

## RESOLUTION NO. SA-14-45

### A RESOLUTION OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING AND ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 14-15B) FOR THE 6-MONTH PERIOD FROM JANUARY 1, 2015 THROUGH JUNE 30, 2015 AND APPROVING RELATED ACTIONS

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

**WHEREAS**, Assembly Bill No.X1 26 (2011-2012 1<sup>st</sup> Ex. Sess.) ("AB 26") was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code ("H&S 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 H&S 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 expeditiously 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 on February 1, 2012 under AB 26 ("Successor Agency"); and

**WHEREAS**, on February 1, 2012, the Redevelopment Agency was dissolved by operation of law and the Successor Agency was established pursuant to AB 26; 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 was 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**, AB 26, as amended by AB 1484, has since been further amended by various assembly and senate bills signed by the Governor. AB 26 as amended is hereinafter referred to as the "Dissolution Act"; and

**WHEREAS**, H&S Code Section 34179 of the Dissolution Act establishes a seven (7) member local entity with respect to each successor agency with fiduciary responsibilities to holders of enforceable obligations and taxing entities that benefit from distributions of property

taxes, 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 H&S Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in H&S Code Sections 34179 through 34181 of the Dissolution Act; and

**WHEREAS**, on April 12, 2013, the California Department of Finance ("Department of Finance") issued the Finding of Completion to the Successor Agency pursuant to H&S Code Section 34179.7 of the Dissolution Act; and

**WHEREAS**, pursuant to H&S Code Section 34171(h) of the Dissolution Act, a "Recognized Obligation Payment Schedule" ("ROPS") means the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations of the Successor Agency for each 6-month fiscal period as provided in H&S Code Section 34177(m) of the Dissolution Act; and

**WHEREAS**, pursuant to H&S Code Section 34177(l)(3) of the Dissolution Act, the ROPS shall be forward looking to the next six (6) months; and

**WHEREAS**, according to H&S Code Section 34177(l)(1) of the Dissolution Act, the Successor Agency shall prepare a ROPS before each 6-month fiscal period. 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 ("RPTTF") 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 the Dissolution Act, 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 the Dissolution Act; and

**WHEREAS**, it is the intent of the Dissolution Act that the ROPS serve as the designated reporting mechanism for disclosing the Successor Agency's minimum bi-annual payment obligations by amount and source and that the San Diego County Auditor-Controller ("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**, pursuant to H&S Code Section 34177(m) of the Dissolution Act, the Successor Agency is required to submit the ROPS for the 6-month period of January 1, 2015 through June 30, 2015, after its approval and adoption by the Oversight Board, to the Department of Finance and the County Auditor-Controller no fewer than 90 days before the date of property tax distribution on January 2, 2015, which is no later than October 3, 2014; and

**WHEREAS**, the ROPS covering the 6-month period from January 1, 2015 through June 30, 2015 ("ROPS 14-15B") is attached to this Resolution as Exhibit "A" and is presented to the Successor Agency at this meeting for review, approval, and adoption; and

**WHEREAS**, if approved and adopted by the Successor Agency, the ROPS 14-15B shall thereafter be submitted to the Oversight Board for review, approval, and adoption. In this regard, H&S Code Section 34177(l)(2)(B) of the Dissolution Act requires the Successor Agency to submit a copy of the ROPS 14-15B to the San Diego County Administrative Officer ("County Administrative Officer"), the County Auditor-Controller, and the Department of Finance at the same time that the Successor Agency submits the ROPS 14-15B to the Oversight Board for

approval; and

**WHEREAS**, as required by H&S Code Section 34179(f) of the Dissolution Act, all notices required by law for proposed actions of the Oversight Board will be posted on the Successor Agency's internet website or the Oversight Board's internet website; and

**WHEREAS**, pursuant to H&S Code Section 34177(l)(2)(C) of the Dissolution Act, a copy of the Oversight Board-approved ROPS 14-15B 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 H&S Code Section 34177(m)(1) of the Dissolution Act, the Successor Agency shall submit a copy of the Oversight Board-approved ROPS 14-15B to the Department of Finance electronically and the Successor Agency shall have completed the ROPS 14-15B in the manner provided by the Department of Finance; and

**WHEREAS**, pursuant to H&S Code Section 34183(a)(2) of the Dissolution Act, the County Auditor-Controller is required to make a payment of property tax revenues (i.e. former tax increment funds) from the RPTTF to the Successor Agency on January 2, 2015 for payments to be made toward recognized obligations listed on the ROPS 14-15B and approved by the Department of Finance; and

**WHEREAS**, the proposed ROPS 14-15B is consistent with the requirements of the H&S Code and other applicable law; and

**WHEREAS**, the proposed ROPS 14-15B contains the schedules for payments on enforceable obligations required for the applicable 6-month period and sources of funds for payments as required pursuant to H&S Code Section 34177(l) of the Dissolution Act; and

**WHEREAS**, pursuant to H&S Code Section 34177(m) of the Dissolution Act, the ROPS 14-15B as approved and adopted by the Oversight Board shall be submitted to the Department of Finance and the County Auditor-Controller by October 3, 2014. 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 45 days after the ROPS is submitted and that the Successor Agency may, within 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 15 days before the date of property tax distribution on January 2, 2015; and

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

**WHEREAS**, all of the prerequisites with respect to the approval of this Resolution have

been met;

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

- Section 1.** The Successor Agency determines that the foregoing recitals are true and correct and are a substantive part of this Resolution.
- Section 2.** The Successor Agency approves and adopts the ROPS 14-15B for the 6-month period from January 1, 2015 through June 30, 2015, in substantially the form attached to this Resolution as Exhibit "A".
- Section 3.** The Executive Director, or designee, of the Successor Agency is authorized and directed to: (i) provide the ROPS 14-15B to the Oversight Board for review, approval, and adoption and concurrently submit a copy of the ROPS 14-15B to the County Administrative Officer, the County Auditor-Controller, and the Department of Finance; (ii) submit the ROPS 14-15B, as approved and adopted by the Oversight Board, to the Department of Finance electronically and to the County Auditor-Controller no later than October 3, 2014; (iii) submit a copy of the ROPS 14-15B, as approved and adopted by the Oversight Board, to the State Controller's Office and post the ROPS 14-15B on the Successor Agency's internet website; (iv) revise the ROPS 14-15B, and make such changes and amendments as necessary, before official submittal of the ROPS 14-15B to the Department of Finance in order to complete the ROPS 14-15B in the manner provided by the Department of Finance and to conform the ROPS 14-15B to the form or format as may be prescribed by the Department of Finance; (v) make other non-substantive changes and amendments to the ROPS 14-15B as may be approved by the Executive Director of the Successor Agency and its legal counsel; and (vi) take such other actions and execute such other documents as are necessary or desirable to effectuate the intent of this Resolution on behalf of the Successor Agency.
- Section 4.** 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 Successor Agency declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.
- Section 5.** 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 the Dissolution Act, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of the Dissolution Act, 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.

**Section 6.** The Successor Agency determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by 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 7.** This Resolution shall take effect upon the date of its adoption.

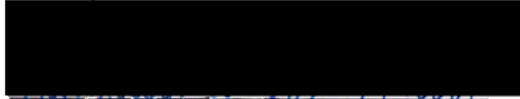
**PASSED, APPROVED, AND ADOPTED** by the Imperial Beach Redevelopment Agency Successor Agency at its meeting held on the 20<sup>th</sup> day of August 2014, by the following vote:

<b>AYES:</b>	<b>COUNCILMEMBERS:</b>	<b>BRAGG, SPRIGGS, PATTON, JANNEY</b>
<b>NOES:</b>	<b>COUNCILMEMBERS:</b>	<b>NONE</b>
<b>ABSENT:</b>	<b>COUNCILMEMBERS:</b>	<b>BILBRAY</b>



**JAMES C. JANNEY**  
**CHAIRPERSON**

**ATTEST:**



**JACQUELINE M. HALD, MMC**  
**SECRETARY**



**EXHIBIT "A"**

**IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

**January 1, 2015 through June 30, 2015  
("ROPS 14-15B")**

**(attached)**

**Recognized Obligation Payment Schedule (ROPS 14-15B) - ROPS Detail**  
**January 1, 2015 through June 30, 2015**  
 (Report Amounts in Whole Dollars)

A Item #	B Project Name / Debt Obligation	C Obligation Type	D Contract/Agreement Execution Date	E Contract/Agreement Termination Date	F Payee	G Description/Project Scope	H Project Area	I Total Outstanding Debt or Obligation	J Retired	K Funding Source					P Six-Month Total
										L Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			M RPTTF		
										K Bond Proceeds	L Reserve Balance	M Other Funds	N Non-Admin	O Admin	
								\$ 54,917,156		\$ 3,074,452	\$ -	\$ -	\$ 2,247,518	\$ 125,000	\$ 5,446,970
2	2010 Tax Allocation Bonds Series	Bonds Issued On or Before 12/31/10	11/18/2010	6/1/2040	Wells Fargo Bank	Bond Debt Service pursuant to Section 34171(d)(1)(A) and 34171(d)(1)(E) and as mandated by the bond indenture	Palm Ave Commercial Corridor PA1, PA2	21,235,000	N				755,553	125,000	755,553
4	2010 Tax Allocation Bonds Series Reserve	Bonds Issued On or Before 12/31/10	11/18/2010	6/1/2040	Wells Fargo Bank	Reserve for bond Debt Service pursuant to Section 34171 (d) (1) (A) and 34171(d)(1)( E ) and as mandated by the bond indenture	Palm Ave Commercial Corridor PA1, PA2		N				517,028		517,028
5	Housing Loan/Advance to make Bond Payment	City/County Loans On or Before 6/27/11	5/1/2012	6/30/2015	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 Corridor PA1, PA2		N						-
6	Housing Loan/Advance to pay Enforceable Obligations	City/County Loans After 6/27/11	6/1/2012	7/1/2015	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 Corridor PA1, PA2		N						-
7	Housing (HA) Loan/Advance to pay Enforceable Obligations	City/County Loans After 6/27/11	6/1/2012	7/2/2015	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 Corridor PA1, PA2		N						-
8	Housing Agreement	Miscellaneous	1/1/2011	7/3/2015	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 Corridor PA1, PA2		N						-
11	Admin Budget	Admin Costs	1/1/2015	6/30/2015	Successor Agency & City of Imperial Beach	Per Sections 34177(j) and 34177(k) of the Dissolution Act, the Administrative Budget and estimated payment with RPTTF was approved by Successor Agency on August 20, 2014 by Resolution and presented to the Oversight Board for approval by Resolution on September 10, 2014. See Notes Page.	Palm Ave Commercial Corridor PA1, PA2	125,000	N					125,000	125,000
12	City Service Agreement	City/County Loans On or Before 6/27/11	7/1/2007	12/31/2014	City of Imperial Beach	Per AB 26/AB 1484 - Section 34171 (d) (1) (F), 34178 (a), 34180 (h). See Notes Page.	Palm Ave Commercial Corridor PA1, PA2		N						-
13	Legal	Legal	11/13/2013	2/1/2016	McDougal Love/Kane Ballmer	Legal Services provided to Successor Agency per enforceable obligations.	Palm Ave Commercial Corridor PA1, PA2	200,000	N						-
14	Pier South Hotel Project Requirements	OPA/DDA/Construction	12/1/2010	3/15/2066	Successor Agency & City of Imperial Beach	Fulfillment of Project requirements per Developer/Former RDA DDA and Ground Lease, per H&S Code Section 34171(d)(1)(E). See Notes Page.	Palm Ave Commercial Corridor PA1, PA2	150,000	N				10,000		10,000
18	Litigation - Defense Costs/Fees	Litigation	4/25/2012	2/1/2016	Successor Agency, City of Imperial Beach, McDougal Love, and Kane Ballmer	Lawsuit filed by Affordable Housing Coalition of San Diego County re obligations of Former RDA. See Notes Page.	Palm Ave Commercial Corridor PA1, PA2	100,000	N				30,000		30,000
19	Oversight Board Costs Required by State Law	Admin Costs	1/1/2015	6/30/2015	Successor Agency & City of Imperial Beach	Costs incurred by Successor Agency as requested and required by the Oversight Board per State law. See Notes Page.	Palm Ave Commercial Corridor PA1, PA2	20,000	N						-
22	9th & Palm Avenue Real Estate Management	Property Maintenance	1/1/2015	6/30/2015	Successor Agency & City of Imperial Beach	Costs relating to Successor Agency owned asset per LRPMP and PSA. See Notes Page.	Palm Ave Commercial Corridor PA1, PA2	60,000	N				60,000		60,000
23	Tax Allocation Bonds Required Annual Continuing Disclosure	Fees	11/18/2010	6/1/2040	NBS	Costs relating to required annual continuing disclosure obligations of the Successor Agency on the 2013 Series A TABs and 2010 TABs. See Notes Page.	Palm Ave Commercial Corridor PA1, PA2	7,900	N				3,950		3,950

**Recognized Obligation Payment Schedule (ROPS 14-15B) - ROPS Detail**  
**January 1, 2015 through June 30, 2015**  
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Funding Source					Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
24	Tax Allocation Bonds Property Tax Data Collection/Monitoring	Fees	1/14/2004	6/1/2040	HdL	Data used by NBS for preparation of the required annual continuing disclosure obligations of the Successor Agency on the 2013 Series A TABs and 2010 TABs. See Notes Page.	Palm Ave Commercial Corridor PA1, PA2	4,050	N				2,025		2,025
25	Successor Agency Annual Financial Audit and Financial Statements Required by State Law	Dissolution Audits	9/4/2013	12/31/2014	Lance, Soll Lundgard, CPA Firm	Costs relating to the Successor Agency's preparation of Annual Audit and Financial Statements required by State law. See Notes Page.	Palm Ave Commercial Corridor PA1, PA2	6,007	N						
29	City Loan Repayment Indebtedness - Loan from City to Former RDA within 2 years of Redevelopment Plan Adoption and Expansion/Amendment - H&S Code Section 34191.4(b)	City/County Loans On or Before 6/27/11	6/7/1995	12/21/2023	City of Imperial Beach	City loan to Former RDA executed within 2 years of Redevelopment Agency formation and repaid per H&S Code Section 34191.4(b) as approved by the DOF by letter dated April 18, 2014. See Notes Page.	Palm Ave Commercial Corridor PA1, PA2	2,622,885	N						
34	Bond Services 2010 TABs and 2013 Series A Tax Allocation Refunding Bonds	Fees	11/18/2010	6/1/2040	Wells Fargo	Trustee Services for 2010 TABs and the 2013 Series A Tax Allocation Refunding Bonds. See Notes Page.	Palm Ave Commercial Corridor PA1, PA3	36,000	N				3,500		3,500
35	ROPS II Unfunded Obligations Cash-Flow Deficit	RPTTF Shortfall	7/1/2012	12/31/2014	Successor Agency & City of Imperial Beach	Actual costs incurred exceeded DOF-approved amounts on ROPS II for: Wells Fargo Bank Continuing Bond Disclosure (\$3,200 estimated versus \$4,000 actual incurred) and RDA Statute of Compliance (\$2,611 estimated versus \$2,785 actual incurred). See Notes Page.			Y						
36	2013 Series A Tax Allocation Refunding Bonds issued by the SA in compliance with H&S Code Section 34177.5 as approved by the DOF	Bonds Issued On or Before 12/31/10	12/4/2013	6/1/2033	Wells Fargo Bank	Bond Debt Service pursuant to H&S Code Section 34171 (d) (1) (A) and 34171(d)(1)( E ). See Notes Page.		27,200,862	N				395,231		395,231
37	Reserve for the 2013 Series A Tax Allocation Refunding Bonds	Reserves	12/4/2013	6/1/2033	Wells Fargo Bank	Reserve for Bond Debt Service pursuant to Section 34171 (d) (1) (A) and 34171(d)(1)( E ) and as mandated by the bond indenture.			N				395,231		395,231
38	Successor Housing Entity Administrative Cost Allowance per AB 471	Admin Costs	7/1/2014	6/30/2015	Housing Authority	Housing Entity Administrative Costs per Assembly Bill 471		75,000	N				75,000		75,000
39	Agreement Regarding Retention and Expenditure of Bond Proceeds from 2010 Tax Allocation Bond Proceeds	Bonds Issued On or Before 12/31/10	1/1/2015	6/30/2015	City of Imperial Beach	Agreement to retain and expend Bond Proceeds from 2010 Tax Allocation Bonds in a manner consistent with the purposes for which they were sold and consistent with the original bond covenants pursuant to Section 34191.4(c) and as allowed pursuant to issuance of our Finding of Completion dated April 12, 2013.	Palm Ave Commercial Corridor PA1, PA2	3,074,452	N	3,074,452					3,074,452
40									N						
41									N						
42									N						
43									N						
44									N						
45									N						
46									N						
47									N						
48									N						
49									N						
50									N						
51									N						