

**OVERSIGHT BOARD OF THE
IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY**

A G E N D A

OCTOBER 2, 2012

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

SPECIAL MEETING – 10:30 a.m.

The Oversight Board of the Imperial Beach Redevelopment Agency Successor Agency 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 Oversight Board meetings, please contact the City Clerk's/Secretary's Office at (619) 423-8301, as far in advance of the meeting as possible.

- 1. CALL TO ORDER**
- 2. ROLL CALL BY CITY CLERK/SECRETARY**
- 3. PUBLIC COMMENT** - Each person wishing to address the Oversight Board regarding items not on the posted agenda may do so at this time. In accordance with State law, the Oversight Board may not take action on an item not scheduled on the agenda. If appropriate, the item will be referred to the Successor Agency staff or placed on a future agenda.
- 4. NEW BUSINESS**
 - A. RECEIVE DUE DILIGENCE REPORT OF THE LOW AND MODERATE INCOME HOUSING FUND PREPARED PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34179.5 AND CONVENE A PUBLIC COMMENT SESSION PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34179.6(b).**

Recommendation: Staff does not have any specific recommendations to the Oversight Board at this time other than please receive staff's report and any public comments on the Due Diligence Report.
- 5. OLD BUSINESS**

None.
- 6. ADJOURNMENT**

/s/

Ed Vea for
Jacqueline M. Hald, MMC
City Clerk/Secretary

For your convenience, a copy of the agenda and meeting packet may be viewed in the office of the City Clerk at City Hall or on our website at www.cityofib.com. Go to the Imperial Beach Redevelopment Agency Successor Agency page located under the Government Section.

Any writings or documents provided to a majority of the Oversight Board 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.

**STAFF REPORT
OVERSIGHT BOARD
TO THE
IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY**

**TO: CHAIR AND MEMBERS OF THE OVERSIGHT BOARD TO THE
IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR
AGENCY**

**FROM: GARY BROWN, EXECUTIVE DIRECTOR
GREG WADE, DEPUTY DIRECTOR**

MEETING DATE: OCTOBER 2, 2012

**SUBJECT: RECEIVE DUE DILIGENCE REPORT OF THE LOW AND
MODERATE INCOME HOUSING FUND PREPARED
PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE
SECTION 34179.5 AND CONVENE A PUBLIC COMMENT
SESSION PURSUANT TO CALIFORNIA HEALTH AND SAFETY
CODE SECTION 34179.6(b).**

BACKGROUND:

On June 28, 2011, Assembly Bill No. X1 26 ("Dissolution Act") was signed into law by the Governor of California which called for the dissolution of redevelopment agencies throughout the State and established the procedures by which this was to be accomplished. On December 29, 2011, the California State Supreme Court largely upheld the Dissolution Act as constitutional and reformed and extended certain dates, by which certain dissolution actions were to occur under the Dissolution Act, by an additional four months. As a result of the Supreme Court's decision, on February 1, 2012, all California redevelopment agencies were dissolved, including the Imperial Beach Redevelopment Agency, and successor agencies to the former redevelopment agencies were established and were tasked with paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and winding down the affairs of the former redevelopment agencies.

On June 27, 2012, the State Legislature passed and the Governor signed Assembly Bill No. 1484 ("AB 1484", Chapter 26, Statutes 2012) as a trailer bill for the Fiscal Year 2012-2013 State budget package. Although the primary purpose of AB 1484 is to make technical and substantive amendments to the Dissolution Act based on issues that have arisen in the implementation of the Dissolution Act, AB 1484 also imposes additional statutory provisions relating to the activities and obligations of successor agencies and to the wind-down process of former redevelopment agencies (including the preparation of a due diligence review) (reference hereinafter to the Dissolution Act means Assembly Bill No. X1 26 as amended by AB 1484).

Pursuant to the Dissolution Act at California Health and Safety Code ("Health and Safety Code") Section 34179.5(a), in furtherance of Health and Safety Code Section 34177(d), the Imperial Beach Redevelopment Agency Successor Agency ("Successor Agency") shall employ a licensed accountant, approved by the San Diego County Auditor-Controller and with experience

and expertise in local government accounting, to conduct a due diligence review ("Due Diligence Review") to determine the unobligated balances available for transfer to taxing entities. As an alternative, an audit provided by the San Diego County Auditor-Controller that provides the information required by Section 34179.5 may be used to comply with such Section with the concurrence of the Oversight Board ("Oversight Board") of the Successor Agency.

Pursuant to the Dissolution Act at Health and Safety Code Section 34179.6(a), by October 1, 2012, the Successor Agency shall provide to the Oversight Board, the San Diego County Auditor-Controller, the State Controller, and the Department of Finance the results of the Due Diligence Review conducted pursuant to Section 34179.5 for the Low and Moderate Income Housing Fund ("LMIHF") and specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities. By December 15, 2012, the Successor Agency shall provide to the Oversight Board, the San Diego County Auditor-Controller, the State Controller, and the Department of Finance the results of the Due Diligence Review conducted pursuant to Section 34179.5 for all of the other fund and account balances and specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities.

Pursuant to the Dissolution Act at Health and Safety Code Section 34179.6(b), upon receipt of the Due Diligence Review, the Oversight Board shall convene a public comment session to take place at least five business days before the Oversight Board holds the approval vote specified in Section 34179.6(c). The Oversight Board also shall consider any opinions offered by the San Diego County Auditor-Controller on the Due Diligence Review results submitted by the Successor Agency.

Pursuant to the Dissolution Act at Health and Safety Code Section 34179.6(c), by October 15, 2012, for the LMIHF and by January 15, 2013, for all other funds and accounts, the Oversight Board shall review, approve, and transmit to the Department of Finance and the San Diego County Auditor-Controller the determination of the amount of cash and cash equivalents that are available for disbursement to taxing entities as determined according to the method provided in Section 34179.5. The Oversight Board may adjust any amount provided in the review to reflect additional information and analysis. The review and approval shall occur in public sessions.

DISCUSSION:

As required by Health and Safety Code Section 34179.5(a), the Successor Agency retained the services of a licensed accountant, Lance Soll & Lunghard, LLP, to conduct the Due Diligence Review to determine the unobligated balances available for transfer to taxing entities in furtherance of Health and Safety Code Section 34177(d). Lance Soll & Lunghard, LLP, was specifically approved by the San Diego County Auditor-Controller to perform the Due Diligence Review.

As required by Health and Safety Code Section 34179.6(a), on September 28, 2012 (before the October 1, 2012 statutory deadline), the Successor Agency submitted electronically to the Oversight Board, the San Diego County Auditor-Controller, the State Controller, and the Department of Finance the results of the Due Diligence Review conducted pursuant to Health and Safety Code Section 34179.5 for the LMIHF and specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities. (See, Attachment Nos. 1 and 2.) As indicated on Attachment B10 on Page 18 of the Due Diligence Review for the LMIHF, this amount is determined to be zero.

In accordance with Health and Safety Code Section 34179.6(b), this public meeting of the Oversight Board shall be deemed to constitute the Public Comment Session on the Due Diligence Review for the Low and Moderate Income Housing Fund ("LMIHF") and the results of the Due Diligence Review for the LMIHF conducted pursuant to Section 34179.5 and

specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities.

In accordance with Health and Safety Code Section 34179.6(b), this meeting of the Oversight Board providing the statutorily required Public Comment Session is at least five business days before the Oversight Board is scheduled to hold a meeting on Thursday, October 11, 2012 on the approval vote specified in Section 34179.6(c) in connection with the results of the Due Diligence Review for the LMIHF and the determination of the amount of cash and cash equivalents that are available for disbursement to taxing entities as determined according to the method provided in Section 34179.5.

At this Oversight Board meeting providing the Public Comment Session, in addition to the receipt of any public comments, the Oversight Board shall consider any opinions offered by the San Diego County Auditor-Controller on the Due Diligence Review results for the LMIHF submitted by the Successor Agency. However, no specific action of the Oversight Board is requested at this particular meeting by the Successor Agency or statutorily required by the Oversight Board.

At the second meeting of the Oversight Board scheduled on Thursday, October 11, 2012, specific approvals will be requested by the Successor Agency as statutorily required by Health and Safety Code Section 34179.6(c). Specifically, and as stated above, the Oversight Board will be requested to review, approve, and transmit to the Department of Finance and the San Diego County Auditor-Controller the determination of the amount of cash and cash equivalents that are available for disbursement to taxing entities as determined according to the method provided in Section 34179.5 in connection with the results of the Due Diligence Review for the LMIHF. The Oversight Board may adjust any amount provided in the Due Diligence Review for the LMIHF to reflect additional information and analysis. The Oversight Board may request from the Successor Agency any materials it deems necessary to assist in its review and approval of the determination. Further, the Oversight Board shall be empowered to authorize a Successor Agency to retain certain assets or funds identified in the Due Diligence Review (identified by Section 34179.5(c)(5)(B)-(E)). With regard to this authorization, the Oversight Board shall identify to the Department of Finance the amount of funds authorized for retention, the source of those funds, and the purposes for which those funds are being retained. Any Oversight Board determination and authorization to retain funds and assets shall be subject to the review and approval of the Department of Finance.

In light of the results of the Due Diligence Review conducted pursuant to Health and Safety Code Section 34179.5 for the LMIHF and the amount of cash and cash equivalents determined available for allocation to taxing entities to be zero, the Successor Agency does not have any specific comments or recommendations to the Oversight Board at this time in connection with the Oversight Board's exercise of its authority pursuant to Health and Safety Code Section 34179.6(c) to adjust an amount provided in the Due Diligence Review for the LMIHF or to authorize the Successor Agency to retain certain assets or funds that would otherwise be deemed available for allocation to taxing entities. However, for any reason, including without limitation the extent there are any modifications to the amounts provided in the Due Diligence Review for the LMIHF and/or the amount of cash or cash equivalents determined available for allocation to taxing entities, the Successor Agency does not waive any legal or equitable rights that the Successor Agency may have to make any comments or recommendations to the Oversight Board and/or other entity in connection with the Due Diligence Review, and to take any other actions, and the Successor Agency expressly reserves any and all rights, privileges, and defenses available under law and equity.

ENVIRONMENTAL DETERMINATION:

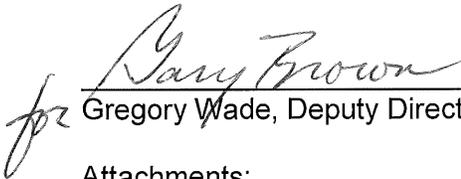
The activity of receiving the Due Diligence Review for the LMIHF and conducting the Public Comment Session is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the CEQA Guidelines.

FISCAL IMPACT:

There is no fiscal impact as a result of the activity.

DIRECTOR'S RECOMMENDATION:

Staff does not have any specific recommendations to the Oversight Board at this time other than please receive staff's report and any public comments on the Due Diligence Report.


for Gregory Wade, Deputy Director

Attachments:

1. Due Diligence Review for the LMIHF.
2. Letter to the Oversight Board and State and County representatives dated September 28, 2012 transmitting the Due Diligence Review for the LMIHF.
3. Letter dated August 28, 2012 from the County of San Diego approving Lance, Soll & Lunghard for the Due Diligence Review.
4. Resolution No. OB-12-03
5. Resolution No. OB-12-04
6. Resolution No. OB-12-09



**Successor Agency of the
Former Imperial Beach Redevelopment Agency**

**Due Diligence Review
of the Low and Moderate Income Housing Fund
Pursuant to Sections 34179.5(c)(1) through 34179.5(c)(3)
and Sections 34179.5(c)(5) through 34179.5(c)(6)
of Assembly Bill No. 1484 of 2012**

Lance Soll & Lunghard, LLP

203 North Brea Blvd
Suite 203
Brea, CA 92821

41185 Golden Gate Circle
Suite 103
Murrieta, CA 92562

Successor Agency of the
Former Imperial Beach Redevelopment Agency

Due Diligence Review
of the Low and Moderate Income Housing Fund
Pursuant to Sections 34179.5(c)(1) through 34179.5(c)(3)
and Sections 34179.5(c)(5) through 34179.5(c)(6)
of Assembly Bill No. 1484 of 2012



CERTIFIED PUBLIC ACCOUNTANTS

- Brandon W. Burrows, CPA
- David E. Hale, CPA, CFP
A Professional Corporation
- Donald G. Slater, CPA
- Richard K. Kikuchi, CPA
- Susan F. Matz, CPA
- Shelly K. Jackley, CPA
- Bryan S. Gruber, CPA
- Deborah A. Harper, CPA

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Successor Agency of the
Former Imperial Beach Redevelopment Agency
City of Imperial Beach, California

We have performed the procedures enumerated in Attachment A for the Low and Moderate Housing Fund, which were agreed to by the California State Controller's Office and the State of California Department of Finance (State Agencies) solely to assist you in ensuring that the dissolved redevelopment agency is complying with Assembly Bill 1484, Chapter 26, Section 17's amendment to health and safety code 34179.5. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Management of the successor agency is responsible for providing all the information obtained in performing these procedures. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

As stated above, the scope of this engagement was limited to performing the procedures identified in Attachment A, which specified the "List of Procedures for the Due Diligence Review" obtained from the California Department of Finance Website.

The results of the procedures performed are identified in Attachment B1 through B11.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of a certified opinion as to the appropriateness of the results of the procedures performed. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to the Successor Agency.

This report is intended solely for the information and use of the Successor Agency Oversight Board, the Successor Agency and the applicable State Agencies, and is not intended to be, and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Brea, California
September 25, 2012

List of Procedures for Due Diligence Review of the Low and Moderate Housing Fund

1. Obtain from the Successor Agency a listing of all assets that were transferred from the former redevelopment agency to the Successor Agency on February 1, 2012. Agree the amounts on this listing to account balances established in the accounting records of the Successor Agency. Identify in the Agreed-Upon Procedures (AUP) report the amount of the assets transferred to the Successor Agency as of that date.

2. If the State Controller's Office has completed its review of transfers required under both sections 34167.5 and 34178.8 and issued its report regarding such review, attach a copy of that report as an exhibit to the AUP report. If this has not yet occurred, perform the following procedures:
 - a. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the former redevelopment agency to the city, county, or city and county that formed the redevelopment agency for the period from January 1, 2011 through January 31, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.

 - b. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Successor Agency to the city, county, or city and county that formed the redevelopment agency for the period from February 1, 2012 through June 30, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.

 - c. For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required any transfer. Note in the AUP report the absence of any such legal document or the absence of language in the document that required the transfer.

3. If the State Controller's Office has completed its review of transfers required under both Sections 34167.5 and 34178.8 and issued its report regarding such review, attach a copy of that report as an exhibit to the AUP report. If this has not yet occurred, perform the following procedures:
 - a. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the former redevelopment agency to any other public agency or to private parties for the period from January 1, 2011 through January 31, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.

 - b. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Successor Agency to any other public agency or private parties for the period from February 1, 2012 through June 30, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.

 - c. For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required any transfer. Note in the AUP report the absence of any such legal document or the absence of language in the document that required the transfer.

List of Procedures for Due Diligence Review for the Low and Moderate Housing Fund (Continued)

4. Perform the following procedures:
 - a. Obtain from the Successor Agency a summary of the financial transactions of the Redevelopment Agency and the Successor Agency in the format set forth in the attached schedule for the fiscal periods indicated in the schedule. For purposes of this summary, the financial transactions should be presented using the modified accrual basis of accounting. End of year balances for capital assets (in total) and long-term liabilities (in total) should be presented at the bottom of this summary schedule for information purposes.
 - b. Ascertain that for each period presented, the total of revenues, expenditures, and transfers accounts fully for the changes in equity from the previous fiscal period.
 - c. Compare amounts in the schedule relevant to the fiscal year ended June 30, 2010 to the state controller's report filed for the Redevelopment Agency for that period.
 - d. Compare amounts in the schedule for the other fiscal periods presented to account balances in the accounting records or other supporting schedules. Describe in the report the type of support provided for each fiscal period.
5. Obtain from the Successor Agency a listing of all assets of the Low and Moderate Income Housing Fund as of June 30, 2012 for the report that is due October 1, 2012 and a listing of all assets of all other funds of the Successor Agency as of June 30, 2012 (excluding the previously reported assets of the Low and Moderate Income Housing Fund) for the report that is due December 15, 2012. When this procedure is applied to the Low and Moderate Income Housing Fund, the schedule attached as an exhibit will include only those assets of the Low and Moderate Income Housing Fund that were held by the Successor Agency as of June 30, 2012 and will exclude all assets held by the entity that assumed the housing function previously performed by the former redevelopment agency. Agree the assets so listed to recorded balances reflected in the accounting records of the Successor Agency. The listing should be attached as an exhibit to the appropriate AUP report.
6. Obtain from the Successor Agency a listing of asset balances held on June 30, 2012 that are restricted for the following purposes:
 - a. Unspent bond proceeds:
 - i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures, amounts set aside for debt service payments, etc.).
 - ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
 - iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.
 - b. Grant proceeds and program income that are restricted by third parties:
 - i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
 - ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).

List of Procedures for Due Diligence Review for the Low and Moderate Housing Fund (Continued)

- iii. Obtain from the Successor Agency a copy of the grant agreement that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.
 - c. Other assets considered to be legally restricted:
 - i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
 - ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
 - iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by Successor the Agency as restricted.
 - d. Attach the above mentioned Successor Agency prepared schedule(s) as an exhibit to the AUP report. For each restriction identified on these schedules, indicate in the report the period of time for which the restrictions are in effect. If the restrictions are in effect until the related assets are expended for their intended purpose, this should be indicated in the report.
7. Perform the following:
- a. Obtain from the Successor Agency a listing of assets as of June 30, 2012 that are **not** liquid or otherwise available for distribution (such as capital assets, land held for resale, long-term receivables, etc.) and ascertain if the values are listed at either purchase cost (based on book value reflected in the accounting records of the Successor Agency) or market value as recently estimated by the Successor Agency.
 - b. If the assets listed at 7(A) are listed at purchase cost, trace the amounts to a previously audited financial statement (or to the accounting records of the Successor Agency) and note any differences.
 - c. For any differences noted in 7(B), inspect evidence of disposal of the asset and ascertain that the proceeds were deposited into the Successor Agency trust fund. If the differences are due to additions (this generally is not expected to occur), inspect the supporting documentation and note the circumstances.
 - d. If the assets listed at 7(A) are listed at recently estimated market value, inspect the evidence (if any) supporting the value and note the methodology used. If no evidence is available to support the value and/or methodology, note the lack of evidence.
8. Perform the following:
- a. If the Successor Agency believes that asset balances need to be retained to satisfy enforceable obligations, obtain from the Successor Agency an itemized schedule of asset balances (resources) as of June 30, 2012 that are dedicated or restricted for the funding of enforceable obligations and perform the following procedures. The schedule should identify the amount dedicated or restricted, the nature of the dedication or restriction, the specific enforceable obligation to which the dedication or restriction relates, and the language in the legal document that is associated with the enforceable obligation that specifies the dedication of existing asset balances toward payment of that obligation.
 - i. Compare all information on the schedule to the legal documents that form the basis for the dedication or restriction of the resource balance in question.

List of Procedures for Due Diligence Review for the Low and Moderate Housing Fund (Continued)

- ii. Compare all current balances to the amounts reported in the accounting records of the Successor Agency or to an alternative computation.
 - iii. Compare the specified enforceable obligations to those that were included in the final Recognized Obligation Payment Schedule approved by the California Department of Finance.
 - iv. Attach as an exhibit to the report the listing obtained from the Successor Agency. Identify in the report any listed balances for which the Successor Agency was unable to provide appropriate restricting language in the legal document associated with the enforceable obligation.
- b. If the Successor Agency believes that future revenues together with balances dedicated or restricted to an enforceable obligation are insufficient to fund future obligation payments and thus retention of current balances is required, obtain from the Successor Agency a schedule of approved enforceable obligations that includes a projection of the annual spending requirements to satisfy each obligation and a projection of the annual revenues available to fund those requirements and perform the following procedures:
- i. Compare the enforceable obligations to those that were approved by the California Department of Finance. Procedures to accomplish this may include reviewing the letter from the California Department of Finance approving the Recognized Enforceable Obligation Payment Schedules for the six month period from January 1, 2012 through June 30, 2012 and for the six month period July 1, 2012 through December 31, 2012.
 - ii. Compare the forecasted annual spending requirements to the legal document supporting each enforceable obligation.
 - a. Obtain from the Successor Agency its assumptions relating to the forecasted annual spending requirements and disclose in the report major assumptions associated with the projections.
 - iii. For the forecasted annual revenues:
 - a. Obtain from the Successor Agency its assumptions for the forecasted annual revenues and disclose in the report major assumptions associated with the projections.
- c. If the Successor Agency believes that projected property tax revenues and other general purpose revenues to be received by the Successor Agency are insufficient to pay bond debt service payments (considering both the timing and amount of the related cash flows), obtain from the Successor Agency a schedule demonstrating this insufficiency and apply the following procedures to the information reflected in that schedule.
- i. Compare the timing and amounts of bond debt service payments to the related bond debt service schedules in the bond agreement.
 - ii. Obtain the assumptions for the forecasted property tax revenues and disclose major assumptions associated with the projections.
 - iii. Obtain the assumptions for the forecasted other general purpose revenues and disclose major assumptions associated with the projections.
- d. If procedures A, B, or C were performed, calculate the amount of current unrestricted balances necessary for retention in order to meet the enforceable obligations by performing the following procedures.

List of Procedures for Due Diligence Review for the Low and Moderate Housing Fund (Continued)

- i. Combine the amount of identified current dedicated or restricted balances and the amount of forecasted annual revenues to arrive at the amount of total resources available to fund enforceable obligations.
 - ii. Reduce the amount of total resources available by the amount forecasted for the annual spending requirements. A negative result indicates the amount of current unrestricted balances that needs to be retained.
 - iii. Include the calculation in the AUP report.
9. If the Successor Agency believes that cash balances as of June 30, 2012 need to be retained to satisfy obligations on the Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2012 through June 30, 2013, obtain a copy of the final ROPS for the period of July 1, 2012 through December 31, 2012 and a copy of the final ROPS for the period January 1, 2013 through June 30, 2013. For each obligation listed on the ROPS, the Successor Agency should add columns identifying (1) any dollar amounts of existing cash that are needed to satisfy that obligation and (2) the Successor Agency's explanation as to why the Successor Agency believes that such balances are needed to satisfy the obligation. Include this schedule as an attachment to the AUP report.
10. Include (or present) a schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Entities. Amounts included in the calculation should agree to the results of the procedures performed in each section above. The schedule should also include a deduction to recognize amounts already paid to the County Auditor-Controller on July 12, 2012 as directed by the California Department of Finance. The amount of this deduction presented should be agreed to evidence of payment. The attached example summary schedule may be considered for this purpose. Separate schedules should be completed for the Low and Moderate Income Housing Fund and for all other funds combined (excluding the Low and Moderate Income Housing Fund).
11. Obtain a representation letter from Successor Agency management acknowledging their responsibility for the data provided to the practitioner and the data presented in the report or in any attachments to the report. Included in the representations should be an acknowledgment that management is not aware of any transfers (as defined by Section 34179.5) from either the former redevelopment agency or the Successor Agency to other parties for the period from January 1, 2011 through June 30, 2012 that have not been properly identified in the AUP report and its related exhibits. Management's refusal to sign the representation letter should be noted in the AUP report as required by attestation standards.

Procedure 1

List of Assets Transferred from the Former Redevelopment Agency to the Successor Agency

Low and Moderate Housing Fund

As of February 1, 2012

ATTACHMENT B1

NO ASSETS WERE TRANSFERRED TO THE SUCCESSOR AGENCY

Procedure 2

**Listing of Transfers (excluding payments for goods and services) to the City
Low and Moderate Housing Fund
For the Period from January 1, 2011 through June 30, 2012**

From former Redevelopment Agency to City for January 1, 2011 through January 31, 2012

No transfers were made to the City during this time period or they were diminimus

From Successor Agency to City for February 1, 2012 through June 30, 2012

No transfers were made to the City during this time period or they were diminimus

Procedure 3

**Listing of Transfers (excluding payments for goods and services) to other public agencies or private parties
Low and Moderate Housing Fund
For the Period from January 1, 2011 through June 30, 2012**

<u>Describe Purpose of Transfer</u>	<u>Enforceable Obligation (EO)/ Other Legal Requirement (LR)</u>	<u>Amount</u>	<u>Legal Documentation Obtained? (Y/N)</u>
<u>From former Redevelopment Agency to other public agencies or private parties for January 1, 2011 through January 31, 2012</u>			
No transfers were made to other public agencies or private parties during this time period or they were diminimus			
<u>From Successor Agency to other public agencies or private parties for February 1, 2012 through June 30, 2012</u>			
Real Property - Per 34176 (e) (1)	LR	\$ 331,005	Y
Loans/Grants Receivable - Per 34176 (e) (3)	LR	7,520,629	Y
Advances - Per 34176 (e) (6)	LR	<u>2,064,681</u>	Y
	Sub-total:	<u>9,916,315</u>	
	Total Transfers to other public agencies or private parties for 1/1/2011 through 6/30/2012:	<u>\$ 9,916,315</u>	

Procedure 4
Summary of the financial transactions of Redevelopment Agency and Successor Agency
Low and Moderate Housing Fund
Per schedule attached to List of Procedures for Due Diligence Review

ATTACHMENT B4

NOT APPLICABLE TO THE LOW AND MODERATE HOUSING FUND DUE DILIGENCE REVIEW

Procedure 5
Listing of All Assets (excluding all assets held by the entity that assumed the housing function)
Low and Moderate Housing Fund
As of June 30, 2012

<u>Asset</u>				<u>Amount</u>
Cash	248-101.00-00	EQUITY IN POOLED CASH	\$ 913,035	
		TOTAL CASH:	<u>\$ 913,035</u>	<u>\$ 913,035</u>
		TOTAL ASSETS AT 6/30/2012:		<u><u>\$ 913,035</u></u>

Procedure 6
Listing of Assets that are restricted
Low and Moderate Housing Fund
As of June 30, 2012

<u>Item #</u>	<u>Description</u>	<u>Documentation Referenced</u>	<u>Amount</u>	<u>Purpose</u>	<u>Legal Documentation Obtained? (Y/N)</u>
1	Unspent bond proceeds				
	a) 2003 TAB Housing Tax Exempt Bond	Client's Housing Bond Reconciliation	\$ 913,452	Housing Bond Proceeds issued prior to 12/31/2010	Y
		TOTAL:	\$ 913,452		

Procedure 7
Listing of Assets That Are Not Liquid or Otherwise Available for Distribution
Low and Moderate Housing Fund
As of June 30, 2012

ATTACHMENT B7

NO ASSETS ARE NOT LIQUID OR OTHERWISE AVAILABLE FOR DISTRIBUTION

Procedure 8a

Listing of Assets (resources) that are dedicated or restricted for the funding of enforceable obligations

Low and Moderate Housing Fund

As of June 30, 2012

NO ASSETS ARE DEDICATED OR RESTRICTED FOR THE FUNDING OF ENFORCEABLE OBLIGATIONS

Procedure 8b

ATTACHMENT B8b

Listing of Assets (resources) that need to be retained due to insufficient funding for the funding of enforceable obligations

Low and Moderate Housing Fund

As of June 30, 2012

NO ASSETS NEED TO BE RETAINED DUE TO INSUFFICIENT FUNDING FOR THE FUNDING OF ENFORCEABLE OBLIGATIONS

Procedure 8c

ATTACHMENT B8c

Listing of Assets (resources) that need to be retained due to projected insufficient property tax revenues for bond debt payments

Low and Moderate Housing Fund

As of June 30, 2012

NO ASSETS NEED TO BE RETAINED DUE TO PROJECTED INSUFFICIENT PROPERTY TAX REVENUES FOR BOND PAYMENTS

Procedure 9

Listing of Assets (resources) that need to be retained due to projected insufficient property tax revenues for future ROPS

Low and Moderate Housing Fund

As of June 30, 2012

ATTACHMENT B9

NO ASSETS NEED TO BE RETAINED DUE TO PROJECTED INSUFFICIENT PROPERTY TAX REVENUES FOR FUTURE ROPS

Procedure 10

SUMMARY OF LOW-MOD BALANCES AVAILABLE FOR ALLOCATION TO AFFECTED TAXING ENTITIES

Total amount of assets held by the successor agency as of June 30, 2012 (procedure 5)	\$	913,035
Add the amount of any assets transferred to the city or other parties for which an enforceable obligation with a third party requiring such transfer and obligating the use of the transferred assets did not exist (procedures 2 and 3)		
	To City	-
	To other parties	-
Less assets legally restricted for uses specified by debt covenants, grant restrictions, or restrictions imposed by other governments (procedure 6)		(913,452)
Less assets that are not cash or cash equivalents (e.g., physical assets) - (procedure 7)		-
Less balances that are legally restricted for the funding of an enforceable obligation (net of projected annual revenues available to fund those obligations) - (procedure 8)		-
Less balances needed to satisfy ROPS for the 2012-13 fiscal year (procedure 9)		-
¹ Less the amount of payments made on July 12, 2012 to the County Auditor-Controller as directed by the California Department of Finance		-
		<hr/>
Amount to be remitted to county for disbursement to taxing entities	\$	<u>(417) a</u>

a) Amount to be remitted to County for disbursement to taxing entities is zero.



City of Imperial Beach, California

ADMINISTRATIVE SERVICES DEPARTMENT

825 Imperial Beach Blvd., Imperial Beach, CA 91932 Tel: (619) 628-1365 Fax: (619) 424-3481

September 25, 2012

Lance, Soll & Lunghard, LLP
 Certified Public Accountants
 203 North Brea Boulevard, Suite 203
 Brea, CA 92821-4056

We are providing this letter in connection with your performance of the Due Diligence Review of the Low and Moderate Housing Fund in accordance with Assembly Bill 1484 for the Successor Agency of the former Imperial Beach Redevelopment Agency. We confirm that we are responsible for the complete and fair presentation of the previously mentioned review in conformity with the listed procedures of the Assembly Bill 1484 Due Diligence Review as published by the State Department of Finance on August 27, 2012. We are also responsible for adopting sound accounting policies, establishing and maintaining effective internal control over financial reporting, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your review:

1. We have made available to you:
 - a. In accordance with 34179.5(c)(1), the dollar value of all assets transferred from the former redevelopment agency to the successor agency on or about February 1, 2012.
 - b. In accordance with 34179.5(c)(2), the dollar value of all assets and cash and cash equivalents transferred after January 1, 2011, through June 30, 2012, by the redevelopment agency or the successor agency to the city, county, or city and county that formed the redevelopment agency and the purpose of each transfer. We have also provided the documentation of any enforceable obligation that required the transfer.
 - c. In accordance with 34179.5(c)(3), the dollar value of any cash or cash equivalents transferred after January 1, 2011, through June 30, 2012, by the redevelopment agency or the successor agency to any other public agency or private party and the purpose of each transfer. We have also provided documentation of any enforceable obligation that required the transfer.
 - d. In accordance with 34179.5(c)(4), the expenditure and revenue accounting information and have identified transfers and funding sources for the 2010–11 and 2011–12 fiscal years that reconciles balances, assets, and liabilities of the successor agency on June 30, 2012 to those reported to the Controller for the 2009–10 fiscal year.
 - e. In accordance with 34179.5(c)(5), a listing of all assets of the Low and Moderate Income Housing Fund as of June 30, 2012 for the report that is due October 1, 2012 and a listing of all assets of all other funds of the Successor Agency as of June 30, 2012 (excluding the previously reported assets of the Low and Moderate Income Housing Fund) for the report that is due December 15, 2012.

- f. In accordance with 34179.5(c)(5)(B), an itemized statement listing any amounts that are legally restricted as to purpose and cannot be provided to taxing entities. This could include the proceeds of any bonds, grant funds, or funds provided by other governmental entities that place conditions on their use.
 - g. In accordance with 34179.5(c)(5)(C), an itemized statement of the values of any assets that are not cash or cash equivalents. This may include physical assets, land, records, and equipment. For the purpose of this accounting, physical assets may be valued at purchase cost or at any recently estimated market value.
 - h. In accordance with 34179.5(c)(5)(D), an itemized listing of any current balances that are legally or contractually dedicated or restricted for the funding of an enforceable obligation that identifies the nature of the dedication or restriction and the specific enforceable obligation. In addition, we have provided a listing of all approved enforceable obligations that includes a projection of annual spending requirements to satisfy each obligation and a projection of annual revenues available to fund those requirements.
 - i. In accordance with 34179.5(c)(5)(E), an itemized list and analysis of any amounts of current balances that are needed to satisfy obligations that will be placed on the Recognized Obligation Payment Schedules for the current fiscal year.
2. There are no material transactions that have not been properly recorded in the accounting records underlying this Due Diligence Review.
 3. Management is not aware of any transfers (as defined by Section 34179.5) from either the former Redevelopment Agency or the Successor Agency to the City, other agencies or private parties for the period January 1, 2011 through June 30, 2012 that have not been identified in this report and related exhibits.
 4. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
 5. We have no knowledge of any fraud or suspected fraud affecting this Due Diligence Review involving:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on this Due Diligence Review.
 6. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.
 7. When applicable, we have taken timely and appropriate steps to remedy fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse that you have reported to us.
 8. We have identified to you any previous audits, attestation engagements, performance audits, state controller reports or other studies related to the objectives of this Due Diligence Review and whether related recommendations have been implemented.
 9. The Successor Agency of the former Imperial Beach Redevelopment Agency has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or fund equity.

10. We are responsible for compliance with the laws, regulations, provisions of contracts and grant agreements applicable to us, and all provisions related to the dissolution of the Redevelopment Agency in accordance with ABx1 26 and AB 1484.
11. There are no known violations of:
 - a. Laws and regulations,
 - b. Provisions of contracts and grant agreements,
 - c. Provisions related to the dissolution of the Redevelopment Agency in ABx1 26 and AB 1484 whose effects should be considered for disclosure in this Due Diligence Review.
12. All bank accounts and investments associated with this review have been properly reflected in the general ledger accounting records.
13. No events, including instances of noncompliance, have occurred subsequent to the performance of this Due Diligence Review and through the date of this letter that would require adjustment to or disclosure in the aforementioned Due Diligence Review.

Signed: Michael M. Durr

Signed: Gary Brown

Title: Interim Finance Director

Title: CITY MANAGER



City of Imperial Beach, California

OFFICE OF THE CITY MANAGER

825 Imperial Beach Blvd., Imperial Beach, CA 91932 Tel: (619) 423-8303 Fax: (619) 628-1395

September 28, 2012

VIA ELECTRONIC MAIL

Chair and Members of the Oversight Board for the
Imperial Beach Redevelopment Agency Successor Agency

Ana Matosantos, Director
Steve Szalay, Local Government Consultant
Department of Finance
State of California
915 L Street
Sacramento, California 95814-3706
redvelopment_administration@dof.ca.gov

Tracy M. Sandoval, Assistant Chief Financial
Officer
Auditor-Controller
County of San Diego
1600 Pacific Highway; Room 166
San Diego, California 92101
PTS.FGG@sdcounty.ca.gov
tracy.sandoval@sdcounty.ca.gov

John Chiang, Controller
T. Austin
California State Controller's Office
P.O. Box 942850
Sacramento, California 94250
taustin@sco.ca.gov
eo inquiry@sco.ca.gov
RDA-SDSupport@sco.ca.gov

Walter F. Ekard, County Administrative
Officer
County of San Diego
1600 Pacific Coast Highway; Room 209
San Diego, California 92101
cao_mail@sdcounty.ca.gov

**SUBJECT: SUBMITTAL OF THE DUE DILIGENCE REVIEW FOR THE LOW AND
MODERATE INCOME HOUSING FUND AND RELATED RESULTS;
SUBMITTAL OF ROPS AND ACCOUNTANT APPROVAL LETTER**

Dear Chair and Members of the Oversight Board; Messrs. Szalay, Chiang, Austin, and Ekard; and
Mses. Matosantos and Sandoval:

Pursuant to California Health and Safety Code ("Health and Safety Code") Section 34179.6(a), by
October 1, 2012, the Imperial Beach Redevelopment Agency Successor Agency ("Successor
Agency") is required to submit to the Oversight Board ("Oversight Board") for the Successor
Agency, the San Diego County Auditor-Controller, the State Controller, and the State Department of
Finance the results of the Due Diligence Review conducted pursuant to Health and Safety Code
Section 34179.5 for the Low and Moderate Income Housing Fund ("LMIHF") and specifically the
amount of cash and cash equivalents determined to be available for allocation to taxing entities.

In accordance with Health and Safety Code Section 34179.6(a), the Successor Agency hereby
submits to you the enclosed Due Diligence Review of the LMIHF ("Due Diligence Review") prepared

by Lance Soll & Lunghard, LLP, certified public accountants. The Due Diligence Review includes the results of the review conducted pursuant to Health and Safety Code Section 34179.5 for the LMIHF and specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities. As indicated on Attachment B10 on Page 18 of the Due Diligence Review, this amount is determined to be zero.

As required by Health and Safety Code Section 34179.5, the Successor Agency retained the services of a licensed accountant, Lance Soll & Lunghard, LLP, to conduct a due diligence review to determine the unobligated balances available for transfer to taxing entities in furtherance of Health and Safety Code Section 34177(d). Lance Soll & Lunghard, LLP, was specifically approved by the San Diego County Auditor-Controller to perform the due diligence review. The State Department of Finance requests that verification of such approval be submitted when the Due Diligence Review is submitted by the Successor Agency. Therefore, in accordance with such request, a true and correct copy of the letter from the San Diego County Auditor-Controller, dated August 28, 2012, and approving said accounting firm is enclosed herewith.

Health and Safety Code Section 34179.6 requires the Successor Agency to submit a copy of the Recognized Obligation Payment Schedule ("ROPS") to the San Diego County Administrative Officer, the San Diego County Auditor-Controller, and the State Department of Finance at the same time the Successor Agency submits the Due Diligence Review to the Oversight Board for review. Therefore, in accordance with Section 34179.6, please see enclosed herewith the ROPS approved by the Oversight Board, and not objected to by the State Department of Finance, for the periods January 1, 2012 through June 30, 2012 and July 1, 2012 through December 31, 2012, and the ROPS approved by the Oversight Board, and submitted to the State Department of Finance for review, for the period January 1, 2013 through June 30, 2013.

Upon the Oversight Board's receipt of the Due Diligence Review and related information in connection with the LMIHF pursuant to Health and Safety Code Section 34179.6(a), the Oversight Board shall convene a public comment session to take place at least five (5) business days before the Oversight Board holds the meeting for the approval vote on the Due Diligence Review related matters. In this regard, the Public Comment Session meeting of the Oversight Board on the Due Diligence Review and related information in connection with the LMIHF is scheduled for Tuesday, October 2, 2012, at 10:30 a.m.

The meeting of the Oversight Board for the approval vote on Due Diligence Review matters in connection with the LMIHF is scheduled for Thursday, October 11, 2012 at 10:30 a.m.

In light of the results of the Due Diligence Review conducted pursuant to Health and Safety Code Section 34179.5 for the LMIHF and the amount of cash and cash equivalents determined available for allocation to taxing entities to be zero, the Successor Agency does not have specific recommendations to the Oversight Board in connection with the Oversight Board exercising its authority pursuant to Health and Safety Code Section 34179.6(c) to adjust an amount provided in the Due Diligence Review or to authorize the Successor Agency to retain certain assets or funds that would otherwise be deemed available for allocation to taxing entities.

However, for any reason, including without limitation the extent there are any modifications to the amounts provided in the Due Diligence Review and/or the amount of cash or cash equivalents determined available for allocation to taxing entities in connection with the LMIHF, the Successor Agency does not waive any legal or equitable rights that the Successor Agency may have to make

any recommendations to the Oversight Board and/or other entity in connection with the Due Diligence Review and/or to challenge, through administrative or judicial proceedings, all or any portion of the Due Diligence Review, any determinations rendered or actions or omissions to act by any public agency or government entity or division in connection with the Due Diligence Review, and any and all related legal and factual issues, and the Successor Agency expressly reserves any and all rights, privileges, and defenses available under law and equity.

Should you desire additional information regarding the matters referenced above or the Successor Agency and/or Oversight Board, please contact Gregory Wade, Deputy Director, at (619) 628-1354.

Sincerely,



Gary Brown
City Manager/Executive Director
Imperial Beach Redevelopment Agency Successor Agency

cc: File
Gregory Wade, Deputy Director, Successor Agency
Mike McGrane, Finance Director, Successor Agency
Juan Perez, Senior Auditor and Controller Manager, County of San Diego



County of San Diego

DONALD F. STEUER
CHIEF FINANCIAL OFFICER
(619) 531-5413
FAX (619) 531-5219

AUDITOR AND CONTROLLER
1600 PACIFIC HIGHWAY STE 166, SAN DIEGO, CALIFORNIA 92101-2478

TRACY M. SANDOVAL
ASST. CHIEF FINANCIAL OFFICER/
AUDITOR & CONTROLLER
(619) 531-5413
FAX (619) 531-5219

August 28, 2012

Gregory Wade, Deputy Director
Imperial Beach Redevelopment Successor Agency
825 Imperial Beach Boulevard
Imperial Beach, CA 91932

Dear Mr. Wade:

APPROVAL OF LANCE, SOLL & LUNGHARD FOR DUE DILIGENCE REVIEW

I hereby approve your successor agency's request to hire Lance, Soll & Lunghard, LLP to conduct the due diligence review of your agency's funds as required by Health and Safety Code Section 34179.5 (a).

If you have questions, please contact Juan Perez or Nenetete De Jesus of Property Tax Services at (619) 531-5399.

Sincerely,

A handwritten signature in black ink, appearing to read "Tracy M. Sandoval".

TRACY M. SANDOVAL
Assistant Chief Financial Officer/Auditor and Controller

PTS:JP:ge

RESOLUTION NO. OB-12-03

RESOLUTION OF THE OVERSIGHT BOARD OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING THE AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD ENDING JUNE 30, 2012

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, on February 15, 2012, the Board of Directors of the Successor Agency, adopted Resolution No. SA-12-01 naming itself the "Imperial Beach Redevelopment Agency Successor Agency," the sole name by which it will exercise its powers and fulfill its duties pursuant to Part 1.85 of AB 26, and establishing itself as a separate legal entity with rules and

regulations that will apply to the governance and operations of the Successor Agency; and

WHEREAS, AB 26 requires that there shall be an oversight board ("Oversight Board") established for each of the former California redevelopment agency's successor agencies to supervise the activities of the Successor Agency and the wind down of the dissolved Redevelopment Agency's affairs pursuant to AB 26; and

WHEREAS, on April 11, 2012, the first meeting of the Oversight Board of the Imperial Beach Redevelopment Agency Successor Agency took place and Oversight Board Members were duly sworn into office.

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

WHEREAS, in accordance with Health and Safety Code Section 34177(l)(2)(A) of AB 26, the Successor Agency adopted the draft ROPS on February 15, 2012 by Resolution No. SA-12-02, for the period of January 1, 2012 through June 30, 2012; and

WHEREAS, after the Successor Agency's adoption of the draft ROPS, the San Diego County Auditor-Controller requested that the draft ROPS cover the period of October 1, 2011 through June 30, 2012; and

WHEREAS, to accommodate the request of the County Auditor-Controller, the Executive Director of the Successor Agency modified the draft ROPS, pursuant to administrative authority provided to the Executive Director by the Successor Agency as set forth in Resolution No. SA-12-02, and included the period of October 1, 2011 through December 31, 2011 to the draft ROPS; and

WHEREAS, pursuant to Health and Safety Code Section 34177(l)(3) of AB 26, the first ROPS shall be submitted to the State of California Controller's Office and the State of California Department of Finance by April 15, 2012 for the period of January 1, 2012 through June 30, 2012; and

WHEREAS, due to ambiguity in timing and apparent conflict in dates set forth in AB 26 for the certification of the ROPS by the County, the approval of the ROPS by the Oversight Board, and the submission of the first ROPS to the State Controller's Office and the Department of Finance, staff of the Successor Agency has determined that the draft ROPS should be amended as the first ROPS for submission to the State Controller's Office and the Department of Finance by April 15, 2012 and revised to reflect the time period of January 1, 2012 through June 30, 2012 as required by Health and Safety Code Section 34177(l)(3) of AB 26. In addition, staff has determined that certain information relating to the recognized obligations set forth in the ROPS must be added to and clarified in the ROPS; and

WHEREAS, the amended ROPS for the period of January 31, 2012 through June 30, 2012 is attached to this Resolution as Exhibit "A" and is substantively the same as the previously approved Successor Agency draft ROPS with the following exceptions: (1) the exclusion of October 1, 2011 through December 31, 2011; (2) the Administrative Budget has been updated; and (3) the funding source for item 51 on the RDA Projects page has been corrected to read "Non Housing Funds"; and

WHEREAS, after adoption by the Successor Agency, the amended ROPS shall thereafter be reviewed and certified by the County, through the use of an external auditor, and submitted to the Oversight Board for review and approval. A copy of the approved amended ROPS shall be submitted to the County Auditor-Controller and both the State 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 State Controller's Office and the Department of Finance by April 15, 2012; and

WHEREAS, pursuant to Health and Safety Code Section 34177(l)(3) of AB 26, the ROPS shall be forward looking to the next six (6) months and, 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 provisions of Part 1.85 of AB 26; 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, the proposed amended ROPS attached to this Resolution as Exhibit "A" is consistent with the requirements of the Health and Safety Code and other applicable law; 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

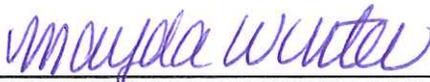
WHEREAS, all of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board of 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 amended ROPS, which is attached hereto as Exhibit "A", is approved and adopted.
- Section 4.** The Executive Director, or designee, is hereby authorized and directed to 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 Oversight Board 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.

PASSED, APPROVED, AND ADOPTED by the Oversight Board of the Imperial Beach Redevelopment Agency Successor Agency at its meeting held on the 11th day of April 2012, by the following vote:

AYES:	BOARD MEMBERS:	WINTER, SAADAT, HENTSCHKE, GOODWIN-COLBERT, FOLTZ, FERNANDEZ
NOES:	BOARD MEMBERS:	NONE
ABSENT:	BOARD MEMBERS:	NONE
DISQUALIFIED:	BOARD MEMBERS:	WEST


MAYDA WINTER, CHAIRPERSON

ATTEST:

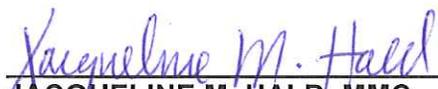

JACQUELINE M. HALD, MMC
SECRETARY

EXHIBIT "A"

**IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY
AMENDED RECOGNIZED OBLIGATION PAYMENT SCHEDULE
January 1, 2012 through June 30, 2012
("First ROPS")**

**Approved on February 15, 2012
Amended on April 4, 2012**

(See Attachment)

RECOGNIZED OBLIGATION PAYMENT SCHEDULE January 1 - June 30, 2012 (First ROPS)

	Project Name / Debt Obligation	Payee	Description	Funding	Payments by month 2012						Total
					January	February	March	April	May	June	
Debt Obligations											
1	2003 Tax Allocation Bonds Series	Wells Fargo Bank	Bond Debt Service	Non-Housing & Low Mod					\$ 1,542,394	\$1,542,394	
2	2010 Tax Allocation Bonds Series	Wells Fargo Bank	Bond Debt Service	Non-Housing					\$ 1,051,906	\$1,051,906	
3	City Loan 1995	City of Imperial Beach	Loan to finance start up costs	Non-Housing					\$ 224,288	\$224,288	
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					\$ -	\$ -	\$ -	\$ -	\$ 2,818,586	\$ -	\$ 2,818,586
Totals - Housing Program Related - Page 2					\$166,983	\$1,139,583	\$132,500	\$132,500	\$132,500	\$3,446,724	\$5,160,890
Totals - RDA Operating - Page 3					\$758,670	\$138,798	\$131,598	\$119,573	\$129,573	\$131,819	\$1,410,031
Totals - RDA Projects - Page 4					\$3,744,540	\$3,640,651	\$1,118,971	\$1,267,129	\$1,102,781	\$1,242,382	\$12,116,454
Totals - Pass Through Obligations - Page 5					\$0	\$0	\$0	\$0	\$576,814	\$0	\$576,814
Total Enforceable Obligations					\$4,670,193	\$4,919,132	\$1,383,068	\$1,519,202	\$4,760,254	\$4,820,925	\$22,072,775

* 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 ABX126 on June 28, 2011.

Project Area(s): All

RECOGNIZED OBLIGATION PAYMENT SCHEDULE January 1 - June 30, 2012 (First ROPS)

Project Name / Debt Ob	Payee	Description	Funding	Payments by month 2012							
				Jan	Feb	Mar	Apr	May	Jun	Total	
Housing Programs											
1	Housing Management	See Attached	Mgt costs for Low/Mod Housing Program	Low/Mod funds	\$ 24,544	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,544
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 Monitor	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 Proportionality	Housing Authority	RDA Statutory Compliance	Low/Mod funds						\$ 5,000	\$ 5,000
10	American Legion	Kene Balmer	Low/Mod Housing Project	Low/Mod funds		\$ 10,000					\$ 10,000
11	American Legion	Keyser Marston Assoc.	Low/Mod Housing Project	Low/Mod funds		\$ 10,000					\$ 10,000
12	American Legion	Hitzke Development	Low/Mod Housing Project	Low/Mod funds	\$ 91,717	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 3,388,571	\$ 3,880,288
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	\$ 1,396	\$ 5,900	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,662	\$ 27,258
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 ALUMINIUM & 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							\$ -
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							\$ -
25	Clean & Green**	GE'S FENCE COMPANY	Tax Exempt Bond Indenture Project	Low/Mod Bond							\$ -
26	Clean & Green**	GREGORY HUGHES	Tax Exempt Bond Indenture Project	Low/Mod Bond							\$ -
27	Clean & Green**	HARLAN CONSTRUCTION	Tax Exempt Bond Indenture Project	Low/Mod Bond							\$ -
28	Clean & Green**	HELPERS ELECTRIC COMPANY, INC.	Tax Exempt Bond Indenture Project	Low/Mod Bond							\$ -
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							\$ -
34	Clean & Green**	SAM & SONS PLUMBING	Tax Exempt Bond Indenture Project	Low/Mod Bond							\$ -
35	Clean & Green**	SIERRA WINDOW CONCEPTS, LTD	Tax Exempt Bond Indenture Project	Low/Mod Bond							\$ -
36	Affordable Housing	SOUTH BAY COMMUNITY SVCS	Tax Exempt Bond Indenture Project	Low/Mod Bond		\$12,163					\$ 12,163
37	Clean & Green**	STORM GENERAL BUILDERS, INC.	Tax Exempt Bond Indenture Project	Low/Mod Bond							\$ -
38	Clean & Green**	SUACCI	Tax Exempt Bond Indenture Project	Low/Mod Bond							\$ -
39	Clean & Green**	U.S. BANK CORPORATE PAYMENT	Tax Exempt Bond Indenture Project	Low/Mod Bond							\$ -
40	Clean & Green**	WEST COAST APPLIANCE SERVICES, INC.	Tax Exempt Bond Indenture Project	Low/Mod Bond							\$ -
41	Clean & Green**	WESTERN WINDOW REPLACEMENT	Tax Exempt Bond Indenture Project	Low/Mod Bond	\$21,286						\$ 21,286
42	Clean & Green**	AI Charles Design	Tax Exempt Bond Indenture Project	Low/Mod Bond	\$2,400						\$ 2,400
43	Clean & Green**	Herters Electric	Tax Exempt Bond Indenture Project	Low/Mod Bond	\$13,140						\$ 13,140
44	Clean & Green	Various Contractors	Tax Exempt Bond Indenture Project	Low/Mod Bond		\$380,000					\$ 380,000
45	Housing Project	Habitat P.M.	Tax Exempt Bond Indenture Project	Low/Mod Bond		\$500,000					\$ 500,000
46	Housing Project	Project Management for Habitat	Tax Exempt Bond Indenture Project	Low/Mod Bond		\$95,000					\$ 95,000
47											\$ -
Totals - This Page					\$166,983	\$1,139,683	\$132,500	\$132,500	\$132,500	\$3,448,724	\$6,160,890

* 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.

Project Area(s)

All

RECOGNIZED OBLIGATION PAYMENT SCHEDULE January 1 - June 30, 2012 (First ROPS)

Project Name / Debt Obligation	Payee	Description	Funding	Payments by month 2012						Total	
				January	February	March	April	May	June		
RDA Operating											
1	RDA Management	Various	Admin of RDA	Non-Housing	\$100,000						\$100,000
2	Admin Costs ***	City of Imperial Beach	Per AB 26	Non-Housing	\$ 69,273	\$ 69,273	\$ 69,273	\$ 69,273	\$ 69,273	\$ 69,272	\$415,637
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	Gratuity Abatement	Various	RDA Staffing and Program Costs	Non-Housing	\$25,000						\$25,000
8	Continuing Disclosure	Wells Fargo	Mandatory Annual Bond Disclosure	Non-Housing		\$3,200					\$3,200
9	Continuing Disclosure	Bond Management/NBS	Mandatory Annual Bond Disclosure	Non-Housing		\$4,000					\$4,000
10	Continuing Disclosure	HDL	Assessment Information	Non-Housing		\$2,025	\$2,025			\$2,025	\$6,075
11	Continuing Disclosure	Lance Soil	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 Statute 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					\$758,670	\$138,788	\$131,598	\$119,573	\$129,573	\$131,819	\$1,410,031

* 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.

*** Pursuant to AB x1 26 34177 (j) (k) to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund.

RECOGNIZED OBLIGATION PAYMENT SCHEDULE January 1 - June 30, 2012 (First ROPS)

Project Name / Debt Obligation	Payee	Description	Funding	Payments by month 2012						Total	
				January	February	March	April	May	June		
RDA Projects											
1 Commercial Zoning	AECOM	Tax Exempt Bond Indenture Project	Non-Housing Bonds		\$ 80,333						\$80,333
2 Commercial Zoning	Project Management	Tax Exempt Bond Indenture Project	Non-Housing Bonds		\$ 18,666	\$ 18,666	\$ 18,666	\$ 18,666	\$ 18,666	\$ 18,666	\$83,330
3 Highway 75 Improvements	Sudbery	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								\$0
5 Highway 75 Improvements	Nasland Engineering	Tax Exempt Bond Indenture Project	Non-Housing Bonds		\$30,000	\$ 30,000	\$ 7,662				\$87,662
6 Highway 75 Improvements	Project Design Consultant	Tax Exempt Bond Indenture Project	Non-Housing Bonds	\$ 105,197							\$105,197
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		\$ 5,000	\$ 5,000					\$25,094
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	\$64,069							\$64,069
11 Street Improvements Phase 3	SDGE	Tax Exempt Bond Indenture Project	Non-Housing Bonds	\$5,000							\$5,000
12 Street Improvements Phase 3	Eagle Newspaper	Tax Exempt Bond Indenture Project	Non-Housing Bonds		\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$1,000
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	\$258,460	\$258,460	\$258,460	\$258,460	\$258,460	\$258,460	\$258,460	\$1,890,760
15 Street Improvements Phase 4-5	BDS	Tax Exempt Bond Indenture Project	Non-Housing Bonds								\$0
16 Street Improvements Phase 4-5	Geacolis	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								\$0
18 Street Improvements Phase 4-5	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
19 Street Improvements Phase 4-5	Southland Paving, Inc.	Tax Exempt Bond Indenture Project	Non-Housing Bonds	\$874,555	\$874,555	\$874,555	\$874,555	\$874,555	\$874,555	\$874,555	\$4,047,331
20 13th Street ADA Imp	Laber	Tax Exempt Bond Indenture Project	Non-Housing Bonds	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$12,000
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	\$ 62,782	\$ 5,000						\$67,782
23 Skatepark Fence	Project Management	Tax Exempt Bond Indenture Project	Non-Housing Bonds	\$ 2,664	\$ 2,664	\$ 2,664	\$ 2,664				\$10,656
24 Skatepark Fence	US Bank	Tax Exempt Bond Indenture Project	Non-Housing Bonds	\$ 500							\$500
25 Bikeway Village Project	Keyser Marston Assoc.	Tax Exempt Bond Indenture Project	Non-Housing Bonds		\$18,052	\$10,000					\$28,052
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		\$65,298						\$65,298
29 Bikeway Village Project	Robert Becker	Tax Exempt Bond Indenture Project	Non-Housing Bonds		\$35,000						\$35,000
30 Bikeway Village Project	Copper Vaco	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	Barlow/Harlan Construction	Tax Exempt Bond Indenture Project	Non-Housing Bonds					\$1,400			\$1,400
33 Façade Program	Cal/Electric Supply	Tax Exempt Bond Indenture Project	Non-Housing Bonds								\$0
34 Façade Program	Sea Breeze Electric	Tax Exempt Bond Indenture Project	Non-Housing Bonds								\$0
35 Façade Program	Stanford Sign & Awning	Tax Exempt Bond Indenture Project	Non-Housing Bonds								\$0
36 Façade Program	El Tacito	Tax Exempt Bond Indenture Project	Non-Housing Bonds		\$20,000						\$20,000
37 Façade Program	La Posta	Tax Exempt Bond Indenture Project	Non-Housing Bonds		\$40,000						\$40,000
38 Veterans Park Signage	US Bank	Tax Exempt Bond Indenture Project	Non-Housing Bonds								\$0
39 Veterans Park Signage	Project Management	Tax Exempt Bond Indenture Project	Non-Housing Bonds								\$0
40 Slalom Drain Intersect	Various	Tax Exempt Bond Indenture Project	Non-Housing Bonds		\$25,000	\$50,000	\$50,000	\$100,000	\$241,000		\$466,000
41 Elm Ave. Underpass	A.M. Ortega Const. Inc.	Tax Exempt Bond Indenture Project	Non-Housing Bonds								\$0
42 Elm Ave. Underpass	Ameron International	Tax Exempt Bond Indenture Project	Non-Housing Bonds								\$0
43 Bond Project Contingency	Project Management	Tax Exempt Bond Indenture Project	Non-Housing Bonds		\$0						\$0
44 Data Street Seacoast Inn	Imperial Coast	Tax Exempt Bond Indenture Project	Non-Housing Bonds		\$41,612		\$200,000				\$241,612
45 Data Street	Nasland Engineering	Street Improvement Contract	Non-Housing Bonds								\$0
46 9th & Palm Other Bond Projects	Kane Ballmer/McDougal	Tax Exempt Bond Indenture Project	Non-Housing Bonds		\$34,007	\$10,000	\$10,488	\$10,000	\$10,000		\$74,495
47 9th & Palm Other Bond Projects	Coper Vaco	Tax Exempt Bond Indenture Project	Non-Housing Bonds		\$17,500						\$17,500
48 9th & Palm Other Bond Projects	Keyser Marston Assoc.	Tax Exempt Bond Indenture Project	Non-Housing Bonds		\$10,000	\$9,926					\$19,926
49 9th & Palm Other Bond Projects	Urban Systems	Tax Exempt Bond Indenture Project	Non-Housing Bonds		\$10,000	\$10,000	\$4,933				\$24,933
50 9th & Palm Southbay Relocation	Southbay Drives	9th and Palm Project	Non-Housing Funds	\$160,000							\$160,000
51 9th & Palm Goodwill Relocation	Goodwill Industries	9th and Palm Project	Non-Housing Funds		\$210,000						\$210,000
52 9th & Palm Moran Relocation	Moran Food	9th and Palm Project	Non-Housing Funds								\$0
53 9th & Palm	Nasland Engineering	9th and Palm Project	Non-Housing Funds								\$0
54 9th & Palm	Granger	9th and Palm Project	Non-Housing Funds								\$0
55 9th & Palm	Miles Landscaping	9th and Palm Project	Non-Housing Funds								\$0
56 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
57 9th & Palm	Various	9th and Palm Project	Non-Housing Bonds	\$0							\$0
58 Eco-Bikeway	KCA Cooperation	Bikeway Improvements	Non-Housing Bonds		\$ 1,310						\$1,310
59 Eco-Bikeway	Project Management	Bikeway Improvements	Non-Housing Bonds	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$8,000
60											\$0
Totals - This Page				\$3,744,540	\$3,640,651	\$1,118,971	\$1,267,129	\$1,102,781	\$1,242,382	\$12,116,454	

* Notwithstanding the provisions of California Health and Safety Code section 34177(b)(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

RECOGNIZED OBLIGATION PAYMENT SCHEDULE January 1 - June 30, 2012 (First ROPS)

Project Name / Debt Obligation	Payee	Description	Funding	Payments by month						Total
				Jan	Feb	Mar	Apr	May	Jun	
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	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 (e)(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.

RESOLUTION NO. OB-12-04

RESOLUTION OF THE OVERSIGHT BOARD OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING THE SECOND RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2012 ENDING DECEMBER 31, 2012

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, on February 15, 2012, the Board of Directors of the Successor Agency, adopted Resolution No. SA-12-01 naming itself the "Imperial Beach Redevelopment Agency

Successor Agency,” the sole name by which it will exercise its powers and fulfill its duties pursuant to Part 1.85 of AB 26, and establishing itself as a separate legal entity with rules and regulations that will apply to the governance and operations of the Successor Agency; and

WHEREAS, AB 26 requires that there shall be an oversight board (“Oversight Board”) established for each of the former California redevelopment agency's successor agencies to supervise the activities of the Successor Agency and the wind down of the dissolved Redevelopment Agency's affairs pursuant to AB 26; and

WHEREAS, on April 11, 2012, the first meeting of the Oversight Board of the Imperial Beach Redevelopment Agency Successor Agency took place and Oversight Board Members were duly sworn into office.

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

WHEREAS, in accordance with Health and Safety Code Section 34177(l)(2)(A) of AB 26, the Successor Agency adopted the draft ROPS on February 15, 2012 by Resolution No. SA-12-02, for the period of January 1, 2012 through June 30, 2012; and

WHEREAS, after the Successor Agency's adoption of the draft ROPS, the San Diego County Auditor-Controller requested that the draft ROPS cover the period of October 1, 2011 through June 30, 2012; and

WHEREAS, to accommodate the request of the County Auditor-Controller, the Executive Director of the Successor Agency modified the draft ROPS, pursuant to administrative authority provided to the Executive Director by the Successor Agency as set forth in Resolution No. SA-12-02, and included the period of October 1, 2011 through December 31, 2011 to the draft ROPS; and

WHEREAS, pursuant to Health and Safety Code Section 34177(l)(3) of AB 26, the first ROPS shall be submitted to the State of California Controller's Office and the State of California Department of Finance by April 15, 2012 for the period of January 1, 2012 through June 30, 2012; and

WHEREAS, due to ambiguity in timing and apparent conflict in dates set forth in AB 26 for the certification of the ROPS by the County, the approval of the ROPS by the Oversight Board, and the submission of the first ROPS to the State Controller's Office and the Department of Finance, staff of the Successor Agency determined that the draft ROPS should be amended as the first ROPS for submission to the State Controller's Office and the Department of Finance by April 15, 2012 and revised to reflect the time period of January 1, 2012 through June 30, 2012 as required by Health and Safety Code Section 34177(l)(3) of AB 26. In addition, staff determined that certain information relating to the recognized obligations set forth in the ROPS must be added to and clarified in the ROPS; and

WHEREAS, the amended ROPS for the period of January 31, 2012 through June 30, 2012 is substantively the same as the previously approved Successor Agency draft ROPS with the following exceptions: (1) the exclusion of October 1, 2011 through December 31, 2011; (2)

the Administrative Budget has been updated; and (3) the funding source for item 51 on the RDA Projects page has been corrected to read "Non Housing Funds"; and

WHEREAS, the Successor Agency approved the amended ROPS on April 4, 2012 and thereafter the amended ROPS shall be reviewed and certified by the County, through the use of an external auditor, and submitted to the Oversight Board for review and approval. A copy of the approved amended ROPS shall be submitted to the County Auditor-Controller and both the State 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 State Controller's Office and the Department of Finance by April 15, 2012; and

WHEREAS, pursuant to Health and Safety Code Section 34177(l)(3) of AB 26, the ROPS shall be forward looking to the next six (6) months and, 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 provisions of Part 1.85 of AB 26; 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, the second ROPS covering the period of July 1, 2012 through December 3, 2012 is attached hereto as Exhibit "A"; and

WHEREAS, the proposed second ROPS attached to this Resolution as Exhibit "A" which was approved by the Successor Agency on April 4, 2012 by Resolution SA-12-06 is consistent with the requirements of the Health and Safety Code and other applicable law; 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 Oversight Board of 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 second ROPS, which is attached hereto as Exhibit "A", is approved and adopted.
- Section 4.** The Executive Director, or designee, is hereby authorized and directed toii) 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 Oversight Board 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.

PASSED, APPROVED, AND ADOPTED by the Oversight Board of the Imperial Beach Redevelopment Agency Successor Agency at its meeting held on the 11th day of April 2012, by the following vote:

AYES:	BOARD MEMBERS:	WINTER, WEST, SAADAT, HENTSCHE, GOODWIN-COLBERT, FOLTZ, FERNANDEZ
NOES:	BOARD MEMBERS:	NONE
ABSENT:	BOARD MEMBERS:	NONE


MAYDA WINTER, CHAIRPERSON

ATTEST:

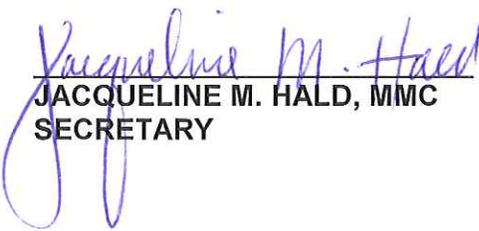

**JACQUELINE M. HALD, MMC
SECRETARY**

EXHIBIT "A"

**IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE
July 1, 2012 through December 31, 2012
("Second ROPS")**

Approved on April 4, 2012

(See Attachment)

RECOGNIZED OBLIGATION PAYMENT SCHEDULE July 1 - December 31, 2012 (Second ROPS)

	Project Name / Debt Obligation	Payee	Description	Funding	Payments by month						
					July 2012	Aug 2012	Sept 2012	Oct 2012	Nov 2012	Dec 2012	Total
Debt Obligations											
1	2003 Tax Allocation Bonds Series	Wells Fargo Bank	Bond Debt Service	Non-Housing & Low Mod					\$ 533,092	\$533,092	
2	2010 Tax Allocation Bonds Series	Wells Fargo Bank	Bond Debt Service	Non-Housing					\$ 525,953	\$525,953	
3	City Loan 1995	City of Imperial Beach	Loan to finance start up costs	Non-Housing					\$ 224,288	\$224,288	
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					\$ -	\$ -	\$ -	\$ -	\$ 1,283,331	\$ -	\$ 1,283,331
Totals - Housing Program Related - Page 2					\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$90,000
Totals - RDA Operating - Page 3					\$119,573	\$128,798	\$119,573	\$119,573	\$119,573	\$124,794	\$731,884
Totals - RDA Projects - Page 4					\$0	\$0	\$0	\$0	\$0	\$0	\$0
Totals - Pass Through Obligations- Page 5					\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enforceable Obligations					\$134,573	\$143,798	\$134,573	\$134,573	\$1,417,904	\$139,794	\$2,105,215

* 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 23 on June 28, 2011.

Project Area(s) All

RECOGNIZED OBLIGATION PAYMENT SCHEDULE July 1 - December 31, 2012 (Second ROPS)

Project Name / Debt Ob	Payee	Description	Funding	Payments by month						Total	
				July 2012	Aug 2012	Sept 2012	Oct 2012	Nov 2012	Dec 2012		
Housing Programs											
1	Housing Management	See Attached	Mat costs for Low/Mod Housing Program	Low/Mod funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Housing Agreement	Imperial Beach	Support costs	Low/Mod funds	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 90,000
3	Hemlock Monitoring	Housing Authority/City Finance	South Bay Comm. Svcs Loan	Low/Mod funds							\$ -
4	Calla Monitoring	Housing Authority/City Finance	South Bay Comm. Svcs Loan	Low/Mod funds							\$ -
5	Beachwind Monitoring	Housing Authority/City Finance	Beachwood Loan	Low/Mod funds							\$ -
6	Housing Reporting	Housing Authority/City Finance	RDA Statutory Compliance	Low/Mod funds							\$ -
7	Clean & Green Monitorin	Housing Authority	10 yr Contract Compliance	Low/Mod funds							\$ -
8	Deficit Housing Oblig.	Housing Authority	RDA Statutory Compliance	Low/Mod funds							\$ -
9	Age Proportionality	Housing Authority	RDA Statutory Compliance	Low/Mod funds							\$ -
10											\$ -
11											\$ -
12											\$ -
13											\$ -
14											\$ -
15											\$ -
16											\$ -
17											\$ -
18											\$ -
19											\$ -
20											\$ -
21											\$ -
22											\$ -
23											\$ -
24											\$ -
25											\$ -
26											\$ -
27											\$ -
28											\$ -
29											\$ -
Totals - This Page					\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$90,000

* 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

Project Area(s) All

RECOGNIZED OBLIGATION PAYMENT SCHEDULE July 1 - December 31, 2012 (Second ROPS)

Project Name / Debt Obligation	Payee	Description	Funding	Payments by month						Total	
				July 2012	Aug 2012	Sept 2012	Oct 2012	Nov 2012	Dec 2012		
RDA Operating											
1	RDA Management	Various	Admin of RDA	Non-Housing	\$ -						\$0
2	Admin Costs ***	City of Imperial Beach	Per AB 26	Non-Housing	\$ 69,273	\$ 69,273	\$ 69,273	\$ 69,273	\$ 69,273	\$ 69,272	\$415,637
3	RDA Accrued Liabilities	City of Imperial Beach	Vacation/Sick Liability as of 1/31/2012	Non-Housing							\$0
4	RDA Unfunded PERS Liability	City of Imperial Beach	Unfunded Pension Liability as of 1/31/2012	Non-Housing							\$0
5	RDA 30 Layoff Notice Cost	City of Imperial Beach	Labor Contract Requirement	Non-Housing							\$0
6	RDA Outstanding WC Liability	City of Imperial Beach	Workers Compensation Liability 1/31/2012	Non-Housing							\$0
7	Graffiti Abatement	Various	RDA Staffing and Program Costs	Non-Housing							\$0
8	Continuing Disclosure	Wells Fargo	Mandatory Annual Bond Disclosure	Non-Housing		\$3,200					\$3,200
9	Continuing Disclosure	Bond Management/NBS	Mandatory Annual Bond Disclosure	Non-Housing		\$4,000					\$4,000
10	Continuing Disclosure	HDL	Assessment Information	Non-Housing		\$2,025					\$2,025
11	Continuing Disclosure	Lance Soli	Audit Fees	Non-Housing							\$0
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	\$40,000	\$240,000
15	Hotel DDA Compliance	City of Imperial Beach	DDA Compliance issues	Non-Housing						\$0	\$0
16	Capital Trailer Rental	Bert's	Temp Trailer for Project Management	Non-Housing	\$300	\$300	\$300	\$300	\$300	\$300	\$1,800
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							\$0
19											\$0
Totals - This Page					\$119,573	\$128,788	\$119,573	\$119,573	\$119,573	\$124,794	\$731,884

*** Months October through December were added administratively pursuant to Reso SA 12-02 . The Successor 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.

Name of Redevelopment Agency: Imperial Beach Redevelopment Agency
 Project Area(s) All

RECOGNIZED OBLIGATION PAYMENT SCHEDULE July 1 - December 31, 2012 (Second ROPS)

	Project Name / Debt Obligation	Payee	Description	Funding	Payments by month						
					July 2012	Aug 2012	Sept 2012	Oct 2012	Nov 2012	Dec 2012	Total
RDA Projects											
1	9th & Palm	Nasland Engineering	9th and Palm Project	Non-Housing Funds							\$0
2	9th & Palm	Mireles Landscaping	9th and Palm Project	Non-Housing Funds							\$0
3	9th & Palm	Project Management/Legal	9th and Palm Project	Non-Housing Bonds							\$0
Totals - This Page					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

* 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.

RESOLUTION NO. OB-12-09

RESOLUTION OF THE OVERSIGHT BOARD OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING THE THIRD RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JANUARY 1, 2013 THROUGH JUNE 30, 2013 AND APPROVING CERTAIN RELATED ACTIONS PURSUANT TO PART 1.85 OF THE CALIFORNIA HEALTH AND SAFETY CODE

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, Assembly Bill X1 26 (2011-2012 1st Ex. Sess.) ("AB 26") was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and the California Health and Safety Code ("Health and Safety Code"), including adding Part 1.8 (commencing with Section 34161) ("Part 1.8") and Part 1.85 (commencing with Section 34170) ("Part 1.85") to Division 24 of the Health and Safety Code; and

WHEREAS, pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and winding down the business and fiscal 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 of AB 26, 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, on February 15, 2012, the Board of Directors of the Successor Agency, adopted Resolution No. SA-12-01 naming itself the "Imperial Beach Redevelopment Agency Successor Agency," the sole name by which it will exercise its powers and fulfill its duties pursuant to Part 1.85 of AB 26, and establishing itself as a separate legal entity with rules and regulations that will apply to the governance and operations of the Successor Agency; and

WHEREAS, as part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 ("AB 1484", Chapter 26, Statutes 2012). Although the primary purpose of AB 1484 is to make technical and substantive amendments to AB 26 based on issues that have arisen in the implementation of AB 26, AB 1484 imposes additional statutory provisions relating to the activities and obligations of successor agencies and to the wind down process of former redevelopment agencies; and

WHEREAS, Health and Safety Code Section 34179 of AB 26 as amended by AB 1484 establishes a seven (7) member local entity with respect to each successor agency and such

entity is titled the "oversight board." The oversight board has been established for the Successor Agency (hereinafter referred to as the "Oversight Board") and all seven (7) members have been appointed to the Oversight Board pursuant to Health and Safety Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in Health and Safety Code Sections 34179 through 34181 of AB 26 as amended by AB 1484; and

WHEREAS, pursuant to Health and Safety Code Section 34177 of AB 26, the Successor Agency (i) prepared its draft Recognized Obligation Payment Schedule ("ROPS") by March 1, 2012, (ii) adopted the draft ROPS on February 15, 2012 for the period ending June 30, 2012, as modified administratively by the Executive Director, (iii) submitted the draft ROPS to the State of California Controller's Office and the State of California Department of Finance ("Department of Finance") by April 15, 2012 for the period of January 1, 2012 through June 30, 2012, (iv) amended the draft ROPS as the first ROPS for submission to the State Controller's Office and the Department of Finance by April 15, 2012 and revised the ROPS to reflect the time period of January 1, 2012 through June 30, 2012 ("First ROPS"), and (v) adopted the second ROPS covering the period from July 1, 2012 through December 31, 2012 ("Second ROPS"); and

WHEREAS, in accordance with Health and Safety Code Sections 34177(l)(2)(B) and 34180(g) of AB 26, on April 11, 2012, the Oversight Board approved the First ROPS pursuant to Resolution No. OB-12-03 as proposed by the Successor Agency, and on April 11, 2012, the Oversight Board approved the Second ROPS pursuant to Resolution OB-12-04 as proposed by the Successor Agency; and

WHEREAS, pursuant to Health and Safety Code Section 34177 of AB 26 as amended by AB 1484, the Successor Agency adopted the third ROPS covering the period from January 1, 2013 through June 30, 2013 ("Third ROPS") on August 1, 2012 pursuant to Resolution No. SA-12-13; and

WHEREAS, the Third ROPS is now being submitted to the Oversight Board for review and approval in accordance with Health and Safety Code Sections 34177(l)(2)(B) and 34180(g) of AB 26 as amended by AB 1484. In this regard, as required by Health and Safety Code Section 34177(l)(2)(B), the Successor Agency has also submitted a copy of the Third ROPS to the County Administrative Officer, the County Auditor-Controller, and the Department of Finance at the same time that the Successor Agency has submitted the Third ROPS to the Oversight Board for approval; and

WHEREAS, pursuant to Health and Safety Code Section 34177(m) of AB 26 as amended by AB 1484, the Successor Agency is required to submit the Third ROPS for the period of January 1, 2013 through June 30, 2013, after its approval by the Oversight Board, to the Department of Finance and the County Auditor-Controller no later than September 1, 2012; and

WHEREAS, pursuant to Health and Safety Code Section 34177(l)(2)(C) of AB 26 as amended by AB 1484, a copy of the Third ROPS as approved by the Oversight Board shall be submitted to the County Auditor-Controller and both the State Controller's Office and the Department of Finance and shall be posted on the Successor Agency's internet website; and

WHEREAS, pursuant to Health and Safety Code Section 34177(m)(1) of AB 26 as amended by AB 1484, the Successor Agency shall submit a copy of the Third ROPS to the Department of Finance electronically and the Successor Agency shall have completed the Third ROPS in the manner provided by the Department of Finance; and

WHEREAS, pursuant to Health and Safety Code Section 34183(a)(2) of AB 26 as amended by AB 1484, the County is required to make a payment of property tax revenues (i.e. former tax increment funds) to the Successor Agency by January 2, 2013 for payments to be made toward recognized obligations listed on the Third ROPS for the period of January 1, 2013 through June 30, 2013; and

WHEREAS, pursuant to Health and Safety Code Section 34177(l)(3) of AB 26 as amended by AB 1484, the ROPS shall be forward looking to the next six (6) months; and

WHEREAS, according to Health and Safety Code Section 34177(l)(1) of AB 26 as amended by AB 1484, 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, (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 provisions of Part 1.85 of AB 26 as amended by AB 1484, and (vi) other revenue sources, including rents, concessions, asset sale proceeds, interest earnings, and any other revenues derived from the former Redevelopment Agency as approved by the Oversight Board in accordance with Part 1.85 of AB 26 as amended by AB 1484; and

WHEREAS, it is the intent of AB 26 as amended by AB 1484 that the ROPS serve as the designated reporting mechanism for disclosing the Successor Agency's bi-annual payment obligations by amount and source and that 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, the Third ROPS covering the period of January 1, 2013 through June 30, 2013, as adopted by the Successor Agency is attached hereto as Exhibit "A"; and

WHEREAS, the Third ROPS is consistent with the requirements of the Health and Safety Code and other applicable law; and

WHEREAS, the Third ROPS contains the schedules for payments on enforceable obligations required for the applicable six-month period and sources of funds for repayment as required pursuant to Health and Safety Code Section 34177(l); and

WHEREAS, the Third ROPS includes an obligation pertaining to the estimated cost to the Successor Agency in the amount of \$40,000 to retain a licensed accountant to perform services relating to preparation of the due diligence review and related actions pursuant to Health and Safety Code Section 34179.5; and

WHEREAS, among other obligations listed on the Third ROPS, the cost to the Successor Agency in the estimated amount of \$40,000 to retain a licensed accountant to perform services pursuant to an agreement to be entered into by the Successor Agency and the selected accountant relating to preparation of the due diligence review and related actions pursuant to Health and Safety Code Section 34179.5 is included on the Third ROPS. Upon the Oversight Board's approval and effectiveness of the Third ROPS, such item will constitute an enforceable obligation of the Successor Agency pursuant to Health and Safety Code Sections 34171(d)(1)(C), 34171(d)(1)(F), and 34177.3(b), payable from the property tax revenues available to be allocated to the Successor Agency by the County to pay enforceable obligations pursuant to a valid ROPS; and

WHEREAS, among other obligations listed on the Third ROPS, the Successor Agency

approved the Successor Agency to reenter into the former Redevelopment Agency Reimbursement Agreement with the City of Imperial Beach, dated January 1, 2007, to reimburse the City for administrative and operational costs incurred by the City on behalf of the Successor Agency and the Successor Agency included the Reimbursement Agreement on the Third ROPS pursuant to Health and Safety Code Sections 34171(d)(1)(F) and 34178(a). Upon the Oversight Board's approval of this action of the Successor Agency pursuant to Health and Safety Code Sections 34171(d)(1)(F), 34178(a), and 34180(h) and upon the Oversight Board's approval and effectiveness of the Third ROPS, such Reimbursement Agreement will constitute an enforceable obligation of the Successor Agency payable from the property tax revenues available to be allocated to the Successor Agency by the County to pay enforceable obligations pursuant to a valid ROPS; and

WHEREAS, among other obligations listed on the Third ROPS, the Successor Agency included on the Third ROPS the use and commitment of available housing bond proceeds in the total amount of \$913,000 derived from a 2003 Bond issuance ("Excess Housing Bonds Proceeds") toward the Clean & Green Program in the approximate amount of \$380,000 and toward the Habitat for Humanity Project in the approximate amount of \$533,000 as designated in writing on July 24, 2012 by the City of Imperial Beach Housing Authority ("Housing Authority"), serving as the successor housing entity to the Redevelopment Agency pursuant to AB 26 as amended by AB 1484, to the Successor Agency pursuant to Health and Safety Code Section 34176(g)(1); and

WHEREAS, pursuant to Health and Safety Code Section 34176(g)(1)(B) of AB 26 as amended by AB 1484, review of the Housing Authority's designations of the use and commitment of the Excess Housing Bonds Proceeds by the Successor Agency, the Oversight Board and the Department of Finance shall be limited to a determination that the Housing Authority's designations of the use and commitment of such proceeds are consistent with the Housing Bonds covenant obligations, including requirements relating to tax status, and that there are sufficient Excess Housing Bonds Proceeds available for the designated purposes. Upon the Oversight Board's determination pursuant to Section 34176(g)(1)(B) and the Oversight Board's approval and effectiveness of the Third ROPS, the Housing Authority's designations of the use and commitment of the Excess Housing Bonds Proceeds toward the Clean & Green Program in the approximate amount of \$380,000 and toward the Habitat for Humanity Project in the approximate amount of \$533,000 will constitute an enforceable obligation of the Successor Agency payable from the Excess Housing Bonds Proceeds; and

WHEREAS, among other obligations listed on the Third ROPS, the Successor Agency included on the Third ROPS certain loans/advances made from Low and Moderate Income Housing Tax Increment Funds to pay enforceable obligations approved on the First ROPS and the Second ROPS where the Successor Agency had no other funding sources available to pay said enforceable obligations including, without limitation, payment of the May 2012 debt service payments on Bond Issuances. Pursuant to Health and Safety Code Section 34171(d)(1)(G) in pertinent part, amounts borrowed from, or payments owing to, the Low and Moderate Income Housing Fund may constitute enforceable obligations, provided that the Oversight Board approves the repayment schedule. Upon the Oversight Board's approval of the repayment schedule of the loans/advances made from Low and Moderate Income Housing Tax Increment Funds pursuant to Health and Safety Code Sections 34171(d)(1)(G) and 34180(a) and the Oversight Board's approval and effectiveness of the Third ROPS, the Successor Agency's loans/advances made from Low and Moderate Income Housing Tax Increment Funds will constitute enforceable obligations of the Successor Agency payable from the property tax revenues available to be allocated to the Successor Agency by the County to pay enforceable obligations pursuant to a valid ROPS; and

WHEREAS, pursuant to Health and Safety Code Section 34177(m), the Third ROPS as approved by the Oversight Board shall be submitted to the Department of Finance and the County Auditor-Controller by September 1, 2012 and subsequent six-month period ROPS as approved by the Oversight Board shall be submitted to the Department of Finance and County Auditor-Controller no fewer than ninety (90) days before the date of property tax distribution. Section 34177(m) further provides that the Department of Finance shall make its determination of the enforceable obligations and the amounts and funding sources of enforceable obligations no later than forty-five (45) days after the ROPS is submitted and that the Successor Agency may, within five (5) business days of the Department of Finance's determination, request an additional review by the Department of Finance and an opportunity to meet and confer on disputed items. In the event of a meet and confer and request for additional review, the meet and confer period may vary but the Department of Finance shall notify the Successor Agency and the County Auditor-Controller as to the outcome of its review at least fifteen (15) days before the date of property tax distribution; 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, Section 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines; and

WHEREAS, the activity proposed by 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 Oversight Board of 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 constitutional, legal or equitable rights that the Successor Agency may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of AB 26 or AB 1484, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of AB 26 or AB 1484, and any and all related legal and factual issue, and the Successor Agency expressly reserved any and all rights, privileges, and defenses available under law and equity.
- Section 3.** The Oversight Board hereby approves and adopts the Third ROPS, in substantially the form attached to this Resolution as Exhibit "A," pursuant to Health and Safety Code Sections 34177(l) and 34180(g) of AB 26 as amended by AB 1484.
- Section 4.** As part of the approval of the Third ROPS, the Oversight Board hereby approves the cost to the Successor Agency in the estimated amount of \$40,000 to retain a licensed accountant to perform services pursuant to

an agreement to be entered into by the Successor Agency and the selected accountant relating to preparation of the due diligence review and related actions pursuant to Health and Safety Code Section 34179.5 and such item shall constitute an enforceable obligation of the Successor Agency, pursuant to Health and Safety Code Sections 34171(d)(1)(C), 34171(d)(1)(F), and 34177.3(b) of AB 26 as amended by AB 1484.

- Section 5.** As part of the approval of the Third ROPS, the Oversight Board hereby approves the Successor Agency reentering into the former Redevelopment Agency Reimbursement Agreement with the City of Imperial Beach, dated January 1, 2007, to reimburse the City for administrative and operational costs incurred by the City on behalf of the Successor Agency and such Reimbursement Agreement shall constitute an enforceable obligation of the Successor Agency and such Reimbursement Agreement shall constitute an enforceable obligation of the Successor Agency, pursuant to Health and Safety Code Sections 34171(d)(1)(F), 34178(a), and 34180(h) of AB 26 as amended by AB 1484.
- Section 6.** The Oversight Board has rendered, pursuant to Resolution No. OB-12-08, its determination pursuant to Health and Safety Code Section 34176(g)(1)(B), to wit: that the Housing Authority's designations of the use and commitment of the Excess Housing Bonds Proceeds are consistent with the Housing Bonds covenant obligations, including requirements relating to tax status, and that there are sufficient Excess Housing Bonds Proceeds available for the designated purposes. As part of the approval of the Third ROPS, the Oversight Board hereby acknowledges and agrees that the Housing Authority's designations of the use and commitment of the Excess Housing Bonds Proceeds toward the Clean & Green Program in the approximate amount of \$380,000 and toward the Habitat for Humanity Project in the approximate amount of \$533,000 shall constitute an enforceable obligation of the Successor Agency, pursuant to Health and Safety Code Section 34176(g) of AB 26 as amended by AB 1484.
- Section 7.** As part of the approval of the Third ROPS, the Oversight Board hereby approves the repayment of certain loans/advances made from Low and Moderate Income Housing Tax Increment Funds to pay enforceable obligations approved on the First ROPS and the Second ROPS where the Successor Agency had no other funding sources available to pay said enforceable obligations including, without limitation, payment of the May 2012 debt service payments on Bond Issuances, and such loans/advances shall constitute enforceable obligations of the Successor Agency, pursuant to Health and Safety Code Sections 34171(d)(1)(G) and 34180(a) of AB 26 as amended by AB 1484.
- Section 8.** The Oversight Board hereby directs the Successor Agency to submit copies of the Third ROPS approved by this Resolution as required under AB 26 as amended by AB 1484, in the method required, and in a manner to avoid a late submission or accrual of any penalties. In this regard, The Executive Director, or designee, of the Successor Agency is hereby authorized and directed to: (i) submit the Third ROPS, as approved by the Oversight Board, to the Department of Finance (electronically) and the

County Auditor-Controller no later than September 1, 2012; (ii) submit a copy of the Third ROPS, as approved by the Oversight Board, to the State Controller's Office and post the Third ROPS on the Successor Agency's internet website; and (iii) revise the Third ROPS, and make such changes and amendments as necessary, before official submittal of the Third ROPS to the Department of Finance, in order to complete the Third ROPS in the manner provided by the Department of Finance and to conform the Third ROPS to the form or format as prescribed by the Department of Finance.

Section 9. The Executive Director, or designee, of the Successor Agency is hereby authorized and directed to 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.

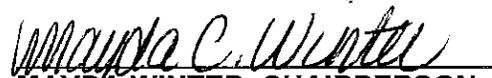
Section 10. The Oversight Board determines that this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines section 15378, because this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per section 15378(b)(5) of the Guidelines.

Section 11. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 12. This Resolution shall take effect upon the date of its adoption.

PASSED, APPROVED, AND ADOPTED by the Oversight Board of the Imperial Beach Redevelopment Agency Successor Agency at its meeting held on the 22nd day of August 2012, by the following vote:

AYES:	BOARD MEMBERS:	WINTER, SAADAT, HENTSCHKE, GOODWIN-COLBERT, FOLTZ, FERNANDEZ
NOES:	BOARD MEMBERS:	NONE
ABSENT:	BOARD MEMBERS:	NONE
DISQUALIFIED:	BOARD MEMBERS:	WEST


MAYDA WINTER, CHAIRPERSON

ATTEST:

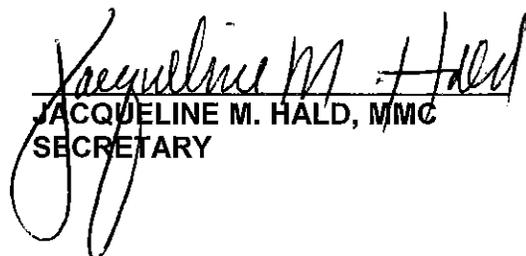

JACQUELINE M. HALD, MMC
SECRETARY

EXHIBIT "A"

**IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE
January 1, 2013 through June 30, 2013
("Third ROPS")**

Approved on August 22, 2012

(See Attachment)

Successor Agency Contact Information

Name of Successor Agency: Imperial Beach
County: San Diego

Primary Contact Name: Greg Wade
Primary Contact Title: Deputy Director
825 Imperial Beach Blvd, Imperial
Address: Beach, CA 91932
Contact Phone Number: 619-628-1354
Contact E-Mail Address: gwade@cityofib.org

Secondary Contact Name: Gary Brown
Secondary Contact Title: Executive Director
Secondary Contact Phone Number: 619-423-0314
Secondary Contact E-Mail Address: gbrown@cityofib.org

SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Filed for the January 1, 2013 to June 30, 2013 Period

Name of Successor Agency: Imperial Beach

	Total Outstanding Debt or Obligation
Outstanding Debt or Obligation	\$ 111,583,105
Current Period Outstanding Debt or Obligation	Six-Month Total
A Available Revenues Other Than Anticipated RPTTF Funding	913,000
B <u>Anticipated</u> Enforceable Obligations Funded with RPTTF	5,774,108
C <u>Anticipated</u> Administrative Allowance Funded with RPTTF	270,510
D Total RPTTF Requested (B + C = D)	6,044,618
Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be the same amount as ROPS form six-month total</i>	\$ 6,957,618
E Enter Total Six-Month Anticipated RPTTF Funding <i>(Obtain from county auditor-controller)</i>	3,400,000
F Variance (E - D = F) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i>	\$ (2,644,618)
Prior Period (January 1, 2012 through June 30, 2012) Estimated vs. Actual Payments (as required in HSC section 34186 (a))	
G Enter Estimated Obligations Funded by RPTTF <i>(Should be the lesser of Finance's approved RPTTF amount including admin allowance or the actual amount distributed)</i>	3,420,215
H Enter Actual Obligations Paid with RPTTF	3,205,954
I Enter Actual Administrative Expenses Paid with RPTTF	250,000
J Adjustment to Redevelopment Obligation Retirement Fund (G - (H + I) = J)	-
K Adjusted RPTTF <i>(The total RPTTF requested shall be adjusted if actual obligations paid with RPTTF are less than the estimated obligation amount.)</i>	\$ 6,044,618

Certification of Oversight Board Chairman:
 Pursuant to Section 34177(m) of the Health and Safety code,
 I hereby certify, based on my information and belief,
 that the above is a true and accurate Recognized
 Obligation Payment Schedule for the above named agency.

MAYDA C. WINTER
 Name
Mayda C. Winter
 Signature

CHAIR
 Title
8/22/12
 Date

Note: **Item E** - Although requested by the Successor Agency ("SA"), the San Diego County Auditor-Controller ("County A-C") will not provide anticipated RPTTF Funding until after September 1, 2012. Therefore, this estimate is a good faith estimate of the SA based on prior year actual tax increment funding.

Item F - Because there will be a deficit for the period of January 1, 2013 through June 30, 2013, the SA intends on issuing a Notice of Insufficient Funds prior to December 1, 2012 to the County A-C notifying the County A-C pursuant to Section 34183(b) that the SA has insufficient funds to make payments on all obligations for the period ending June 30, 2013.

Item G - This amount was provided by letter dated July 9, 2012 from the County A-C to Gregory Wade of the City of Imperial Beach as the amount DOF approved maximum RPTTF, as discussed with and agreed to by the DOF.

Name of Successor Agency: Imperial Beach
County: San Diego

Oversight Board Approval Date: 8/22/12

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III)
January 1, 2013 through June 30, 2013

Item #	Project Name / Debt Obligation	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2012-13	Funding Source					
									LMHF	Bond Proceeds	Reserve Balance	Admin Allowance	RPTTF	Other
1	2003 Tax Allocation Bonds Series A	December 2003	December 2035	Wells Fargo Bank	Bond Debt Service pursuant to Section 34171 (d) (1) (A) and 34171(d)(1) (E)	Palm Ave Commercial Center PA1, PA2	\$ 32,551,637	\$ 1,553,204					\$ 1,020,792	\$ 1,020,792
2	2010 Tax Allocation Bonds Series	November 2010	November 2041	Wells Fargo Bank	Bond Debt Service pursuant to Section 34171 (d) (1) (A) and 34171(d)(1) (E)	Palm Ave Commercial Center PA1, PA2	\$ 44,415,150	\$ 1,161,903					\$ 655,853	\$ 655,953
3	2003 Tax Allocation Bonds Series A	December 2003	December 2035	Wells Fargo Bank	Bond Debt Service pursuant to Section 34171 (d) (1) (A) and 34171(d)(1) (E). See Notes Page.	Palm Ave Commercial Center PA1, PA2	See Above	See Above					\$ 518,787	\$ 518,787
4	2010 Tax Allocation Bonds Series	November 2010	November 2041	Wells Fargo Bank	Bond Debt Service pursuant to Section 34171 (d) (1) (A) and 34171(d)(1) (E). See Notes Page.	Palm Ave Commercial Center PA1, PA2	See Above	See Above					\$ 524,003	\$ 524,003
5	Housing Loan/Advance to make Bond Payment	May 2012	Upon Receipt from County Auditor Controller	Housing Authority	Advance/loaned Housing Deficiency Low Mod Tax Increment Funds loaned/advanced to pay May 2012 Bond Payments. Section 34171 (d) (1) (G). See Notes Page.	Palm Ave Commercial Center PA1, PA2	\$ 369,607	\$ 369,607					\$ 369,607	\$ 369,607
6	Housing Loan/Advance to pay Enforceable Obligations	June 2012	Upon Receipt from County Auditor Controller	Housing Authority	Advance/loaned Housing Deficiency Low Mod Tax Increment Funds loaned/advanced to pay ROPS 1 & 2 enforceable obligations. Section 34171 (d) (1) (G). See Notes Page.	Palm Ave Commercial Center PA1, PA2	\$ 872,273	\$ 872,273					\$ 872,273	\$ 872,273
7	Housing (HA) Loan/Advance to pay Enforceable Obligations	June 2012	Upon Receipt from County Auditor Controller	Housing Authority	Advance/loaned Housing Deficiency Low Mod Tax Increment Funds (HA) loaned/advanced to pay ROPS 1 & 2 enforceable obligations. Section 34171 (d) (1) (G). See Notes Page.	Palm Ave Commercial Center PA1, PA2	\$ 822,801	\$ 822,801					\$ 822,801	\$ 822,801
8	Housing Agreement	January 2011	N/A	Imperial Beach	For provisions of housing costs under CRL pursuant to Health and Safety Code 34171 (d) (3), 34176. See Notes Page	Palm Ave Commercial Center PA1, PA2							\$ 80,000.00	\$ 80,000
9	Clean & Green Program	TBD	TBD	Various Contractors/Project Management	Tax Exempt Housing Bond Indenture Project pursuant to and consistent with 2003 Tax Allocation Bonds Series A issued December 2003. See Notes Page.	Palm Ave Commercial Center PA1, PA2							\$ 380,000	\$ 380,000
10	Habitat Project	TBD	TBD	Habitat P.M./Project Management	Tax Exempt Housing Bond Indenture Project pursuant to and consistent with 2003 Tax Allocation Bonds Series A issued December 2003. See Notes Page.	Palm Ave Commercial Center PA1, PA2							\$ 533,000	\$ 533,000
11	Admin Budget	N/A	N/A	City of Imperial Beach	Per AB 28/AB 1484. The Administrative Budget and estimated payment with RPTTF was approved by SA on August 1, 2012 by Resolution No. SA-12-12 and presented to the Oversight Board for approval on August 22, 2012, in accordance with Sections 34177(j) and 34177(k).	Palm Ave Commercial Center PA1, PA2							\$ 270,510	\$ 270,510
12	City Service Agreement	Effective July 1, 2007	To Be Determined	City of Imperial Beach	Per AB 28/AB 1484 - Section 34171 (d) (1) (F), 34178 (e), 34180 (h). See Notes Page.	Palm Ave Commercial Center PA1, PA2							\$ 240,000	\$ 240,000
13	Legal	May 2011	To Be Determined	McDougal/Kane Balmer	Legal Services provided to SA. See Notes Page.	Palm Ave Commercial Center PA1, PA2	N/A	\$ 160,000					\$ 80,000	\$ 80,000
14	Hotel Project Requirement	December 2010	Ending date based on DDA - Estimated in 11th year of hotel operation	City of Imperial Beach	Fulfillment of Project requirements per DDA. See Notes Page.	Palm Ave Commercial Center PA1, PA2	Estimated at \$55,000	\$ 5,000					\$ 5,000	\$ 5,000
15	Capital Trailer Rental	August 2008	Completion of Bond Projects	Bert's Mobile Home	Temp Trailer for Project Management. See Notes Page.	Palm Ave Commercial Center PA1, PA2	N/A	\$ 3,800					\$ 1,800	\$ 1,800
16	Due Diligence Review ("DDR") Preparation Cost	To Be Determined, July 27, 2012 enactment of AB 1484	Completion of Audit	Lance Sells/Vavrinek Trine/Other	To perform DDR as required by Section 34179.5. See Notes Page.	Palm Ave Commercial Center PA1, PA2	N/A	\$ 40,000					\$ 40,000	\$ 40,000
17	2003 Tax Allocation Bonds Series A	December 2003	December 2035	Wells Fargo Bank	Bond Debt Service. See Notes Page.	Palm Ave Commercial Center PA1, PA2	\$ 32,551,637	\$ 1,553,204					\$ 533,082	\$ 533,082
18														
19														
Note 1:	To the extent RPTTF is not available to pay an enforceable obligation, then the SA is authorized pursuant to Section 34177(a)(4) to make payments on an enforceable obligation from any other funds it may have available, if any, at the time a payment is to be made.													
Note 2:	All citations to "Section" are to the Health and Safety Code unless otherwise indicated.													

Name of Successor Agency: Imperial Beach
 County: San Diego

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III) -- Notes (Optional)
January 1, 2013 through June 30, 2013

Item #	Notes/Comments
All	To the extent RPTTF is not available to pay an enforceable obligation, then the SA is authorized to make payments on an enforceable obligation from any other funds it may have available, if any, at the time a payment is to be made.
3	A bond debt service reserve must be established to meet cash flow requirements of the bond debt service payments listed in Item 3. There are semi-annual debt service payments made 5 days before June 1 and 5 days before December 1 of each year. The December payment is interest only and the June payment is principal and interest. The June payment totals \$1,020,792 while the December payment totals approximately \$518,787. The amount of property tax available to the SA will typically be greater in January than in June. The \$518,787 requested for bond debt service reserve is intended to ensure that, together with the amount of property tax anticipated to be distributed to the SA in June 2013, sufficient funds will be available to make the December 2013 payment. This reserve for a bond debt service payment due December 2013, constitutes an enforceable obligation pursuant to Health and Safety Code Section 34171(d)(1)(A) and 34171(d)(1)(E).
4	A bond debt service reserve must be established to meet cash flow requirements of the bond debt service payments listed in Item 4. There are semi-annual debt service payments made 5 days before June 1 and 5 days before December 1 of each year. The December payment is interest only and the June payment is principal and interest. The June payment totals \$655,953 while the December payment totals approximately \$524,003. The amount of property tax available to the SA will typically be greater in January than in June. The \$518,787 requested for bond debt service reserve is intended to ensure that, together with the amount of property tax anticipated to be distributed to the SA in June 2013, sufficient funds will be available to make the December 2013 payment. This reserve for a bond debt service payment due December 2013, constitutes an enforceable obligation pursuant to Health and Safety Code Section 34171(d)(1)(A) and 34171(d)(1)(E).
5-7	In order to make required payments on enforceable obligations listed in the approved ROPS 1 and ROPS 2, funds from the Low and Moderate Income Housing Fund were required to be loaned/advanced to the SA for the SA to make such required payments. These funds are otherwise committed to be used toward providing the required affordable housing as required by the California Community Redevelopment Law to address to deficit of affordable housing within the City. Such loans/advances are enforceable obligations pursuant to Section 34171(d)(1)(G) upon the oversight Board's approval of the repayment schedule pursuant to Section 34180(a). The repayment schedule is upon receipt of property taxes from the County as listed on the Third ROPS and any future ROPS, subject to the repayment restrictions set forth in Section 34176(e)(6)(B). On August 1, 2012, pursuant to Resolution SA-12-13, the SA approved the repayment of these loans/advances. However, such repayment of the loans/advances to the Housing Authority is subject to the repayment restrictions set forth in Section 34176(e)(6)(B) or as otherwise required by law.
8	The funding required by the Housing Agreement is also authorized by former Redevelopment Agency Resolution No. 2011-6989 and City Council Resolution No. R-11-241 Establishing Housing Authority & Authorizing Transfer of Funds.
9	This is a project consistent with the use of bond proceeds pursuant to the 2003 Tax Allocation Bonds Series A, an enforceable obligation pursuant to Section 34171(d)(1)(A), and furthers the purposes for which the bonds were issued, in accordance with Section 34177(i). In addition, pursuant to Section 34176(g), the Housing Authority's issued a Notice to the SA dated July 24, 2012 designating the use and commitment of these Excess Housing Bonds Proceeds toward the Clean & Green Program in the amount of \$380,000. On August 1, 2012 by Resolution SA-12-11, the SA made the determination that (i) the use and commitment of these Excess Housing Bonds Proceeds is consistent with the 2003 Housing Bonds covenant obligations, including requirements relating to tax status, and (ii) that there are sufficient Excess Housing Bonds Proceeds available for the designated purposes. These same determinations were presented to the Oversight Board on August 22, 2012. Upon approval of the Third ROPS, these funds will be transferred from Housing Authority to the SA for disbursement pursuant to Section 34176(g). The use of these funds toward this project were included on the now effective First ROPS as approved by the SA and Oversight Board and not disputed by the DOF.
10	This is a project consistent with the use of bond proceeds pursuant to the 2003 Tax Allocation Bonds Series A, an enforceable obligation pursuant to Section 34171(d)(1)(A), and furthers the purposes for which the bonds were issued, in accordance with Section 34177(i). In addition, pursuant to Section 34176(g), the Housing Authority's issued a Notice to the SA dated July 24, 2012 designating the use and commitment of these Excess Housing Bonds Proceeds toward the Habitat Project in the amount of \$533,000. On August 1, 2012 by Resolution SA-12-11, the SA made the determination that (i) the use and commitment of these Excess Housing Bonds Proceeds is consistent with the 2003 Housing Bonds covenant obligations, including requirements relating to tax status, and (ii) that there are sufficient Excess Housing Bonds Proceeds available for the designated purposes. These same determinations were presented to the Oversight Board on August 22, 2012. Upon approval of the Third ROPS, these funds will be transferred from Housing Authority to the SA for disbursement pursuant to Section 34176(g). The use of these funds toward this project were included on the now effective First ROPS as approved by the SA and Oversight Board and not disputed by the DOF.
12	On August 1, 2012 pursuant to Resolution No. SA-12-13, the SA approved the SA reentering into this City Services Agreement between the City of Imperial Beach and the former Redevelopment Agency in order to reimburse the City for costs incurred in connection with administrative and operational costs of the SA. This approval has been proposed and submitted to the Oversight Board for consideration on August 22, 2012. Upon the Oversight Board's approval of the SA reentering into such Agreement, this item constitutes an enforceable obligation pursuant to Sections 34171(d)(1)(F), 34178(a), and 34180(b).
13	Each of these Legal Services Agreement were executed by the former RDA and constitute an enforceable obligation pursuant to Section 34171(d)(1)(E). In addition, the services assist the SA in its wind down of former RDA affairs and therefore constitute enforceable obligations pursuant to Sections 34171(d)(1)(F) and 34177.3(b).

Name of Successor Agency: Imperial Beach
 County: San Diego

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III) -- Notes (Optional)
January 1, 2013 through June 30, 2013

14	These costs are associated with a DDA entered into by and between the former RDA. Pursuant to Section 34171(d)(1)(E), this item constitutes an enforceable obligation. This item is specifically excluded from the definition of and payment by the administrative cost allowance and does not constitute an administrative cost as a project-related cost pursuant to Section 34171(b).
15	These costs are associated with a contract entered into by and between the former RDA. Pursuant to Section 34171(d)(1)(E), this item constitutes an enforceable obligation. Further, agreements or contracts necessary for the costs of maintaining assets of the former RDA are enforceable obligations pursuant to Section 34171(d)(1)(F). This item is specifically excluded from the definition of and payment by the administrative cost allowance and does not constitute an administrative cost as a cost for maintaining assets pursuant to Section 34171(b).
16	This cost is required by State law set forth at Section 34179.5 and, therefore, constitutes an enforceable obligation pursuant to Section 34171(d)(1)(C). In addition, the SA will be entering into a services agreement with the selected accountant for preparation of the DDR. This agreement and its cost shall constitute an enforceable obligation pursuant to Sections 34171(d)(1)(F) and 34177.3(b). This cost may need to be paid by the SA during the period ending December 31, 2012 since information from the DDR is required to be provided to the DOF in November 2012. Therefore, the SA may be required to borrow funds from either encumbered funds or another source, including the County Treasury, in order to make such payment, which funds borrowed shall be repaid with RPTTF received during the Third ROPS period and thereafter until repaid in full.
17	Bond Debt Service Payment in the amount of \$533,092 was included on the Second ROPS for the period ending December 31, 2012, as approved by the SA and OB and not disputed by the DOF. However, there are insufficient funds to make this payment which is due in November 2012. Therefore, this obligation is added to this Third ROPS as a carry-over obligation requiring payment from the RPTTF. This payment constitutes an enforceable obligation pursuant to Section 34171(d)(1)(A). Further, the SA issued a Notice of Insufficient Funds dated April 30, 2012 to the County A-C notifying the County A-C pursuant to Section 34183(b) that the SA has insufficient funds to make payments on all obligations for the period ending December 31, 2012. In addition, the SA submitted a cash flow analysis to the County A-C in support of its Notice showing a deficit of \$3,208,435. Therefore, the SA may be required to borrow funds from either encumbered funds or another source, including the County Treasury, in order to make such payment, which funds borrowed shall be repaid with RPTTF received during the Third ROPS period and thereafter until repaid in full.

Page /Form	Line	Project Name / Debt Obligation	Payee	Description/Project Scope	Project Area	LMIHF		Bond Proceeds		Reserve Balance		Admin Allowance		RPTTF		Other	
						Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual	Estimate	Actual
4	38	Veterans Park	City of IB - US Bank	Tax Exempt Bond Indenture Project. Incurred \$266 from 1/1/12 - 6/30/12. See Note 2 below.	Palm Ave Commercial Center PA1, PA2			0	0								
4	39	Veterans Park	City of IB - Project Management	Tax Exempt Bond Indenture Project. Incurred \$10,206 from 1/1/12 - 6/30/12. See Note 2 below.	Palm Ave Commercial Center PA1, PA2			0	0								
4	40	Storm Drain Intercept	City of IB - Various	Tax Exempt Bond Indenture Project. Incurred \$0 from 1/1/12 - 6/30/12. See Note 2 below.	Palm Ave Commercial Center PA1, PA2			466,000	466,000								
4	44	Date Street Seacoast Inn	City of IB - Imperial Coast	Tax Exempt Bond Indenture Project. Incurred \$0 from 1/1/12 - 6/30/12. See Note 2 below.	Palm Ave Commercial Center PA1, PA2			241,812	241,812								
4	45	Date Street	City of IB - Nasland Engineering	Tax Exempt Bond Indenture Project. Incurred \$2,950 from 1/1/12 - 6/30/12. See Note 2 below.	Palm Ave Commercial Center PA1, PA2			0	0								
4	46	9th & Palm/ Other Bond Projects	City of IB - Kane Bailmer/McDougal	Tax Exempt Bond Indenture Project. Incurred \$9,800 from 1/1/12 - 6/30/12. See Note 2 below.	Palm Ave Commercial Center PA1, PA2			74,496	74,496			8,714					
4	47	9th & Palm/ Other Bond Projects	City of IB - Copper Varco	Tax Exempt Bond Indenture Project. Incurred \$0 from 1/1/12 - 6/30/12. See Note 2 below.	Palm Ave Commercial Center PA1, PA2			17,500	17,500								
4	48	9th & Palm/ Other Bond Projects	City of IB - Keyser Marston	Tax Exempt Bond Indenture Project. Incurred \$281 from 1/1/12 - 6/30/12. See Note 2 below.	Palm Ave Commercial Center PA1, PA2			19,926	19,926								
4	49	9th & Palm/ Other Bond Projects	City of IB - Urban Systems	Tax Exempt Bond Indenture Project. Incurred \$2,040 from 1/1/12 - 6/30/12. See Note 2 below.	Palm Ave Commercial Center PA1, PA2			24,933	24,933								
4	59	9th & Palm Southbay Relocation	Southbay Drugs	9th and Palm Project	Palm Ave Commercial Center PA1, PA2							157,791		150,000			
4	51	9th & Palm Goodwill Relocation	Goodwill Industries	9th and Palm Project	Palm Ave Commercial Center PA1, PA2							208,744		210,000			
4	55	9th & Palm	Project Management/Legal	9th and Palm Project	Palm Ave Commercial Center PA1, PA2			90,000	90,000								
4	56	Eco-Bikeway	KOA Corporation	Tax Exempt Bond Indenture Project. Incurred \$0 from 1/1/12 - 6/30/12. See Note 2 below.	Palm Ave Commercial Center PA1, PA2			1,310	1,310								
4	59	Eco-Bikeway	Project Management	Tax Exempt Bond Indenture Project. Incurred \$1,748 from 1/1/12 - 6/30/12. See Note 2 below.	Palm Ave Commercial Center PA1, PA2			6,000	6,000								
5	25	Section 33676 Payments	Various	Pass Thru Actual	Palm Ave Commercial Center PA1, PA2									576,814	2,027,415		
NOTE 1:		The actual amounts provided are estimates since the books of the SA are not yet closed for the period January 1, 2012 through June 30, 2012 and there may be payments not yet recorded in the SA's general ledger.															
NOTE 2:		Pursuant to the Cooperation Agreement for Payment of Costs Associated with Certain Redevelopment Agency Funded Projects dated February 16, 2011 and entered into the City of Imperial Beach ("City") and the former Redevelopment Agency ("RDA"), as amended, the City is providing project delivery services utilizing tax exempt bond proceeds as the funding source in furtherance of the Bond Indenture and bond issuance related documents, including services related to management and implementation of the former RDA projects, including the subject enforceable obligation. These projects are in furtherance of the bond documents and consistent with the purposes for which the bonds were issued by the former RDA. The estimated funding amount for this line item obligation has been paid to the City for project management and implementation. A portion of the estimated funding amount has been incurred and paid for the project in the amount indicated in the Description/Project Scope. The City continues to hold and retain the remaining portion of the funds for disbursement as the project progresses toward completion.															
NOTE 3:		The SA issued a Notice of Insufficient Funds dated March 29, 2012 to the County A-C notifying the County A-C pursuant to Section 34183(b) that the SA has insufficient funds to make payments on all obligations for the period ending June 30, 2012. In addition, the SA submitted a cash flow analysis to the County A-C in support of its Notice showing a deficit of \$1,195,320.															