGINATING DEPT.: PUBLIC WORKS
SUBJECT: INITIATING PROCEEDINGS FOR THE ANNUAL LEVY OF ASSESSMENTS AND ORDERING THE PREPARATION OF AN ENGINEER'S "REPORT" FOR A SPECIAL ASSESSMENT DISTRICT – AD-67M

BACKGROUND: At the regular scheduled meeting on June 17, 1992, City Council approved and adopted Resolution 92-4130, which formed a Special Assessment District pursuant to the "Lighting and Landscaping Act of 1972" (AD-67M). The purpose of the Assessment District was to pay for the construction and operation and maintenance of streetlights on Highway 75. The boundaries of the Assessment District are found on attachment 2.

DISCUSSION: The proposed Resolution is the formal action of the City Council ordering the preparation of the required Engineer's "Report" for the annual levy of assessments. The proposed assessments are for the purpose of paying San Diego Gas and Electric operating and maintenance expenses of the new street lighting on Highway 75/Palm Avenue. The operating and maintenance will consist of energy costs, lamp maintenance, replacement of light standards as required, and San Diego Gas and Electric ownership costs.

ENVIRONMENTAL DETERMINATION:
Not a project as defined by CEQA.

FISCAL IMPACT:
None.

DEPARTMENT RECOMMENDATION:

1. Receive this report.
2. Authorize the Public Works Director to initiate the Engineer's Report for AD – 67M
3. Approve and adopt the proposed resolution.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.



Gary Brown, City Manager

Attachments:

1. Resolution No. 2012-7161
2. Assessment District 67M Map

RESOLUTION NO. 2012-7161**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, INITIATING PROCEEDINGS FOR THE ANNUAL LEVY OF ASSESSMENTS AND ORDERING THE PREPARATION OF AN ENGINEER'S "REPORT" FOR A SPECIAL ASSESSMENT DISTRICT (AD-67M)**

WHEREAS, the City Council of the City of Imperial Beach, California has previously formed a special assessment district pursuant to the terms of the "Landscaping and Lighting Act of 1972", being Division 15, Part 2 of the Streets and Highways Code of the State of California, said special assessment district known and designated as ASSESSMENT DISTRICT NO. 67-M (hereinafter referred to as the "Assessment District"); and

WHEREAS, at this time the City Council is desirous to take proceedings to provide for the annual levy of assessments for the next ensuing fiscal year to provide for the annual costs for maintenance of improvements within the Assessment District.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial Beach as follows:

RECITALS

SECTION 1. That the above recitals are all true and correct.

DECLARATION OF INTENTION

SECTION 2. That the public interest and convenience requires, and it is the intention of this legislative body to initiate proceedings for the annual levy and collection of special assessments for the payment of annual maintenance and/or servicing costs within the Assessment District.

No new improvements or any substantial changes in existing improvements or zones are proposed as a part of these proceedings.

REPORT OF ENGINEER

SECTION 3. That this improvement is hereby referred to the ASSESSMENT ENGINEER, who is hereby directed to make and file the "Report" generally containing the following:

A. Plans and specifications describing the general nature, location and extent of the improvements to be maintained;

B. An estimate of the cost of the maintenance and/or servicing of the improvements for the Assessment District for the referenced fiscal year;

C. A diagram for the Assessment District, showing the area and properties proposed to be assessed;

D. An assessment of the estimated costs of the maintenance and/or servicing, assessing the net amount upon all assessable lots and/or parcels within the Assessment District in proportion to the benefits received.

SECTION 4. That upon completion of the preparation of said "Report", the original shall be filed with the City Clerk, who shall then submit the same to this legislative body for its immediate review and consideration.

FISCAL YEAR

SECTION 5. That the above "Report" shall include all costs and expenses of said maintenance and/or servicing relating to the fiscal year commencing July 1, 2012 and ending June 30, 2013.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 7th day of March 2012, by the following vote:

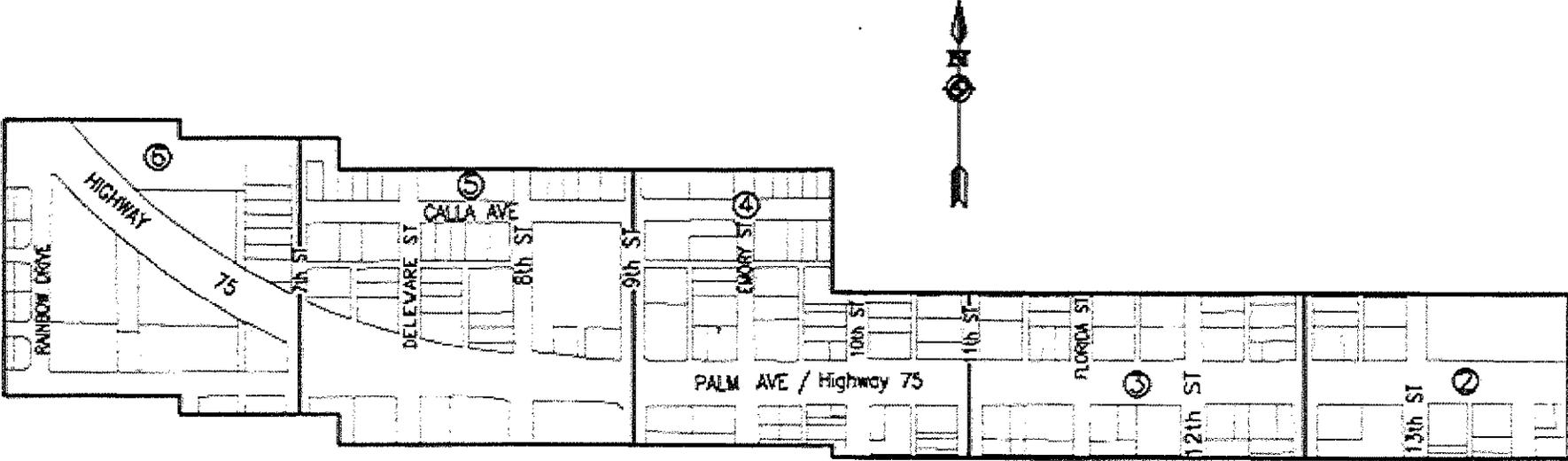
AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, CMC
CITY CLERK

ASSESSMENT DIAGRAM FOR ASSESSMENT DISTRICT NO.67M(STREET LIGHTING)





STAFF REPORT
CITY OF IMPERIAL BEACH

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY BROWN, CITY MANAGER
MEETING DATE: MARCH 7, 2012
ORIGINATING DEPT.: PUBLIC WORKS *Chris Helm*
Acting PW Director
SUBJECT: RESOLUTION SETTING THE TIME AND PLACE FOR PUBLIC HEARING TO REVIEW THE SETTING OF THE SEWER CAPACITY FEE FOR FY 2013

BACKGROUND: Pursuant to Chapter 13.05 of the Imperial Beach Municipal Code, a sewer capacity fee is charged to all new developments in the city limits of the City of Imperial Beach to defray the costs of expansion and rehabilitation of the existing sewer collection system to meet the demands placed on the system by new development. This sewer capacity fee is established to pay for participation rights in the existing sewer collection system and improvements to the system to handle the increased demands in the system caused by new development. The sewer capacity fee was set at \$1,230 per Equivalent Dwelling Unit (EDU) in July 2005 by resolution 2005-6192.

I.B.M.C., Chapter 13.05 section 13.05.050 states that:

The city council shall annually review the amount of the fee to determine whether the fee amounts are reasonably related to the costs of the public facility attributable to the development on which the fee is imposed. The city council may adjust the amount of this fee as necessary to reflect changes in the Engineering – News Record Construction Index, the type, size, location or cost of facilities to be financed by fee, and upon other sound engineering, financing and planning information. Adjustments to the above fee may be made by resolution. The city council shall hold a noticed public hearing annually to review and update the plan. The city council may modify or amend the list of projects in order to meet the demands of new development and maintain compliance with the capital improvement program.

DISCUSSION: This staff report is to propose the setting of the time and place of the public hearing for the annual review of the amount of the fee and to determine whether the fee amounts are reasonably related to the costs of the public facilities attributable to the development on which the fee is imposed. The recommended sewer capacity fee per EDU for Fiscal Year 2012/2013 is \$1,230.00, unchanged from the previous seven fiscal years. The proposed time and place of the public hearing is:

Wednesday, April 4, 2012, at 6:00 p.m.

825 Imperial Beach Blvd.
Imperial Beach, CA 91932

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

None

DEPARTMENT RECOMMENDATION:

1. Receive this report.
2. Direct staff to notice a public hearing time and place in the I.B. Eagle & Times newspaper as described herein.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.



Gary Brown, City Manager

Attachments:

1. Resolution No. 2012-7162

RESOLUTION NO. 2012-7162**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, AUTHORIZING SETTING THE TIME AND PLACE FOR PUBLIC HEARING TO REVIEW THE SETTING OF THE SEWER CAPACITY FEE FOR FY 2013**

WHEREAS, pursuant to Chapter 13.05 of the Imperial Beach Municipal Code, a sewer capacity fee is charged to all new developments in the city limits of the City of Imperial Beach to defray the costs of expansion and rehabilitation of the existing sewer collection system to meet the demands placed on the system by new development; and

WHEREAS, this sewer capacity fee is established to pay for participation rights in the existing sewer collection system and improvements to the system to handle the increased demands in the system caused by new development; and

WHEREAS, the city council shall annually review the amount of the fee to determine whether the fee amounts are reasonably related to the costs of the public facility attributable to the development on which the fee is imposed; and

WHEREAS, the city council shall hold a noticed public hearing annually to review and update the plan.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial Beach as follows:

1. The above recitals are true and correct.
2. The time and place of the public hearing is:
 Wednesday, April 4, 2012 at 6:00 p.m.
 825 Imperial Beach Blvd.
 Imperial Beach, CA 91932
3. The City Clerk, City of Imperial Beach, is directed to publish the notice of public hearing in the Imperial Beach Eagle and Times newspaper on or before March 22, 2012.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 7th day of March 2012, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, CMC
CITY CLERK



**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: GARY BROWN, CITY MANAGER
MEETING DATE: MARCH 7, 2012
ORIGINATING DEPT.: PUBLIC WORKS *HAL*
SUBJECT: RESOLUTION SETTING THE TIME AND PLACE FOR A PUBLIC HEARING AND FIRST READING OF ORDINANCE TO CONSIDER ADOPTION OF THE SEWER SERVICE CHARGE FOR FISCAL YEAR 2013

BACKGROUND: Pursuant to Chapter 13.06 of the Imperial Beach Municipal Code, a sewer service fee is charged to all residential and non-residential customers in the city limits of the City of Imperial Beach that discharge sewage into the sewer lines maintained by the city, or is considered by the San Diego Metropolitan Sewer System to be within the city jurisdiction. Ordinance 2005-1030, Section 2, adopted by Council on July 20, 2005 states:

"Ordinance 2005-1030, Section 2:

"The rates established hereunder shall increase each July 1st, beginning in the year 2006 through July 1, 2010, inclusive, by the amount of five and one-half percent (5.5%) to account for expected increased costs of sewer service. Rates, beginning in July 1, 2010 and thereafter, will be adjusted based on the United States Bureau of Labor Statistics Consumer Price Index data for the Los Angeles-Riverside-Orange County Statistical Area, or by a more appropriate future determiner of Imperial Beach Cost of Living that may be developed. Prior to the scheduled increase each year, the City Council shall hold a public hearing in conjunction with the process of adoption or review of the City budget adoption of the annual City budget to determine if there are costs reasonably borne by the City to justify the annual increase established hereunder. If the City Council determines that the actual costs of the sewer program do not require the automatic annual increase, the City Council shall amend the sewer rates to reflect the actual costs of service, including adequate reserves for contingencies. Nothing herein prevents the City Council from enacting fees that cover the actual costs of the sewer program."

The above Ordinance section notes that there is a 5.5% annual increase through July 1, 2010. Rates after July 1, 2010 are to be based on United States Bureau of Labor Statistics Consumer Price Index (CPI). However, staff has determined that the CPI adjustment is inadequate to cover the cost of providing sewer services for the foreseeable future. Staff analysis finds that the CPI 6% increase in sewer service fee is necessary to cover the costs of providing the City's sewer service. Thus a 6% rate adjustment will be shown in the public noticing. Accordingly, Imperial Beach Municipal Code provision codified by Ordinance 2005-1030 must be revised to reflect the fee increase which is necessary at this time to cover the cost of providing the service to the ratepayers.

Also, since the sewer service charges are codified in the Imperial Beach Municipal Ordinance, changes to the sewer service charges must be made through a new ordinance. And, since the ordinance proposes a change in a sewer service fee, a public hearing must be held to effect sewer service fee changes. Staff proposes a 45-day public notice period and the distribution of notices of the proposed fee increase to all affected property owners to comply with Proposition 218 requirements prior to the public hearing. Staff will provide the justification for the rate increase in the notice and will present such evidence at the public hearing.

DISCUSSION: The attached resolution would set the time and place of a public hearing to review and approve the subject sewer service charge rate increase. The proposed time and place of the public hearing is:

Wednesday, May 2, 2012
City Council Chambers
825 Imperial Beach Blvd.
Imperial Beach, CA 91932
6:00 p.m.

The following adoption schedule is proposed:

- Mail the 45-day notice no later than March 17, 2012
- Public Hearing and First Reading of Ordinance, May 2, 2012
- Second Reading of Ordinance, May 16, 2012
- Rates take effect July 1, 2012

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA.

FISCAL IMPACT:

The estimated noticing costs are \$4,000 plus 20-hours of staff time.

DEPARTMENT RECOMMENDATION:

1. Receive this report.
2. Adopt the attached resolution.
3. Direct staff to mail a notice of a public hearing time and place to each property owner and also to place a notice in the I.B. Eagle & Times newspaper as described herein.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.



Gary Brown, City Manager

Attachments:

1. Resolution No. 2012-7166

RESOLUTION NO. 2012-7166**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, SETTING THE TIME AND PLACE FOR A PUBLIC HEARING AND FIRST READING OF ORDINANCE TO CONSIDER ADOPTION OF THE SEWER SERVICE CHARGE FOR FISCAL YEAR 2013**

WHEREAS, pursuant to Chapter 13.06 of the Imperial Beach Municipal Code, a sewer service fee is charged to all residential and non-residential customers in the city limits of the City of Imperial Beach that discharge sewage into the sewer lines maintained by the city, or is considered by the San Diego Metropolitan Sewer System to be within the city jurisdiction, sewer service charges; and

WHEREAS, Ordinance No. 2005-1030 Section 2 states that rates, beginning in July 1, 2010 and thereafter, will be adjusted based on the United States Bureau of Labor Statistics Consumer Price Index data for the Los Angeles-Riverside-Orange County Statistical Area, but that nothing prevents the City Council from enacting rates that cover the actual costs of the sewer service; and

WHEREAS, Ordinance No. 2005-1030 Section 2 states that the city council shall hold a noticed public hearing in conjunction with the process of adoption or review of the City budget adoption of the annual City budget to determine if there are costs reasonably borne by the City to justify the annual increase established hereunder; and

WHEREAS, through careful analysis of the City's sewer system financials, the City has determined that the CPI increase permitted for the upcoming year under Ordinance No. 2005-1030 will not cover the costs necessary to provide sewer services to the ratepayers; and 6% rate increase will cover the costs necessary for providing sewer services; and

WHEREAS, it is appropriate to establish a 45-day notice for a Public Hearing to hear comments and protests on the proposed sewer service rate increases to comply with Proposition 218 requirements;

WHEREAS, at the scheduled hearing, the City Council will consider adoption of an ordinance superseding Ordinance No. 2005-1030, in order to increase rates to a point necessary to cover the costs of providing sewer services to the ratepayers.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial Beach as follows:

1. The above recitals are true and correct.
2. The time and place of the public hearing is:
Wednesday, May 2, 2012
City Council Chambers
825 Imperial Beach Blvd.
Imperial Beach, CA 91932
6:00 p.m.
3. The City Manager is directed to mail out the 45-day Public Hearing notice to all property owners within the City of Imperial Beach.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 7th day of March 2012, by the following vote:

AYES: **COUNCILMEMBERS:**
NOES: **COUNCILMEMBERS:**
ABSENT: **COUNCILMEMBERS:**

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, MMC
CITY CLERK



AGENDA ITEM NO. 6.1

**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: HONORABLE MAYOR AND CITY COUNCIL AND CHAIR AND MEMBERS OF THE REDEVELOPMENT AGENCY

FROM: GARY BROWN, CITY MANAGER

MEETING DATE: MARCH 7, 2012

ORIGINATING DEPT.: COMMUNITY DEVELOPMENT DEPARTMENT
GREG WADE, ASSISTANT CITY MANAGER/COMMUNITY DEVELOPMENT DIRECTOR 

SUBJECT: QUARTERLY UPDATE REPORT ON THE REDEVELOPMENT OF THE SEACOAST INN HOTEL

BACKGROUND:

At the City Council meeting on Wednesday, April 21, 2010, the City Council approved a Memorandum of Understanding (MOU) between the City/Redevelopment Agency and the Developer/Property Owners of the Seacoast Inn (Imperial Coast Limited Partnership) outlining financial and other commitments for the redevelopment of the Seacoast Inn. Also approved as part of the MOU was a Project Schedule detailing important project milestones for the project's development. At the meeting on April 21, 2010, the City Council also requested a monthly update report be made to advise the Council on progress made and compliance with the approved MOU and Project Schedule.

At the City Council meeting on May 19, 2010, City staff and Pacifica presented the first of the requested monthly updates. The City Council has received monthly updates at the second meeting of each month since that time. At the July 6, 2011, City Council meeting, the City Council elected to receive updates on a quarterly rather than a monthly basis and scheduled the next update for October 5, 2011.

DISCUSSION:

On October 5, 2011, Pacifica provided an update report on the status of the project construction as well as the construction schedule. City staff is continuing to meet with Pacifica, their general contractor and Project Manager on a bi-weekly basis to review issues pertaining to the on-going construction of the hotel.

Due to the winding down of the Redevelopment Agency and other related matters, the City has not yet scheduled the first quarterly update on construction of the Seacoast Inn for 2012. At the March 7th City Council meeting, therefore, Pacifica will provide its first quarterly update to the

City Council on construction activities to date as well as for the coming months and will also report on the project schedule.

FISCAL ANALYSIS:

No fiscal impact with this report.

ENVIRONMENTAL REVIEW

None required with this report.

DEPARTMENT RECOMMENDATION:

That the City Council receive the update report on the Seacoast Inn project and provide comment and input as necessary.

CITY MANAGER'S RECOMMENDATION

Approve Department recommendation.



Gary Brown, City Manager

Attachments: None.



**STAFF REPORT
IMPERIAL BEACH HOUSING AUTHORITY**

TO: CHAIR AND BOARD MEMBERS OF THE IMPERIAL BEACH HOUSING AUTHORITY

FROM: GARY BROWN, EXECUTIVE DIRECTOR

MEETING DATE: MARCH 7, 2012

ORIGINATING DEPT.: COMMUNITY DEVELOPMENT DEPARTMENT
GREG WADE, DIRECTOR
GERARD E. SELBY

SUBJECT: ADOPTION OF RESOLUTION NO. HA-12-10 APPROVING THE FIRST AMENDMENT TO THE AFFORDABLE HOUSING AGREEMENT FOR THE PROVISION OF FINANCING FOR REDEVELOPMENT OF AN EXISTING AMERICAN LEGION POST AND SINGLE-FAMILY RESIDENCE LOCATED AT 1252 AND 1268 PALM AVENUE AND 655 FLORENCE STREET (APN 626-242-09-00, 626-242-23-00, 626-242-24-00) INTO AN AFFORDABLE HOUSING PROJECT AND NEW AMERICAN LEGION POST

BACKGROUND

On October 5, 2011, the Imperial Beach Housing Authority ("Authority") and Hitzke Development Corporation ("Hitzke") entered into an Affordable Housing Agreement ("Agreement") for the development of a mixed-use affordable housing development project and new American Legion Post ("Project"). The Authority authorized financing for the Project for an amount not to exceed \$3,849,000 ("Authority Loan") to construct thirty (30)-units of affordable housing consisting of twenty-nine (29) affordable residential rental units and one (1) manager's unit.

Since October, the Authority and Hitzke have conducted weekly conference calls with the lenders, their legal counsels, the title company, and the American Legion's legal counsel to discuss issues related to the close of escrow and the conditions for the disbursement of the Authority Loan proceeds by the Authority. An issue related to one of the closing conditions and a request by Hitzke for additional funding has necessitated the need to consider a proposed amendment to the Agreement.

In February 2012, Hitzke submitted three requests: (1) to change the name of the legal entity to The Post Housing, L.P., (2) that funding for the acquisition of Parcel C be provided by the Authority so that the Developer may close escrow on Parcel C, thereby allowing the Final Map

to be recorded at the Close of Escrow, and (3) to increase the total Authority Loan by \$251,000 to an amount not to exceed \$4,100,000.

Release of Funding for Parcel C Acquisition

Per the approved Affordable Housing Agreement, the recordation of the Final Map is a requirement for disbursement of construction financing to develop the Project. In order to record the Final Map with the county of San Diego ("County"), a tax clearance certificate must be provided with the Final Map indicating that all property taxes and/or liens have been paid. The County also requires that ownership shown on the Final Map must agree with the current tax records for the property in order to issue a tax clearance certificate. Because the current owner of Parcel C (located at 655 Florence Street) does not agree with the ownership that is shown on the Final Map, the County will not issue a tax clearance certificate and the Final Map cannot be recorded. Hitzke has therefore requested an early disbursement of \$346,000 of the Authority Loan for acquisition of Parcel C ("Acquisition Loan") which Acquisition Loan shall be evidenced by promissory note and secured by a deed of trust to be recorded on Parcel C. In addition, an Agreement Containing Covenants and Notice of Affordability Restriction would be recorded on Parcel C.. The requested \$346,500 in Acquisition Loan proceeds would be a part of the \$3,849,000 in Authority Assistance provided for under the original Agreement.

Increased Loan Amount

In their request to the Authority, Hitzke has stated that there has been an increase in construction costs, an increase in legal fees, and that a new reserve amount is required by the tax credit investor. These increases in project costs have resulted in increased development costs of \$690,000. In order to offset the increase in development costs, Hitzke has been able to add additional sources of funds for the Project, including: (i) reduced operating expenses in order to increase the tax-exempt bond loan, (ii) deferred more of the developer fee, and (iii) generated additional tax credit equity via proportional increase in development costs. However, even after accounting for these increased sources of revenue, a gap still exists and, therefore, Hitzke is requesting an increase in the overall Authority Loan amount of \$251,000 from the Authority to close the gap. The total aggregate Authority Assistance would then increase to \$4,100,000.

Keyser Marston Associates, Inc. ("KMA") has reviewed the request and has determined that (i) construction costs increases are consistent with a region-wide increase in the cost of materials; (ii) while the amount of the reserves requested by the tax credit investor is larger than normal, the increase is justified by the complexity of the Project; and (iii) the complexity of the Project and the transaction has also resulted in justifiable additional legal fees.

The essential terms and conditions of the Agreement will not change. If the proposed First Amendment is approved and the amended Agreement is adopted, the proposed changes would be as follows:

1. Name Change to "The Post Housing, LP"
2. Disbursement of \$346,500 for acquisition of Parcel C; and
3. Additional Authority Loan funds in the amount of \$251,000 for an increase in Authority Assistance not to exceed an amount of \$4,100,000.

In October 2011, KMA reviewed development costs for seven (7) recently-approved affordable housing, non-high-rise projects in San Diego County. The cost of these projects ranged from \$251,000 to \$409,000 per unit, and \$242 to \$415 per square foot of gross building area (GBA). At \$142,000 per unit, the Project would still fall below the low end of the range for per-unit costs, but, at \$396 per GBA, would be toward the upper end of square foot cost range. This, however, is due primarily to the fact that the Project consists entirely of small (one-bedroom) units, whereas most of the comparables consist of family units. In addition, the Project is a small, phased project on an in-fill development site, which tends to increase per square foot development costs.

Previously, KMA reviewed the proposed financial assistance for the Project in comparison to recent transactions throughout the County. Based on a survey of ten (10) recent tax credit transactions, KMA found a range of financial assistance from \$71,000 to \$289,000 per affordable unit, with most projects receiving less than \$200,000 per unit. On a per-affordable-bedroom basis, KMA found a range of \$35,000 to \$148,000, with most projects receiving less than \$100,000 per bedroom. The proposed amended subsidy for the Project is \$142,000 (rounded) up from the previous amount of \$133,000 (rounded) per affordable unit.

Project Financing

| <u>Source</u> | October 2011 | | | February 2012 | | |
|------------------------|---------------------------|--------------------|--|---------------------------|--------------------|----------------------|
| | <u>Amount</u> | <u>% of Total</u> | | <u>Amount</u> | <u>% of Total</u> | <u>% of Increase</u> |
| Tax Exempt Bonds | \$1,300,000 | 16.6 | | \$1,575,000 | 19.0 | 21.15 |
| Tax Credits | \$2,306,000 | 29.4 | | \$2,388,000 | 28.0 | 3.56 |
| Housing Authority | \$3,849,000 | 49.0 | | \$4,101,000 | 48.0 | 6.52 |
| Solar Rebates | \$40,000 | .5 | | \$50,000 | .06 | 25 |
| Rental Income | \$0 | .0 | | \$24,000 | .04 | |
| Deferred Developer Fee | <u>\$357,000</u> | <u>4.5</u> | | <u>\$404,000</u> | <u>4.9</u> | <u>13.26</u> |
| Total | <u>\$7,852,000</u> | <u>100%</u> | | <u>\$8,542,000</u> | <u>100%</u> | <u>8.79</u> |

ENVIRONMENTAL IMPACT

The Project is categorically exempt pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15332 as a Class 32 project (In-Fill Development Projects). Staff has issued a Notice of Exemption with the County of San Diego.

FISCAL IMPACT

Housing Authority Funds are available in the Fiscal Year 2011-2012 budget for the Project.

DEPARTMENT RECOMMENDATION

Staff recommends that the Housing Authority:

1. Adopt Resolution No. HA-12-10 approving the First Amendment to the Affordable Housing Agreement between the Housing Authority and The Post By HDC, LP for the American Legion mixed-use affordable housing project;

EXECUTIVE DIRECTOR'S RECOMMENDATION

Approve Department Recommendation.



Gary Brown, Executive Director

Attachments:

1. Resolution No. HA-12-10
2. First Amendment to Affordable Housing Agreement

RESOLUTION NO. HA-12-10

A RESOLUTION OF THE IMPERIAL BEACH HOUSING AUTHORITY, APPROVING FIRST AMENDMENT TO THE AFFORDABLE HOUSING AGREEMENT BY AND BETWEEN THE IMPERIAL BEACH HOUSING AUTHORITY AND HITZKE DEVELOPMENT CORPORATION FOR THE FINANCING OF REDEVELOPMENT OF AN EXISTING AMERICAN LEGION POST AND SINGLE-FAMILY RESIDENCE LOCATED AT 1252 AND 1268 PALM AVENUE AND 655 FLORENCE STREET (APN 626-242-09-00, 626-242-23-00, 626-242-24-00).

WHEREAS, the Imperial Beach Housing Authority ("Authority") is authorized pursuant to Chapter 1 of Part 2 of Division 24 of the California Health and Safety Code (the "Act") to make loans for the purpose of financing affordable housing projects; and

WHEREAS, the Authority has set objectives for the development of affordable housing in accordance the Authority's policies; and

WHEREAS, the California Government Code, Section 65864 et seq. authorizes local agencies to enter into a property development agreement with any person having a legal or equitable interest in real property for development of such real property in order to establish certain development rights in the real property; and

WHEREAS, the Authority and Hitzke Development Inc. ("Developer") have previously entered into that certain Affordable Housing Agreement ("Agreement") for the development of a mixed-use affordable housing project located at 1252 and 1268 Palm Avenue and 655 Florence Street (referred to as "Parcel C" and collectively with 1252 and 1268 Palm Avenue referred to as the "Site") in the City of Imperial Beach, California, for availability to and occupancy by very low- and low-income persons and households (the "Project"); and

WHEREAS, the Developer desires to amend the Agreement with the Authority to: (i) increase the Authority Loan in an amount not to exceed TWO HUNDRED FIFTY-ONE DOLLARS THOUSAND DOLLARS (\$251,000), thereby increasing the aggregate Authority Assistance to an amount not to exceed FOUR MILLION ONE HUNDRED THOUSAND DOLLARS (\$4,100,000); (ii) to make an Authority Loan disbursement of \$346,500 for the acquisition of Parcel C prior to construction financing for the Project; (iii) to approve of the name change of the Developer to The Post Housing, L.P., a California limited partnership; and (iv) to further modify, amend and supplement certain portions of the Agreement.

NOW, THEREFORE, BE IT RESOLVED, by the Authority, as follows:

1. The Authority hereby finds and determines that all recitals set forth in this Resolution are true and correct and incorporated herein by this reference;
2. The Authority hereby finds and determines based on substantial evidence, the use of funds is necessary because the Developer of the Project has made a good faith attempt but been unable to obtain commercial or private means of financing the Project at the same level of affordability and quantity;
3. The First Amendment to the Affordable Housing Agreement is hereby approved; and
4. The Executive Director or designee, is authorized and empowered to execute, for and on behalf of the Authority, the final form of the First Amendment to the Affordable Housing Agreement with the Developer for the development of the Project.

PASSED, APPROVED, AND ADOPTED by the Imperial Beach Housing Authority of the City of Imperial Beach at its meeting held on the 7th day of March 2012, by the following roll call vote:

AYES: BOARDMEMBERS: NONE
NOES: BOARDMEMBERS: NONE
ABSENT: BOARDMEMBERS: NONE

JAMES C. JANNEY, CHAIR

ATTEST:

JACQUELINE M. HALD, MMC
SECRETARY

**FIRST AMENDMENT
TO
AFFORDABLE HOUSING AGREEMENT**

This First Amendment to Affordable Housing Agreement (this “**First Amendment**”) is made and entered into as of March 7, 2012 by and between the IMPERIAL BEACH HOUSING AUTHORITY, a public body, corporate and politic (the “**Authority**”), and THE POST HOUSING, L.P., a California limited partnership, formerly named THE POST BY HDC, LP, a California limited partnership (the “**Developer**”), with reference to the following:

RECITALS

A. The parties hereto have entered into that certain Affordable Housing Agreement, dated as of October 17, 2011 (the “**Original Agreement**”), on file in the office of the Authority Secretary, and incorporated herein by this reference; and

B. The Original Agreement provides for the financial assistance to Developer to pay a portion of the costs for acquisition of certain real property and construction thereon of a 30 unit rental housing development. In addition, the Original Agreement provides for the development of, without funding from the Authority, a new Legion Hall and Tavern.

C. Pursuant to Section 2.3.6 of the Original Agreement, as a condition precedent to the Close of Escrow, the Developer is required to subdivide the Property by recording the Final Map, demonstrating the Developer’s fee ownership interest.

D. The Developer has informed the Authority that to record the Final Map within the county of San Diego, a tax clearance certificate must be provided with the map that is to be recorded and property taxes must be pre-paid. The County of San Diego (the “**County**”) requires that the ownership shown on the Final Map agree with the current tax records for the property in order to issue a tax clearance certificate. Because the current owner of Parcel C (located at 655 Florence Street and legally described on Exhibit A attached hereto) does not agree with the ownership that is shown on the Final Map, the County will not issue a tax clearance certificate and the map cannot be recorded.

E. To conform to Section 2.3.6 of the Original Agreement, the Developer has requested that the funding for the acquisition of Parcel C be provided by the Authority so that the Developer may close escrow on Parcel C, thereby allowing the Final Map to be recorded at the Close of Escrow.

F. In addition, Developer represents that there has been an increase in construction costs, an increase in legal fees, and that a new reserve amount is required by the proposed tax credit investor. These increases in project costs have resulted in increased development costs of

\$690,000. In order to offset the increase in development costs, Developer intends to add additional sources of funds for the Project, including: (i) reduce operating expenses in order to increase the tax-exempt bond loan, (ii) defer more of the developer fee, and (iii) generate additional tax credit equity via proportional increase in development costs. However, even after accounting for these increased sources of funds, a gap still exists and, therefore, Developer has requested an increase in the Authority Loan by \$252,000 for a new aggregate amount of Authority Assistance not to exceed \$4,101,000.

G. The purpose of this First Amendment is (i) to increase the Authority Loan by \$252,000 for a total amount of Authority Assistance not to exceed \$4,100,000; (ii) to make a disbursement of \$346,500 of the Authority Loan (the “Acquisition Loan” as defined herein), for the purpose of acquiring Parcel C under the terms and conditions as set forth herein; (iii) to approve of the name change of the Developer to The Post Housing, L.P., a California limited partnership; and (iv) to further modify, amend and supplement certain portions of the Original Agreement.

NOW, THEREFORE, for and in consideration of the foregoing Recitals which are hereby incorporated into the operative provisions of this First Amendment by this reference, the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. **Defined Terms.** Except as otherwise defined herein, all quoted or capitalized terms used herein shall have the meanings set forth for such terms in the Original Agreement.

Section 2. **Cross-References.** The Authority and the Developer agree that (i) all references in the Agreement or this First Amendment to the “Agreement” are deemed and construed to refer to the Agreement, as implemented and amended by this First Amendment, (ii) all references in this First Amendment to any section or provision in the Agreement are deemed and construed to refer to such section or provision of the Agreement, as implemented or amended by this First Amendment and (iii) all references in this First Amendment to any section or provision herein are deemed and construed to refer to both the section or provision of this First Amendment referenced herein and to the section or provision of the Agreement, as implemented or amended by such section or provision hereof.

Section 3. **Change of Name of Developer.**

a. The parties hereby acknowledge and approve of the official name change of THE POST BY HDC, LP to THE POST HOUSING, L.P., a California limited partnership.

b. Developer hereby represents, covenants, promises and agrees that, except for the name of the partnership, all partnership information and Developer formation documents provided to the Authority for its consideration and relied upon by the Authority in its determination to enter into the Agreement with Developer as THE POST BY HDC, LP do hereby

remain unchanged and are the same with regard to THE POST HOUSING, L.P..

c. THE POST HOUSING, L.P., represents and warrants to the Authority that it retains all rights, interest, liabilities and obligations of THE POST BY HDC, LP under the Agreement and THE POST HOUSING, L.P., hereby agrees to be bound thereby in accordance with the terms thereof.

d. All references to THE POST BY HDC, LP in the Agreement and its Attachments as the Developer are hereby changed to mean the Developer's new name THE POST HOUSING, L.P., a California limited partnership.

Section 4. Definitions.

a. The following definitions at Section 1.4 of the Agreement, entitled Definitions, are hereby amended to read in their entirety as follows:

“Loan” means the loan to be made by Authority to Developer in the principal amount of up to Four Million One Hundred Thousand Dollars and No Cents(\$4,100,000.00) to pay for a portion of the Project Costs.

“Transfer” shall mean the following:

(1) The sale, agreement to sell, transfer or conveyance of the Property or any portion thereof or interest therein, whether voluntary, involuntary, by operation of law or otherwise, the execution of any installment land sale contract or similar instrument affecting all or a portion of the Property or Project, or the lease of all or substantially all of the Property, except as provided in subparagraph (3)(e), below.

(2) “Transfer” shall also include the transfer, assignment, hypothecation or conveyance of legal or beneficial ownership of any interest in Developer, or any conversion of Developer to an entity form other than that of Developer at the time of execution of the Agreement, except that a cumulative change in ownership interest of any general partner of forty-nine percent (49%) or less shall not be deemed a “Transfer” for purposes of this Agreement.

(3) Notwithstanding paragraphs (1) and (2), above, “Transfer” shall not include any of the following additional Permitted Transfers:

(a) a sale, transfer, assignment or exchange of all or a portion of the limited partners' interest in the Developer or any sale, transfer, assignment or exchange of all or a portion of interests in the limited partners of Developer.

(b) the grant of option and right of first refusal to the general partner of

Developer, or any Affiliate thereof, and to any transfer of the Property to such general partner, Affiliate pursuant to the exercise of an option or right of first refusal reserved in Developer's partnership agreement (the "**Partnership Agreement**") or other document approved by the Authority, provided that such party assumes all obligations under hereunder pursuant to an assumption agreement acceptable to the Authority.

(c) the withdrawal (not including a voluntary withdrawal allowed by the Partnership Agreement or with the consent of the limited partner) of a general partner of Developer, or removal of a general partner of the Developer for cause pursuant to the terms of the Partnership Agreement, provided that a substitute general partner that is a nonprofit corporation exempt from federal income tax under Section 501(c)(3) of the United States Internal Revenue Code (or successor provision), a limited liability company or for profit entity controlled by such a nonprofit corporation, or a public agency or public corporation, that is reasonably acceptable to the Authority, is admitted to the Developer within ninety (90) days thereafter, and provided further that if the former general partner's (or Affiliate's) option to purchase the Property or option to purchase the limited partner's interest is terminated, the new general partner shall be granted options to purchase the Property or the limited partner's interest on the same terms and conditions as previously were applicable to the former general partner's (or Affiliate's) options, unless otherwise agreed in writing by the Authority. Notwithstanding the ninety (90) day period set forth in this subsection (c), the Authority agrees to grant additional periods of time reasonably necessary to remove and replace a defaulting general partner so long as the limited partners are pursuing the removal and replacement with diligence.

(d) Any permanent financing authorized by the Agreement, including the Method of Financing.

(e) The leasing for occupancy of all or any part of the Property or Improvements.

(f) The inclusion of equity participation by Developer by transfer or addition of limited or general partners to the Developer or similar mechanism.

(g) The pledge by any general partner of Developer to the limited partners of the general partner's interest in the Developer, as security for the performance of all of the general partner's obligations under the Developer's Partnership Agreement.

(h) The sale, transfer or pledge of any limited partnership interest in the Developer or of any partnership interest in the limited partners.

(i) The appointment by the limited partners, in accordance with the Partnership Agreement, of an additional or substitute general partner that is an Affiliate of the limited partners or, if not an Affiliate of the limited partners, is reasonably acceptable to the Developer.

(j) Any dilution of the general partner's interest in the Developer in accordance with the Partnership Agreement.

(k) The admission of an additional general partner of Developer pursuant to the terms of the Partnership Agreement, including Cascade Housing Association, an Oregon non-profit corporation.

(4) The Authority shall not unreasonably withhold, condition or delay its approval of any matter for which its approval is required hereunder. Any disapproval shall be in writing and contain the Authority's reasons for disapproval.

b. The following definitions are hereby added to Section 1.4 of the Agreement, entitled Definitions, to read in their entirety as follows:

"Acquisition Agreement Containing Covenants" shall mean the Agreement Containing Covenants (Including Rental Restrictions) to be recorded upon the Acquisition Closing, substantially in the form attached to this Agreement as Attachment No. 18. It is anticipated that the Acquisition Agreement Containing Covenants will be replaced and superseded by a new Agreement Containing Covenants setting forth the Affordable Rents to be charged for the Affordable Units, which will be recorded at Close of Escrow for the Project.

"Acquisition Closing" shall mean the point in time when all conditions precedent to the acquisition of Parcel C have been satisfied and Authority's Acquisition Loan Documents have been recorded against Parcel C. The date of the Acquisition Closing shall be no later than thirty (30) days following the Effective Date of this First Amendment (the **"Acquisition Closing Date"**).

"Acquisition Loan" shall mean the acquisition loan from the Authority to Developer, in the amount and pursuant to the terms and conditions described in this First Amendment with funds from the Low and Moderate Income Housing Fund, secured by the Acquisition Deed of Trust and the other Acquisition Loan Documents and having a lien on Parcel C that is first in priority over any other loans.

"Acquisition Deed of Trust" shall mean the Deed of Trust with Assignment of Rents, in which Developer is the Trustor and Authority is the Beneficiary, which

secures the Acquisition Loan, substantially in the form attached to this First Amendment as Attachment No. 17.

“**Acquisition Loan Documents**” shall mean the instruments relating to the Acquisition Loan, including: the Acquisition Loan Note; the Acquisition Deed of Trust; the Acquisition Agreement Containing Covenants and the Notice of Restrictions, each in a form that is reasonably acceptable to the Authority Executive Director.

“**Acquisition Loan Note**” shall mean the Promissory Note, evidencing the Acquisition Loan, substantially in the form attached to this First Amendment as Attachment No. 16.

“**Conversion**” shall mean either the point in time (i) that all of the conditions precedent to the funding of the Permanent Loan have been satisfied and the Construction Loan has been repaid in full, evidenced by the recording against the Property of a reconveyance of the Construction Loan documents or (ii) that the Construction Loan is converted to the Permanent Loan pursuant to the terms of the Construction Loan documents and the Permanent Loan documents in accordance with Section 6 of the Method of Financing, entitled Evidence of Financing.

“**Low Income Housing Tax Credits**” shall mean tax credits authorized by the Tax Reform Act of 1986 and governed by Section 42 of the Internal Revenue Code.

“**Notice of Restrictions**” shall mean the Notice of Affordability Restrictions on Transfer of Property attached to this First Amendment as Attachment No. 19.

“**Permanent Loan**” shall mean the permanent loan to be made to Developer by the Construction Lender or other lender approved in accordance with the terms and conditions of this Agreement (“**Permancnt Lender**”), secured by the Permanent Loan documents.

“**Permanent Loan Deed of Trust**” shall mean the deed of trust securing the Permanent Loan that is first in priority.

Section 5. Developer Release.

Section 2.3.5, entitled Developer Release, of the Agreement is hereby deleted in its entirety and replaced with the following:

By execution of this Agreement, Developer hereby waives, releases and discharges the City of Imperial Beach, and its respective members, officers,

employees, agents, contractors and consultants, from any and all present and future claims, demands, suits, legal and administrative proceedings, and from all liability for damages, losses, costs, liabilities, fees and expenses (including, without limitation, attorneys' fees) arising out of or in any way connected with the Authority's ability to meet its financial obligations under this Agreement as a result of State action with respect to Assembly Bill x1 26 which was passed by the State Legislature on June 15, 2011 and signed by the Governor on June 28, 2011 and any future or current litigation related thereto.

Developer acknowledges that it is aware of and familiar with the provisions of Section 1542 of the California Civil Code which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

To the extent of the release set forth in this Section 2.3.5, Developer hereby waives and relinquishes all rights and benefits which it may have under Section 1542 of the California Civil Code.

Section 6. **Authority Loan.**

a. The Authority Loan is hereby increased by \$252,000 for an aggregate amount of Authority Assistance not to exceed \$4,100,000 to be used to pay for Project Costs in accordance with the terms and conditions of the Agreement. All references in the Agreement, including the Attachments thereto, to the Authority Loan in an amount of "\$3,849,000.00" are hereby replaced with "4,100,000.00".

b. Section 2.3.4, entitled Authority Loan, of the Agreement is hereby deleted in its entirety and replaced with the following:

2.3.4 Authority Loan

a. Loan. In accordance with and subject to the terms and conditions of this Agreement, including the Method of Financing (Attachment No. 5), the Authority agrees to lend to Developer, and Developer agrees to borrow from the Authority, the Loan, as described in the Method of Financing (Attachment No. 5), an amount not to exceed Four Million One Hundred Thousand Dollars and No Cents (\$4,100,000.00), including any Predevelopment Loan proceeds disbursed to Developer for Predevelopment Costs and any Acquisition Loan proceeds disbursed to Developer for Acquisition Costs. The amount of the Loan shall be finalized after the Director approves all Sources of Financing and uses of Development and Acquisition Costs set forth in the Project Budget (Attachment No. 4), in accordance with the Schedule of Performance (Attachment No. 2). The

Loan shall be evidenced by the Loan Note (Attachment No. 7), and repayment shall be secured by the Authority Deed of Trust (Attachment No. 8) recorded against the Developer's interest in the Property, Assignment of Agreements (Attachment No. 13), and a UCC-1 Financing Statement ("UCC-1") (Attachment No. 9).

Section 7. Acquisition Loan.

a. Subsection (b), entitled Parcel C Purchase, of Section 2.3.4 of the Agreement, entitled Authority Loan, is hereby deleted and replaced in its entirety with the following:

b. Parcel C Purchase. An amount not to exceed Three Hundred Forty-Six Thousand and Five Hundred Dollars (\$346,500) of the Loan proceeds shall be deposited into escrow and used by Developer to purchase Parcel C at the Acquisition Closing.

b. New Section 2.3.5A, entitled Authority Acquisition Loan, is hereby added to the Agreement as follows:

Section 2.3.5A Authority Acquisition Loan

a. Acquisition Loan. Authority hereby agrees to loan to Developer and Developer hereby agrees to borrow from the Authority an amount of up to Three Hundred Forty Six Thousand Five Hundred Dollars (\$346,500) solely for Acquisition Costs of Parcel C as reasonably approved by the Authority pursuant to the terms and conditions contained herein (the "**Acquisition Loan**"). Authority shall make the Acquisition Loan to Developer from available funds as part of the aggregate Authority Assistance previously agreed upon of up to \$4,100,000. The Acquisition Loan shall be evidenced by and subject to the terms and conditions set forth in the Acquisition Loan Note substantially in the form attached hereto as Attachment No. 16 and secured by the Acquisition Deed of Trust substantially in the form attached hereto as Attachment No. 17. Notwithstanding anything herein to the contrary herein, no portion of the Acquisition Loan may be used to pay for costs directly attributable to the Legion Hall or Tavern.

b. Repayment of Acquisition Loan. The Acquisition Loan shall bear simple interest at the rate of three percent (3%), which shall begin to accrue upon disbursement. At and subject to the Closing, all amounts owing under the Acquisition Loan Note shall be included in the principal amount of the Authority Loan as an Acquisition and Development Cost, and the Acquisition Loan Note shall be endorsed as "paid in full" and returned to Developer. The combined principal amount of the Acquisition Loan and the additional Authority funds shall not exceed Four Million One Hundred Thousand Dollars (\$4,100,000). If this Agreement is terminated prior to the Closing, the outstanding principal balance

and accrued interest of the Acquisition Loan (“**Acquisition Outstanding Balance**”) shall be due and payable in full in accordance with the Acquisition Loan Amount.

c. Approved Acquisition Costs. The Acquisition Loan shall be used exclusively to pay the approved Acquisition Costs set forth in the Project Budget and disbursed to the Developer, in amounts as necessary and approved by the Authority.

d. Indemnification and Insurance. Section 3.6 of the Agreement is hereby amended in part to add all references to the “Closing” to include the “Acquisition Closing.”

e. Affordable Housing. Developer covenants and agrees (for itself, its successors, its assigns, and every successor in interest to Parcel C or any part thereof) that Developer, its successors and assigns shall use Parcel C to provide affordable housing for Low Income Households and Very Low Income Households.

f. Recording of Affordability Covenants. Concurrently with the acquisition of Parcel C and the recording of the Acquisition Deed of Trust (the “**Acquisition Closing**”), Developer shall cause to be recorded against the fee interest in Parcel C, the Acquisition Agreement Containing Covenants substantially in the form attached hereto as Attachment No. 18. Upon the Close of Escrow for the Project, the Authority will release the Acquisition Agreement Containing Covenants from Parcel C and Developer and the Authority will enter into a new Agreement Containing Covenants, which will specify Developer’s obligations with regard to the development and operation of the Project and which will set forth the Affordable Rents for the Project.

g. Conditions Precedent to the Acquisition Closing. Subject to the notice and cure provisions of Article 5 and the force majeure provisions of Section 6.4 of this Agreement, the Authority at its option may terminate this Agreement pursuant to Section 5.9 if any of the conditions precedent to the Acquisition Closing set forth below are not satisfied by the Developer or waived in writing by the Authority within the time limits set forth in the Schedule of Performance:

(1) Developer submits evidence of the insurance policies and endorsements required by Section 11 of the Acquisition Deed of Trust;

(2) Developer shall have submitted to the Authority a fully executed copy of Developer’s agreement to purchase Parcel C, together with all amendments and addendums thereto (the “**Purchase Agreement**”).

(3) Developer submits to Authority a certified resolution of its partners authorizing Developer to enter into the Purchase Agreement and the Acquisition Loan and designating the person or persons authorized to execute all necessary documents;

(4) Title Insurance Company is prepared to issue the Parcel C Title Insurance Policy;

(5) Developer duly executes and delivers to the Authority of (i) the Acquisition Loan Note; (ii) the acknowledged Acquisition Deed of Trust; (iii) the acknowledged Acquisition Agreement Containing Covenants; and (iv) the acknowledged Notice of Affordability Restrictions on Transfer of Real Property substantially in the form attached hereto as Attachment No. 19, which shall be recorded against the fee interest in Parcel C.

(6) Authority Executive Director approves the estimated settlement statement for the Acquisition Closing; and

(7) Authority Executive Director determines that Developer is not in default of its obligations to the Authority under this Agreement.

Notwithstanding the foregoing, the Authority, in the sole discretion of the Authority Executive Director, may waive any of the foregoing conditions precedent to the Acquisition Closing. A waiver of any of the foregoing conditions shall not operate in any way as a waiver, or estoppel with respect to, any subsequent or other failure to comply with such condition, or any other condition contained in this Agreement or any of the other Acquisition Loan Documents.

g. Acquisition Closing. Upon the Acquisition Closing, the Title Company shall record the Acquisition Loan Documents, as applicable, in accordance with instructions provided by the Authority, and shall be prepared to issue to the Authority an ALTA policy of title insurance, insuring the priority of the Acquisition Deed of Trust as a first priority lien on Parcel C, in amounts and with endorsements as the Authority may determine is appropriate (“**Parcel C Title Insurance Policy**”).

c. Notwithstanding any other provision in the Agreement or the form of Attachments thereto, Twenty-Five Thousand Dollars (\$25,000) in Authority Loan proceeds shall be disbursed by Authority to Developer and deposited into Escrow for the purpose of pre-paying property taxes for the Property in order to record the Final Parcel Map prior to Closing. Any balance remaining shall be disbursed to Developer as part of the remaining Authority Loan.

Section 8. Property.

a. The last paragraph of Section 1.2 of the Agreement, entitled The Property, is hereby amended in part to read in its entirety as follows:

Thereafter, all references to the “Property” in this Agreement shall refer to the “Site”, or a portion thereof, as applicable; provided, however, that upon the Close of Escrow, the Authority Loan Documents shall be recorded against the Developer’s entire interest in the Site, including, without limitation, Developer’s fee interests in Parcel 1 and Parcel 4 and Developer’s easement interests in Parcel 2 and Parcel 3 (collectively, the “**Developer Property**”).

b. All references to “Parcel 1 and Parcel 4” in the Agreement, including but not limited to subsection (10) and subsection (13) of Section 2.3.6 of the Agreement, entitled Conditions Precedent to Close of Escrow, are hereby replaced with the defined term “Developer Property” when and as applicable.

Section 9. Agreement Containing Covenants. As a condition of approval of the Project, including, specifically, the grant of a density bonus, the Developer is required under Section 19.65.040 of the Imperial Beach Municipal Code to enter in to “Density Bonus Housing Agreement” with the City of Imperial Beach, a general law city, duly formed, validly existing and in good standing under the laws of the State of California (the “**City**”), to ensure that the Affordable Units within the Project are developed, operated and rented to “Low Income Households” and “Very Low Income Households” at “Affordable Rent” (as such terms are defined in the Agreement Containing Covenants (Attachment No. 6)) for a period of not less than 55 years and in accordance with the plans therefor approved by the City and any other actions or entitlements requiring the subsequent independent exercise of discretion by the City, its Council or any commission or department thereof. The parties hereto agree that the City shall be added as a party to the Agreement Containing Covenants and in so doing, the execution and recordation thereof satisfies the Imperial Beach Municipal Code requirement that the Developer enter into a Density Bonus Housing Agreement with the City.

Section 10. Method of Financing. Subparagraph (b)(2) of Paragraph 3 of the Method of Financing (Attachment No. 5) is hereby deleted in its entirety and replaced with the following:

- (2) The Authority Loan shall be secured by the Authority Deed of Trust that is second in priority, subordinate only to the Senior Lender loan documents.

Section 11. Cost of Construction Section 3.4, entitled Cost of Construction, of the Agreement is hereby deleted in its entirety and replaced with the following:

a. The cost of acquiring the Property and developing and constructing the Improvements thereon shall be the responsibility of the Developer, as

provided in the Method of Financing. The Acquisition and Development Costs are set forth in the Project Budget (Attachment No. 6), which shall be subject to change from time-to-time in accordance with the Method of Financing.

b. Developer has proposed, and Authority has approved, the Project Budget appended to this Agreement. Developer acknowledges that Authority is relying on Developer's experience and expertise in establishing the costs for the Improvements and Developer represents that the Project Budget is based on the best, good faith estimate of Developer of the costs that are likely to be incurred for the Improvements.

c. Unless otherwise approved by the Authority in its sole discretion, the Developer shall obtain a minimum of three (3) competitive bids for contracts to be let by the Developer for performance of work under this Agreement. If the Developer or an affiliate of the Developer proposes to serve as the general contractor for the Project, then such competitive bidding requirement shall also apply to subcontracts to be let by the Developer or its affiliate.

Section 12. **Integration.** This First Amendment, the agreements specifically referred to herein, and all attachments hereto integrate all of the terms and conditions mentioned herein or incidental hereto, and supersede all negotiations with respect to the subject matter hereof. This First Amendment amends, as set forth herein, the Agreement and, except as specifically amended hereby, the Agreement shall remain in full force and effect. To the extent that there is any conflict or inconsistency between the terms and provisions of this First Amendment and the terms and provisions of the Agreement, the terms and provisions of this First Amendment shall control and govern the rights and obligations of the parties hereto.

Section 13. **Attachments; Exhibits.** The Attachments and Exhibits attached to this First Amendment are hereby incorporated into the Agreement by this reference.

Section 14. **Counterparts.** This First Amendment may be executed in counterpart or in duplicate or triplicate (or more) originals, each of which is deemed to be an original.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the Authority and Developer have executed this First Amendment as of the date first set forth hereinabove.

IMPERIAL BEACH HOUSING
AUTHORITY

By: _____
Gary Brown, Director

ATTEST:

By: _____
Authority Secretary

REVIEWED AND APPROVED
AS TO FORM:

AUTHORITY GENERAL COUNSEL

By: _____
Jennifer Lyon

KANE, BALLMER & BERKMAN

By: _____
Authority Special Counsel
Theodore M. Ballmer

[Signatures continue on following page]

THE POST HOUSING, L.P., a California limited partnership, formerly named THE POST BY HDC, LP, a California limited partnership

By: HITZKE DEVELOPMENT
CORPORTION, a California corporation
Its: General Partner

By: _____
Name: Ginger Hitzke
Title: President

EXHIBIT A

PARCEL C LEGAL DESCRIPTION

REAL PROPERTY IN THE CITY OF IMPERIAL BEACH, COUNTY OF IMPERIAL, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

APN 626-242-23

LOTS 13 AND 14 IN BLOCK 20 OF SOUTH, IN THE CITY OF IMPERIAL BEACH, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 133, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, JULY 5, 1887.

TOGETHER WITH THAT PORTION OF THE EASTERLY 10 FEET OF FLORENCE STREET, VACATED AND CLOSED TO PUBLIC USE BY RESOLUTION NUMBER 1439 OF CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, RECORDED ON NOVEMBER 4, 1968 AS INSTRUMENT NO. 193024 OF OFFICIAL RECORDS.

ATTACHMENT NO. 16

ACQUISITION LOAN NOTE

[Behind this page.]

**PROMISSORY NOTE
TO THE IMPERIAL BEACH HOUSING AUTHORITY**

3%
\$346,500

Imperial Beach, California
_____, 2012

FOR VALUE RECEIVED, THE POST HOUSING, L.P., a California limited partnership, formerly named THE POST BY HDC, LP, a California limited partnership (“**Borrower**”), hereby promises to pay to the order of the IMPERIAL BEACH HOUSING AUTHORITY, a public body, corporate and politic (“**Authority**”), the principal amount of Three Hundred Forty Six Thousand Five Hundred Dollars (\$346,500.00), or so much thereof as may be advanced by the Authority to the Borrower in accordance with the Affordable Housing Agreement, dated as of October 17, 2011, as amended by that certain First Amendment thereto dated as of March 7, 2012 (collectively, the “**Loan Agreement**”) by and between the Authority and Borrower, which is incorporated herein by this reference. The Borrower shall pay interest at the rate, in the amount and at the time hereinafter provided.

1. The Loan Agreement is incorporated herein by this reference as though fully set forth herein. Loan Agreement as used herein shall mean, refer to and include the Loan Agreement, as well as any riders, exhibits, addenda, implementation agreements, amendments and attachments thereto (which are hereby incorporated herein by this reference) or other documents expressly incorporated by reference in the Loan Agreement. Any capitalized term not otherwise defined herein shall have the meaning ascribed to it in the Loan Agreement.

2. This Note evidences the obligation of the Borrower to the Authority for the repayment of the Acquisition Loan.

3. This Note is payable at the principal office of the Authority, 825 Imperial Beach Boulevard, Imperial Beach , California 91932, or at such other place as the holder hereof may inform the Borrower in writing, in lawful money of the United States.

4. This Note shall be secured by the following: the Acquisition Deed of Trust, the Acquisition Agreement Containing Covenants, and the Assignment of Agreements (collectively, the “**Acquisition Loan Documents**”).

5. This Note shall accrue simple interest at the rate of three percent (3%) per annum on the principal amount outstanding, from the date of disbursement, payable as provided in Sections 6 and 7, below.

6. The unpaid principal balance of this Note and all accrued but unpaid interest shall be due and payable on the earliest to occur of the following (the earliest of which shall be referred to herein as the “**Maturity Date**”):

(a) the date of Closing whereby all amounts owing under this Note shall be included in the principal amount of the Authority Loan as an Acquisition and Development Cost, and this Note shall be endorsed as “paid in full” and returned to Borrower; or

(b) the date at which the Loan Agreement is terminated prior to Closing, whereby the outstanding principal balance and accrued interest of the Acquisition Loan (the “**Acquisition Outstanding Balance**”) shall be due and payable in full; or

(c) the date Parcel C and/or Project, or any portion thereof or interest therein is sold, transferred, assigned or refinanced, without the prior written approval of the Authority; or

(d) the date on which there is a default by the Borrower under the terms of the Loan Agreement, including this Note, which is not cured within the respective time periods provided therein.

(e) Unless the term of this Note has been extended by the Authority, from and after the Maturity Date, or any earlier date upon which all sums owing under this Note become due by acceleration or otherwise, all sums owing under this Note shall bear interest until paid in full at a rate equal to the greater of either: (i) ten percent (10%) per annum; or, (ii) the federal discount rate plus five percent (5%), where the federal discount rate is defined as the highest rate established by the Federal Reserve Bank of San Francisco on advances to member banks on the twenty-fifth day of the calendar month preceding the earlier of the date the Acquisition Loan was funded to Borrower (“**Default Interest**”).

7. Prior to the Maturity Date, Borrower shall not be obligated to repay the Acquisition Loan.

8. Any breach by Borrower of the provisions of Article 5 of the Loan Agreement (entitled “DEFAULTS, REMEDIES AND TERMINATION”) shall constitute a default under this Note after expiration of the applicable cure period provided for in the Loan Agreement. The cure periods under the Loan Agreement and this Note in connection with such a default shall run concurrently.

9. Borrower waives presentment for payment, demand, protest, and notices of dishonor and of protest; the benefits of all waivable exemptions; and all defenses and pleas on the ground of any extension or extensions of the time of payment or of any due date under this Note, in whole or in part, whether before or after maturity and with or without notice. Borrower hereby agrees to pay all costs and expenses, including reasonable attorney’s fees, which may be incurred by the holder hereof, in the enforcement of this Note, the Acquisition Loan Documents

or any term or provision thereof.

10. Upon the failure of Borrower to perform or observe any term or provision of this Note, or upon the occurrence of any Event of Default under the terms of the Loan Agreement or the Acquisition Loan Documents, the holder may exercise its rights or remedies hereunder or thereunder.

11. (a) Subject to the extensions of time set forth in Section 12, and subject to the further provisions of this Section 11, failure or delay by Borrower to perform any material term or provision of this Note, the Loan Agreement, or the Acquisition Loan Documents constitutes a default under this Note.

(b) Authority shall give written notice of default to Borrower, specifying the default complained of by the Authority. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default.

(c) Any failures or delays by Authority in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by Authority in asserting any of its rights and remedies shall not deprive Authority of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

(d) If a monetary event of default occurs, prior to exercising any remedies hereunder, the aggrieved party shall give the party in default written notice of such default. The party in default shall have a period of ten (10) days after such notice is given within which to cure the default.

(e) If a non-monetary event of default occurs, prior to exercising any remedies hereunder, the aggrieved party shall give the party in default notice of such default. If the default is reasonably capable of being cured within thirty (30) days, the party in default shall have such period to effect a cure prior to exercise of remedies by the aggrieved party. If the default is such that it is not reasonably capable of being cured within thirty (30) days, and the party in default (i) initiates corrective action within said period, and (ii) diligently, continually, and in good faith works to effect a cure as soon as possible, then the party in default shall have such additional time as is reasonably necessary to cure the default prior to any exercise of remedies by Authority.

(f) Any notice of default shall be deemed given only if either (i) dispatched by first class mail, registered or certified, postage prepaid, return receipt requested, to the addresses specified for the Borrower, or (ii) by electronic facsimile transmission to the facsimile numbers specified for the Borrower, followed by delivery by the method described in clause (i), or (iii) by personal delivery (including by means of professional messenger or courier service such as United Parcel Service or Federal Express) to the

addresses specified for the Borrower. Receipt shall be deemed to have occurred on the earlier of (i) the date of successfully completed electronic facsimile transmission or (ii) the date marked on a written postal service or messenger or courier service receipt as the date of delivery or refusal of delivery (or attempted delivery if undeliverable). If either party gives notice of a change of address in the manner specified in this paragraph, all notices, demands and communications originated after receipt of the change of address (or the effective date specified in the notice of change of address, if later) shall be transmitted, delivered or sent to the new address.

12. Notwithstanding specific provisions of this Note, non-monetary performance hereunder shall not be deemed to be in default where delays are due to causes beyond the control and without the fault of the party claiming an extension of time to perform (an “**Enforced Delay**”), provided that they actually delay and interfere with the timely performance of the matter to which they would apply and despite the exercise of diligence and good business practices are or would be beyond the reasonable control of the party claiming such interference, including: war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation including litigation challenging the validity of this transaction or any element thereof; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor, or suppliers; acts of the other party; acts or failure to act of any Governmental Agency (except acts or failure to act of Authority shall not excuse performance by Authority); the imposition of any applicable moratorium by a Governmental Agency; or any other causes which despite the exercise of diligence and good business practices are or would be beyond the reasonable control of the party claiming such delay and interference. Notwithstanding the foregoing, none of the foregoing events shall constitute an Enforced Delay unless and until the party claiming such delay and interference delivers to the other party written notice describing the event, its cause, when and how such party obtained knowledge, the date the event commenced, and the estimated delay resulting therefrom. Any party claiming an Enforced Delay shall deliver such written notice within fifteen (15) business days after it obtains actual knowledge of the event.

13. If the rights created by this Note shall be held by a court of competent jurisdiction to be invalid or unenforceable as to any part of the obligations described herein, the remaining obligations must be completely performed and paid.

14. The obligation to repay the Acquisition Loan is a nonrecourse obligation of the Borrower and its partners. Neither the Borrower nor any of its general or limited partners, nor any other party, shall have any personal liability for repayment of the Acquisition Loan. The sole recourse of the Authority with respect to repayment of the Acquisition Loan shall be the exercise of its rights against Parcel C as described in the Acquisition Loan Documents. Notwithstanding the foregoing, the Authority:

- (i) may obtain a judgment or order (including, without limitation, an

injunction) requiring Borrower or any other party to perform (or refrain from) specified acts other than repayment of the Acquisition Loan; and

(ii) may recover directly from Borrower or any other party for such party's actions that result in:

(A) any damages, costs and expenses incurred by Authority as a result of fraud or any criminal act or acts of Borrower or any partner, shareholder, officer, director or employee of Borrower or of any general partner of Borrower;

(B) any damages, costs and expenses incurred by Authority as a result of any misappropriation of funds provided for the construction of the Project, as described in the Loan Agreement, rents and revenues from the operation of the Project, or proceeds of insurance policies or condemnation proceeds;

(C) any and all amounts owing by Borrower pursuant to Borrower's indemnification regarding Hazardous Substances pursuant to the Loan Agreement and attachments thereto; and

(D) all court costs and attorneys' fees reasonably incurred in enforcing or collecting upon any of the foregoing exceptions (provided that Authority shall pay Borrower's reasonable court costs and attorneys' fees if Borrower is the prevailing party in any such enforcement or collection action).

16. The address of Borrower for purposes of receiving notices pursuant to this Note is as follows: The Post Housing, L.P., c/o Hitzke Development Corporation, 251 Autumn Drive, Suite 100, San Marcos, CA 92069, Attn: Ginger Hitzke, and its telephone number is (760) 798-9809, ginger@hitzkedev.com.

17. In addition to the other terms of this Note, the Borrower hereby agrees and acknowledges that, notwithstanding any internal accounting procedures or provision pertaining to the use of receipts, payments, reserves and distributions contained in its agreement of partnership or other organizational document, the terms of the Loan Agreement, including the Method of Financing, shall control as to the use of the Acquisition Loan proceeds.

[Signatures begin on following page.]

IN WITNESS WHEREOF Borrower has executed this Note as of the day and year set forth above.

BORROWER:

THE POST HOUSING, L.P., a California limited partnership, formerly named THE POST BY HDC, LP, a California limited partnership

By: HITZKE DEVELOPMENT
CORPORTION, a California corporation
Its: General Partner

By: _____
Name: Ginger Hitzke
Title: President

ATTACHMENT NO. 17

**ACQUISITION DEED OF TRUST,
SECURITY AGREEMENT AND FIXTURE FILING**

[Behind this page.]

OFFICIAL BUSINESS
Document entitled to free
recording per Government Code
Section 6103

Recording Requested By and
When Recorded Mail to:

Imperial Beach Housing Authority
825 Imperial Beach Boulevard
Imperial Beach, California 91932
Attention: Jerry Selby, Redevelopment Coordinator

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**DEED OF TRUST,
SECURITY AGREEMENT AND FIXTURE FILING RECORDED AGAINST
PROPERTY (WITH ASSIGNMENT OF RENTS)**

This Deed of Trust, Security Agreement and Fixture Filing Recorded Against Property (With Assignment of Rents) is made as of March _____, 2012 by THE POST HOUSING, L.P., a California limited partnership, formerly named THE POST BY HDC, LP, a California limited partnership (hereinafter referred to as "**Trustor**") whose address is c/o Hitzke Development Corporation, 251 Autumn Drive, Suite 100, San Marcos, California 92069, Attn: Ginger Hitzke with a copy to CHICAGO TITLE COMPANY, (hereinafter called "**Trustee**"), for the benefit of the IMPERIAL BEACH HOUSING AUTHORITY, a public body, corporate and politic (hereinafter called "**Beneficiary**"), whose address is 825 Imperial Beach Boulevard, Imperial Beach, California 91932.

Witnesseth: That Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to Trustee, its successors and assigns, in Trust, with POWER OF SALE TOGETHER WITH RIGHT OF ENTRY AND POSSESSION the following property (the "**Trust Estate**");

(a) That certain real property in the City of Imperial Beach, County of San Diego, State of California more particularly described in Exhibit A attached hereto and by this reference made a part hereof (hereafter referred to as the "**Subject Property**");

(b) All buildings, structures and other improvements now or in the future located or to be constructed on the Subject Property (the "**Improvements**");

(c) all tenements, hereditaments, appurtenances, privileges, franchises and other rights and interests now or in the future benefitting or otherwise relating to the Subject Property or the Improvements, including easements, rights-of-way and development rights (the "**Appurtenances**"). (The Appurtenances, together with the Subject Property and the Improvements, are hereafter referred to as the "**Real Property**");

(e) subject to the assignment to Beneficiary set forth in Paragraph 4 below, all rents, issues, income, revenues, royalties and profits now or in the future payable with respect to or otherwise derived from the Trust Estate or the ownership, use, management, operation leasing or occupancy of the Trust Estate, including those past due and unpaid (the “**Rents**”);

(f) all present and future right, title and interest of Trustor in and to all inventory, equipment, fixtures and other goods (as those terms are defined in Division 9 of the California Uniform Commercial Code (the “**UCC**”), and whether existing now or in the future) now or in the future located at, upon or about, or affixed or attached to or installed in, the Real Property, or used or to be used in connection with or otherwise relating to the Real Property or the use, development, construction, maintenance, management, operation, marketing, leasing or occupancy of the Real Property, including furniture, furnishings, machinery, appliances, building materials and supplies, generators, boilers, furnaces, water tanks, heating ventilating and air conditioning equipment and all other types of tangible personal property of any kind or nature, and all accessories, additions, attachments, parts, proceeds, products, repairs, replacements and substitutions of or to any of such property, but not including personal property that is donated to Trustor (the “**Goods**,” and together with the Real Property, the “**Property**”); and

(g) all present and future right, title and interest of Trustor in and to all accounts, general intangibles, chattel paper, deposit accounts, money, instruments and documents (as those terms are defined in the UCC) and all other agreements, obligations, rights and written material (in each case whether existing now or in the future) now or in the future relating to or otherwise arising in connection with or derived from the Property or any other part of the Trust Estate or the ownership, use, development, construction, maintenance, management, operation, marketing, leasing, occupancy, sale or financing of the Property or any other part of the Trust Estate, including (to the extent applicable to the Property or any other portion of the Trust Estate) (i) permits, approvals and other governmental authorizations, (ii) improvement plans and specifications and architectural drawings, (iii) agreements with contractors, subcontractors, suppliers, project managers, supervisors, designers, architects, engineers, sales agents, leasing agents, consultants and property managers, (iv) warranties, guaranties, indemnities and insurance policies, together with insurance payments and unearned insurance premiums, (v) claims, demands, awards, settlements, and other payments arising or resulting from or otherwise relating to any insurance or any loss or destruction of, injury or damage to, trespass on or taking, condemnation (or conveyance in lieu of condemnation) or public use of any of the Property, (vi) license agreements, service and maintenance agreements, purchase and sale agreements and purchase options, together with advance payments, security deposits and other amounts paid to or deposited with Trustor under any such agreements, (vii) reserves, deposits, bonds, deferred payments, refunds, rebates, discounts, cost savings, escrow proceeds, sale proceeds and other rights to the payment of money, trade names, trademarks, goodwill and all other types on intangible personal property of any kind or nature, and (viii) all supplements, modifications, amendments, renewals, extensions, proceeds, replacements and substitutions of or to any of such property (the “**Intangibles**”).

Trustor further grants to Trustee and Beneficiary, pursuant to the UCC, a security interest in all present and future right, title and interest of Trustor in and to all Goods and Intangibles and all of the Trust Estates described above in which a security interest may be created under the UCC (collectively, the “**Personal Property**”). This Deed of Trust constitutes a security agreement under the UCC, conveying a security interest in the Personal Property to Trustee and Beneficiary. Trustee and Beneficiary shall have, in addition to all rights and remedies provided herein, all the rights and remedies of a “secured party” under the UCC and other applicable California law. Trustor covenants and agrees that this Deed of Trust constitutes a fixture filing under Section 9313 and 9402(6) of the UCC.

FOR THE PURPOSE OF SECURING, in such order of priority as Beneficiary may elect, the following:

- (1) Due, prompt and complete observance, performance and discharge of each and every condition, obligation, covenant and agreement contained herein or contained in the following:
 - (a) a promissory note in the original principal amount of Three Hundred Forty Six Thousand Five Hundred Dollars (\$346,500.00), evidencing the Acquisition Loan, executed by Trustor (“Borrower” therein) of even date herewith (the “**Acquisition Note**”);
 - (b) the Affordable Housing Agreement dated as of October 17, 2011, as amended by that certain First Amendment thereto dated as of March 7, 2012 (collectively, the “**Loan Agreement**”), by and between the Trustor (referred to as “Developer” therein) and Beneficiary (referred to as “Authority” therein), pertaining to the obligations for the Property, therein; and
 - (c) the Agreement Containing Covenants Affecting Real Property (Including Rental Restrictions) dated on or about of even date herewith (the “**Acquisition Agreement Containing Covenants**”) by and between Trustor (referred to as “Developer” therein) and Beneficiary (“Authority” therein).
- (2) Payment of indebtedness of the Trustor to the Beneficiary in the principal sum of \$346,500.00 or so much thereof as shall be advanced, evidenced by the Acquisition Note, with interest, according to the terms of the Acquisition Note.
- (3) Payment and performance of all future advances and other obligations that the then record owner of all or part of the Property may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Beneficiary, when such future advance of obligation is evidenced by a writing which recites that it is secured by this Deed of Trust.

The Loan Agreement, including all Attachments thereto, and the documents and instruments executed by Trustor in connection with the Trustor’s interest in the Subject Property, including but not limited to Acquisition Agreement Containing Covenants and the Acquisition

Note secured hereby, all as described in the Loan Agreement (collectively referred to as the “**Secured Obligations**”) and all of their terms are incorporated herein by reference and this conveyance shall secure any and all extensions, amendments, modifications or renewals thereof however evidenced. Any capitalized term that is not otherwise defined in this Deed of Trust shall have the meaning ascribed to such term in the Loan Agreement.

AND TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR COVENANTS AND AGREES:

1. That Trustor shall pay the Acquisition Note secured hereby at the time and in the manner provided therein, and perform the obligations of the Trustor as set forth in the Secured Obligations at the time and in the manner respectively provided therein.

2. That Trustor shall not permit or suffer the use of any of the property for any purpose other than the uses permitted by the Secured Obligations.

3. That the Secured Obligations are incorporated in and made a part of the Deed of Trust. Upon default of a Secured Obligation, and after the giving of notice and the expiration of any applicable cure period, the Beneficiary, at its option, may declare the whole of the indebtedness secured hereby to be due and payable.

4. That all rents, profits and income from the property covered by this Deed of Trust are hereby assigned to the Beneficiary for the purpose of discharging the debt hereby secured. Permission is hereby given to Trustor so long as no default exists hereunder after the giving of notice and the expiration of any applicable cure period, to collect such rents, profits and income for use in accordance with the provisions of the Loan Agreement.

5. That upon default hereunder or under the aforementioned agreements, and after the giving of notice and the expiration of any applicable cure period, Beneficiary shall be entitled to the appointment of a receiver by any court having jurisdiction, without notice, to take possession and protect the property described herein and operate same and collect the rents, profits and income therefrom.

6. That Trustor will keep the improvements on the Subject Property in accordance with the Loan Agreement insured against loss by fire and such other hazards, casualties, and contingencies as may reasonably be required in writing from time to time by the Beneficiary, and all such insurance shall be evidenced by standard fire and extended coverage insurance policy or policies. In no event shall the amounts of coverage be less than 100 percent of the insurable value of the Property. Such policies shall be endorsed with standard mortgage clause with loss payable to the Beneficiary and certificates thereof together with copies of original policies shall be deposited with the Beneficiary.

7. To pay, prior to delinquency, any taxes and assessments affecting said Property; to pay, when due, all encumbrances, charges and liens, with interest, on said Property or any part thereof which appear to be prior or superior hereto; and to pay all costs, fees, and expenses of

this Trust. Notwithstanding anything to the contrary contained in this Deed of Trust, Trustor shall not be required to pay and discharge any such tax, assessment, charge or levy so long as Trustor is contesting the legality thereof in good faith and by appropriate proceedings, and Trustor has adequate funds to pay any liabilities contested pursuant to this Section 7.

8. To keep and maintain the Property in a safe condition and in a manner that does not constitute a legal nuisance.

9. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of evidence of title and reasonable attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

10. Should Trustor fail, after the giving of notice and the expiration of any applicable cure period, to make any payment or do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof. Following default, after the giving of notice and the expiration of any applicable cure period, Beneficiary or Trustee being authorized to enter upon said property for such purposes, may commence, appear in and/or defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; may pay, purchase, contest, or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, may pay necessary expenses, employ counsel, and pay his reasonable fees. Notwithstanding the foregoing, in the event of default under this Deed of Trust, the Beneficiary may also require Trustor to maintain and submit additional records. Beneficiary shall specify in writing the particular records that must be maintained and the information or reports that must be submitted.

11. Beneficiary shall have the right to pay commercial general liability insurance premiums when due should Trustor fail to make any required premium payments. All such payments made by the Beneficiary shall be added to the principal sum secured hereby.

12. To pay immediately and without demand all sums so expended by Beneficiary or Trustee, under permission given under this Deed of Trust, with interest from date of expenditure at the rate specified in the Acquisition Note secured hereby.

13. That the funds to be advanced hereunder are to be used in accordance with the Secured Obligations and upon the failure of Trustor, after the giving of notice and the expiration of any applicable cure period, to keep and perform all the covenants, conditions, and agreements of said agreements, the principal sum and all arrears of interest, and other charges provided for in the Acquisition Note secured hereby shall at the option of the Beneficiary of this Deed of Trust become due and payable, anything contained herein to the contrary notwithstanding.

14. Trustor further covenants that it will not voluntarily create, suffer, or permit to be created against the property subject to this Deed of Trust any lien or liens except as permitted by the Secured Obligations or otherwise approved by Beneficiary, and further that it will keep and maintain the property free from the claims of all persons supplying labor or materials which will enter into the construction of any and all buildings now being erected or to be erected on said premises. Notwithstanding anything to the contrary contained in this Deed of Trust, Trustor shall not be obligated to pay any claims for labor, materials or services which Trustor in good faith disputes and is diligently contesting, provided that Trustor shall, at Beneficiary's written request, within thirty (30) days after the filing of any claim or lien (but in any event, and without any requirement that Beneficiary must first provide a written request, prior to foreclosure) record in the Office of the San Diego County Registrar-Recorder/County Clerk ("**County Recorder**") a surety bond in an amount one-and-one-half (1½) times the amount of such claim item to protect against a claim of lien, or provide such other security reasonably satisfactory to Beneficiary.

15. That any and all improvements made or about to be made upon the premises covered by the Deed of Trust, and all plans and specifications, comply with all applicable municipal ordinances and regulations and all other applicable regulations made or promulgated, now or hereafter, by lawful promulgation, and that the same will upon completion comply with all such municipal ordinances and regulations and with the rules of the applicable fire rating or inspection organization, bureau, association or office.

16. Trustor herein agrees to pay to Beneficiary or to the authorized loan servicing representative of the Beneficiary a reasonable charge for providing a statement regarding the obligation secured by this Deed of Trust as provided by Section 2954, Article 2, Chapter 2 Title 14, Division 3, of the California Civil Code.

IT IS MUTUALLY AGREED THAT:

17. Should the Property or any part thereof be taken or damaged by reason of any public improvement or condemnation proceeding, or damaged by fire, or earthquake, or in any other manner, Beneficiary shall be entitled to all compensation, awards, and other payments or relief therefor which are not used to reconstruct, restore or otherwise improve the property or part thereof that was taken or damaged, and shall be entitled at its option to commence, appear in and prosecute in its own name, any action or proceedings, or to make any compromise or settlement, in connection with such taking or damage. If any, all such compensation, awards, damages, rights of action and proceeds which are not used to reconstruct, restore or otherwise improve the property or part thereof that was taken or damaged, including the proceeds of any policies of fire and other insurance affecting said property, are hereby assigned to Beneficiary. After deducting therefrom all its expenses, including attorney's fees, the balance of the proceeds which are not used to reconstruct, restore or otherwise improve the property or part thereof that was taken or damaged, shall be applied to the amount due under the Acquisition Note secured hereby. No amount applied to the reduction of the principal shall relieve the trustor from making regular payments as required by the Acquisition Note secured hereby.

In the event of any fire or other casualty to the Property or eminent domain proceedings resulting in condemnation of the Property or any part thereof, Trustor shall have the right to rebuild the Property, and to use all available insurance or condemnation proceeds therefore, provided that (a) such proceeds are sufficient to keep the loan in balance and rebuild the Property in a manner that provides adequate security to the Beneficiary for repayment of the loan, or if such proceeds are insufficient to provide adequate security or to keep the loan in balance, then Trustor has funded any deficiency, (b) Beneficiary shall have the right to approve plans and specifications for any major rebuilding and the right to approve disbursements of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement, and such approval shall not be unreasonably withheld, and (c) no material default then exists under this Deed of Trust, the Loan Agreement, the Acquisition Note, or the Acquisition Agreement Containing Covenants. If the casualty or condemnation affects only part of the Property and total rebuilding is infeasible, then such insurance and/or condemnation proceeds may be used for partial rebuilding and partial repayment of the loan in a manner that provides adequate security to the Beneficiary for repayment of the remaining balance of the loan.

18. Upon default by Trustor in making any payments provided for in the Acquisition Note secured hereby or in this Deed of Trust, or in performing any obligation set forth in any of the Secured Obligations, and if such default is not cured within the respective time provided therefor in Section 34 of this Deed of Trust, below, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale, and of written notice of default and of election to cause the Property to be sold, which notice Trustee shall cause to be duly filed for record and Beneficiary may foreclose this Deed of Trust. Beneficiary shall also deposit with Trustee this Deed, the Acquisition Note and all documents evidencing expenditures secured hereby.

19. a. Prior to the repayment in full of the Acquisition Loan, the Trustor shall not assign or attempt to assign its obligations under the Loan Agreement or any right therein, nor make any total or partial sale, transfer, conveyance or assignment of the whole or any part of the Property, the improvements thereon, or any portion thereof or interest therein (referred to hereinafter as a “**Transfer**”), without prior written approval of the Beneficiary, except as otherwise permitted in the Loan Agreement secured hereby. Consent to one such transaction shall not be deemed to be a waiver of the right to require consent to future or successive transactions. Beneficiary shall not unreasonably withhold or delay its consent. If consent should be given, any such transfer shall be subject to this Section 19, and any such transferee shall assume all obligations hereunder and agree to be bound by all provisions contained herein, subject to the provisions of paragraph e.(3) of this Section 19, below.

b. Any such proposed transferee shall have the qualifications and financial responsibility necessary and adequate as may be reasonably determined by the Beneficiary, to fulfill the obligations undertaken by Trustor in the Loan Agreement, including all attachments thereto. Any such proposed transferee, by instrument in writing satisfactory to the Beneficiary and in form recordable in the County Recorder, for itself and its successors and assigns, and for the benefit of the Beneficiary shall expressly assume all of the obligations of the Trustor under the Loan Agreement, including all attachments thereto, and agree to be subject to all conditions

and restrictions applicable to the Trustor in this Acquisition Note, subject to the provisions of paragraph (e)(3) of this Section 19. There shall be submitted to the Beneficiary for review all instruments and other legal documents proposed to effect any such transfer; and if approved by the Beneficiary its approval shall be indicated to the Trustor in writing.

c. In the absence of specific written agreement by the Beneficiary, no unauthorized Transfer, or approval thereof by the Beneficiary, shall be deemed to relieve the Trustor or any other party from any obligations under the Loan Agreement, including all attachments thereto.

d. In the event of a Transfer prior to the time the Acquisition Loan is paid in full without the prior written consent of the Beneficiary, the net proceeds shall be paid to the Beneficiary to the extent necessary to pay in full the accrued interest, if any, current interest and remaining principal balance of the Acquisition Loan.

e. (1) As used herein, "Transfer" includes the sale, agreement to sell, transfer or conveyance of the Subject Property or any portion thereof or interest therein, whether voluntary, involuntary, by operation of law or otherwise, the execution of any installment land sale contract or similar instrument affecting all or a portion of the Property or Project, or the lease of all or substantially all of the Subject Property, except as provided in subparagraph e.(3) of this Section 19, below.

(2) "Transfer" shall also include the transfer, assignment, hypothecation or conveyance of legal or beneficial ownership of any interest in Trustor, or any conversion of Trustor to an entity form other than that of Trustor at the time of execution of the Loan Agreement, except that a cumulative change in ownership interest of any general partner of forty-nine percent (49%) or less shall not be deemed a "transfer" for purposes of this Deed of Trust.

(3) "Notwithstanding paragraphs (1) and (2), above, "Transfer" shall not include any of the following additional Permitted Transfers:

(a) a sale, transfer, assignment or exchange of all or a portion of the limited partners' interest in the Trustor or any sale, transfer, assignment or exchange of all or a portion of interests in the limited partners of Trustor.

(b) the grant of option and right of first refusal to the general partner of Trustor, or any affiliate thereof, and to any transfer of the Property to such general partner, affiliate pursuant to the exercise of an option or right of first refusal reserved in Trustor's partnership agreement (the "**Partnership Agreement**") or other document approved by the Beneficiary, provided that such party assumes all obligations under hereunder pursuant to an assumption agreement acceptable to the Beneficiary.

(c) the withdrawal (not including a voluntary withdrawal allowed by the Partnership Agreement or with the consent of the limited partner) of a general

partner of Trustor, or removal of a general partner of the Trustor for cause pursuant to the terms of the Partnership Agreement, provided that a substitute general partner that is a nonprofit corporation exempt from federal income tax under Section 501(c)(3) of the United States Internal Revenue Code (or successor provision), a limited liability company or for profit entity controlled by such a nonprofit corporation, or a public agency or public corporation, that is reasonably acceptable to the Beneficiary, is admitted to the Trustor within ninety (90) days thereafter, and provided further that if the former general partner's (or affiliate's) option to purchase the Property or option to purchase the limited partner's interest is terminated, the new general partner shall be granted options to purchase the Property or the limited partner's interest on the same terms and conditions as previously were applicable to the former general partner's (or affiliate's) options, unless otherwise agreed in writing by the Beneficiary.

(d) Any permanent financing authorized by the Loan Agreement, including the Method of Financing.

(e) The leasing for occupancy of all or any part of the Subject Property or Improvements.

(f) The inclusion of equity participation by Trustor by transfer or addition of limited or general partners to the Trustor or similar mechanism.

(g) The pledge by any general partner of Trustor to the limited partners of the general partner's interest in the Trustor, as security for the performance of all of the general partner's obligations under the Trustor's Partnership Agreement.

(h) The sale, transfer or pledge of any limited partnership interest in the Trustor or of any partnership interest in the limited partners.

(i) The appointment by the limited partners, in accordance with the Partnership Agreement, of an additional or substitute general partner that is an affiliate of the limited partners or, if not an affiliate of the limited partners, is reasonably acceptable to the Beneficiary.

(j) Any dilution of the general partner's interest in the Trustor in accordance with the Partnership Agreement.

(k) The admission of an additional general partner of Trustor pursuant to the terms of the Partnership Agreement, including Cascade Housing Association, an Oregon non-profit corporation.

f. The Beneficiary shall not unreasonably withhold, condition or delay its approval of any matter for which its approval is required hereunder. Any disapproval shall be in writing and contain the Beneficiary's reasons for disapproval.

20. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser its Deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the Deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Beneficiary, may purchase at the sale. The Trustee shall apply the proceeds of sale to payment of (1) the expenses of such sale, together with the reasonable expenses of this trust including therein reasonable Trustee's fees or attorney's fees for conducting the sale, and the actual cost of publishing, recording, mailing and posting notice of the sale; (2) the cost of any search and/or other evidence of title procured in connection with such sale and revenue stamps on Trustee's Deed; (3) all sums expended under the terms hereof, not then repaid, with accrued interest at the rate specified in the Acquisition Note; (4) all other sums then secured hereby; and (5) the remainder, if any, to the person or persons legally entitled thereto.

21. Beneficiary may from time to time substitute a successor or successors to any Trustee named herein or acting hereunder to execute this Deed of Trust. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers, and duties conferred upon any Trustee herein named or acting hereunder. Each such appointment and substitution shall be made by written instrument executed by Beneficiary, containing reference to this Deed of Trust and its place of record, which, when duly recorded in the proper office of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

22. The pleading of any statute of limitations as a defense to any and all obligations secured by this Deed of Trust is hereby waived to the full extent permissible by law.

23. Upon written request of Beneficiary stating that all sums secured hereby have been paid and all obligations secured hereby have been satisfied, and upon surrender of this Deed of Trust and the Acquisition Note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or fact shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto".

24. The trust created hereby is irrevocable by Trustor.

25. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term

“Beneficiary” shall include not only the original Beneficiary hereunder but also any future owner and holder including pledgees, of the Acquisition Note secured hereby. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. All obligations of Trustor hereunder are joint and several.

26. Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made public record as provided by law. Except as otherwise provided by law the Trustee is not obligated to notify any party hereto of pending sale under this Deed of Trust or of any action of proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee.

27. The undersigned Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to Trustor at the address set forth on the first page of this Deed of Trust.

28. Trustor agrees at any time and from time to time upon receipt of a written request from Beneficiary, to furnish to Beneficiary detailed statements in writing of income, rents, profits, and operating expenses of the premises, and the names of the occupants and tenants in possession, together with the expiration dates of their leases and full information regarding all rental and occupancy agreements, and the rents provided for by such leases and rental and occupancy agreements, and such other information regarding the premises and their use as may be requested by Beneficiary.

29. Trustor agrees that the loan secured by this Deed of Trust is made expressly for the purpose of financing the construction of an affordable rental housing development for Very Low and Low Income Households (the “Project”) as such terms are defined in the Secured Obligations.

30. Trustor agrees that, except as otherwise provided in the Acquisition Note secured hereby, upon sale or refinancing of the property, the entire principal balance of the debt secured by this Deed of Trust, plus any accrued but unpaid interest thereon, shall at the option of Beneficiary be immediately due and payable.

31. The obligation to repay the Acquisition Loan is a nonrecourse obligation of the Trustor and its partners. Neither Trustor nor any of its general or limited partners, nor any other party, shall have any personal liability for repayment of the loan. The sole recourse of Beneficiary shall be the exercise of its rights against the Property and any related security for the Acquisition Loan. Notwithstanding the foregoing, Beneficiary may recover directly from Trustor or from any other party:

(a) any damages, costs and expenses incurred by Beneficiary as a result of fraud or any criminal act or acts of Trustor or any partner, shareholder, officer, director or employee of Trustor, or of any general or limited partner of Trustor;

(b) any damages, costs and expenses incurred by Beneficiary as a result of any misappropriation of funds provided for the construction of the Project, as described in the Loan Agreement, rents and revenues from the operation of the Project, or proceeds of insurance policies or condemnation proceeds;

(c) any and all amounts owing by Trustor pursuant to the indemnification regarding Hazardous Substances pursuant to the Environmental Indemnity; and

(d) all court costs and attorneys' fees reasonably incurred in enforcing or collecting upon any of the foregoing exceptions (provided that Beneficiary shall pay Trustor's reasonable court costs and attorneys' fees if Trustor is the prevailing party in any such enforcement or collection action).

32. Notwithstanding specific provisions of this Deed of Trust, non-monetary performance hereunder shall not be deemed to be in default where delays or defaults are proximately caused by any of the following Force Majeure events, provided such event actually delays and interferes with the timely performance of the matter, and, despite the exercise of diligence and good business practices, such event is beyond the reasonable control of Trustor: War; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; acts of terrorism; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation including litigation challenging the validity of this transaction or any element thereof; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor, or suppliers; acts of the other party; acts or failure to act of any Governmental Agency (except acts or failure to act of the Beneficiary shall not excuse performance by the Beneficiary); the imposition of any applicable moratorium by a Governmental Commission; or any other causes which despite the exercise of diligence and good business practices are or would be beyond the reasonable control of the party claiming such delay and interference. Notwithstanding the foregoing, none of the foregoing events shall constitute a Force Majeure Event unless and until Trustor delivers to Beneficiary written notice describing the event, its cause, when and how Trustor obtained knowledge, the date the event commenced, and the estimated delay resulting therefrom. Trustor shall deliver such written notice within fifteen (15) days after it obtains actual knowledge of the event.

33. If the rights and liens created by this Deed of Trust shall be held by a court of competent jurisdiction to be invalid or unenforceable as to any part of the obligations described herein, the unsecured portion of such obligations shall be completely performed and paid prior to the performance and payment of the remaining and secured portion of the obligations, and all performance and payments made by Trustor shall be considered to have been performed and paid on and applied first to the complete payment of the unsecured portion of the obligations.

34. (a) Subject to the extensions of time set forth in Section 32, and subject to the further provisions of this Section 34, failure or delay by Trustor to perform any term or provision respectively required to be performed under the Secured Obligations or this Deed of Trust constitutes a default under this Deed of Trust.

(b) Beneficiary shall give written notice of default to Trustor, specifying the default complained of by the Beneficiary. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default.

(c) Any failures or delays by Beneficiary in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by Beneficiary in asserting any of its rights and remedies shall not deprive Beneficiary of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

(d) If a monetary event of default occurs, prior to exercising any remedies hereunder, the aggrieved party shall give the party in default written notice of such default. The party in default shall have a period of ten (10) days after such notice is given within which to cure the default.

(e) If a non-monetary event of default occurs, prior to exercising any remedies hereunder, the aggrieved party shall give the party in default notice of such default. If the default is reasonably capable of being cured within thirty (30) days, the party in default shall have such period to effect a cure prior to exercise of remedies by the aggrieved party. If the default is such that it is not reasonably capable of being cured within thirty (30) days, and the party in default (i) initiates corrective action within said period, and (ii) diligently, continually, and in good faith works to effect a cure as soon as possible, then the party in default shall have such additional time as is reasonably necessary to cure the default.

(f) Any notice of default that is transmitted by electronic facsimile transmission followed by delivery of a "hard" copy, shall be deemed delivered upon its transmission; any notice of default that is personally delivered (including by means of professional messenger service, courier service such as United Parcel Service or Federal Express, or by U.S. Postal Service), shall be deemed received on the documented date of receipt by Trustor; and any notice of default that is sent by registered or certified mail, postage prepaid, return receipt required shall be deemed received on the date of receipt thereof.

[Signatures begin on following page.]

IN WITNESS WHEREOF Trustor has executed this Deed of Trust as of the day and year set forth above.

TRUSTOR:

THE POST HOUSING, L.P., a California limited partnership, formerly named THE POST BY HDC, LP, a California limited partnership

By: HITZKE DEVELOPMENT
CORPORTION, a California corporation
Its: General Partner

By: _____
Name: Ginger Hitzke
Title: President

EXHIBIT A

LEGAL DESCRIPTION

REAL PROPERTY IN THE CITY OF IMPERIAL BEACH, COUNTY OF IMPERIAL, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

APN 626-242-23

LOTS 13 AND 14 IN BLOCK 20 OF SOUTH, IN THE CITY OF IMPERIAL BEACH, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 133, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, JULY 5, 1887.

TOGETHER WITH THAT PORTION OF THE EASTERLY 10 FEET OF FLORENCE STREET, VACATED AND CLOSED TO PUBLIC USE BY RESOLUTION NUMBER 1439 OF CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, RECORDED ON NOVEMBER 4, 1968 AS INSTRUMENT NO. 193024 OF OFFICIAL RECORDS.

CALIFORNIA ACKNOWLEDGEMENT

State of California

County of _____)

On _____ before me, _____
(insert name and title of the officer)

personally appeared _____,

_____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

CALIFORNIA ACKNOWLEDGEMENT

State of California

County of _____)

On _____ before me, _____
(insert name and title of the officer)

personally appeared _____,

_____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

ATTACHMENT NO. 18

ACQUISITION AGREEMENT CONTAINING COVENANTS

[Behind this page.]

OFFICIAL BUSINESS
Document entitled to free
recording per Government Code
Section 6103

Recording Requested By and
When Recorded Mail to:

Imperial Beach Housing Authority
825 Imperial Beach Boulevard
Imperial Beach, California 91932
Attention: Jerry Selby, Redevelopment Coordinator

SPACE ABOVE THIS LINE FOR RECORDER'S USE

AGREEMENT CONTAINING COVENANTS

THIS AGREEMENT CONTAINING COVENANTS (the "**Agreement**") dated as of March _____, 2012 is entered into by and between the HOUSING AUTHORITY OF THE CITY OF IMPERIAL BEACH ("**Authority**") and THE POST HOUSING, L.P., a California limited partnership, formerly named THE POST BY HDC, LP, a California limited partnership ("**Developer**").

WHEREAS, Developer is or will become the owner of that certain real property located at 655 Florence Street in the City of Imperial Beach legally described in Exhibit A which is attached hereto and incorporated herein by this reference (the "**Property**"); and

WHEREAS, for the purpose of providing housing that will be affordable to Low Income and Very Low Income Households, Authority and Developer have entered into that certain Affordable Housing Agreement dated as of October 17, 2011, as amended by that certain First Amendment thereto dated as of March 7, 2012 (collectively, the "**Loan Agreement**") to which this Agreement is attached as Attachment No. 18, which is incorporated herein by this reference (any capitalized term that is not otherwise defined in this Agreement shall have the meaning ascribed to such term in the Loan Agreement); and

WHEREAS, pursuant to the Loan Agreement, the Authority is providing financial assistance to Developer to acquire the Property, using the Authority's Low and Moderate Income Housing Funds; and

WHEREAS, the Developer has obtained an allocation of Low Income Housing Tax Credits pursuant to the Tax Reform Act of 1986, as amended, and governed by Section 42 of Internal Revenue Code (the "**Tax Credits**").

WHEREAS, the Loan Agreement contains certain provisions relating to the intended use of the Property.

NOW, THEREFORE, AUTHORITY AND DEVELOPER COVENANT AND AGREE AS FOLLOWS:

1. Maximum Incomes.

a. Developer covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof, that Developer, its successors and assignees shall use the Property exclusively to provide affordable housing for Low Income and Very Low Income Households, subject to all of the terms and conditions of this Agreement, except for one unit designated as the management unit for the on-site manager, if applicable.

b. The maximum incomes of Low and Moderate Income Households shall be determined on the basis of the income limits for low and moderate income households in the San Diego-Carlsbad-San Marcos MSA, published approximately annually by the California Department of Housing and Community Development (“HCD”).

2. Maximum Rents.

a. The maximum rent, including a reasonable utility allowance for utilities and services (excluding telephone), shall not exceed rents that are affordable to Low and Moderate Income Households under California Health & Safety Code section 50053. Affordable rent shall be based on area median income adjusted for family size appropriate to the unit, as determined by the California Department of Housing and Community Development. As used herein, the term “family size appropriate to the unit” shall equal the number of bedrooms in the unit plus one.

b. This requirement shall continue in effect for the Term of this Agreement.

c. Failure to comply with the affordability requirements of this Agreement following notice from the Authority and an opportunity to cure such failure is an event of default under the terms of the Loan Agreement. Pursuant to the Acquisition Loan Note evidencing the Acquisition Loan (attached to the Loan Agreement as Attachment No. 16), subject to the right to cure, the Acquisition Loan will be due and payable immediately if the use of the Property does not meet the requirements of this Agreement.

d. In no event shall rents exceed the maximum rent permitted by the tax credit regulations or the rules applicable to the use of Low and Moderate Income Housing Fund moneys, whichever is the lowest.

3. Prior to the Close of Escrow for the Project, Developer and the Authority will enter into a new Agreement Containing Covenants that will, among other things, set forth the allocation of the twenty-nine (29) one-bedroom apartments among the applicable income levels and that will also set forth the maximum allowable rents that may be charged for the occupancy of such units. Upon the recordation of that new Agreement Containing Covenants the Authority shall execute and record an instrument releasing the Property from this Agreement.

4. The Developer covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof, there shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, national origin, religion or sex in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property nor shall Developer itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Property.

5. The covenants established in this Agreement and any amendments hereto approved by the Authority and the Developer shall, without regard to technical classification and designation, be binding for the benefit and in favor of the Authority, its successors and assigns, and the City of Imperial Beach. The requirements of this Agreement shall remain in effect for fifty-five (55) years from the issuance of the permanent certificate of occupancy for the Project (the “**Term**”).

6. The Authority and the City of Imperial Beach are deemed beneficiaries of the terms and provisions of this Agreement and the covenants herein, both for and in their own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit this Agreement and the covenants running with the land have been provided. The Authority shall have the right if the covenants are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Agreement and covenants are entitled.

7. The covenants and agreements contained herein shall run with the land and not be personal obligations of the Developer. Upon the sale, conveyance or other transfer of the Property approved by the Authority or otherwise permitted under this Agreement and any other Authority Loan Document (a “**Transfer**”) and the assumption of the obligations hereunder by a transferee, the Developer’s liability for performance shall be terminated as to any obligation to be performed hereunder after the date of such Transfer.

[Signatures appear on following page.]

IN WITNESS WHEREOF, the Authority and Developer have executed this Agreement as of the date first set forth hereinabove.

IMPERIAL BEACH HOUSING
AUTHORITY

By: _____
Gary Brown, Director

ATTEST:

By: _____
Authority Secretary

REVIEWED AND APPROVED
AS TO FORM:

AUTHORITY GENERAL COUNSEL

By: _____
Jennifer Lyon

KANE, BALLMER & BERKMAN

By: _____
Authority Special Counsel
Theodore M. Ballmer

[Signatures continue on following page]

THE POST HOUSING, L.P., a California limited partnership, formerly named THE POST BY HDC, LP, a California limited partnership

By: HITZKE DEVELOPMENT
CORPORTION, a California corporation
Its: General Partner

By: _____
Name: Ginger Hitzke
Title: President

CALIFORNIA ACKNOWLEDGEMENT

State of California

County of _____)

On _____ before me, _____

(insert name and title of the officer)

personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

CALIFORNIA ACKNOWLEDGEMENT

State of California

County of _____)

On _____ before me, _____

(insert name and title of the officer)

personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT 1

LEGAL DESCRIPTION

REAL PROPERTY IN THE CITY OF IMPERIAL BEACH, COUNTY OF IMPERIAL, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

APN 626-242-23

LOTS 13 AND 14 IN BLOCK 20 OF SOUTH, IN THE CITY OF IMPERIAL BEACH, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 133, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, JULY 5, 1887.

TOGETHER WITH THAT PORTION OF THE EASTERLY 10 FEET OF FLORENCE STREET, VACATED AND CLOSED TO PUBLIC USE BY RESOLUTION NUMBER 1439 OF CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, RECORDED ON NOVEMBER 4, 1968 AS INSTRUMENT NO. 193024 OF OFFICIAL RECORDS.

ATTACHMENT NO. 19

NOTICE OF AFFORDABILITY RESTRICTIONS
ON TRANSFER OF PROPERTY

[Behind this page.]

OFFICIAL BUSINESS
Document entitled to free
recording per Government Code
Section 6103

Recording Requested By and
When Recorded Mail to:

Imperial Beach Housing Authority
825 Imperial Beach Boulevard
Imperial Beach, California 91932
Attention: Jerry Selby, Redevelopment Coordinator

SPACE ABOVE THIS LINE FOR RECORDER'S USE

NOTICE OF AFFORDABILITY RESTRICTIONS ON TRANSFER OF PROPERTY

NOTICE IS HEREBY GIVEN that pursuant to Health & Safety Code Section 33334.3(f) as amended effective January 1, 2008, the Housing Authority of the City of Imperial Beach is recording this Notice of Affordability Restrictions on Transfer of Property (hereinafter the "**Notice**") with regard to the property located at located at 655 Florence Street, Imperial Beach, California and legally described in Exhibit A attached hereto (the "**Property**").

The Property is subject to the Agreement Containing Covenants (the "**Covenants**") recorded concurrently herewith, which restricts the use of the Property as follows:

Development and operation of thirty (30) one-bedroom apartments to be rented exclusively to Low and Moderate Income Households at an Affordable Rent as provided in California Health and Safety Code Section 50053.

The maximum incomes of eligible Low and Moderate Income tenants shall be determined on the basis of the income limits for households in the San Diego-Carlsbad-San Marcos MSA, published approximately annually by the California Department of Housing and Community Development ("**HCD**").

The affordability restrictions imposed on the Property by the Covenants are scheduled to expire on the date that is fifty-five (55) years after the issuance of the permanent certificate of occupancy for the construction of the housing on the Property.

This Notice is recorded for the purpose of providing notice only and it in no way modifies the provisions of the Covenants.

IMPERIAL BEACH HOUSING
AUTHORITY

By: _____
Gary Brown, Director

ATTEST:

By: _____
Authority Secretary

REVIEWED AND APPROVED
AS TO FORM:

AUTHORITY GENERAL COUNSEL

By: _____
Jennifer Lyon

KANE, BALLMER & BERKMAN

By: _____
Authority Special Counsel
Theodore M. Ballmer

[Signatures continue on following page]

CONSENT TO RECORDATION

The undersigned, owner of the fee interest in the real property legally described in Exhibit A hereto, hereby consents to the recordation of the foregoing Notice of Affordability Restrictions on Transfer of Property against said real property.

THE POST HOUSING, L.P., a California limited partnership, formerly named THE POST BY HDC, LP, a California limited partnership

By: HITZKE DEVELOPMENT
CORPORTION, a California
corporation
Its: General Partner

By: _____
Name: Ginger Hitzke
Title: President

CALIFORNIA ACKNOWLEDGEMENT

State of California

County of _____)

On _____ before me, _____

(insert name and title of the officer)

personally appeared _____,

_____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

CALIFORNIA ACKNOWLEDGEMENT

State of California

County of _____)

On _____ before me, _____

(insert name and title of the officer)

personally appeared _____,

_____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT 1

LEGAL DESCRIPTION

REAL PROPERTY IN THE CITY OF IMPERIAL BEACH, COUNTY OF IMPERIAL, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

APN 626-242-23

LOTS 13 AND 14 IN BLOCK 20 OF SOUTH, IN THE CITY OF IMPERIAL BEACH, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 133, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, JULY 5, 1887.

TOGETHER WITH THAT PORTION OF THE EASTERLY 10 FEET OF FLORENCE STREET, VACATED AND CLOSED TO PUBLIC USE BY RESOLUTION NUMBER 1439 OF CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, RECORDED ON NOVEMBER 4, 1968 AS INSTRUMENT NO. 193024 OF OFFICIAL RECORDS.



STAFF REPORT
CITY OF IMPERIAL BEACH

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: GARY BROWN, CITY MANAGER

MEETING DATE: MARCH 7, 2012

ORIGINATING DEPT.: PUBLIC WORKS *Ch Helmer Acting PW Director*

SUBJECT: RESOLUTION APPROVING STREET IMPROVEMENTS PHASE 4/5 (CIP S11-105) CHANGE ORDER NO. 1 WITH SOUTHLAND PAVING, INC

BACKGROUND: On December 7, 2011, the City Council adopted Resolution No. 2011-7126 awarding the Street Improvements Phase 4/5 capital improvement project (CIP) S11-105 to Southland Paving, Inc. for \$3,672,542.00. The December 7, 2011 report showed that the total budget available was \$4,411,931.00. The estimated expense for the project is currently at \$3,961,642.00, which leave \$450,289.00 unencumbered and available to add additional street improvements to the Phase 4/5 project. On January 18, 2012, the City Council approved Resolution 2012-7144 authorizing BDS Engineering to complete the design work for three additional streets to consider for inclusion in the Phase 4/5 project so long as the change order is within the remaining budget. BDS completed the design work for the following streets:

- 9th Street – S.R. 75 to Donax Ave
- Donax Ave – 2nd Street to 3rd Street
- Louden Lane – Imperial Beach Blvd to Grove Ave

Southland Paving provided an estimate of \$415,553 to complete the three additional streets, which is within the remaining total available budget for the project. Their proposal is provided in Attachment 2 and summarized below.

- 9th Street – S.R. 75 to Donax Ave: **\$149,891.45**
- Donax Ave – 2nd Street to 3rd Street: **\$87,823.35**
- Louden Lane – Imperial Beach Blvd to Grove Ave: **177,838.20**

DISCUSSION: Staff recommends that Southland Paving, Inc proceed with the construction of three additional street improvements through Change Order No. 1 to their existing professional services contract. The Staff finds the proposal from Southland Paving fair, reasonable, and within the remaining budget for the project.

ENVIRONMENTAL DETERMINATION:

Not a project as defined by CEQA. This project is categorically exempt from CEQA pursuant to CEQA Guidelines Section 15302(c): Replacement or Reconstruction of Existing Utility Systems and Facilities.

FISCAL IMPACT:

Budget allocation for Street Improvements Phase 4/5 is as follows:

| | |
|-----------------|---|
| \$ 4,000,000.00 | from Council approved Cooperative Agreement |
| \$ 411,931.47 | from Prop 1B (resolution no. 2010-6959) |

Total Proposed Budget: \$ 4,411,931.47

Expenditures / Obligations as of March 2012 for Street Improvements Phase 4/5:

| | |
|-------------------------|-----------------|
| • BDS Engineering | \$ 229,100.00 |
| • Southland Paving, Inc | \$ 3,672,542.00 |

Future Estimated Expenses:

| | |
|--|---------------|
| • Southland Paving, Inc (change order # 1) | \$ 415,553.00 |
| • City Inspection and Administration | \$ 60,000.00 |

Total Estimated Expenses to date: \$ 4,377,195.00

DEPARTMENT RECOMMENDATION:

1. Receive this report.
2. Adopt the attached resolution approving Change Order No.1 with Southland Paving, Inc and authorizing the City Manager to sign the change order for the additional \$415,553.00 for the construction of three additional streets as shown in Attachment 2.

CITY MANAGER'S RECOMMENDATION:

Approve Department recommendation.



Gary Brown, City Manager

Attachments:

1. Resolution No. 2012-7164
2. Southland Paving proposal

RESOLUTION NO. 2012-7164**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, APPROVING STREET IMPROVEMENTS PHASE 4/5 (CIP S11-105) CHANGE ORDER NO. 1 WITH SOUTHLAND PAVING, INC**

WHEREAS, the Five-Year Capital Improvement Program (CIP) Projects Budget for Fiscal Years 2009-2010 through 2013-2014 included annual Street Improvements Phases 4 through 8 at \$1,000,000 per year for each of the five years; and

WHEREAS, the CIP projects budget was approved with Resolution No. 2009-6732; and

WHEREAS, subsequently it was decided to combine the annual street improvement projects into one project at a total project allocation of \$4,000,000; and

WHEREAS, additional Proposition 1B funds were allocated to the project in the amount of \$411,931.47 through Resolution No. 2010-6959

WHEREAS, the total funds dedicated to the project are \$4,411,931.47; and

WHEREAS, on December 7th, 2011 the City council awarded the contract Street Improvements 4/5 to Southland Paving, Inc. through resolution 2011-7126 in the amount of \$3,672,541.90;

WHEREAS, the total projected estimated expenses for the project are \$4,037,142.00; and

WHEREAS, the City council directed staff on January 18, 2012 through Resolution No. 2012-7144 to complete the design work for three additional streets to consider for inclusion in the Street Improvements Phase 4/5 project; and

WHEREAS, Southland Paving, Inc provided a bid of \$415,553.00 to complete the three additional proposed streets; and

WHEREAS, the City has sufficient funds dedicated to the project to cover the change order proposed by Southland Paving, Inc; and

WHEREAS, City staff recommends including all three additional streets into Street Improvements Phase 4/5 Change Order 1 for Southland Paving, Inc. in the amount of \$415,553.00

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial Beach as follows:

1. The above recitals are true and correct
2. Change Order No. 1 to Southland Paving, Inc for adding three additional streets to Street improvement Phase 4/5 project is approved
3. The City Manager is authorized and directed to sign Change Order No. 1 approving the additional work in the Change Order.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 7th day of March 2012, by the following vote:

AYES: **COUNCILMEMBERS:**
NOES: **COUNCILMEMBERS:**
ABSENT: **COUNCILMEMBERS:**

JAMES C. JANNEY, MAYOR

ATTEST:

JACQUELINE M. HALD, MMC
CITY CLERK

A.5 PROPOSAL – CHANGE ORDER #1

STREET IMPROVEMENTS RDA PHASE 4/5

The undersigned agrees to enter into a contract therefore in the time, form and manner provided by law at the following prices, to wit:

9TH STREET (NORTH OF DONAX AVE TO PALM AVE) IMPROVEMENTS

| <u>Item</u> | <u>Quantity</u> | <u>Item with Unit Price Written In Words</u> | <u>Unit Price Written in Figures</u> | <u>Item Total Price</u> |
|-------------|-----------------|--|--|-----------------------------|
| 1 | 1 LS | Construction Survey Staking <u>Two Thousand Nine Hundred</u> <u>Dollars</u> per LS | \$ <u>2900⁰⁰</u> per LS | \$ <u>2900⁰⁰</u> |
| 2 | 1 LS | Traffic Control at <u>Five Thousand Six Hundred Fifty</u> <u>Dollars</u> per LS | \$ <u>5650⁰⁰</u> per LS | \$ <u>5650⁰⁰</u> |
| 3 | 1 LS | Mobilization at <u>Three Thousand Eight Hundred</u> <u>Dollars</u> per LS | \$ <u>3800⁰⁰</u> per LS | \$ <u>3800⁰⁰</u> |
| 4 | 254 LF | Remove curb at <u>Eight</u> <u>Dollars</u> per LF | \$ <u>8⁰⁰</u> per LF | \$ <u>2032⁰⁰</u> |
| 5 | 24 LF | Remove curb and gutter at <u>Eight & 80/100</u> <u>Dollars</u> per LF | \$ <u>880</u> per LF | \$ <u>211²⁰</u> |
| 6 | 126 SF | Remove sidewalk at <u>Two & 20/100</u> <u>Dollars</u> per SF | \$ <u>220</u> per SF | \$ <u>277²⁰</u> |
| 7 | 184 SF | Remove alley apron at <u>Three & 30/100</u> <u>Dollars</u> per SF | \$ <u>330</u> per SF | \$ <u>607²⁰</u> |
| 8 | 901 SF | Remove AC paving including base at <u>Two and 50/100</u> per SF | \$ <u>250</u> per SF | \$ <u>2252⁵⁰</u> |

| | | | | |
|----|----------|---|--|-------------------------------|
| 9 | 28999 SF | 5 1/2" AC full width pavement grind at <u>85/100 Dollars</u> | \$ <u>.85</u> per SF | \$ <u>24,649¹⁵</u> |
| 10 | 689 TN | 4" AC base course at <u>Seventy Seven Dollars</u> | \$ <u>77⁰⁰</u> per TN | \$ <u>53,053⁰⁰</u> |
| 11 | 32 TN | 6" AC bus stop pad at <u>Eighty and 50/100 Dollars</u> | \$ <u>80⁵⁰</u> per TN | \$ <u>2,576⁰⁰</u> |
| 12 | 90 TN | Aggregate Base at <u>Thirty Five Dollars</u> | \$ <u>35⁰⁰</u> per TN | \$ <u>3,150⁰⁰</u> |
| 13 | 261 TN | Asphalt concrete - 1 1/2" overlay at <u>Eighty Three and 50/100 Dollars</u> | \$ <u>83⁵⁰</u> per TN | \$ <u>21,793⁵⁰</u> |
| 14 | 48 TN | Full depth AC repair at <u>One Hundred Dollars</u> | \$ <u>100⁰⁰</u> per TN | \$ <u>4,800⁰⁰</u> |
| 15 | 126 SF | Concrete sidewalk at <u>Three and 35/100</u> | \$ <u>3³⁵</u> per SF | \$ <u>422¹⁰</u> |
| 16 | 2 EA | Pedestrian ramp at <u>Seven Hundred Forty Dollars</u> | \$ <u>740⁰⁰</u> per EA | \$ <u>1,480⁰⁰</u> |
| 17 | 1 EA | Adjust manhole to grade/concrete collar at <u>Five Hundred Fifty Dollars</u> | \$ <u>550⁰⁰</u> per EA | \$ <u>550⁰⁰</u> |
| 18 | 1 LS | Traffic striping and markers at <u>Five Thousand Seven Hundred Dollars</u> | \$ <u>5,700⁰⁰</u> per LS | \$ <u>5,700⁰⁰</u> |
| 19 | 3322 SY | Pavement reinforcing fabric at <u>Three and 40/100 Dollars</u> | \$ <u>3⁴⁰</u> per SY | \$ <u>11,294⁸⁰</u> |

| | | | | |
|----------------|--------|---|--------------------------------------|--------------------------------|
| 20 | 184 SF | Concrete alley apron at <u>Nine and 20/100 Dollars</u> | \$ <u>9²⁰</u> per SF | \$ <u>1,692⁸⁰</u> |
| 21 | 10 TN | Unclassified excavation at <u>One Hundred Dollars</u> | \$ <u>100⁰⁰</u> per TN | \$ <u>1,000⁰⁰</u> |
| TOTAL BASE BID | | | | \$ <u>149,891⁴⁵</u> |

A.6 PROPOSAL - CHANGE ORDER #1

STREET IMPROVEMENTS RDA PHASE 4/5

The undersigned agrees to enter into a contract therefore in the time, form and manner provided by law at the following prices, to wit:

DONAX AVE (2ND ST - 3RD ST) IMPROVEMENTS

| Item | Quantity | Item with Unit Price Written in Words | Unit Price Written in Figures | Item Total Price |
|------|----------|---|--|------------------------------|
| 1 | 1 LS | Construction Survey, Staking <u>Two Thousand One Hundred Dollars</u> | \$ <u>2,100⁰⁰</u> per LS | \$ <u>2,100⁰⁰</u> |
| 2 | 1 LS | Traffic Control at <u>Two Thousand Six Hundred Dollars</u> | \$ <u>2,600⁰⁰</u> per LS | \$ <u>2,600⁰⁰</u> |
| 3 | 1 LS | Mobilization at <u>Three Thousand Two Hundred Dollars</u> | \$ <u>3,200⁰⁰</u> per LS | \$ <u>3,200⁰⁰</u> |
| 4 | 1 LS | Crack Seal at <u>Two Thousand Seven Hundred Dollars</u> | \$ <u>2,700⁰⁰</u> per LS | \$ <u>2,700⁰⁰</u> |
| 5 | 1324 LF | Pavement Planing (Edge Grinding) at <u>One and 90/100 Dollars</u> | \$ <u>1⁹⁰</u> per LF | \$ <u>2,515⁶⁰</u> |

| | | | | |
|----|---------|--|--------------------------------------|-------------------------------|
| 6 | 45 LF | Remove curb at <u>Eight Dollar</u> | \$ <u>8⁰⁰</u> per LF | \$ <u>360⁰⁰</u> |
| 7 | 188 LF | Remove curb and gutter at <u>Eight and 50/100 Dollar</u> | \$ <u>8⁵⁰</u> per LF | \$ <u>1,598⁰⁰</u> |
| 8 | 1325 SF | Remove sidewalk at <u>Two and 20/100 Dollar</u> | \$ <u>2²⁰</u> per SF | \$ <u>2,915⁰⁰</u> |
| 9 | 418 SF | Remove cross gutter at <u>Four and 20/100 Dollar</u> | \$ <u>4²⁰</u> per SF | \$ <u>1,755⁶⁰</u> |
| 10 | 3369 SF | Remove AC paving including base at <u>Two and 50/100 Dollar</u> | \$ <u>2⁵⁶</u> per SF | \$ <u>8,422⁵⁰</u> |
| 11 | 100 TN | Pavement removal (digouts) at <u>Twenty Four and 25/100 Dollar</u> | \$ <u>24²⁵</u> per TN | \$ <u>2,425⁰⁰</u> |
| 12 | 100 TN | 4" AC base course at <u>Seventy Seven Dollar</u> | \$ <u>77⁰⁰</u> per TN | \$ <u>7,700⁰⁰</u> |
| 13 | 80 TN | 4 1/2" AC pavement at <u>Seventy Seven Dollar</u> | \$ <u>77⁰⁰</u> per TN | \$ <u>6,160⁰⁰</u> |
| 14 | 118 TN | Aggregate Base at <u>Thirty Five Dollar</u> | \$ <u>35⁰⁰</u> per TN | \$ <u>4,130⁰⁰</u> |
| 15 | 161 TN | Asphalt concrete - 1 1/2" overlay at <u>Eight Three and 50/100 Dollar</u> | \$ <u>83⁵⁰</u> per TN | \$ <u>13,443⁵⁰</u> |
| 16 | 5 TN | Full depth AC repair at <u>One Hundred Dollar</u> | \$ <u>100⁰⁰</u> per TN | \$ <u>500⁰⁰</u> |

| | | | | |
|----------------|---------|--|---------------------------------------|---|
| 17 | 198 LF | Concrete curb and gutter at <u>Twenty two and 10/100 Dollars</u> | \$ <u>22¹⁰</u> per LF | \$ <u>4,375⁸⁰</u> |
| 18 | 59 LF | Concrete curb at <u>Nineteen and 60/100 Dollars</u> | \$ <u>19⁶⁰</u> per LF | \$ <u>1,156⁴⁰</u> |
| 19 | 1725 SF | Concrete sidewalk at <u>Three and 35/100 Dollars</u> | \$ <u>3³⁵</u> per SF | \$ <u>5,778⁷⁵</u> |
| 20 | 327 SF | 7" Concrete cross-gutter at <u>Nike and 20/100 Dollars</u> | \$ <u>9²⁰</u> per SF | \$ <u>3,008⁴⁰</u> |
| 21 | 4 EA | Pedestrian ramp at <u>Seven Hundred Forty Dollars</u> | \$ <u>740⁰⁰</u> per EA | \$ <u>2,960⁰⁰</u> |
| 22 | 1 LS | Traffic striping and markers at <u>Two Thousand Three Hundred Fifty Dollars</u> | \$ <u>2350⁰⁰</u> per LS | \$ <u>2,350⁰⁰</u> |
| 23 | 1282 SY | Pavement reinforcing fabric at <u>Three and 40/100 Dollars</u> | \$ <u>3⁴⁰</u> per SY | \$ <u>4,358⁰⁰</u> ^{5/6} <u>4,358.8</u> |
| 24 | 2 EA | Adjust gate valve to grade at <u>One Hundred Eighty Five Dollars</u> | \$ <u>185⁰⁰</u> per EA | \$ <u>370⁰⁰</u> |
| 25 | 2 EA | Relocating or replacing street signs at <u>Two Hundred Twenty Dollars</u> | \$ <u>220⁰⁰</u> per EA | \$ <u>440⁰⁰</u> |
| 26 | 5 TN | Unclassified excavation at <u>One Hundred Dollars</u> | \$ <u>100⁰⁰</u> per TN | \$ <u>500⁰⁰</u> |
| TOTAL BASE BID | | | | \$ <u>87,722⁵⁵</u> |

65/6 \$87,823.35

A.7 PROPOSAL - CHANGE ORDER #1

STREET IMPROVEMENTS RDA PHASE 4/5

The undersigned agrees to enter into a contract therefore in the time, form and manner provided by law at the following prices, to wit:

LOUDEN AVE (FERN TO IB BLVD) IMPROVEMENTS

| <u>Item</u> | <u>Quantity</u> | <u>Item with Unit Price Written in Words</u> | <u>Unit Price Written in Figures</u> | <u>Item Total Price</u> |
|-------------|-----------------|--|--|------------------------------|
| 1 | 1 LS | Construction Survey Staking Four Thousand Three Hundred Ninety Dollars <u>per LS</u> | \$ <u>4,390⁰⁰</u> per LS | \$ <u>4,390⁰⁰</u> |
| 2 | 1 LS | Traffic Control at Three Thousand Six Hundred Dollars <u>per LS</u> | \$ <u>3,600⁰⁰</u> per LS | \$ <u>3,600⁰⁰</u> |
| 3 | 1 LS | Mobilization at Five Thousand Six Hundred Dollars <u>per LS</u> | \$ <u>5,600⁰⁰</u> per LS | \$ <u>5,600⁰⁰</u> |
| 4 | 1 LS | Crack Seal at Three Thousand Eight Hundred Dollars <u>per LS</u> | \$ <u>3,800⁰⁰</u> per LS | \$ <u>3,800⁰⁰</u> |
| 5 | 2875 LF | Pavement Planing (Edge Grinding) at One and 90/100 Dollar <u>per LF</u> | \$ <u>1⁹⁰</u> per LF | \$ <u>5,462⁵⁰</u> |
| 6 | 201 LF | Remove curb at Eight Dollar <u>per LF</u> | \$ <u>8⁰⁰</u> per LF | \$ <u>1,608⁰⁰</u> |
| 7 | 119 LF | Remove curb and gutter at Eight and 50/100 Dollar <u>per LF</u> | \$ <u>8⁵⁰</u> per LF | \$ <u>1,011⁵⁰</u> |
| 8 | 1864 SF | Remove sidewalk at Two and 20/100 Dollar <u>per SF</u> | \$ <u>2²⁰</u> per SF | \$ <u>4,100⁸⁰</u> |

| | | | | |
|----|---------|--|--------------------------------------|-------------------------------|
| 9 | 1603 SF | Remove cross gutter at <u>Four and 20/100 Dollars</u> | \$ <u>420</u> per SF | \$ <u>6,732⁰⁰</u> |
| 10 | 2680 SF | Remove AC paying Including base at <u>Two and 50/100 Dollar</u> | \$ <u>250</u> per SF | \$ <u>6,700⁰⁰</u> |
| 11 | 456 TN | Pavement removal (digouts) at <u>Twenty Four and 25/100 Dollars</u> | \$ <u>2425</u> per TN | \$ <u>11,058⁰⁰</u> |
| 12 | 456 TN | 4" AC base course at <u>Seventy Seven Dollars</u> | \$ <u>77⁰⁰</u> per TN | \$ <u>35,112⁰⁰</u> |
| 13 | 72 TN | 4 1/2" AC pavement at <u>Seventy Seven Dollars</u> | \$ <u>77⁰⁰</u> per TN | \$ <u>5,544⁰⁰</u> |
| 14 | 107 TN | Aggregate Base at <u>Thirty Five Dollars</u> | \$ <u>35⁰⁰</u> per TN | \$ <u>3,745⁰⁰</u> |
| 15 | 394 TN | Asphalt concrete + 1 1/2" overlay at <u>Eighty Three and 50/100</u> | \$ <u>8358</u> per TN | \$ <u>32,899⁰⁰</u> |
| 16 | 12 TN | Full depth AC repair at <u>One Hundred Dollars</u> | \$ <u>100⁰⁰</u> per TN | \$ <u>1,200⁰⁰</u> |
| 17 | 192 LF | Concrete curb and gutter at <u>Twenty Two and 10/100 Dollars</u> | \$ <u>2210</u> per LF | \$ <u>4,243²⁰</u> |
| 18 | 162 LF | Concrete curb at <u>Nineteen and 60/100 Dollar</u> | \$ <u>1960</u> per LF | \$ <u>3,175²⁰</u> |
| 19 | 1652 SF | Concrete sidewalk, at <u>Three and 35/100 Dollars</u> | \$ <u>335</u> per SF | \$ <u>5,534²⁰</u> |

| | | | | |
|----------------|---------|--|---|--------------------------------|
| 20 | 1316 SF | 7" Concrete cross-gutter at <u>Nine and 20/100 Dollars</u> | \$ <u>920</u> per SF | \$ <u>12,107²⁰</u> |
| 21 | 6 EA | Pedestrian ramp at <u>Seventy Four Dollars</u> | \$ <u>740⁰⁰</u> per EA | \$ <u>4,440⁰⁰</u> |
| 22 | 1 LS | Traffic striping and markers at <u>Two Thousand Four Hundred Dollars</u> | \$ <u>2,400⁰⁰</u> per LS | \$ <u>2,400⁰⁰</u> |
| 23 | 3300 SY | Pavement reinforcing fabric at <u>Three Dollars and 40/100 Dollars</u> | \$ <u>340</u> per SY | \$ <u>11,220⁰⁰</u> |
| 24 | 3 EA | Adjust gate valve to grade at <u>One Hundred Eighty Five Dollars</u> | \$ <u>185⁰⁰</u> per EA | \$ <u>555⁰⁰</u> |
| 25 | 5 EA | Relocating or replacing street signs at <u>Two Hundred Twenty Dollars</u> | \$ <u>220⁰⁰</u> per EA | \$ <u>1,100⁰⁰</u> |
| 26 | 5 TN | Unclassified excavation at <u>One Hundred Dollars</u> | \$ <u>100⁰⁰</u> per TN | \$ <u>500⁰⁰</u> |
| TOTAL BASE BID | | | | \$ <u>177,838²⁰</u> |



**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: CITY MANAGER
MEETING DATE: MARCH 7, 2012
ORIGINATING DEPT: CITY MANAGER
SUBJECT: REQUEST BY MEMBER OF THE CITY COUNCIL TO
PLACE AN ITEM ON A CITY COUNCIL AGENDA

BACKGROUND:

On January 18, 2012, City Council approved City Council Policy No. 116, which established guidelines for how a member of the City Council may place an item on a City Council agenda. City Council Policy 116 states:

"For any item to be placed on the agenda by any member of the City Council

- a. Submit a written request to the City Manager stating the matter to be discussed.*
- b. City Manager places the item on the City Council agenda to see if a majority of the City Council wishes to discuss the matter at a future meeting.*
- c. If a majority of the City Council wishes to discuss the matter at a future meeting, the City Manager will place it on a future agenda after staff work, if any, is completed."*

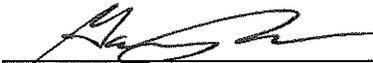
DISCUSSION:

On February 26, 2012, Councilmember Spriggs submitted a written request to the City Manager to have the City Council discuss the vision for Seacoast Drive Commercial Zone at night: renderings and lighting plans for a pedestrian-friendly town center and Council action as appropriate to move these items forward (see attachment 1).

CITY MANAGER'S RECOMMENDATION:

It is recommended that the City Council:

1. Consider Councilmember Spriggs' request to discuss the vision for Seacoast Drive Commercial Zone at night: renderings and lighting plans for a pedestrian-friendly town center and Council action as appropriate to move these items forward and
2. Decide if the City Manager should place the item on a future meeting agenda after staff work, if any, is completed.



Gary Brown, City Manager

Attachments:

1. E-mail correspondence from Councilmember Spriggs requesting Council agenda item
2. City Council Policy 116 – Request by Member of the City Council to Place an Item on a City Council Agenda

Gary Brown

From: Edward Spriggs
Sent: Sunday, February 26, 2012 12:54 PM
To: Gary Brown
Cc: Ed Spriggs
Subject: Request for Council Agenda Item

Dear Gary,

I request the following to be placed on our Wednesday agenda, March 7, 2012:

Vision for Seacoast Drive Commercial Zone at night: renderings and lighting plans for a pedestrian-friendly town center and Council action as appropriate to move these items forward.

Discussion topics:

- City Manager report on the status of SANDAG renderings requested in October and whether they include equivalent night time as well as day time images, and if not, Council action to authorize inclusion of equivalent day and night time views of the Seacoast Drive Commercial Zone, specifically the areas North and South of and including the new Seacoast Inn, and
- a resolution authorizing the City Manager to report on the costs and benefits of installing pedestrian scale lighting in connection with recently approved street improvements, including the feasibility of installing the necessary underground infrastructure now for such lighting even if the lighting itself is proposed for a future phase of Seacoast Drive Commercial Zone public improvements.

This agenda item is justified and timely in light of:

- the recent elimination of Redevelopment Agencies,
- the resulting need to replace this income source through accelerated support for increased private investment in Imperial Beach in areas most likely to increase the City's tax base in the near future,
- the Seacoast Inn's near completion and opening without adequate pedestrian scale lighting both as a matter of public safety and to enhance the experience of hotel guests and IB residents,
- the imminent commencement of Seacoast Drive street improvements, including excavations, without plans for pedestrian scale lighting.

Thanks and best regards,
Ed Spriggs
Councilmember

| CITY OF IMPERIAL BEACH COUNCIL POLICY | | |
|---|-----------------------------------|----------------------------|
| SUBJECT: REQUEST BY MEMBER OF THE CITY COUNCIL TO PLACE AN ITEM ON A CITY COUNCIL AGENDA | POLICY NUMBER: 116 | PAGE 1 OF1 |
| ADOPTED BY: Resolution No. 2012-7142 | DATED: January 18, 2012 | |

PURPOSE

To provide guidelines on placing items on the City Council agenda by members of the City Council.

POLICY

1. Any member of the City Council may request that an item be placed on a future City Council agenda for discussion and possible action.
2. For any item to be placed on the agenda by any member of the City Council
 - a. Submit a written request to the City Manager stating the matter to be discussed.
 - b. City Manager places the item on the City Council agenda to see if a majority of the City Council wishes to discuss the matter at a future meeting.
 - c. If a majority of the City Council wishes to discuss the matter at a future meeting, the City Manager will place it on a future agenda after staff work, if any, is completed.



**STAFF REPORT
CITY OF IMPERIAL BEACH**

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: GARY R. BROWN, CITY MANAGER

MEETING DATE: March 7, 2012

ORIGINATING DEPT.: CITY MANAGER

SUBJECT: MAYOR'S APPOINTMENTS TO THE OVERSIGHT BOARD FOR
THE IMPERIAL BEACH REDEVELOPMENT AGENCY
SUCCESSOR AGENCY

BACKGROUND:

The legislation authorized as ABx1 26 (AB 26) requires that there shall be an oversight board (Oversight Board) established for each former California redevelopment agency's successor agency (Successor Agency). The Oversight Board supervises the activities of the Successor Agency and the wind down of the dissolved redevelopment agency's affairs pursuant to AB 26. It has a fiduciary responsibility to holders of enforceable obligations and taxing entities that benefit from the distributions of property tax and other revenues of the Successor Agency. The Oversight Board also approves the Successor Agency administrative budget.

The Oversight Board consists of seven members appointed by:

- One member appointed by the County Board of Supervisors;
- One member appointed by the Mayor of IB;
- One member appointed by the largest special district taxing entity in IB which is the San Diego County Water Authority;
- One member appointed by the County Board of Education;
- One member appointed by the Chancellor of California Community Colleges;
- One member of the public appointed by the County Board of Supervisors; and
- One member representing the employees of the former redevelopment agency appointed by the Mayor.

DISCUSSION:

The item on the agenda tonight is to allow the Mayor to make his two appointments to the Oversight Board. Although AB 26 does not specify that the Mayor's appointment be a member of the public, the City of Imperial Beach did advertise to determine if any members of the public were interested in the appointment. A number of applications were received and reviewed by the Mayor.

Each appointee will serve in an at-will appointment and can be removed from the Oversight Board with or without cause. It is anticipated that the Mayor's appointees to the Oversight Board will serve until June 30, 2016 unless a member resigns, is removed, and/or the Mayor makes a new appointment. Commencing on July 1, 2016, all of the Oversight Boards for the various former redevelopment agencies in a particular county will be consolidated into a single county-wide Oversight Board of a composition specified by AB 26.

Under the California Supreme Court's decision related to AB 26, the Oversight Board membership must be completed by May 1, 2012. A meeting of the Oversight Board may be called as soon as there is a quorum of members appointed.

The Oversight Board is deemed to be a local entity for purposes of the Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act of 1974. The Successor Agency will be responsible for posting the agendas and minutes of Oversight Board meetings and maintaining information on the website. The frequency and schedule for Oversight Board meetings has yet to be determined. However, it is anticipated that the majority of the Oversight Board's work will occur in the initial year of existence as the members review existing obligations and contracts.

ENVIRONMENTAL IMPACT:

This activity is not a "project" and is therefore exempt from CEQA pursuant to State CEQA Guidelines Section 15060(c)(3).

FISCAL IMPACT:

AB 26 states that the Oversight Board members shall serve without compensation or reimbursement for expenses from the Successor Agency. However, the Successor Agency is responsible for paying all costs of the meetings of the Oversight Board and such costs may be included in the Successor Agency's administrative budget.

CITY MANAGER'S RECOMMENDATION:

- Request that the Mayor appoint (an individual) to the Oversight Board of the Successor Agency to represent the City of Imperial Beach;
- Request that the Mayor appoint (an individual) to the Oversight Board of the Successor Agency to represent employees of the former Imperial Beach Redevelopment Agency;



Gary R. Brown, City Manager

Item No. 6.6

To be provided prior to
City Council Meeting

**STAFF REPORT
IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY**

TO: CHAIR AND MEMBERS OF THE SUCCESSOR AGENCY

FROM: GARY BROWN, EXECUTIVE DIRECTOR

MEETING DATE: March 7, 2012

ORIGINATING DEPT.: Michael McGrane, Finance Director

SUBJECT: Adoption of Resolution No. SA-12-03 of the Imperial Beach Redevelopment Agency Successor Agency Amending the Recognized Obligation Payment Schedule (ROPS) to include October 2011 through December 2011

BACKGROUND:

On January 26, 2012, the Redevelopment Agency Board adopted an Enforceable Obligations Payment Schedule ("EOPS") and a Recognized Obligation Payment Schedule ("ROPS") both covering the period from July 1, 2011 through June 30, 2012. On February 15, 2012, the Successor Agency Board adopted its first ROPS. This ROPS covered the 6 month period from January 1, 2012 through June 30, 2012.

Staff has been working with the County of San Diego who will be in charge of certifying the ROPS. The County of San Diego's interpretation of Assembly Bill x1 26 relative to the initial ROPS is that it should be for the time period October 2011 through June 30, 2012. Although staff disagrees with the County interpretation, the ROPS was revised administratively pursuant to the authority granted in Resolution SA-12-02 in order to comply with the March 1, 2012 deadline to transmit the Successor Agency ROPS to the County. The figures for October 2011 through December 2011 were based on the previously approved ROPS adopted by the Redevelopment Agency Board on January 26, 2012. The revised ROPS is attached for your ratification and approval.

ENVIRONMENTAL DETERMINATION:

Pursuant to Title 15 of the California Code of Regulations, Section 15378(b)(4), this item is not subject to the California Environmental Quality Act ("CEQA") review because the recommended approvals are not considered a project, and are governmental funding mechanisms and fiscal activities that do not involve any commitment to any specific project which may result in a potentially significant environmental impact.

FISCAL IMPACT:

Adoption of the attached Resolution alone will not cause a fiscal impact. Adoption of the draft ROPS is in compliance with the provisions of AB x1 26 relative to the County of San Diego's interpretation.

DEPARTMENT RECOMMENDATION:

Staff recommends the Successor Agency:

1. Adopt Resolution No. SA-12- 03 ratifying and approving the ROPS.

EXECUTIVE DIRECTOR'S RECOMMENDATION:

Approve Department recommendation.



Gary Brown, Executive Director

Attachments:

1. Resolution No. SA-12-03.

RESOLUTION NO. SA-12-03**RESOLUTION OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY AMENDING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND APPROVING CERTAIN RELATED ACTIONS**

WHEREAS, the Imperial Beach Redevelopment Agency ("Redevelopment Agency") was a redevelopment agency in the City of Imperial Beach ("City"), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) ("Redevelopment Law"); and

WHEREAS, the City Council has adopted redevelopment plans for Imperial Beach's redevelopment project areas, and from time to time, the City Council has amended such redevelopment plans; and

WHEREAS, the Redevelopment Agency was responsible for the administration of redevelopment activities within the City; and

WHEREAS, AB x1 26 ("AB 26") and AB x1 27 ("AB 27") were signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law, including adding Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) ("Part 1.85") to Division 24 of the California Health and Safety Code ("Health and Safety Code"); and

WHEREAS, the California Redevelopment Association and League of California Cities filed a lawsuit in the Supreme Court of California (*California Redevelopment Association, et al. v. Matosantos, et al.*, Case No. S194861) alleging that AB 26 and AB 27 were unconstitutional; and

WHEREAS, on December 29, 2011, the Supreme Court issued its opinion in the *Matosantos* case largely upholding as constitutional AB 26, invalidating as unconstitutional AB 27, and holding that AB 26 may be severed from AB 27 and enforced independently; and

WHEREAS, the Supreme Court generally reformed and revised the effective dates and deadlines for performance of obligations under Health and Safety Code Part 1.85 of AB 26 arising before May 1, 2012 to take effect four months later, while leaving the effective dates or deadlines for performance of obligations under Health and Safety Code Part 1.8 of AB 26 unchanged; and

WHEREAS, as a result of the Supreme Court's decision, and on February 1, 2012, all California redevelopment agencies were dissolved, successor agencies were established as successor agencies to the former redevelopment agencies pursuant to Health and Safety Code Section 34173, and successor agencies are tasked with paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and winding down the affairs of the former redevelopment agencies; and

WHEREAS, the City Council of the City adopted Resolution No. 2012-7136 on January 5, 2012, pursuant to Part 1.85, electing for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 ("Successor Agency"); and

WHEREAS, pursuant to Health and Safety Code Section 34177(l)(2)(A) of AB 26, the Successor Agency is required to prepare its first Recognized Obligation Payment Schedule ("ROPS") by March 1, 2012; and

WHEREAS, in accordance with AB 26, the proposed ROPS has been prepared using the preliminary draft Initial ROPS prepared and approved by the Redevelopment Agency on September

28, 2011, as amended on January 26, 2012, pursuant to Health and Safety Code Section 34169(h); and

WHEREAS, pursuant to AB 26, the ROPS shall be forward looking to the next six (6) months. However, as a result of the Supreme Court's extension of certain deadlines of Part 1.85 of AB 26, it is unclear what period of time is to be covered by the first ROPS; and

WHEREAS, according to Health and Safety Code Section 34177(l)(1) of AB 26, for each recognized obligation, the ROPS shall identify one or more of the following sources of payment: (i) Low and Moderate Income Housing Funds, (ii) bond proceeds, (iii) reserve balances, (iv) administrative cost allowance, and (v) the Redevelopment Property Tax Trust Fund but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation or by the provision of Part 1.85 of AB 26; and

WHEREAS, according to Health and Safety Code Section 34177(l)(2)(A) of AB 26 the initial draft of the ROPS shall project the dates and amounts of scheduled payments for each enforceable obligation for the remainder of the time period during which the redevelopment agency would have been authorized to obligate property tax increment had such a redevelopment agency not been dissolved; and

WHEREAS, once approved by the Successor Agency, the ROPS shall thereafter be reviewed and certified by the County Auditor-Controller, through the use of an external auditor, and submitted to the Oversight Board for review and approval. A copy of the approved ROPS shall be submitted to the County Auditor-Controller and both the Controller's office and the Department of Finance and shall be posted on the Successor Agency's internet website. The first ROPS shall be submitted to the Controller's office and the Department of Finance by April 15, 2012; and

WHEREAS, Health and Safety Code Section 34177(a)(1) of AB 26 requires the Successor Agency to continue to make payments due for enforceable obligations and, from February 1, 2012 until a ROPS becomes operative, only payments required pursuant to the Enforceable Obligations Payment Schedule shall be made; and

WHEREAS, it is the intent of AB 26 that the ROPS serve as the designated reporting mechanism for disclosing the Successor Agency's bi-annual payment obligations by amount and source and, subsequent to the audit and approval of the ROPS as specified in AB 26, the County Auditor-Controller will be responsible for ensuring that the Successor Agency receives revenues sufficient to meet the requirements of the ROPS during each bi-annual period; and

WHEREAS, notwithstanding the provisions of Health and Safety Code Section 34177(a)(1), agreements between the City and the Redevelopment Agency have been included in the ROPS because, among other things, they have been validated by operation of law prior to the Governor's signature of AB 26 on June 28, 2011; and

WHEREAS, on February 15, 2012, the Successor Agency adopted its first ROPS pursuant to Resolution No. SA-12-02 which included the months of January through June 2012 and thereafter, the City received information from the County that the County interprets AB x1 26 to require the first ROPS to cover the time period of October 2011 through June 30, 2012; and

WHEREAS, due to the late nature of the information from the County and in order to meet the March 1, 2012 deadline for transmission of the first ROPS, the Executive Director modified the ROPS administratively to include the additional months requested by the County pursuant to the authorization provided in Resolution No. SA-12-02; and

WHEREAS, the Successor Agency's proposed ROPS as modified by the Executive Director on March 1, 2012, which is consistent with the requirements of the Health and Safety Code and other applicable law, is attached to this Resolution as Exhibit "A"; and

WHEREAS, this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Sections 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines; and

WHEREAS, this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines section 15378, because this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per section 15378(b)(5) of the Guidelines; and

WHEREAS, all of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, BE IT RESOLVED by the Imperial Beach Redevelopment Agency Successor Agency, as follows:

- Section 1.** The foregoing recitals are true and correct and are a substantive part of this Resolution.
- Section 2.** The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency of any rights the Successor Agency may have to challenge the effectiveness and/or legality of all or any portion of AB x1 26 through administrative or judicial proceedings.
- Section 3.** The Successor Agency's ROPS, which is attached hereto as Exhibit "A", is hereby ratified and approved.
- Section 4.** The Executive Director, or designee, is hereby authorized and directed to: i) provide the ROPS to the Oversight Board upon its establishment; and ii) take such other actions and execute such other documents as are necessary to effectuate the intent of this Resolution on behalf of the Successor Agency.
- Section 5.** The Successor Agency determines that this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines section 15378, because this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per section 15378(b)(5) of the Guidelines.
- Section 6.** This Resolution shall take effect upon the date of its adoption.
- Section 7.** The Executive Director, or designee, is hereby authorized to make such non-substantive changes and amendments to the ROPS as may be approved by the Executive Director of the Successor Agency and its legal counsel.

Further, the Executive Director, or designee, is hereby authorized to include the information required by Health and Safety Code Section 34177(l)(2)(A) in the ROPS as soon as such information is available.

PASSED, APPROVED, AND ADOPTED by the Imperial Beach Redevelopment Agency Successor Agency at its meeting held on the 7th day of March 2012, by the following vote:

| | | | |
|----------------|-----------------------|--------------|-----------------------|
| AYES: | BOARD MEMBERS: | NOES: | BOARD MEMBERS: |
| ABSENT: | BOARD MEMBERS: | NONE | NONE |

JAMES C. JANNEY
CHAIRPERSON

ATTEST:

JACQUELINE M. HALD, MMC
SECRETARY

EXHIBIT "A"

**IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE
March 1, 2012, 2012**

(See Attachment)

PRELIMINARY DRAFT INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE
Per AB 26 - Section 34167 and 34169

| | Project Name / Debt Obligation | Payee | Description | Funding | Payments by month | | | | | | | Total | | |
|--|----------------------------------|------------------------|--------------------------------|-----------------------|-------------------|-------------|-----------|-------------|-------------|-------------|-------------|--------------|-------------|--------------|
| | | | | | October | November | December | January | February | March | April | | May | June |
| Debt Obligations | | | | | | | | | | | | | | |
| 1 | 2003 Tax Allocation Bonds Series | Wells Fargo Bank | Bond Debt Service | Non-Housing & Low Mod | | \$ 541,602 | | | | | | \$ 1,542,394 | \$2,083,996 | |
| 2 | 2010 Tax Allocation Bonds Series | Wells Fargo Bank | Bond Debt Service | Non-Housing | | \$ 525,953 | | | | | | \$ 1,051,906 | \$1,577,859 | |
| 3 | City Loan 1995 | City of Imperial Beach | Loan to finance start up costs | Non-Housing | | \$ 224,286 | | | | | | \$ 224,286 | \$448,572 | |
| 4 | | | | | | | | | | | | | \$0 | |
| 5 | | | | | | | | | | | | | \$0 | |
| 6 | | | | | | | | | | | | | \$0 | |
| 7 | | | | | | | | | | | | | \$0 | |
| 8 | | | | | | | | | | | | | \$0 | |
| 9 | | | | | | | | | | | | | \$0 | |
| 10 | | | | | | | | | | | | | \$0 | |
| 11 | | | | | | | | | | | | | \$0 | |
| 12 | | | | | | | | | | | | | \$0 | |
| 13 | | | | | | | | | | | | | \$0 | |
| 14 | | | | | | | | | | | | | \$0 | |
| 15 | | | | | | | | | | | | | \$0 | |
| 16 | | | | | | | | | | | | | \$0 | |
| 17 | | | | | | | | | | | | | \$0 | |
| 18 | | | | | | | | | | | | | \$0 | |
| 19 | | | | | | | | | | | | | \$0 | |
| 20 | | | | | | | | | | | | | \$0 | |
| Totals - Debt Obligations - This Page | | | | | \$0 | \$1,291,841 | \$0 | \$0 | \$- | \$- | \$- | \$2,818,586 | \$4,110,427 | |
| Totals - Housing Program Related - Page 2 | | | | | \$170,732 | \$59,012 | \$306,729 | \$1,092,483 | \$1,127,500 | \$132,500 | \$132,500 | \$132,500 | \$3,446,724 | \$5,674,640 |
| Totals - RDA Operating - Page 3 | | | | | \$77,390 | \$79,110 | \$235,654 | \$585,777 | \$125,192 | \$118,992 | \$106,967 | \$116,967 | \$119,214 | \$1,654,291 |
| Totals - RDA Projects - Page 4 | | | | | \$32,896 | \$128,084 | \$168,799 | \$5,667,142 | \$3,640,651 | \$1,118,971 | \$1,267,129 | \$1,101,381 | \$1,242,382 | \$12,144,833 |
| Totals - Pass Through Obligations- Page 5 | | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$576,814 | \$0 | \$576,814 |
| Total Enforceable Obligations | | | | | \$281,018 | \$1,558,047 | \$711,182 | \$7,345,402 | \$4,893,343 | \$1,370,463 | \$1,506,596 | \$4,746,248 | \$4,808,320 | \$24,161,005 |

* Notwithstanding the provisions of California Health and Safety Code section 34177(a)(1), agreements between the City and the Agency have been included in this payment schedule because, among other things, they have been validated by operation of law prior to the Governor's signature of ABx1 26 on June 28, 2011.

** Months October through December were added administratively pursuant to Reso SA 12-02 . The Successor Agency Board ratification is scheduled for March 7, 2012.

PRELIMINARY DRAFT INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per AB 26 - Section 34167 and 34169

| Project Name / Debt Ob | Payee | Description | Funding | Payments by month | | | | | | | | | | | |
|-------------------------|-------------------------|-------------------------------------|---------------------------------------|-------------------|------------|-----------|------------|-----------|-------------|------------|------------|------------|--------------|--------------|--|
| | | | | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Total | | |
| Housing Programs | | | | | | | | | | | | | | | |
| 1 | Housing Management | See Attached | Mgt costs for Low/Mod Housing Program | Low/Mod funds | \$ 10,170 | \$ 9,478 | \$ 25,681 | \$ 24,544 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 69,873 | |
| 2 | Housing Agreement | Imperial Beach | Support costs | Low/Mod funds | | | | | \$ 15,000 | \$ 15,000 | \$ 15,000 | \$ 15,000 | \$ 15,000 | \$ 75,000 | |
| 3 | Hemlock Monitoring | Housing Authority/City Finance | South Bay Comm. Svcs Loan | Low/Mod funds | | | | | | | | | \$ 2,611 | \$ 2,611 | |
| 4 | Calla Monitoring | Housing Authority/City Finance | South Bay Comm. Svcs Loan | Low/Mod funds | | | | | | | | | \$ 2,611 | \$ 2,611 | |
| 5 | Beachwind Monitoring | Housing Authority/City Finance | Beachwood Loan | Low/Mod funds | | | | | | | | | \$ 2,611 | \$ 2,611 | |
| 6 | Housing Reporting | Housing Authority/City Finance | RDA Statutory Compliance | Low/Mod funds | | | | | | | | | \$ 6,765 | \$ 6,765 | |
| 7 | Clean & Green Monitorin | Housing Authority | 10 yr Contract Compliance | Low/Mod funds | | | | | | | | | \$ 193 | \$ 193 | |
| 8 | Deficit Housing Oblig. | Housing Authority | RDA Statutory Compliance | Low/Mod funds | | | | | | | | | \$ 5,000 | \$ 5,000 | |
| 9 | Age Proportionally | Housing Authority | RDA Statutory Compliance | Low/Mod funds | | | | | | | | | \$ 5,000 | \$ 5,000 | |
| 10 | American Legion | Kane Ballmer | Low/Mod Housing Project | Low/Mod funds | \$ 16,200 | \$ 12,544 | | | \$ 10,000 | | | | | \$ 38,744 | |
| 11 | American Legion | Keyser Marston Assoc. | Low/Mod Housing Project | Low/Mod funds | \$ 6,553 | \$ 2,924 | | | \$ 10,000 | | | | | \$ 19,477 | |
| 12 | American Legion | Hitzke Development | Low/Mod Housing Project | Low/Mod funds | \$ 100,000 | | \$ 268,712 | \$ 91,717 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 3,388,571 | \$ 4,249,000 | |
| 13 | American Legion | Project Management | Low/Mod Housing Project | Low/Mod funds | | | | \$ 12,500 | \$ 12,500 | \$ 12,500 | \$ 12,500 | \$ 12,500 | \$ 12,500 | \$ 75,000 | |
| 14 | Housing Element | Tam | Housing Element | Low/Mod funds | | \$ 2,816 | \$ 3,836 | \$ 1,396 | \$ 5,000 | \$ 5,000 | \$ 5,000 | \$ 5,000 | \$ 5,862 | \$ 33,910 | |
| 15 | Clean & Green** | A.E. CHARLES CONSTRUCTION | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| 16 | Clean & Green** | AFFORDABLE RAINGUTTERS | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| 17 | Clean & Green** | A-FRAME CONSTRUCTION, INC. | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| 18 | Clean & Green** | ALTERNATIVE ENERGY TECHNOLOGIES | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| 19 | Clean & Green** | BARROWS CONSTRUCTION | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| 20 | Clean & Green** | CALIFORNIA ALUMINUM & VINYL WINDOWS | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| 21 | Clean & Green** | CHICAGO TITLE INSUR CO | Tax Exempt Bond Indenture Project | Low/Mod Bond | \$4,000 | | | | | | | | | \$ 4,000 | |
| 22 | Clean & Green** | COOK CONSTRUCTION AND DESIGN, INC. | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| 23 | Clean & Green** | DELTA SOLAR ELECTRIC | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| 24 | Clean & Green** | DON MOORE CONSTRUCTION | Tax Exempt Bond Indenture Project | Low/Mod Bond | | \$15,620 | | | | | | | | \$ 15,620 | |
| 25 | Clean & Green** | GB'S FENCE COMPANY | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| 26 | Clean & Green** | GREGORY HUGHES | Tax Exempt Bond Indenture Project | Low/Mod Bond | \$4,998 | | | | | | | | | \$ 4,998 | |
| 27 | Clean & Green** | HARLAN CONSTRUCTION | Tax Exempt Bond Indenture Project | Low/Mod Bond | \$12,651 | \$15,630 | \$8,500 | | | | | | | \$ 36,781 | |
| 28 | Clean & Green** | HELPER'S ELECTRIC COMPANY, INC. | Tax Exempt Bond Indenture Project | Low/Mod Bond | \$1,000 | | | | | | | | | \$ 1,000 | |
| 29 | Clean & Green** | KENNEY ROOFING | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| 30 | Clean & Green** | MCBREATHY CONSTRUCTION CORP. | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| 31 | Clean & Green** | MILHOLLAND ELECTRIC, INC. | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| 32 | Clean & Green** | ROCK AND ROSE LANDSCAPE | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| 33 | Clean & Green** | RODS ROOTER | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| ** | Clean & Green** | SAM & SONS PLUMBING | Tax Exempt Bond Indenture Project | Low/Mod Bond | \$3,200 | | | | | | | | | \$ 3,200 | |
| ## | Clean & Green** | SIERRA WINDOW CONCEPTS, LTD | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| ## | Affordable Housing | SOUTH BAY COMMUNITY SVCS | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| ## | Clean & Green** | STORM GENERAL BUILDERS, INC. | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| ## | Clean & Green** | SUACCI | Tax Exempt Bond Indenture Project | Low/Mod Bond | \$11,420 | | | | | | | | | \$ 11,420 | |
| ## | Clean & Green** | U.S. BANK CORPORATE PAYMENT | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| ## | Clean & Green** | WEST COAST APPLIANCE SERVICES, INC. | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | | | | | | \$ - | |
| ## | Clean & Green** | WESTERN WINDOW REPLACEMENT | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | \$21,286 | | | | | | \$ 21,286 | |
| ## | Clean & Green** | AI Charles Design | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | \$2,400 | | | | | | \$ 2,400 | |
| ## | Clean & Green** | Heifers Electric | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | \$13,140 | | | | | | \$ 13,140 | |
| ## | Clean & Green | Various Contractors | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | \$380,000 | | | | | \$ 380,000 | |
| ## | Housing Project | Habitat P.M. | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | \$500,000 | | | | | \$ 500,000 | |
| ## | Housing Project | Project Management for Habitat | Tax Exempt Bond Indenture Project | Low/Mod Bond | | | | | \$95,000 | | | | | \$ 95,000 | |
| ## | | | | | | | | | | | | | | \$ - | |
| | | | | | | | | | | | | | | \$ - | |
| Totals - This Page | | | | | \$170,192 | \$59,012 | \$306,729 | \$166,983 | \$1,127,500 | \$132,500 | \$132,500 | \$132,500 | \$3,446,724 | \$5,674,640 | |

* Notwithstanding the provisions of California Health and Safety Code section 34177(a)(1), agreements between the City and the Agency have been included in this payment schedule because, among other things, they have been validated by operation of law prior to the Governor's signature of ABx1 26 on June 28, 2011.

** Pursuant to contract with homeowner participant

PRELIMINARY DRAFT INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34167 and 34169

| | Project Name / Debt Obligation | Payee | Description | Funding | Payments by month | | | | | | | | | |
|----------------------|--------------------------------|------------------------|--|-------------|-------------------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|
| | | | | | October | November | December | January | February | March | April | May | June | Total |
| RDA Operating | | | | | | | | | | | | | | |
| 1 | RDA Management | Various | Admin of RDA | Non-Housing | \$66,361 | \$67,412 | \$202,835 | \$100,000 | | | | | | \$436,608 |
| 2 | Admin Costs | City of Imperial Beach | Per AB 26 | Non-Housing | | | | \$ - | \$ 56,667 | \$ 56,667 | \$ 56,667 | \$ 56,667 | \$ 56,667 | \$283,335 |
| 3 | RDA Accrued Liabilities | City of Imperial Beach | Vacation/Sick Liability as of 1/31/2012 | Non-Housing | | | | \$203,233 | | | | | | \$203,233 |
| 4 | RDA Unfunded PERS Liability | City of Imperial Beach | Unfunded Pension Liability as of 1/31/2012 | Non-Housing | | | | \$319,590 | | | | | | \$319,590 |
| 5 | RDA 30 Layoff Notice Cost | City of Imperial Beach | Labor Contract Requirement | Non-Housing | | | | \$28,646 | | | | | | \$28,646 |
| 6 | RDA Outstanding WC Liability | City of Imperial Beach | Workers Compensation Liability 1/31/2012 | Non-Housing | | | | \$2,928 | | | | | | \$2,928 |
| 7 | Graffiti Abatement | Various | RDA Staffing and Program Costs | Non-Housing | \$11,029 | \$11,698 | \$18,227 | \$25,000 | | | | | | \$65,954 |
| 8 | Continuing Disclosure | Wells Fargo | Mandatory Annual Bond Disclosure | Non-Housing | | | | | \$3,200 | | | | | \$3,200 |
| 9 | Continuing Disclosure | Bond Management | Mandatory Annual Bond Disclosure | Non-Housing | | | | | \$3,000 | | | | | \$3,000 |
| 10 | Continuing Disclosure | HDL | Assessment Information | Non-Housing | | | | | \$2,025 | \$2,025 | | | \$2,025 | \$6,075 |
| 11 | Continuing Disclosure | Lance Soll | Audit Fees | Non-Housing | | | | | \$10,000 | | | \$10,000 | | \$20,000 |
| 12 | IBCC Monitoring | City of Imperial Beach | IB Community Clinic Loan | Non-Housing | | | | | | | | | \$ 2,611 | \$2,611 |
| 13 | RDA Statue Compliance | City of Imperial Beach | Compliance | Non-Housing | | | | | | | | | \$ 2,611 | \$2,611 |
| 14 | City Service Agreement | City of Imperial Beach | Oversight and related costs | Non-Housing | | | | | \$40,000 | \$40,000 | \$40,000 | \$40,000 | \$40,000 | \$200,000 |
| 15 | Hotel DDA Compliance | City of Imperial Beach | DDA Compliance Issues | Non-Housing | | | | | | | | | \$5,000 | \$5,000 |
| 16 | Capital Trailer Rental | Bert's | Temp Trailer for Project Management | Non-Housing | | | | | \$300 | \$300 | \$300 | \$300 | \$300 | \$1,500 |
| 17 | Legal | McDougal/Kane Balmer | | Non-Housing | | | | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$60,000 |
| 18 | Interim Audit Management | City of Imperial Beach | Additional Audit Requirement | Non-Housing | | | | | | \$10,000 | | | | \$10,000 |
| 19 | | | | | | | | | | | | | | \$0 |
| 20 | | | | | | | | | | | | | | \$0 |
| 21 | | | | | | | | | | | | | | \$0 |
| 22 | | | | | | | | | | | | | | \$0 |
| 23 | | | | | | | | | | | | | | \$0 |
| 24 | | | | | | | | | | | | | | \$0 |
| 25 | | | | | | | | | | | | | | \$0 |
| 26 | | | | | | | | | | | | | | \$0 |
| 27 | | | | | | | | | | | | | | \$0 |
| 28 | | | | | | | | | | | | | | \$0 |
| 29 | | | | | | | | | | | | | | \$0 |
| 30 | | | | | | | | | | | | | | \$0 |
| Totals - This Page | | | | | \$77,390 | \$79,110 | \$221,062 | \$689,397 | \$125,192 | \$118,992 | \$106,967 | \$116,967 | \$119,214 | \$1,654,291 |

** Months October through December were added administratively pursuant to Reso SA 12-02 . The Sucessor Agency Board ratification is scheduled for March 7, 2012.

* Notwithstanding the provisions of California Health and Safety Code section 34177(a)(1), agreements between the City and the Agency have been included in this payment schedule because, among other things, they have been validated by operation of law prior to the Governor's signature of ABx1 26 on June 28, 2011.

PRELIMINARY DRAFT INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per AB 26 - Section 34167 and 34169 (*)

| Project Name / Debt Obligation | Payee | Description | Funding | Payments by month | | | | | | | | | | | |
|--------------------------------|---------------------------------|---------------------------|-----------------------------------|-------------------|----------|-----------|----------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|
| | | | | October | November | December | January | February | March | April | May | June | Total | | |
| RDA Projects | | | | | | | | | | | | | | | |
| 1 | Commercial Zoning | AECOM | Tax Exempt Bond Indenture Project | Non-Housing Bonds | \$ 9,529 | \$ 17,720 | \$ 7,637 | | \$ 80,333 | | | | | | \$115,219 |
| 2 | Commercial Zoning | Project Management | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | \$ 16,666 | \$ 16,666 | \$ 16,666 | \$ 16,666 | \$ 16,666 | \$ 16,666 | \$83,330 |
| 3 | Highway 75 Improvements | Sudberry | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | \$2,200,000 | | | | | | | \$2,200,000 |
| 4 | Highway 75 Improvements | Dudek | Tax Exempt Bond Indenture Project | Non-Housing Bonds | \$8,000 | | | | | | | | | | \$8,000 |
| 5 | Highway 75 Improvements | Nasland Engineering | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | \$ 65 | | | \$30,000 | \$ 30,000 | \$ 7,662 | | | | \$67,727 |
| 6 | Highway 75 Improvements | Project Design Consultant | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | \$ 105,107 | | | | | | | \$105,107 |
| 7 | Bayshore Bikeway Access | Project Management | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | \$ 3,000 | \$ 3,000 | \$ 3,000 | \$ 3,000 | \$ 3,000 | \$ 3,000 | \$ 3,000 | \$18,000 |
| 8 | Bayshore Bikeway Access | RBF Consulting/Other | Tax Exempt Bond Indenture Project | Non-Housing Bonds | \$ 407 | \$ 202 | \$ 2,164 | | \$ 21,094 | \$ 5,000 | | | | | \$28,867 |
| 9 | Sand Replenishment | SANDAG | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | \$ 174,003 | | | | | | | \$174,003 |
| 10 | Street Improvements Phase 3 | Nasland | Tax Exempt Bond Indenture Project | Non-Housing Bonds | \$2,287 | | | | \$54,969 | | | | | | \$57,256 |
| 11 | Street Improvements Phase 3 | SDGE | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | \$552 | \$5,000 | | | | | | | \$5,552 |
| 12 | Street Improvements Phase 3 | Eagle Newspaper | Tax Exempt Bond Indenture Project | Non-Housing Bonds | \$400 | | | | \$ 200 | \$ 200 | \$ 200 | \$ 200 | \$ 200 | \$ 200 | \$1,400 |
| 13 | Street Improvements Phase 3 | Project Management | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$30,000 |
| 14 | Street Improvements Phase 3 | PAL General Engineering | Tax Exempt Bond Indenture Project | Non-Housing Bonds | \$2,314 | \$1,754 | \$1,158 | \$258,460 | \$258,460 | \$258,460 | \$258,460 | \$258,460 | \$258,460 | \$258,460 | \$1,555,986 |
| 15 | Street Improvements Phase 4-5 | BDS | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | | | | | | | \$0 |
| 16 | Street Improvements Phase 4-5 | Geosoils | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | | | | | | | \$0 |
| 17 | Street Improvements Phase 4-5 | Eagle Newspaper | Tax Exempt Bond Indenture Project | Non-Housing Bonds | \$210 | \$210 | | | | | | | | | \$420 |
| 18 | Street Improvements Phase 4-5 | Project Management | Tax Exempt Bond Indenture Project | Non-Housing Bonds | \$2,485 | \$2,556 | \$1,476 | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$5,000 | \$36,517 |
| 19 | Street Improvements Phase 4-5 | Southland Paving, Inc. | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | \$674,555 | \$674,555 | \$674,555 | \$674,555 | \$674,555 | \$674,555 | \$674,555 | \$4,047,331 |
| 20 | 13th Street ADA Imp | Labor | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | \$30 | \$298 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$2,000 | \$12,328 |
| 21 | Skatepark Fence | BDS | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | \$ 600 | \$ 600 | \$ 600 | \$ 600 | \$ 600 | \$ 600 | \$ 600 | \$3,000 |
| 22 | Skatepark Fence | Harris Steel Fence | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | \$ 68,639 | | \$ 62,782 | \$ 5,000 | | | | | | \$136,421 |
| 23 | Skatepark Fence | Project Management | Tax Exempt Bond Indenture Project | Non-Housing Bonds | \$ 1,283 | \$ 1,853 | \$ 757 | \$ 2,664 | \$ 2,664 | \$ 2,664 | \$ 2,664 | \$ 2,664 | \$ 2,664 | \$ 2,664 | \$14,549 |
| 24 | Skatepark Fence | US Bank | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | \$ 143 | | \$ 500 | | | | | | | \$643 |
| 25 | Bikeway Village Project | Keyser Marston Assoc. | Tax Exempt Bond Indenture Project | Non-Housing Bonds | \$2,151 | | | | \$18,052 | \$10,000 | | | | | \$30,203 |
| 26 | Bikeway Village Project | Bikeway Village, LLC | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | \$1,949,700 | | | | | | \$1,949,700 |
| 27 | Bikeway Village Project | Bikeway Village, LLC | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | \$0 | | | | | | \$0 |
| 28 | Bikeway Village Project | Recon Environmental | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | \$14,597 | \$4,417 | | \$65,298 | | | | | | \$84,312 |
| 29 | Bikeway Village Project | Robert Backer | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | \$35,000 | | | | | | \$35,000 |
| 30 | Bikeway Village Project | Opfer Varco | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | \$17,500 | | | | | | \$17,500 |
| 31 | Bikeway Village Project | Project Management/Legal | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | \$25,000 | \$25,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$90,000 |
| 32 | Façade Program | Barrow Construction | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | | | | | | | \$0 |
| 33 | Façade Program | Calif Electric Supply | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | | | | | | | \$0 |
| ** Mo | Façade Program | Sea Breeze Electric | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | | | | | | | \$0 |
| #### | Façade Program | Stanford Sign & Awning | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | | | | | | | \$0 |
| #### | Façade Program | El Tapilo | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | \$20,000 | | | | | | \$20,000 |
| #### | Façade Program | La Posta | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | \$40,000 | | | | | | \$40,000 |
| #### | Veterans Park Signage | US Bank | Tax Exempt Bond Indenture Project | Non-Housing Bonds | \$317 | \$119 | | | | | | | | | \$436 |
| #### | Veterans Park Signage | Project Management | Tax Exempt Bond Indenture Project | Non-Housing Bonds | \$1,447 | \$640 | | | | | | | | | \$2,087 |
| #### | Storm Drain Intercept | Various | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | \$25,000 | \$50,000 | \$50,000 | \$100,000 | \$241,000 | \$241,000 | \$466,000 |
| #### | Elm Ave. Undergrounding | A.M. Ortega Const. Inc. | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | | | | | | | \$0 |
| #### | Elm Ave. Undergrounding | Ameron International | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | | | | | | | \$0 |
| #### | Bond Project Contingency | Project Management | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | \$0 | | | | | | \$0 |
| #### | Date Street Seacoast Inn | Imperial Coast | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | \$41,812 | | \$200,000 | | | | \$241,812 |
| #### | Date Street | Nasland Engineering | Street Improvement Contract | Non-Housing Bonds | \$ 1,445 | \$ 1,660 | | | | | | | | | \$3,005 |
| #### | 9th & Palm/ Other Bond Projects | Kane Ballmer/McDougal | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | \$34,007 | \$10,000 | \$10,489 | \$10,000 | \$10,000 | \$10,000 | \$74,496 |
| #### | 9th & Palm/ Other Bond Projects | Opfer Varco | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | \$17,500 | | | | | | \$17,500 |
| #### | 9th & Palm/ Other Bond Projects | Keyser Marston Assoc. | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | \$10,000 | \$9,926 | | | | | \$19,926 |
| #### | 9th & Palm/ Other Bond Projects | Urban Systems | Tax Exempt Bond Indenture Project | Non-Housing Bonds | | | | | \$10,000 | \$10,000 | \$4,933 | | | | \$24,933 |
| #### | 9th & Palm Southbay Relocation | Southbay Drugs | 9th and Palm Project | Non-Housing Bonds | | | | | | | | | | | \$0 |
| #### | 9th & Palm Goodwill Relocation | Goodwill Industries | 9th and Palm Project | Non-Housing Bonds | | | | | \$210,000 | | | | | | \$210,000 |
| #### | 9th & Palm Moran Relocation | Moran Food | 9th and Palm Project | Non-Housing Bonds | | | | | | | | | | | \$0 |
| #### | 9th & Palm | Nasland Engineering | 9th and Palm Project | Non-Housing Bonds | | | | | | | | | | | \$0 |
| #### | 9th & Palm | Gräinger | 9th and Palm Project | Non-Housing Bonds | | | | | | | | | | | \$0 |
| #### | 9th & Palm | Mireles Landscaping | 9th and Palm Project | Non-Housing Bonds | | | | | | | | | | | \$0 |
| #### | 9th & Palm | Project Management/Legal | 9th and Palm Project | Non-Housing Bonds | | | | \$15,000 | \$15,000 | \$15,000 | \$15,000 | \$15,000 | \$15,000 | \$15,000 | \$90,000 |
| #### | 9th & Palm | Various | 9th and Palm Project | Non-Housing Bonds | \$488 | \$1,101 | \$296 | \$0 | | | | | | | \$1,885 |
| #### | Eco-Bikeway | KOA Corporation | Bikeway Improvements | Non-Housing Bonds | | \$16,895 | | | \$ 1,310 | | | | | | \$18,205 |
| #### | Eco-Bikeway | Project Management | Bikeway Improvements | Non-Housing Bonds | \$133 | | \$44 | \$1,000 | \$1,000 | \$1,000 | \$1,000 | \$1,000 | \$1,000 | \$1,000 | \$6,177 |
| #### | | | | | | | | | | | | | | | \$0 |
| Totals - This Page | | | | | \$32,896 | \$128,084 | \$18,799 | \$3,594,540 | \$3,640,651 | \$1,118,971 | \$1,267,129 | \$1,101,381 | \$1,242,382 | \$12,144,833 | |

* Notwithstanding the provisions of California Health and Safety Code section 34177(a)(1), agreements between the City and the Agency have been included in this payment schedule because, among other things, they have been validated by operation of law prior to the Governor's signature of ABx1 26 on June 28, 2011.

Project Area(s) All

PRELIMINARY DRAFT INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34167 and 34169 (*)

| Project Name / Debt Obligation | Payee | Description | Funding | Payments by month | | | | | | | | | | | |
|-----------------------------------|------------------------|--------------------------------------|-------------------------------------|-------------------|------|------|------|------|------|------|------|------|-------|------------|------------|
| | | | | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Total | | |
| Pass-Thru Payments | | | | | | | | | | | | | | | |
| 1) | Section 33676 Payments | County General | Pass Thru Payments Amended Area | Non-Housing | | | | | | | | | | | \$0 |
| 2) | Section 33676 Payments | County Library | Pass Thru Payments Amended Area | Non-Housing | | | | | | | | | | | \$0 |
| 3) | Section 33676 Payments | Gen Elem South Bay Union | Pass Thru Payments Amended Area | Non-Housing | | | | | | | | | | | \$0 |
| 4) | Section 33676 Payments | High Sweetwater Union | Pass Thru Payments Amended Area | Non-Housing | | | | | | | | | | | \$0 |
| 5) | Section 33676 Payments | Southwestern Community College | Pass Thru Payments Amended Area | Non-Housing | | | | | | | | | | | \$0 |
| 6) | Section 33676 Payments | County Office of Education | Pass Thru Payments Amended Area | Non-Housing | | | | | | | | | | | \$0 |
| 7) | Section 33676 Payments | Imperial Beach City Gen Fund | Pass Thru Payments Amended Area | Non-Housing | | | | | | | | | | | \$0 |
| 8) | Section 33676 Payments | City of San Diego | Pass Thru Payments Amended Area | Non-Housing | | | | | | | | | | | \$0 |
| 9) | Section 33676 Payments | CWA City of San Diego | Pass Thru Payments Amended Area | Non-Housing | | | | | | | | | | | \$0 |
| 10) | Section 33676 Payments | San Diego City Zoological Exhibits-L | Pass Thru Payments Amended Area | Non-Housing | | | | | | | | | | | \$0 |
| 11) | Section 33676 Payments | MWD D/S Remainder of SDCWA | Pass Thru Payments Amended Area | Non-Housing | | | | | | | | | | | \$0 |
| 12) | Section 33676 Payments | County General | Pass Thru Payments Original Area T1 | Non-Housing | | | | | | | | | | | \$0 |
| 13) | Section 33676 Payments | County Library | Pass Thru Payments Original Area T1 | Non-Housing | | | | | | | | | | | \$0 |
| 14) | Section 33676 Payments | Gen Elem South Bay Union | Pass Thru Payments Original Area T1 | Non-Housing | | | | | | | | | | | \$0 |
| 15) | Section 33676 Payments | High Sweetwater Union | Pass Thru Payments Original Area T1 | Non-Housing | | | | | | | | | | | \$0 |
| 16) | Section 33676 Payments | Southwestern Community College | Pass Thru Payments Original Area T1 | Non-Housing | | | | | | | | | | | \$0 |
| 17) | Section 33676 Payments | County Office of Education | Pass Thru Payments Original Area T1 | Non-Housing | | | | | | | | | | | \$0 |
| 18) | Section 33676 Payments | Imperial Beach City | Pass Thru Payments Original Area T1 | Non-Housing | | | | | | | | | | | \$0 |
| 19) | Section 33676 Payments | County General | Pass Thru Payments Original Area | Non-Housing | | | | | | | | | | | \$0 |
| 20) | Section 33676 Payments | County Library | Pass Thru Payments Original Area | Non-Housing | | | | | | | | | | | \$0 |
| 21) | Section 33676 Payments | Gen Elem South Bay Union | Pass Thru Payments Original Area | Non-Housing | | | | | | | | | | | \$0 |
| 22) | Section 33676 Payments | High Sweetwater Union | Pass Thru Payments Original Area | Non-Housing | | | | | | | | | | | \$0 |
| 23) | Section 33676 Payments | Southwestern Community College | Pass Thru Payments Original Area | Non-Housing | | | | | | | | | | | \$0 |
| 24) | Section 33676 Payments | County Office of Education | Pass Thru Payments Original Area | Non-Housing | | | | | | | | | | | \$0 |
| 25) | Section 33676 Payments | Final - see above | Pass Thru Payments Original Area | Non-Housing | | | | | | | | | | \$576,814 | \$576,814 |
| Totals - Other Obligations | | | | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 576,814 | \$ 576,814 |

* Notwithstanding the provisions of California Health and Safety Code section 34177(a)(1), agreements between the City and the Agency have been included in this payment schedule because, among other things, they have been validated by operation of law prior to the Governor's signature of ABx1 26 on June 28, 2011.