

**COUNTY OF SAN DIEGO
COUNTY OVERSIGHT BOARD**

**REGULAR MEETING
SEPTEMBER 24, 2014, 2:00 P.M.**

County Administration Center, Room 358
1600 Pacific Highway, San Diego, California 92101

- A. Call to Order
- B. Roll Call
- C. Approval of Statement of Proceedings/Minutes of February 24, 2014.
- D. Public Communication Speakers: Members of the public may address the Oversight Board on subject matters within the Board's jurisdiction, but not an item on this agenda. Each speaker is limited to two minutes.
- E. Discussion Item(s)
- F. Action Items
 - 1. Application to County Oversight Board to Reinstate Loan from County General Fund to Redevelopment Agency of the County of San Diego Regarding Upper San Diego River Improvement Project and Approve the Reinstated Loan Agreement between the County and the Successor Agency to the Redevelopment Agency of the County of San Diego
 - 2. Application to County Oversight Board to Reinstate Loan From County Airport Enterprise Fund To Redevelopment Agency of the County of San Diego Regarding Gillespie Field Redevelopment Project and Approve the Reinstated Loan Agreement Between the County and the Successor Agency to the Redevelopment Agency of the County of San Diego
 - 3. Adopt a Resolution Approving the Recognized Obligation Payment Schedule for January-June 2015 (ROPS 14-15B)
 - 4. Adopt an Administrative Budget for January-June 2015

Supporting documentation and attachments for items listed on this agenda can be viewed online at www.sdcounty.ca.gov or in the Office of the Clerk of the Board of Supervisors at the County Administration Center, 1600 Pacific Highway, Room 402, San Diego, CA 92101.

ASSISTANCE FOR THE DISABLED:

Agendas and records are available in alternative formats upon request. Contact the Clerk of the Board at (619) 531-5434 with questions or to request a disability-related accommodation. Individuals requiring sign language interpreters should contact the Americans with Disabilities Coordinator at (858) 505-6521. To the extent reasonably possible, requests for accommodation or assistance should be submitted at least 24 hours in advance of the meeting so that arrangements may be made. An area in the front of the room is designated for individuals requiring the use of wheelchair or other accessible devices.

G. Communications Received

H. Future Agenda Item(s)

I. Set Future Meeting Date(s)

J. Adjournment

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**MINUTES
COUNTY OF SAN DIEGO
COUNTY OVERSIGHT BOARD**

**SPECIAL MEETING
FEBRUARY 24, 2014, 11:00 A.M.
County Administration Center, Room 358
1600 Pacific Highway, San Diego, California 92101**

A. Call to Order at 11:00 a.m.

B. Roll Call

PRESENT: Chairman Matt Schneider; Vice-Chairman Scott Patterson; Secretary Robert Schiwitz; Board Member Jo Marie Diamond; Board Member Kathy Kassel; and Board Member Mario Sanchez; also Deputy Clerk Marvice Mazyck; Community Services Group Finance Director Kaye Hobson; Attorney At Law Valerie Tehan; and Senior Deputy County Counsel Mark Mead.

ABSENT: Board Member Bonnie Dowd

C. Approval of Statement of Proceedings/Minutes of September 20, 2013.

ACTION:

ON MOTION of Member Sanchez, seconded by Member Schiwitz, the Oversight Board approved the Statement of Proceedings/Minutes of September 20, 2013.

AYES: Kassel, Patterson, Sanchez, Schiwitz, Schneider

ABSENT: Diamond, Dowd

D. Public Communication Speakers: Members of the public may address the Oversight Board on subject matters within the Board's jurisdiction, but not an item on this agenda. Each speaker is limited to two minutes.

There were no public communication speakers.

E. Discussion Item(s)

There were no discussion items.

F. Action Items

1. Adopt the resolution entitled, A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY – DECEMBER 2014.

ON MOTION of Member Patterson, seconded by Member Kassel, the Oversight Board adopted Resolution OB2014-01 entitled, "A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JULY - DECEMBER 2014"

AYES: Diamond, Kassel, Patterson, Sanchez, Schiwitz, Schneider
ABSENT: Dowd

2. Adopt the resolution entitled, A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE ADMINISTRATIVE BUDGET FOR THE COUNTY OF SAN DIEGO SUCCESSOR AGENCY.

ON MOTION of Member Schiwitz, seconded by Member Diamond, the Oversight Board adopted Resolution OB2014-02 entitled, "A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE ADMINISTRATIVE BUDGET FOR THE COUNTY OF SAN DIEGO SUCCESSOR AGENCY."

AYES: Diamond, Kassel, Patterson, Sanchez, Schiwitz, Schneider
ABSENT: Dowd

G. Communications Received

There were no communications submitted to the Oversight Board.

H. Future Agenda Item(s)

There were no items for discussion.

I. Set Future Meeting Date(s)

A future meeting date is to be determined.

J. Adjournment

There being no further business, ON MOTION of Chairman Schneider, the Board adjourned at 11:30 a.m.

THOMAS J. PASTUSZKA
Clerk of the Board of Supervisors
County of San Diego, State of California

BY: MARVICE MAZYCK
Deputy Clerk of the Board of Supervisors
County of San Diego, State of California

NOTE: These Minutes set forth all actions taken by the County of San Diego Oversight Board on the matters stated, but not necessarily the chronological sequence in which the matters were taken up.

Supporting documentation and attachments for items listed on this agenda can be viewed online at www.sdcounty.ca.gov or in the Office of the Clerk of the Board of Supervisors at the County Administration Center, 1600 Pacific Highway, Room 402, San Diego, CA 92101.



COUNTY OF SAN DIEGO

AGENDA ITEM

COUNTY OVERSIGHT BOARD

COUNTY OVERSIGHT BOARD

JO MARIE DIAMOND

DR. BONNIE DOWD

KATHY KASSEL

SCOTT PATTERSON

MARIO SANCHEZ

ROBERT SCHIWITZ

MATT SCHNEIDER

DATE: September 24, 2014

01

TO: County of San Diego Oversight Board

SUBJECT: A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE REINSTATED LOAN AGREEMENT REGARDING A LOAN FROM THE COUNTY'S GENERAL FUND (DISTRICTS: ALL)

SUMMARY:

Overview

The Redevelopment Agency of the County of San Diego (Redevelopment Agency) was formed on October 14, 1974 (5 and 6), by County Ordinance 4393. The Upper San Diego River Improvement Project (USDRIP) area is one of the Redevelopment Agency's two redevelopment project areas. The Redevelopment Plan for the USDRIP area was adopted by the Board of Supervisors on July 18, 1989 (61). The USDRIP was formed as a result of efforts in the late 1970s and early 1980s to study and manage 592 acres located on both sides of the San Diego River in the Lakeside area. The USDRIP Redevelopment Plan (Redevelopment Plan) established a process for facilitating the redevelopment and revitalization of the area while providing for flood control and habitat restoration. The USDRIP was funded initially by loans from the County of San Diego General Fund.

On December 1, 1987 (10 and 11), the Board of Supervisors adopted a Resolution establishing an Administrative Fund and stipulated in section three of the Resolution that any moneys paid to and on behalf of the Agency by the County shall constitute a loan by the County to the Agency. Further, terms and conditions for amounts loaned to the Redevelopment Agency to finance redevelopment activities in the USDRIP area are specified. The Redevelopment Agency borrowed a total principal amount of \$688,780 from the General Fund between Fiscal Year 1987-88 and Fiscal Year 1993-94. As of January 31, 2012, the Redevelopment Agency has made principal repayments of \$100,000. The current outstanding principal balance owed by the Redevelopment Agency to the General Fund is \$588,780.

The Successor Agency to the Redevelopment Agency of the County of San Diego (Successor Agency) was established on January 24, 2012 (14) and the Redevelopment Agency was dissolved on February 1, 2012 pursuant to AB 1X 26, the Dissolution Act.

SUBJECT: A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE REINSTATED LOAN AGREEMENT REGARDING A LOAN FROM THE COUNTY'S GENERAL FUND (DISTRICTS: ALL)

Loan agreements by and between the County of San Diego and the Redevelopment Agency became invalid and non-binding pursuant to this legislation. According to AB 1X 26, the General Fund loan to the Redevelopment Agency was not recognized as an enforceable obligation, and therefore, repayment of the outstanding loan amount to the General Fund was not permitted. However, under subsequent "clean-up" legislation (AB 1484), loans between the former Redevelopment Agency and the County may be re-established and deemed to be an enforceable obligation upon issuance of a "Finding of Completion" by the California Department of Finance (DOF) and a finding that the loan was for legitimate redevelopment purposes by the County Oversight Board (Oversight Board). The DOF issued its Finding of Completion on May 10, 2013.

On September 16, 2014, the Successor Agency approved a Reinstated Loan Agreement between the County of San Diego and the Successor Agency, authorized the Secretary of the Successor Agency to execute the agreement if approved by the Oversight Board, and directed staff to apply to the Oversight Board pursuant to Health and Safety Code Section 34191.4(b)(1) to reinstate the loan that was made from the General Fund to the Redevelopment Agency.

This is a request to adopt a Resolution finding: the General Fund loan to the Redevelopment Agency was for legitimate redevelopment purposes; approving the Reinstated Loan Agreement; and directing the Successor Agency to list the Reinstated Loan Agreement and repayment of the loan on the Successor Agency's Recognized Obligation Payments Schedule (ROPS) for January through June 2015 (ROPS 14-15B) and on each succeeding ROPS until the loan is repaid. This is also a request for the Oversight Board to direct the Oversight Board staff to submit the Reinstated Loan Agreement and Oversight Board Resolution to the DOF.

This is a similar request to the item also being considered today regarding the Gillespie Field Redevelopment Project Area, the process and procedures for consideration of the loan reinstatement are the same, but the loan amounts and the projects are different.

Recommendation(s)

COUNTY SUCCESSOR AGENCY

1. Adopt a Resolution entitled: A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO REINSTATED LOAN AGREEMENT REGARDING A LOAN FROM THE COUNTY'S GENERAL FUND
2. Direct the Oversight Board staff to submit the Reinstated Loan Agreement and Oversight Board Resolution to the California Department of Finance.

Fiscal Impact

Reinstatement of the loan from the County General Fund to the Redevelopment

SUBJECT: A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE REINSTATED LOAN AGREEMENT REGARDING A LOAN FROM THE COUNTY'S GENERAL FUND (DISTRICTS: ALL)

Agency will result in a new enforceable obligation for the Successor Agency. Repayments will be made by distributions from the Redevelopment Property Tax Trust Fund (RPTTF) to the County General Fund. The amount of each repayment will be subject to availability of funding in the RPTTF and the other requirements of AB 1484 and other applicable law.

BACKGROUND:

The Redevelopment Plan for the USDRIP was adopted by the Redevelopment Agency on July 18, 1989 (61). The USDRIP was formed as an outgrowth of a number of efforts in the late 1970s and early 1980s to study and improve 592 acres on both sides of the San Diego River in the Lakeside area. The USDRIP was established with the goal of alleviating blight, deterioration and stagnation within the USDIRP area attributable primarily to inadequate public improvements, public facilities, and utilities. A major goal of the USDRIP was to facilitate redevelopment, revitalization, flood control and habitat restoration within the San Diego River and surrounding area in the Lakeside area. Significant progress has been made in addressing these issues. Pursuant to Health and Safety Code Section 33601, the establishment of the Redevelopment Agency and adoption of the Redevelopment Plan enabled the Redevelopment Agency to borrow money from any public agency and incur debt to complete projects within its area of operation and to use tax increment revenue to repay this debt.

On December 1, 1987 (10 and 11), the Board of Supervisors adopted a Resolution establishing an Administrative Fund and stipulated in section three of the Resolution that any moneys paid to and on behalf of the Agency by the County shall constitute a loan by the County to the Agency. Further, terms and conditions for amounts loaned to the Redevelopment Agency to finance redevelopment activities in the USDRIP area are specified. The Resolution states that all funds loaned to the Redevelopment Agency for the planning and implementation of the Redevelopment Plan for the Project Area shall be repaid with interest to the General Fund as soon as Redevelopment Agency funds are available for this purpose. No formal repayment schedule was established since it was not known when funds would be available to make repayments and how much those repayments might be each year. As of January 31, 2012, the Redevelopment Agency has made principal repayments of \$100,000, leaving a principal balance of \$588,780 outstanding.

A. USDRIP Loan History

Between Fiscal Year 1987-1988 and Fiscal Year 1994-1995, the County General Fund loaned the Redevelopment Agency a total of \$688,780 used for consultant contracts for preparation of the Redevelopment Plan, the RiverWay Specific Plan (Specific Plan), and the Environmental Impact Report (EIR) and associated environmental studies. The loaned funds were also used for environmental and administrative support by County staff acting as staff for the Redevelopment Agency to support the USDRIP, including preparation of a Habitat Management Plan, a Public Facilities Financing Plan, and a Flood Control Plan.

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B. Deliverables

Funds loaned from the General Fund were used to produce the deliverables described below.

1. Upper San Diego River Improvement Project Redevelopment Plan – Developed throughout the 1980's the USDRIP Redevelopment Plan was adopted by the Board of Supervisors on July 18, 1989 (61). The Redevelopment Plan outlined the objectives of the USDRIP to include elimination of blighted conditions, habitat restoration in the San Diego River, promotion of productive and efficient land use, and improvements in utilities and infrastructure, such as bridges, streets, and flood control and drainage facilities. The Redevelopment Plan set the boundaries of the USDRIP area, established Redevelopment Agency goals and objectives for the USDRIP area, described the powers of the Redevelopment Agency for meeting those goals and objectives, and established the legal and financial framework within which redevelopment activities took place. Redevelopment activities identified in the Redevelopment Plan included, but were not limited to the installation of public improvements, property acquisition, public outreach, working with outside agencies, property management, administering contracts, paying taxing entities, property disposition and development, developing publicly owned property, and providing low and moderate income housing. Within the Redevelopment Plan there are 19 specific goals that supported these objectives and resulted in preparation of the deliverables described below.

2. RiverWay Specific Plan and Environmental Impact Report - Adopted March 6, 1991 (5A), the Specific Plan establishes the land use and other zoning and design requirements for the Redevelopment Project Area. Adoption and implementation of the Specific Plan is consistent with the Redevelopment Plan's goal of controlling unplanned growth by guiding new development to meet the needs of the community. The Specific Plan includes design guidelines for the development in the Project Area. Implementation of the Specific Plan's design guidelines satisfies the Redevelopment Plan's goal of achieving an environment reflecting a high level of concern for architectural, landscape, and suburban design principles. The Specific Plan EIR is an informational document that decision makers and the public used to review potentially significant impacts under the California Environmental Quality Act (CEQA) resulting from implementation of Specific Plan. Biological and cultural resource studies were also conducted as part of the EIR process.

Preparation of the Specific Plan also included preparation of a Habitat Management Plan, a Public Facilities Financing Plan, and a Flood Control Plan, which are described below. These plans, the EIR, and associated environmental studies supported the Specific Plan, which, in turn, supported the goals of the Redevelopment Plan.

- a) Public Facilities Financing Plan - Originally adopted as part of the Specific Plan, the Public Facilities Financing Plan describes the public facilities that exist in the

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USDRIP area, discusses what other public facilities are needed, and proposes a strategy to finance needed improvements. The Public Facilities Financing Plan is consistent with the Redevelopment Plan's goal of promoting public improvements and facilities that are sensitive to the unique environmental characteristics of the USDRIP area. The Public Facilities Financing Plan also identified mechanisms for encouraging private sector investment in the USDRIP area, a goal of the Redevelopment Plan. The Public Facilities Financing Plan resulted in the construction of road, water and sewer line improvements that spurred private sector investment in the USDRIP area.

- b) Habitat Management Plan - Also adopted as part of the original Specific Plan, the Habitat Management Plan describes the habitat present throughout the USDRIP area and how the habitat is to be restored and managed. The Habitat Management Plan is consistent with the Redevelopment Plan's goal of providing for the enhancement and rehabilitation of riparian habitat. By establishing a strategy for restoring, reclaiming, and managing valuable habitat lands and limiting the construction and activities in the San Diego River, the Habitat Management Plan has resulted in reclamation, restoration, and re-vegetation of the San Diego River in the USDRIP area.
 - c) USDRIP Flood Control Plan - The Flood Control Plan, adopted December 8, 1992 (44), establishes the future alignment of the San Diego River and the structures required for flood control. The Flood Control Plan is consistent with the Redevelopment Plan's goals of improving the San Diego River channel, eliminating flood hazards that constrain development in the USDRIP area and implementing a San Diego River Flood Control and Environmental Rehabilitation Plan. The Flood Control Plan resulted in construction of necessary flood control facilities in the San Diego River, improvement of the river channel, and rebuilding of adjacent riparian habitat.
3. Market Demand Analysis - County staff acting as staff for the Redevelopment Agency conducted a market demand analysis for residential, commercial, industrial, and recreational uses in the USDRIP area in Fiscal Year 1993-1994. This analysis allowed County staff acting as staff for the Redevelopment Agency to understand the development potential of the USDRIP area based on market demand and to ensure Redevelopment Agency goals from the Redevelopment Agency Plan were achievable.
 4. Redevelopment Agency Administration - County staff acted in the capacity of Redevelopment Agency Administration staff. In this capacity, County staff reviewed environmental and other studies prepared by other agencies, jurisdictions, and consultants. County staff completed the Redevelopment Plan, Specific Plan, EIR, Public Facilities Financing Plan, Habitat Management Plan, and Flood Control Plan for the Project Area. County staff also prepared an USDRIP Status Report and reviewed a market analysis of City of San Diego-owned parcels in the Project Area in Fiscal Year

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1992-1993. In Fiscal Year 1993-1994, County staff completed a market demand analysis for commercial, residential, industrial, and recreational uses in the USDRIP area. County staff regularly attended meetings with outside agencies, other jurisdictions, Community Planning Groups, property and business owners, and other stakeholder groups during the preparation and implementation of all the plans and studies described above. These County administrative support costs were legitimate expenses for redevelopment purposes because staff was acting in the capacity of the Redevelopment Agency Administration staff.

USDRIP GENERAL FUND LOAN EXPENDITURES FISCAL YEARS 1988-1989 TO 1994-1995	
Rosenow Spevacek Group: • USDRIP Redevelopment Plan	\$101,791.84
Brian F Mooney & Associates: • RiverWay Specific Plan ○ Public Facilities Financing Plan ○ Habitat Management Plan ○ Flood Control Plan • Environmental Impact Report • Biological & Cultural Resources Studies	\$151,337.46
Geralo Gast: • RiverWay Specific Plan • Environmental Impact Report	\$6,270.00
Total Payments to Consultants	\$259,399.30
County of San Diego Administrative Support	\$429,380.70
TOTAL EXPENDITURES	\$688,780.00
TOTAL REPAID	\$100,000.00
TOTAL REMAINING BALANCE	\$588,780.00

C. Successor Agency

The Successor Agency was established on January 24, 2012 (14) and the Redevelopment Agency was dissolved on February 1, 2012 pursuant to AB 1X 26, the Dissolution Act. Successor agencies were established to satisfy certain financial obligations and conclude activities of the now dissolved redevelopment agencies. The Successor Agency is the designated Successor Agency for the County's Redevelopment Agency. The Successor Agency must comply with state law to ensure payment of all enforceable obligations.

Loan agreements between the County and the Redevelopment Agency became invalid pursuant to AB 1X 26. As a result, under AB 1X 26 the General Fund loan to the Redevelopment Agency was not recognized as an enforceable obligation, and repayment of the outstanding loan amount to the General Fund was not permitted. Subsequent "clean-up"

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legislation, AB 1484, became effective at the end of June 2012, amended and supplemented AB 1X 26, and added Health and Safety Code Section 34191.4. Subsection (b) of Section 34191.4 allows for a loan between a redevelopment agency and the county that established the redevelopment agency to be re-established and deemed to be an enforceable obligation, upon issuance of a "Finding of Completion" by the DOF and a finding that the loan was for legitimate redevelopment purposes by the Oversight Board.

Any repayment of the loan must be listed on a Recognized Obligation Payment Schedule (ROPS), as approved by the Oversight Board and the DOF. The Successor Agency is required to prepare two ROPS each year. Each ROPS lists the Successor Agency's enforceable obligations payable during the six-month fiscal period. In anticipation of the Oversight Board finding that the loan from the General Fund was made for legitimate redevelopment purposes, the Successor Agency has included repayment of the USDRIP General Fund loan on ROPS 14-15B (January 1, 2015 through June 30, 2015).

The DOF issued the Finding of Completion to the Successor Agency on May 10, 2013. The Successor Agency approved submitting the reinstated loan agreement to the Oversight Board on September 16, 2014. Approval of today's recommended action will allow the Oversight Board to direct staff to submit the Reinstated Loan Agreement and the Oversight Board Resolution to the DOF.

Health and Safety Code Section 34191.4(b)(2) provides that any reinstated loan is subject to the following modified terms:

1. Each of the annual loan repayment amounts will be subject to the maximum amounts allowed under State Code section 34191.4(b)(2), which defines the calculations to be used in assessing the annual tax increment available.
2. Accumulated interest on the remaining principal amount of the reinstated loan must be recalculated from the date of loan origination at the interest rate earned by funds deposited into the Local Agency Investment Fund (LAIF) Rate.
3. Twenty percent of any available loan repayment amount in the RPTTF shall be deducted from that available loan repayment amount prior to funds being dispersed to the General Fund and shall be transferred to the Low and Moderate Income Housing Fund. The twenty percent deduction does not impact the total reinstated loan amount.
4. Successor Agency must repay the reinstated loan to the County in accordance with a defined schedule over a reasonable term of years, during which period the loan will continue to accrue interest at the LAIF Rate.

Assuming the Oversight Board's approval of the re-establishment of the loan (and no objection from the DOF upon their review of the Oversight Board Resolution), the actual

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dollar amount to be repaid by the Successor Agency for each loan repayment will be subject to the availability of funding in the RPTTF and the annual cap imposed by AB 1484.

D. Reinstated Loan Agreement

The following are the significant terms of the reinstated loan agreement:

1. The reinstated loan amount is \$588,780 of principal and \$119,521.47 of accumulated interest at the LAIF rate of 0.22%.
2. Under the repayment schedule, the loan would be repaid in 20 years assuming the Successor Agency has sufficient funds to make each estimated loan repayment.
3. Twenty percent of any loan repayment shall be deducted from loan repayment amount and allocated to the County's Low and Moderate Income Housing Asset Fund.

On September 16, 2014, the Successor Agency approved a reinstated loan agreement between the County of San Diego and the Successor Agency, authorized the Secretary to the Successor Agency to execute the agreement if approved by the Oversight Board, and directed staff to apply to the Oversight Board pursuant to Health and Safety Code Section 34191.4(b)(1) to reinstate the loan that was made from the General Fund to the Redevelopment Agency.

Today's request is to adopt a Resolution finding that the General Fund loan to the Redevelopment Agency was for legitimate redevelopment purposes, approving the Reinstated Loan Agreement, and directing the Successor Agency to list the Reinstated Loan Agreement and repayment of the loan on the Successor Agency's ROPS for January through June 2015 (ROPS 14-15B) and on each succeeding ROPS until the loan is repaid. This is also a request for the Oversight Board to direct the Oversight Board staff to submit the Reinstated Loan Agreement and Oversight Board Resolution to the DOF.

Respectfully submitted,

HELEN N. ROBBINS-MEYER



By
DAVID ESTRELLA
Deputy Chief Administrative Officer

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RELATED TO THE REINSTATED LOAN AGREEMENT REGARDING A
LOAN FROM THE COUNTY'S GENERAL FUND (DISTRICTS: ALL)**

ATTACHMENT(S)

Attachment A – Reinstated General Fund Loan Agreement

Attachment B – Reinstated General Fund Loan Agreement Repayment Schedule

Attachment C – Resolution of the County of San Diego Oversight Board Related to the
Reinstated Loan Agreement Regarding a Loan from the County's General Fund

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AGENDA ITEM INFORMATION SHEET

PREVIOUS RELEVANT BOARD ACTIONS:
N/A

MANDATORY COMPLIANCE:
N/A

CONTACT PERSON(S):

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E-mail

Approval Log For:

Attachment_A_Reinstated_General_Fund_Loan_Agreement.docx

Attachment_B_Reinstated_General_Fund_Loan_Repayment_Schedule.docx

Attachment_C_USDRIP_Reinstated_General Fund_Loan_Resolution.docx

Attachment A Exhibits_USDRIP.pdf

USDRIP RDA Loan Oversight Board Letter_FINAL Clean.docx

Approver's Name	Approvers Job Title	Approver's Department	Time and Date of Final Approval
Toroshinia Kennedy	Admin Analyst III	Office of Financial Planning	9/17/2014 3:37:26 PM
Kristen Laychus	Deputy County Counsel	County Counsel	9/17/2014 1:13:06 PM
Brian Hagerty	Group Finance Director	Executive Office	9/17/2014 1:13:05 PM

REINSTATED LOAN AGREEMENT BETWEEN THE COUNTY OF SAN DIEGO AND
THE COUNTY OF SAN DIEGO SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE COUNTY OF SAN DIEGO REGARDING THE LOAN FROM THE
COUNTY'S GENERAL FUND

This Reinstated Loan Agreement (Loan Agreement) is entered into on September 16, 2014 between the County of San Diego, a political subdivision of the State of California (County), and the Successor Agency to the Redevelopment Agency of the County of San Diego (Successor Agency), a public entity established by state law and the successor to the Redevelopment Agency of the County of San Diego (Redevelopment Agency).

RECITALS

The County and the Successor Agency (collectively, Parties) enter into this Loan Agreement with reference to the following facts:

Section

- A. The Redevelopment Agency of the County of San Diego (Redevelopment Agency) dissolved on February 1, 2012 pursuant to Assembly Bill 1X 26 (AB 26), at which time the Successor Agency was created and assumed the former Redevelopment Agency's assets, rights and obligations under Community Redevelopment Law. On June 27, 2012, the Assembly Bill 1484 (AB 1484) became effective, which clarified certain aspects of the process of the expeditious winding down of the former redevelopment agencies' operations. AB 26 and AB 1484 (collectively, Dissolution Laws) require the Successor Agency to prepare a Recognized Obligation Payments Schedule (ROPS) for each six-month period on a forward-looking basis. Under the Dissolution Laws, the County Auditor and Controller administers and makes semi-annual distributions of monies from the Redevelopment Property Tax Trust Fund (RPTTF), which is comprised of incremental property taxes generated in the County's two redevelopment project areas, Upper San Diego River Improvement Project (USD RIP) and Gillespie Field. A seven-member Oversight Board and the California Department of Finance (DOF) oversee certain actions and decisions of the Successor Agency.
- B. Health and Safety Code Section 34171(d)(2) generally provides that "enforceable obligation" does not include "any agreements, contracts, or arrangements between the city, county, or city and county that created the redevelopment agency and the former redevelopment agency." Consequently, according to AB 26, the loan agreement between the County and its Redevelopment Agency for the loan of General Fund money to the former Redevelopment Agency ceased to be an enforceable obligation which could be repaid.
- C. Pursuant to Health and Safety Code Section 34191.4(b), notwithstanding Health and Safety Code Section 34171(d)(2) noted above, the County and the Successor

Agency may reinstate, subject to certain conditions and modified terms, loan agreements between the County and its Redevelopment Agency.

- D. As interpreted by DOF, Health and Safety Code Section 34191.4(b)(1) requires the following conditions to be satisfied before a loan agreement may be reinstated: (1) the Successor Agency must have obtained a finding of completion from DOF pursuant to Health and Safety Code Section 34179.7; (2) the Oversight Board must adopt a resolution that approves the reinstated loan as an enforceable obligation and the Oversight Board find that the original loan was for legitimate redevelopment purposes; and (3) DOF must approve the Oversight Board's action or the action is deemed approved in accordance with Health and Safety Code Section 34179(h).
- E. On May 10, 2013 the Successor Agency obtained a finding of completion from DOF. On _____ the Oversight Board adopted a resolution that approved the reinstated loan as an enforceable obligation and found that the original loan was for legitimate redevelopment purposes. On _____ Oversight Board staff sent the Oversight Board resolution to DOF for its review.
- F. Health and Safety Code Section 34191.4(b)(2) as interpreted by DOF provides that any reinstated loan will be subject to the following modified terms: (1) the Successor Agency's maximum annual repayment amount on all reinstated loans shall be equal to 50% of the increase between the residual balance amount distributed to the local taxing entities during the base Fiscal Year 2012-13 and the actual residual balance amount distributed to the local taxing entities during any subsequent fiscal year (50% Increase Formula); (2) the Successor Agency's annual payments to the County on reinstated loans must be reflected in the applicable ROPS and may commence in the Fiscal Year 2014-15; (3) in each fiscal year, the maximum annual repayment amount is calculated with reference to the 50% Increase Formula as applied to actual residual balance distributions made in the immediately preceding fiscal year; (4) the accumulated interest on the remaining principal amount of the invalidated loan must be recalculated from the date of loan origination at the interest rate earned by funds deposited into the Local Agency Investment Fund (LAIF Rate); (5) the Successor Agency must deduct 20% of any reinstated loan payment from the loan payment amount and transfer this deducted amount to the County's Loan and Moderate Income Housing Asset Fund (Housing Fund); and (6) the Successor Agency must repay the reinstated loan to the County in accordance with a defined schedule over a reasonable term of years, during which period the loan will continue to accrue interest at the LAIF Rate. Should subsequent legislation revise how accumulated interest is to be calculated, the reinstated loan will recalculate the accumulated interest from origination date to remain consistent with law.
- G. Before it was dissolved, the Redevelopment Agency managed two redevelopment projects, the Upper San Diego River Improvement Project and Gillespie Field Redevelopment Project Area.

- H. On March 4, 1975 (94), the County and its Redevelopment Agency entered into an agreement "Establishing Certain County-Agency Relationships." Section 502 of that agreement stated, "The County will establish an Agency Administrative Fund with the money appropriated and paid to the Agency as a loan to be repaid upon such terms and conditions as the Board of Supervisors provides." On December 1, 1987 (10 and 11), the Board of Supervisors established the Redevelopment Agency Administrative Fund and adopted a Resolution establishing terms and conditions of amounts loaned from the Administrative Fund to the Redevelopment Agency. A copy of the 1987 Resolution is attached hereto as Exhibit A. As stated in that Resolution, "The moneys paid to or on behalf of the Redevelopment Agency by the County from the Administrative Fund shall constitute a loan by the County to the Redevelopment Agency." The Resolution also stated that "the Redevelopment Agency shall repay any loans and accrued interest as soon as Redevelopment Agency funds are available for that purpose." Pursuant to that Resolution, the County loaned the Redevelopment Agency a total of \$688,780 from the Administrative Fund, of which the Redevelopment Agency repaid \$100,000 as of January 30, 2012.
- I. The Board of Directors of the Redevelopment Agency and the Board of Supervisors of the County approved loans from the County General Fund to the Redevelopment Agency on the following dates and in the following amounts: \$84,413 on February 26, 1988, \$84,235 on July 17, 1989, \$99,000 on April 1, 1990, \$114,000 on March 1, 1991, \$126,000 on November 7, 1991, \$121,132 on February 4, 1993 and \$60,000 on February 10, 1994. The loans from the County General Fund to the Redevelopment Agency totaled \$688,780, of which \$100,000 has been repaid as of January 30, 2012.
- J. The Redevelopment Agency used the funds loaned from the County General Fund for legitimate redevelopment purposes including consultant contracts for preparation of the USRIP Redevelopment Plan and the RiverWay Specific Plan and the associated Environmental Impact Report (EIR) and biological and cultural resources studies. The General Fund loans were also used for environmental and administrative work by County staff acting as staff for the Agency to support the USDRIP, including preparation of a Habitat Management Plan, Public Facilities Financing Plan, and Flood Control Plan.
- K. As of September 16, 2014, the outstanding amount of principal on the loans from the County is \$588,780. The accumulated interest recalculated at the present LAIF Rate of 0.22% on the remaining principal balance from the date of loan origination (February 26, 1988) through the anticipated date of the Oversight Board meeting for approval of this Loan Agreement (September 24, 2014) is \$119,521.47. Thus, the outstanding loan balance, including principal and recalculated interest, of the original loans eligible for reinstatement under Health and Safety Code Section 34191.4(b) is \$708,301.47 (Reinstated Loan Amount).

- L. On March 22, 2011 (1), the governing bodies of the County and its Redevelopment Agency approved a loan repayment schedule (San Diego Redevelopment Agency - Upper San Diego River Improvement Project Area County General Fund Repayment Schedule). See Exhibit B attached hereto.
- M. The County and the Successor Agency desire to enter into this Loan Agreement to reinstate the original loan on modified terms consistent with Health and Safety Code Section 34191.4(b) based on the Reinstated Loan Amount.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

SECTION 1: REINSTATED LOAN AND REPAYMENT TERMS

- (a) Reinstated Loan Amount. The Successor Agency shall repay the County General Fund the Reinstated Loan Amount of \$ 708,301.47 (Reinstated Loan Amount), subject to the terms and conditions in this Loan Agreement. The Successor Agency shall promptly request the Oversight Board to adopt a resolution that approves this Loan Agreement and the Reinstated Loan Amount as an enforceable obligation and that makes a finding that the original loan was for legitimate redevelopment purposes. The Successor Agency shall promptly transmit the Oversight Board resolution to DOF for its review and approval in accordance with Health and Safety Code Section 34179(h).
- (b) Accrual of Interest. Commencing on the Effective Date, as specified below, and continuing until the Reinstated Loan has been fully repaid, the Reinstated Loan Amount shall continue to accrue interest at the LAIF Rate as such rate is adjusted on a quarterly basis. The interest that accrues on the Reinstated Loan Amount from and after the Effective Date shall compound quarterly to coincide with the published quarterly updates to the LAIF Rate.
- (c) Repayment Schedule. The Successor Agency shall make a good-faith effort to repay the Reinstated Loan Amount in accordance with the repayment schedule attached hereto as Exhibit C; provided, however, that the Successor Agency's actual repayments to the County in any given fiscal year shall take into account or as soon thereafter as may be practical considering (1) the available residual balance of funds under the 50% Increase Formula; and (2) the potential reinstatement of a second invalidated loan agreement between the Parties (loan from the Airport Enterprise Fund) and the corresponding need for a funding source to repay that reinstated loan agreement. In each semi-annual loan repayment period, the Successor Agency will recalculate the repayment schedule based upon the actual repayment amounts received from the RPTTF.

- (d) Treatment of Repayments. All repayments of the Reinstated Loan Amount shall first be used to repay accrued interest and then to reduce the principal balance.
- (e) Method of Repayment. The Successor Agency shall identify this Loan Agreement, including the full repayment of the Reinstated Loan Amount plus accrued interest, as an enforceable obligation on the 2014-2015 ROPS covering the period of January 1, through June 30 2015, (ROPS 14-15B), and shall request an allocation of property taxes from the residual balance of the RPTTF for this purpose on a semi-annual basis in ROPS 15-16A and in each succeeding ROPS to the extent that sufficient funds are available in the residual balance under the 50% Increase Formula.
- (f) Allocation to Housing Funds. Consistent with Health and Safety Code Section 34191.4(b)(2)(C), the Successor Agency shall deduct 20% from each loan repayment amount and shall transfer this deducted amount to the County's Housing Fund to be used by the County for affordable housing purposes in accordance with Community Redevelopment Law. The parties acknowledge that, at the time of dissolution, the Redevelopment Agency did not owe any funds to the Low and Moderate Income Housing fund. Consequently, the Successor Agency shall not be required to use any portion of the repayments to be made under this Loan Agreement to retire any such borrowed amounts pursuant to Health and Safety Code Section 34191.4(b)(2)(B).
- (g) Source of Repayments. No funds or other assets of the Successor Agency, other than the allocation of property taxes from the RPTTF, may be used to meet the Successor Agency's repayment obligations under this Loan Agreement. To the extent that sufficient RPTTF distributions for repayment of the Reinstated Loan Amount are unavailable to the Successor Agency despite its good-faith efforts in accordance with section 1(c) above, the County acknowledges that the Reinstated Loan Amount may ultimately not be repaid in full.

SECTION 2: BOOKS AND ACCOUNTS

Each party shall keep full and accurate books and accounts, records and other pertinent data showing its financial operations with regard to the repayment and use of the Reinstated Loan Amount.

SECTION 3: EFFECTIVE DATE

This Loan Agreement shall become effective on the date on which this Loan Agreement has been approved by the County Board of Supervisors and the Successor Agency Board of Directors and has been executed by the duly authorized officials on behalf of the County and the Successor Agency (Effective Date). However, repayment of the Reinstated Loan Amount shall not become a binding obligation of the Successor Agency unless and until

the Oversight Board resolution has been approved by the Oversight Board in accordance with Health and Safety Code Section 34179 and 34191.4(b)(1) and has been approved, or is deemed approved, by DOF in accordance with Health and Safety Code Section 34179(h).

SECTION 4: GENERAL PROVISIONS

- (a) Agreement between Public Entities. The Parties acknowledge and agree that, as stated in Government Code Section 895, this Loan Agreement is an agreement between public entities designed to implement the disbursement or subvention of public funds from one entity to the other and, as such, is not subject to the joint and several liability provisions of Government Code Sections 895 to 895.8.
- (b) No Merger. In entering into this Loan Agreement, (i) the County is acting in its capacity as a political subdivision of the State of California, (ii) the Successor Agency is acting in its capacity as a separate public entity from the County, and (iii) both the County and the Successor Agency are acting pursuant to the specific authority granted under Health and Safety Code Section 34191.4(b) authorizing the reinstatement of invalidated loan agreements between the Parties. Therefore, the Parties are not merged.
- (c) No Third Party Beneficiaries. The terms of this Loan Agreement are only for the benefit of the Successor Agency and the County, and there are no other intended or incidental third party beneficiaries hereto.
- (d) No Waiver. If either Party fails to insist upon strict performance by the other Party of any covenant, term or condition of the Loan Agreement, or fails to exercise any right or remedy following a breach, such failure shall not constitute a waiver of any breach of such covenant, term or condition or a waiver of the exercise of any such right or remedy.
- (e) Amendment. Except as provided in Section 4(f) below, this Loan Agreement may be amended in writing upon the mutual approval of the governing bodies of the Successor Agency and the County, subject to the approval of the Oversight Board and the DOF.
- (f) Governing Laws. The laws of the State of California shall govern and control the terms and conditions of his Loan Agreement. The Parties agree that, if the current statutory provisions governing reinstatement of invalidated interagency loans are modified by any legislative amendments or become subject to a binding interpretation from the DOF that differs from the assumptions underlying this Loan Agreement, then the Parties shall comply with such legislative amendment or binding interpretation and shall treat this Loan Agreement as having been automatically amended thereby.

- (g) **Remedies.** In addition to any other available legal rights or remedies, either Party may institute legal action to cure, correct, or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of this Loan Agreement. Any such legal action must be instituted in a court of competent jurisdiction in the County of San Diego, California, subject to any applicable choice-of-venue provisions under California law.
- (h) **Severability.** If any provision of this Loan Agreement is determined in any legal proceeding to be illegal, invalid or unenforceable, such determination shall not affect the validity of the remaining provisions of this Loan Agreement.
- (i) **Counterparts.** This Loan Agreement may be executed in counterparts, which when taken together, shall constitute a single signed original as though all Parties had executed the same page.
- (j) **Entire Agreement.** This Loan Agreement integrates all of the essential terms and conditions related to the subject matter of this Loan Agreement, and supersedes all negotiations or previous agreements between the Parties with respect to all or part of the subject matter hereof. The Exhibits referenced herein are incorporated into this Loan Agreement.

IN WITNESS WHEREOF, this Loan Agreement is executed by the County of San Diego Successor agency and by the County of San Diego, to be effective on the Effective Date.

COUNTY OF SAN DIEGO SUCCESSOR AGENCY

By: _____
Secretary for the Successor Agency

Date: _____

COUNTY OF SAN DIEGO

By: _____
Clerk of the Board of Supervisors

Date: _____

Approved as to form and legality
County Counsel

By: _____
Senior Deputy

Exhibit A

There is presented to the Board a letter, Board of Supervisors Document No. 705763, from the Chief Administrative Officer, concerning the Redevelopment Agency Budget for Fiscal Year 1987-88; Airport Enterprise Funding loan; Resolutions and Agreements related to Redevelopment Funding, and making certain recommendations.

No. 10

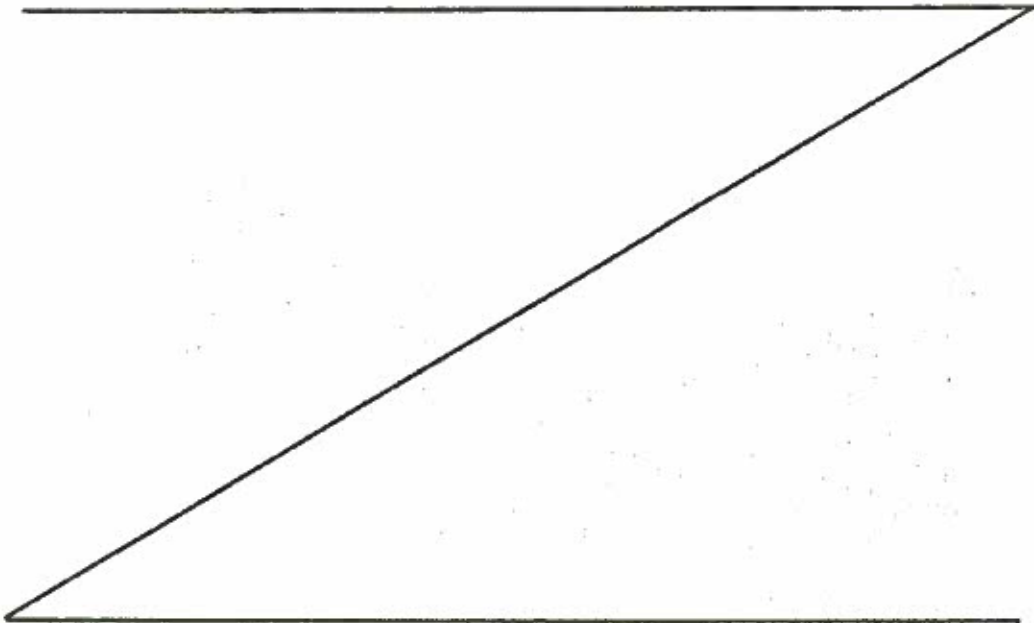
ON MOTION of Supervisor Williams, seconded by Supervisor Bailey, the Board of Supervisors approves the Fiscal Year 1987-88 Redevelopment Agency Budget.

Roll call on the foregoing motion results in the following vote:

AYES: Supervisors Silbray, Bailey, Gelding, Williams and
MacDonald
NOES: Supervisors None
ABSENT: Supervisors None

No. 11

ON MOTION of Supervisor Williams, seconded by Supervisor Bailey, the Board of Supervisors adopts the following resolution:



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12/1/87
LB
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WHEREAS, the State Community Redevelopment Law (California Health and Safety Code Section 33610, et seq.) provides for the establishment of a special fund, known as the Redevelopment Agency Administrative Fund, to be kept in the treasury of the County; and,

WHEREAS, the Agreement Between the County of San Diego and the Redevelopment Agency Establishing Certain County-Agency Relationships, Section 502, calls for the establishment of an Administrative Fund with money to be appropriated and paid to the Redevelopment Agency ("Agency") as a loan to be repaid upon such terms and conditions as the Board of Supervisors ("Board") provide; NOW THEREFORE,

BE IT RESOLVED AS FOLLOWS:

1. The Board of Supervisors hereby authorizes the establishment of a Redevelopment Agency Administrative Fund ("Administrative Fund") in the treasury of the County pursuant to the Community Redevelopment Law (California Health and Safety Code Section 33620, et seq.).
2. The moneys appropriated to the Administrative Fund shall be drawn from the Fund to meet the administrative expenses and overhead of the Agency in substantially the same manner as money is drawn by other agencies and departments of the County subject to budgetary control. In addition to the common understanding and usual interpretation of the term, "administrative expense" includes, but is not limited to, expenses of redevelopment planning and dissemination of redevelopment information.
3. The moneys paid to or on behalf of the Agency by the County from the Administrative Fund shall constitute a loan by the County to the Agency. Such loan shall be repaid from any source of Agency funds lawfully available for that purpose. Moneys paid to or on behalf of the Agency by the County from the Administrative Fund shall bear interest. Such interest shall accrue on the average quarterly outstanding balance equal to the average County earned investment rate as determined by the County Treasurer.
4. The Redevelopment Agency shall repay any loans and accrued interest as soon as Agency funds are available for that purpose.

5. Any duty imposed on the Agency by this Resolution is based on the condition that the collection of property tax revenues pursuant to Health and Safety Code Section 33670(b) is sufficient to allow the Agency to perform as required herein.
6. The Auditor and Controller of the County of San Diego is hereby authorized and directed to establish whatever accounting and other procedures as are necessary, convenient or desirable to accomplish the purposes and intent of this Resolution.
7. The Agency shall annually submit to the Board of Supervisors a proposed budget of its administrative expenses. The Agency shall file with the Board of Supervisors a detailed report of all its transactions including a statement of all revenues and expenditures at annual intervals, or more frequently if requested by the Board of Supervisors.

PASSED AND ADOPTED this 1st day of December, 1967, by the Board of Supervisors, County of San Diego, State of California, by following vote:

AYES: Supervisors Bilbray, Bailey, Golding, Williams and
MacDonald
NOES: Supervisors None
ABSENT: Supervisors None

Nos. 10-13
12/1/67
LB
Page 3 of 4 Pages

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No. 12

ON MOTION of Supervisor Williams, seconded by Supervisor Bailey, the Board of Supervisors approves and authorizes the Clerk of the Board of Supervisors to execute the Agreement between the County and the Redevelopment Agency establishing terms and conditions of advances or loans from the Airport Enterprise Fund to the Redevelopment Agency.

Roll call on the foregoing motion results in the following vote:

AYES: Supervisors Bilbray, Bailey, Golding, Williams and
MacDonald
NOES: Supervisors None
ABSENT: Supervisors None

No. 11

ON MOTION of Supervisor Williams, seconded by Supervisor Bailey, the Board of Supervisors approves a loan of \$424,400 from the Airport Enterprise Fund for Redevelopment Agency Project 1: Gillespie Field.

Roll call on the foregoing motion results in the following vote:

AYES: Supervisors Bilbray, Bailey, Golding, Williams and
MacDonald
NOES: Supervisors None
ABSENT: Supervisors None

- - -

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO
ESTABLISHING AN ADMINISTRATIVE FUND FOR REDEVELOPMENT PURPOSES**

On motion of Supervisor Williams, seconded by Supervisor Bailey, the following Resolution is adopted:

WHEREAS, the State Community Redevelopment Law (California Health and Safety Code Section 33610, et seq.) provides for the establishment of a special fund, known as the Redevelopment Agency Administrative Fund, to be kept in the treasury of the County; and,

WHEREAS, the Agreement Between the County of San Diego and the Redevelopment Agency Establishing Certain County-Agency Relationships, Section 502, calls for the establishment of an Administrative Fund with money to be appropriated and paid to the Redevelopment Agency ("Agency") as a loan to be repaid upon such terms and conditions as the Board of Supervisors ("Board") provide; NOW THEREFORE,

BE IT RESOLVED AS FOLLOWS:

1. The Board of Supervisors hereby authorizes the establishment of a Redevelopment Agency Administrative Fund ("Administrative Fund") in the treasury of the County pursuant to the Community Redevelopment Law (California Health and Safety Code Section 33620, et seq.).
2. The moneys appropriated to the Administrative Fund shall be drawn from the Fund to meet the administrative expenses and overhead of the Agency in substantially the same manner as money is drawn by other agencies and departments of the County subject to budgetary control. In addition to the common understanding and usual interpretation of the term, "administrative expense" includes, but is not limited to, expenses of redevelopment planning and dissemination of redevelopment information.
3. The moneys paid to or on behalf of the Agency by the County from the Administrative Fund shall constitute a loan by the County to the Agency. Such loan shall be repaid from any source of Agency funds lawfully available for that purpose. Moneys paid to or on behalf of the Agency by the County from the Administrative Fund shall bear interest. Such interest shall accrue on the average quarterly outstanding balance equal to the average County earned investment rate as determined by the County Treasurer.
4. The Redevelopment Agency shall repay any loans and accrued interest as soon as Agency funds are available for that purpose.

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5. Any duty imposed on the Agency by this Resolution is based on the condition that the collection of property tax revenues pursuant to Health and Safety Code Section 33670(b) is sufficient to allow the Agency to perform as required herein.
6. The Auditor and Controller of the County of San Diego is hereby authorized and directed to establish whatever accounting and other procedures as are necessary, convenient or desirable to accomplish the purposes and intent of this Resolution.
7. The Agency shall annually submit to the Board of Supervisors a proposed budget of its administrative expenses. The Agency shall file with the Board of Supervisors a detailed report of all its transactions including a statement of all revenues and expenditures at annual intervals, or more frequently if requested by the Board of Supervisors.

PASSED AND ADOPTED by the Board of Supervisors of the County of San Diego, State of California, this 1st day of December, 1987, by the following vote:

AYES: Supervisors Bilbray, Bailey, Golding, Williams and MacDonald
NOES: Supervisors None
ABSENT: Supervisors None

APPROVED AS TO FORM AND LEGALITY
COUNTY COUNSEL

BY Martha L. Tread
DEPUTY

DEC

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5. Any duty imposed on the Agency by this Resolution is based on the condition that the collection of property tax revenues pursuant to Health and Safety Code Section 31670(b) is sufficient to allow the Agency to perform as required herein.
6. The Auditor and Controller of the County of San Diego is hereby authorized and directed to establish whatever accounting and other procedures as are necessary, convenient or desirable to accomplish the purposes and intent of this Resolution.
7. The Agency shall annually submit to the Board of Supervisors a proposed budget of its administrative expenses. The Agency shall file with the Board of Supervisors a detailed report of all its transactions including a statement of all revenues and expenditures at annual intervals, or more frequently if requested by the Board of Supervisors.

PASSED AND ADOPTED by the Board of Supervisors of the County of San Diego, State of California, this 1st day of December, 1987, by the following vote:

AYES: Supervisors Bilbray, Bailey, Golding, Williams and MacDonald

NOES: Supervisors None

ABSENT: Supervisors None

Distribution: DPW (0332) Roger Walsh
 DPLU (0650)
 Auditor and Controller (A5)
 Controller Branch Office (0306)
 Financial Management (A214)
 CAO/Special Projects (A227) Carol Landsman/Susan Walton
 CAO (A6)
 Mailed 12-16-87/ps

STATE OF CALIFORNIA) ss.
 County of San Diego)

I, KATHRYN A. NELSON, Clerk of the Board of Supervisors of the County of San Diego, State of California, hereby certify that I have compared the foregoing copy with the original resolution passed and adopted by said Board, at a regular meeting thereof, at the time and by the vote herein stated, which original resolution is now on file in my office; that the same contains a full, true and correct transcript therefrom and of the whole thereof.

Witness my hand and the seal of said Board of Supervisors, this 1st day of December, 1987 (11)

KATHRYN A. NELSON
 Clerk of the Board of Supervisors
Patricia H. Stewart
 By Patricia H. Stewart Deputy

(SEAL)

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COUNTY OF SAN DIEGO

CHIEF ADMINISTRATIVE OFFICE

AGENDA ITEM

BOARD OF SUPERVISORS

- BRIAN P. HILBRAY
FIRST DISTRICT
- GEORGE P. BAILEY
SECOND DISTRICT
- SUSAN GOLDING
THIRD DISTRICT
- LEON S. WILLIAMS
FOURTH DISTRICT
- JOHN MACDONALD
FIFTH DISTRICT

SUBJECT: Redevelopment Agency Budget for FY 87-88; Airport Enterprise Fund Loan; Resolutions and Agreements Related to Redevelopment Agency Funding

SUPV DIST: All **PROPOSED/REQUESTED BY :** SUPERVISOR GEORGE P. BAILEY

SUMMARY OF REQUEST:

This is a request to approve a budget for the Redevelopment Agency for Fiscal Year 1987-88; adopt certain resolutions and agreements needed to provide for current and future Redevelopment Agency funding; and approve a loan of \$424,400 from the Airport Enterprise Fund to the Redevelopment Agency. The proposed FY 1987-88 Budget consists of: (1) costs and revenues associated with first-year implementation of the Gillespie Field Redevelopment Plan, which was approved by the Board of Supervisors on July 7, 1987 (53); and (2) costs and revenues associated with continued planning of the proposed Upper San Diego River Redevelopment Project, initiated by the Board of Supervisors on July 16, 1986 (12).

The proposed Redevelopment Agency Budget incorporates work programs for both the Gillespie Field and Upper San Diego River projects. Implementation activities for the Gillespie Field Redevelopment Project will be managed by the Department of Public Works in conjunction with the Chief Administrative Office - Office of Special Projects. The Upper San Diego River Redevelopment Project is coordinated by the Chief Administrative Office - Office of Special Projects and the Department of Planning and Land Use, with support from the Department of Public Works.

CHIEF ADMINISTRATIVE OFFICER'S RECOMMENDATION:

1. Acting in the capacity of the Board of Supervisors, approve the FY 1987-88 Redevelopment Agency Budget. (Continued)

FUNDING SOURCES: General Fund/Airport Enterprise Fund/Lakeside Sanitation District/San Diego Flood Control District

CURRENT YEAR COST: \$4,109,788 (FY 1987-88 Redevelopment Agency budget)

ANNUAL COST: N/A - Agency budget will be prepared annually

BUDGETED: () YES (X) NO

WILL PROPOSAL REQUIRE ADDITIONAL PERSONNEL?

NO (X)	IF YES, STATE NUMBER	PERMANENT	TEMPORARY	OTHER
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BOARD POLICY(YES) APPLICABLE: A-71: San Diego County Economic Development Policy

PREVIOUS RELEVANT BOARD ACTION: 7/7/87 (53) Adopted Ordinance approving and adopting the Gillespie Field Redevelopment Plan; 8/4/87 (1) Approved FY 87-88 work program for Upper San Diego River Redevelopment; 5/13/86 () Directed review of USDRIP as redevelopment project.

RECORDED VOTES: Chief Administrative Office -

4 VOTES REQUIRED () YES (X) NO **ORIGINATING DEPT:** Office of Special Projects

DEC 1 1987 10-13

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BOARD OF SUPERVISORS/REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO/LAKESIDE SANITATION DISTRICT/SAN DIEGO COUNTY FLOOD CONTROL DISTRICT

BOARD OF SUPERVISORS
INFORMATION DEVELOPMENT FORM

SUBJECT: Redevelopment Agency Budget for FY 87-88; Airport Enterprise Fund Loan; Resolutions and Agreements Related to Redevelopment Agency Funding

CHIEF ADMINISTRATIVE OFFICER'S RECOMMENDATION: (Continued)

2. Acting in the capacity of the Board of Supervisors, adopt the resolution establishing an administrative fund for redevelopment purposes.
3. Acting in the capacity of the Board of Supervisors, approve and authorize the Clerk of the Board of Supervisors to execute the agreement between the County and the Redevelopment Agency establishing terms and conditions of advances or loans from the Airport Enterprise Fund to the Agency.
4. Acting in the capacity of the Board of Supervisors, approve a loan of \$424,400 from the Airport Enterprise Fund for Redevelopment Agency Project 1: Gillespie Field.
5. Acting in the capacity of the Board of Directors of the Lakeside Sanitation District, approve and authorize the Secretary of the Lakeside Sanitation District to execute the agreement between the Sanitation District and the Redevelopment Agency establishing terms and conditions of advances or loans from the District to the Agency.
6. Acting in the capacity of the Board of Directors of the San Diego County Flood Control District, approve and authorize the Secretary of the San Diego County Flood Control District to execute the agreement between the Flood Control District and the Redevelopment Agency establishing terms and conditions of advances or loans from the District to the Agency.
7. Acting in the capacity of the Redevelopment Agency, approve and authorize the Secretary of the Redevelopment Agency to execute the agreements with the County, the Lakeside Sanitation District and the San Diego County Flood Control District.

(Continued)

<input type="checkbox"/> ORDINANCE	<input checked="" type="checkbox"/> RESOLUTION	<input type="checkbox"/> CITIZENS CHARTER	<input type="checkbox"/> STATE	<input type="checkbox"/> YES	<input checked="" type="checkbox"/> NO	<input type="checkbox"/> CONTRACT NO.
CONTRACT APPROV BY CAO FOR ECNRY			<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input checked="" type="checkbox"/> N/A	<input type="checkbox"/> EXEMPT (B/S POLICY A-96)
APPROV BY CNTY COUNSEL AS TO LEGALITY			<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> N/A	<input type="checkbox"/> STANDARD FORM
CONTRACT REVIEW PANEL ACTION			CONCURRENCES (If applicable)			Dept/Signature
<input type="checkbox"/> APPROVED	<input type="checkbox"/> DISAPPROVED	<input checked="" type="checkbox"/> N/A	DPH	REW	DPH	
AUDITOR APPROV NEEDED			<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/> FIN AGMT	APPROV NEEDED
			<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO		

Carol Landman/Susan Walton / 531-5200 (A227) *[Signature]*
 CONTRACT PERSON PHONE AND MAIL STOP DEPT AUTHORIZED REPRESENTATIVE/DATE

[Signature]
 CHIEF ADMINISTRATIVE OFFICER

December 1, 1987
 MEETING DATE

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B. Nelson

Distribution: DPW (0332) Roger Walsh
 DPLU (0650)
 Auditor and Controller (A5)
 Controller Branch Office (0306)
 Financial Management (A214)
 CAO (A6)
 CAO/Special Projects (A227) Carol Landsman/Susan Malton

Mailed 12-16-87/ps

TELEPHONE DEPARTMENT
BOARD OF SUPERVISORS

DEC 1 1987 10-13

REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO

FY 1987-88 PROPOSED BUDGET

PROJECT 1: UPPER SAN DIEGO RIVER

EXPENDITURES

Administrative Costs

Current Year

Salaries and benefits \$ 98,585

Sub-total \$ 98,585

Prior Year

Salaries and benefits \$ 5,128

Sub-total \$ 5,128

Total - Administrative Costs \$ 103,713

Professional Services

Fiscal agent services \$ 5,675

Total - Professional Services \$ 5,675

Planning, Survey and Design

Current Year

Consultant Study - Land Use and
Environmental Studies \$ 45,000

Sub-total \$ 45,000

Prior Year

Consultant Study - Development
Program and Financing Plan
(Redevelopment Agency share) \$ 10,000

Sub-total \$ 10,000

Total- Planning, Survey and Design \$ 55,000

TOTAL EXPENDITURES \$ 164,388

REVENUES

General Fund Loans

Current Year	\$ 69,285
Prior Year	15,128
Total - General Fund Loans	\$ 84,413
<u>San Diego County Flood Control District</u>	\$ 49,975
<u>Lakeside Sanitation District</u>	\$ 5,000
<u>Contributions from Property Owners</u>	\$ 25,000
TOTAL REVENUES	\$ 164,388

PROPOSED INDEBTEDNESS TO BE INCURRED BY THE AGENCY

A redevelopment plan has not yet been prepared and adopted for the Upper San Diego River Redevelopment Project Area; therefore, consideration of proposed Project indebtedness is not applicable at this time.

STAFFING

FY 1987-88 projected staffing levels and costs for the Upper San Diego River Redevelopment Project are as follows:

Department of Planning and Land Use

Assistant Planner .50 SY \$26,250

Chief Administrative Office - Office of Special Projects

Senior Planner .50 SY \$27,360

Department of Public Works

Civil Engineer .50 SY \$44,975

WORK PROGRAM AND GOALS FOR FY 1987-88

The proposed FY 1987-88 Work Program for the Upper San Diego River Redevelopment Project is as follows:

1. Prepare scope of work and select consultant to complete:
 - o General Plan Amendment
 - o Specific Plan
 - o Environmental Impact Analysis
 - o Redevelopment Plan
 - o Public Facilities Financing Plan
2. Manage consultant contract and monitor work.
3. Refine and update land use survey.
4. Determine financial feasibility and identify potential funding for improvements.
5. Establish Project Area Committee and provide information to community.
6. Complete necessary administrative actions for adoption of a Redevelopment Plan.
7. Update flood control information and preliminary design for flood control structures.
8. Prepare scope of work and select engineering consultant to update the existing flood control study.

DEC 1 1987

10-13

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COUNTY OF SAN DIEGO, CALIFORNIA
 CONTRACT FISCAL CERTIFICATION

PLEASE NOTE INSTRUCTIONS ON REVERSE SIDE OF GOLDENROD COPY.

1. New Change Contract No. 25693 Item No. CL A

Date: Dec. 1 19 87 Amend. No. Chg. Order No. Proj. No.

ORIGINATING DEPARTMENT Chief Administrative Office
 In accordance with County Charter, Section 801, and other County policies,
 the following information is submitted:

2. Name and Address of Contractor San Diego, County of

3. Nature, purpose or description of contract: Resolution designating the Auditor/

Controller to endorse order for the payment of money, issued in the name of the Redevelop-

4. Effective Date 12 30 99 5. Expiration Date 12 30 99 6. Total Contract Amount \$ 0 Act. Est.

7. Appropriation Transfer or Appropriation of Revenue required
 No Yes (Attach completed Form 385)

10. If contract extends beyond the current fiscal year, please complete a schedule of the actual/estimated amount(s) for the subsequent fiscal years.

8. CURRENT Fiscal Year Accounting Information:

	EXPENDITURE	REVENUE
ORG UNIT	8757	8757
ACCOUNT		
TASK		
OPTION		
ACT/WORK AUTH		
AMT TO ENCUMBER	\$ 0	XXXXXXXXXX
EST REVENUE	XXXXXXXXXXXX	\$ 0

	EXPENDITURE	REVENUE
1st Subsequent F.Y.		
2nd Subsequent F.Y.		
3rd Subsequent F.Y.		
All Subsequent F.Y.'s		

11. Please designate Carol Landmann or Susan Holman as the County employee responsible for administration of this contract. Telephone: 331-5200

12. County Officer Chief Administrative Officer
 By Susan Walton Analyst III
 Signature & Title EE:dh

9. Remarks:

APPROVALS

13. ECOMO APPROVAL:
 Complies Not Required
 Officer Victor A. Nito
 By Daniel G. Lopez 12-2-87
 Signature & Title Date

14. AUDITOR AND CONTROLLER APPROVAL:
 Votes Required 3 4 N/A
 Board of Supervisors' Approval Required
 Purchasing Agent's Approval Required
 Other
 ROD CALVAO, Auditor and Controller
 By Eric Gross SAAS 12-2-87
 Signature & Title Date

15. PURCHASING AGENT'S ACTION:
 Officer N/A
 Signature & Title Date

APPROVAL ROUTING SEQUENCE	DISTRIBUTION:
1. County Council*	WHITE - Clerk of the Board or Purchasing Agent
2. ECOMO*	GREEN - Originating Dept. - Final
3. Auditor and Controller	CANARY - Auditor & Controller
4. Clerk of the Board or Purchasing Agent	PINK - Auditor & Controller
	GOLDENROD - Originating Dept. - Preliminary

* as required

18. BOARD ACTION:
 12-1-87 #12
 Clerk to the Board of Supervisors

02117

INSTRUCTIONS

This form must be used for all contracts in accordance with existing County Policies.

Date: Enter date form is prepared.

Amendment Number: Enter amendment number, if applicable.

Change Order Number: Enter change order number, if applicable.

Project Number: Enter project number, if applicable.

Originating Department: Enter name of submitting department.

- (1) Place an "X" in the appropriate box for a "New" contract or a "Change" in an existing contract, and enter the contract number.

Item: Leave blank unless otherwise instructed by the Auditor and Controller's Accounts Payable Division.

Class: E for expenditure contracts
R for revenue contracts
A for agreements (no amount involved)

- (2) Enter the full name and mailing address of the contractor, including the zip code.

- (3) Enter the reason or purpose for the establishment of the contract. If this is a change, give reason for the change.

- (4) Enter the effective date of the contract. This must not precede the date of Board of Supervisors', Purchasing Agent's or other authorizing officer's approval.

- (5) Enter the contract expiration date stated in the contract. Note the following exceptions:

Use: (a) 12-31-99 If specific date must be provided but is yet to be determined (e.g. construction contracts)
(b) 12-31-99 If date is in the year 2000+
(c) 12-31-99 If date is indefinite

- (6) Enter the total amount of the contract. If this is a contract change, enter revised contract total amount, not the amount of the change. Put an "X" in the appropriate space, if it is actual or estimated.

- (7) Indicate, in appropriate space below Item 7, if an appropriation transfer is necessary. If a transfer is required, attach a completed Form 268.

- (8) (a) "Org. Unit" - Enter the org organization unit number.
(b) "Account" - Enter the applicable:
1. expenditure sub-object number, or
2. revenue subsidiary account number
(c) ("Task") - enter applicable task.
(d) ("Optional") - if applicable, enter option.
(e) ("Act/Work Auth") - enter the applicable Act/Work Auth.

- (9) Remarks Section for accounting data.

- (10) If the contract expires in a fiscal year other than the current fiscal year, complete a schedule showing expected expenditures or revenue by fiscal year according to the spaces provided.

- (11) Enter the name, title and phone number of the person who should be contacted for the information regarding the contract.

- (12) Signature and Title of the County officer who will be responsible for the administration of the contract.

- (13) FOR USE OF EQUAL OPPORTUNITY MANAGEMENT OFFICE ONLY.

- (14) FOR USE OF OFFICE OF AUDITOR AND CONTROLLER ONLY.

- (15) FOR USE OF PURCHASING AGENT ONLY.

- (16) Space for Board approval.

IMPORTANT: For contracts requiring Board Action, the following documents are required by the Auditor before he can approve a Contract Fiscal Certification.

- (a) Original transmittal letter to the Board.
(b) A signed copy of the contract which will be filed with the Board.
(c) Request for Transfer of Appropriations (Form 268), signed by the Auditor and Controller Department, Revenue and Budget Management Division, if required to finance the contract.

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**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
SPECIAL MEETING
TUESDAY, MARCH 22, 2011**

MINUTE ORDER NO. 1

SUBJECT: RATIFICATION OF AGREEMENTS BETWEEN THE COUNTY OF SAN DIEGO AND THE REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO REGARDING TERMS AND CONDITIONS OF ADVANCES OR LOANS FROM THE COUNTY (DISTRICT: 2)

OVERVIEW:

Gillespie Field Redevelopment Project

The Gillespie Field Redevelopment Project was established in 1987 with the goal of alleviating deterioration and stagnation at Gillespie Field Airport. Those problems were attributable primarily to inadequate public improvements, public facilities, and utilities, and secondarily to the existence of buildings and structures which were unfit or unsafe for occupancy due to age and deterioration. Significant improvements to the Project Area have been made since the Redevelopment Plan was adopted on July 7, 1987(53).

Gillespie Field Redevelopment projects were initially funded by loans from the Airport Enterprise Fund and through the sale of bonds pledged by the Project Area's tax increment. On December 1, 1987 (11 thru 13), your Board(s) approved an Agreement between the County of San Diego and the Redevelopment Agency. At its highest balance, the Redevelopment Agency owed the Airport Enterprise Fund \$9.2 million. Because of payments made to date by the Redevelopment Agency, the current balance of the loan is approximately \$3.8 million. In addition, the Redevelopment Agency currently has existing obligations in the outstanding principal amount of \$14.28 million, related to bonds issued in 2005 for the Gillespie Field Redevelopment Project.

This is a request to ratify the current agreement for the loan and approve a formal repayment schedule of said loan.

Upper San Diego River Improvement Project

On July 18, 1989 (61), the Board of Directors of the County of San Diego Redevelopment Agency adopted the Redevelopment Plan for the Upper San Diego River Improvement Project (USDRIP) located along the San Diego River in the unincorporated community of Lakeside. USDRIP was formed as an outgrowth of a number of efforts in the late 70s and early 80s to study and manage the San Diego River through the Lakeside area. The Project Area was seen as a mechanism for facilitating development of the area while providing for needed flood control and habitat restoration.

Between 1988 and 1994 the Redevelopment Agency Board of Directors approved multiple loans from the County General Fund. These loans were primarily needed to ensure USDRIP maintained indebtedness during the initial years of the project area. Currently the Redevelopment Agency owes the County General Fund approximately \$1.1 million.

This is a request to ratify the current terms and conditions of the loan and establish a formal repayment schedule for the loans.

FISCAL IMPACT:

**County of San Diego Redevelopment Agency
Gillespie Field Redevelopment Project Area**

Today's request will result in no fiscal impact in Fiscal Year 2010-11. Funds for the repayment of any loans will be included in subsequent year's Operational Plans. For Fiscal Year 2011-12, \$150,000 will be included.

Upper San Diego River Improvement Project Area (USDRIP)

Funds for today's request are included in the Fiscal Year 2010-11 Operational Plan. Future repayments will be included in subsequent year's Operational Plans. For Fiscal Year 2011-12, \$93,000 will be included.

County of San Diego

Revenue resulting from today's requests relative to the USDRIP loan repayment is included in the Fiscal Year 2010-11 Operational Plan. Revenue resulting from future repayments will be included in subsequent years' Operational Plans. For Fiscal Year 2011-12, revenue of \$150,000 and \$93,000 for Gillespie Field and USDRIP, respectively, will be included.

BUSINESS IMPACT STATEMENT:

N/A

RECOMMENDATION:

CHIEF ADMINISTRATIVE OFFICER

1. Find that the proposed action is not subject to review pursuant to the California Environmental Quality Act (CEQA) because it is not a project as defined in Section 15378 of the State CEQA Guidelines.
2. Approve ratification of Agreements between the County of San Diego and the County of San Diego Redevelopment Agency regarding terms and conditions of advances or loans from the Airport Enterprise Fund.
3. Approve ratification of Agreements between the County of San Diego and the County of San Diego Redevelopment Agency regarding terms and conditions of advances or loans from the County's General Fund.
4. Approve the Gillespie Field Redevelopment Project Repayment Schedule.

(Relates to Redevelopment Agency Agenda No. 1)

ACTION:

Noting for the record the submission of revised Recommendations, ON MOTION of Supervisor Jacob, seconded by Supervisor Slater-Price, the Board took the following actions:

1. Found that the proposed action is not subject to review pursuant to the California Environmental Quality Act (CEQA) because it is not a project as defined in Section 15378 of the State CEQA Guidelines.
2. Approved and authorized the Chief Administrative Officer to sign ratification of Agreements between the County of San Diego and the County of San Diego Redevelopment Agency regarding terms and conditions of advances or loans from the County's General Fund.
3. Approved and authorized the Chief Administrative Officer to sign the Gillespie Field Redevelopment Project Repayment Schedule.

AYES: Cox, Jacob, Slater-Price, Roberts

ABSENT: Horn

...

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

THOMAS J. PASTUSZKA
Clerk of the Board of Supervisors

By 
Marvick E. Mazyck, Deputy



AGREEMENT BETWEEN THE COUNTY OF SAN DIEGO AND THE REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO ESTABLISHING TERMS AND CODITIONS OF ADVANCES OR LOANS FROM THE COUNTY GENERAL FUND OF THE COUNTY OF SAN DIEGO TO THE REDEVELOPMENT AGENCY FOR THE UPPER SAN DIEGO RIVER IMPROVEMENT PROJECT AREA

THIS RATIFICATION of a prior agreement ("Agreement") is entered into this 22nd day of March, 2011, and formally memorializes the terms and conditions established by Resolution by and between the County of San Diego ("County") and the Redevelopment Agency of the County of San Diego ("Agency"), collectively referred to as "Parties."

RECITALS

WHEREAS, the Agency was established on October 1, 1974.

WHEREAS, on or around March 4, 1975, the Parties approved the Agreement Between The County of San Diego and the Redevelopment Agency Establishing Certain County-Agency Relationships. Exhibit A

WHEREAS, the Upper San Diego River Improvement Project Area ("USDRIP") Redevelopment Plan was adopted on July 18, 1989.

WHEREAS, on December 1, 1987, by Resolution of the Board of Supervisors, the County agreed to loan moneys to the Agency which were required to be repaid by the Agency under the terms and conditions outlined in the Resolution. Exhibit B

WHEREAS, various loans have been made by the County to the Agency for USDRIP including the loans outlined in Exhibit C.

WHEREAS, pursuant to its legal obligation to do so, the Agency has historically made payments towards the repayment of these loans. Exhibit C.

WHEREAS, Assembly Bill 101 ("AB 101") and Senate Bill 77 ("SB 77") were introduced on March 15, 2011, which, if passed, would require that in order to be an "enforceable obligation" that could be repaid, any loan of moneys borrowed by the Agency for a lawful purpose must be "legally required to be repaid pursuant to a required repayment schedule or other mandatory loan terms."

WHEREAS, the Parties have agreed that loans previously made to the Agency are required to be repaid pursuant to the terms outlined in the County Resolution.

WHEREAS, the Parties desire to ratify their prior agreement by way of this formal Agreement which will also establish a repayment schedule for the loans going forward. Exhibit D

THEREFORE, THE PARTIES AGREE TO RATIFY AS FOLLOWS:

1. The Board of Supervisors authorized the establishment of a Redevelopment Agency Administrative Fund ("Administrative Fund") in the treasury of the County pursuant to the Community Redevelopment Law (California Health & Safety Code Section 33620, et seq.).
2. The moneys appropriated to the Administrative Fund shall be drawn from the Fund to meet the administrative expenses and overhead of the Agency in substantially the same manner as money is drawn by other agencies and departments of the County subject to budgetary control. In addition to the common understanding and usual interpretation of the term, "administrative expense" includes, but is not limited to, expenses of redevelopment planning and dissemination of redevelopment information.
3. The moneys paid to or on behalf of the Agency by the County from the Administrative Fund shall constitute a loan by the County to the Agency. Such loan shall be repaid from any source of Agency funds lawfully available for that purpose. Moneys paid to or on behalf of the Agency by the County from the Administrative Fund shall bear interest. Such interest shall accrue on the average quarterly outstanding balance equal to the average County earned investment rate as determined by the County Treasurer.
4. The Agency shall repay any loans and accrued interest as soon as Agency funds are available for that purpose.
5. Any duty imposed on the Agency is based on the condition that the collection of property tax revenues pursuant to Health & Safety Code Section 33670(b) is sufficient to allow the Agency to perform as required.
6. The Auditor and Controller of the County of San Diego is hereby authorized and directed to establish whatever accounting and other procedures are necessary, convenient or desirable to accomplish the purposes and intent of the Parties resolutions.
7. The Agency shall annually submit to the Board of Supervisors a proposed budget of its administrative expenses. The Agency shall file with the Board of Supervisors a detailed report of all its transactions including a statement of all revenues and expenditures at annual intervals, or more frequently if requested by the Board of Supervisors.
8. To establish a specific debt repayment schedule for the remaining outstanding loans as outlined in Exhibit D.

ATTACHMENT A

IN WITNESS WHEREOF, this Agreement is executed by Agency pursuant to action taken by its Directors and by County pursuant to action taken by its Board of Supervisors.

REDEVELOPMENT AGENCY OF THE
COUNTY OF SAN DIEGO

BY: _____
Executive Director

COUNTY OF SAN DIEGO

BY: _____
Chief Administrative Officer

APPROVED AS TO FORM AND LEGALITY:
THOMAS E. MONTGOMERY
COUNTY COUNSEL

By: _____
Rachel H. Witt, Senior Deputy

**PROPOSED REPAYMENT SCHEDULE
SAN DIEGO REDEVELOPMENT AGENCY - USDRIP PROJECT AREA
COUNTY GENERAL FUND**

Fiscal Year	Repayment Schedule*
2010-11	\$93,000
2011-12	\$93,000
2012-13	\$93,000
2013-14	\$93,000
2014-15	\$93,000
2015-16	\$93,000
2016-17	\$93,000
2017-18	\$93,000
2018-19	\$93,000
2019-20	\$93,000
2020-21	\$93,000
2021-22	\$88,005
2022-23	\$0
2023-24	\$0
2024-25	\$0
2025-26	\$0
2026-27	\$0
2027-28	\$0
2028-29	\$0
2029-30	\$0
2030-31	\$0
2031-32	\$0
2032-33	\$0
Total Payments	\$1,111,005 Balance Owed at 6/30/2010

*Plus interest

Exhibit A

TUESDAY MAR 4 1975

COUNTY OF SAN DIEGO

PUBLIC WORKS AGENCY



Department of General Services

ROBERT M. WILSON
(Acting) Director

County Administration Center 3925 Governor Avenue, San Diego, California 92123

- Administration 565-5283
- Accounts 565-5572
- Architecture 565-5288
- City Services 565-5265
- Common 565-5213
- Facilities 565-5115
- Final Operations 565-5646

February 25, 1975

TO: Board of Supervisors (A45)

FROM: Acting Director, Department of General Services (0360)

SUBJECT: A Resolution Approving County-Agency Relationships and Agreement Between the Redevelopment Agency and the County of San Diego

On October 1, 1974 (5 and 6), your Board took action creating the San Diego County Redevelopment Agency. The attached resolution and agreement have been approved as to form by Special Counsel and contain the necessary procedures for operating the Agency in conformity to County Rules and Regulations and State Guidelines. It is, therefore, my

RECOMMENDATION: That your Board

Adopt the attached Resolution and Agreement establishing County-Agency relationships.

Discussion:

This Resolution and Agreement are required to establish the operating procedures of the County of San Diego and San Diego County Redevelopment Agency as established under County Ordinance 4393 New Series and the California Community Redevelopment Law. Effective with your actions here and those of the Redevelopment Agency, you will establish the first Tuesday of each month as

Exhibit BA

TUESDAY MAR 4 1975

Board of Supervisors

-2-

February 25, 1975

the regular meeting date of the Agency starting April 1, 1975, as part of your routine agenda.

Robert W. Smothers
ROBERT W. SMOTHERS, Acting Director
Department of General Services

APPROVED: *Feb. 25*, 1975

G. C. Wilson
G. C. WILSON
Acting Public Works Administrator

Concurrences:
None Required

FISCAL IMPACT: None by this action.

ADVISORY BOARD STATEMENT: None required.

RWS:JM:sag

Enclosures

cc: County Counsel
Special Counsel
Auditor and Controller
Redevelopment Agency, County of San Diego
Director, Airports Division
Acting Public Works Administrator
Acting Chief Administrative Officer

MAR 4 1975 94

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Exhibit A

TUESDAY MAR 4 1975

**AGREEMENT BETWEEN THE COUNTY OF SAN DIEGO
AND THE REDEVELOPMENT AGENCY ESTABLISHING
CERTAIN COUNTY-AGENCY RELATIONSHIPS**

THIS AGREEMENT is entered into this 4th day of March, 1975 by and between the COUNTY OF SAN DIEGO, CALIFORNIA, hereinafter referred to as the "County" and the REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO, hereinafter referred to as the "Agency." The County and the Agency hereby agree as follows:

I. **[§ 100] GENERAL**

A. **[§ 101] Ordinance**

Pursuant to the California Community Redevelopment Law (California Health and Safety Code, Section 33000 et seq.) the Board of Supervisors, on October 1, 1974, by Ordinance No. 4393 (New Series) declared that there was a need for a redevelopment agency to function in the County.

B. **[§ 102] Appointment of Agency Members**

The Board of Supervisors has also by Ordinance No. 4393 (New Series) declared itself to be the Agency and said Supervisors are serving as Agency Members.

C. **[§ 103] Separate Agency**

The Agency is and shall remain as a separate public body, corporate and politic, exercising governmental functions and performing a public function of the County.

D. **[§ 104] Executive Director of the Agency**

The Chief Administrative Officer has been appointed as the Executive Director of the Agency. As a portion of his duties and functions he shall have ultimate administrative responsibility to carry out Agency programs and affairs. The Chief Administrative Officer may delegate his duties as Executive Director, or portions thereof, to an Assistant Executive Director and/or to a Redevelopment Project Manager for each redevelopment project undertaken by the Agency, in any manner consistent with retention of ultimate administrative responsibility by the Chief Administrative Officer.

E. **[§ 105] Agency Officers, Employees, Agents, Consultants, and Contractors**

The officers of the Agency shall be County officials as established in the By-Laws of the Agency. The Executive Director with

Exhibit A

TUESDAY MAR 4 1975

the approval of the Board of Supervisors and the Agency Members may select, appoint, employ, and contract for such permanent and temporary consultants, contractors, agents, and employees as it requires, and determine their qualifications, duties, benefits and compensation, subject to the other provisions of this Agreement and the law.

II. (§ 200) COUNTY SERVICES

A. (§ 201) Services to be Provided

The County, its officers and employees, shall perform services for the Agency in carrying out its work of redevelopment. The Agency shall also have access to the facilities of the various agencies and offices of the County.

Those County officers and employees who are also appointed to positions or offices with or related to the Agency shall perform services for the Agency in a dual capacity.

The Chief Administrative Officer and other appropriate County officials and the Agency shall determine and establish the procedures to be followed in the request for, and the rendering of such services.

B. (§ 202) Compensation by the Agency for Services Rendered

The Agency shall reimburse the County for all costs incurred by County officers and employees in rendering services to the Agency commencing November 3, 1974. The Agency shall reimburse the County for all such services performed on a reasonable basis as established by the Chief Administrative Officer.

No County officer or employee shall be paid extra compensation for any work performed for the Agency unless such compensation is expressly authorized and provided for by the Board of Supervisors.

C. (§ 203) Method of Payment

Costs under this Agreement shall commence on the date that the services were or are begun, and shall accrue on the basis established by the Chief Administrative Officer for the services being performed. The Agency, however, shall not be responsible for the payment of accrued costs for services until funds are available to the Agency for this purpose.

Agency revenues may come from many sources, many of which may be available to the Agency only for limited and special purposes. It is expected that any funds which may become available to the Agency for the reimbursement of costs for services rendered will be used to pay the accrued costs. The Agency shall reimburse

Exhibit A

TUESDAY MAR 4 1975

the County for such costs only if funds become available.

Once funds become available from which the Agency may pay costs for services, then all costs theretofore accrued shall be paid in a time and manner consistent with the needs of the Agency.

III. [§ 300] AGENCY OFFICES

The principal office of the Agency shall be located in the County Operations Center. The County agrees to lease to the Agency necessary and ample space for business offices and meeting rooms of the Agency. Said space shall also include use of the Chambers of the Board of Supervisors for meetings of the Agency. Leases for such purposes shall be entered into from time-to-time as separate space is needed by the Agency.

Said space shall be used in accordance with the rules and regulations of the County as applicable to other buildings and offices of the County. Agency revenues may come from many sources, most of which are available to the Agency only for limited and special purposes. Any funds which may become available to the Agency for the payment of rent shall be used to pay the accrued rent. The Agency shall pay the rent only if funds become available for such purposes.

IV. [§ 400] AGENCY BY-LAWS AND REGULATIONS

The Agency Members shall adopt By-Laws and other regulations to carry into effect the powers, purposes and functions of the Agency and to establish the policies of the Agency Members for the guidance of the Chief Administrative Officer serving as Executive Director.

The Agency shall supply such information and reports to the County as may be required by the Board of Supervisors.

V. [§ 500] COUNTY RESPONSIBILITIES

A. [§ 501] County Aid and Assistance

The County will aid and cooperate in the planning, undertaking, construction or operation of redevelopment projects within the County.

B. [§ 502] Administrative Fund

The County will establish an Agency Administrative Fund with the money appropriated and paid to the Agency as a loan to be repaid upon such terms and conditions as the Board of Supervisors provide.

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Exhibit A

TUESDAY MAR 4 1975

C. [S 503] Redevelopment Revolving Fund

The County will, if appropriate, establish a Redevelopment Revolving Fund.

IN WITNESS WHEREOF, said parties have caused this contract to be executed by their officers thereunto duly authorized on the date first above written.

COUNTY OF SAN DIEGO

(SEAL)

By *Diak Brown*
Chairman, Board of Supervisors

ATTEST:

PORTER D. CREMANS, Clerk of the Board of Supervisors

By *Dora E Trumble*
Deputy

THE REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO

(SEAL)

By *D. K. Olber*
Executive Director

APPROVED AS TO FORM:
EUGENE B. JACOBS
SPECIAL COUNSEL

By *Eugene B Jacobs*

File
2 Airport Division (Jerry Mann -
1 for Special Counsel)
County Counsel
Auditor
FMA
CAO
Kitty

3/17/75 ld

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Exhibit A

Tuesday, March 4, 1975

No. 95

ON MOTION of Agency Member Walsh, seconded by Agency Member Conde, the following resolution is adopted:

WHEREAS, the Redevelopment Agency desires to establish certain County-Agency relationships with the County.

BE IT RESOLVED AND ORDERED:

- 1. Chief Administrative Officer of the County of San Diego is hereby appointed as the Executive Director of the Agency.
- 2. The agreement entitled:

"Agreement Between the County of San Diego and the Redevelopment Agency Establishing Certain County-Agency Relationships"

is approved and the Executive Director of said Agency is authorized to sign said agreement for the Agency.

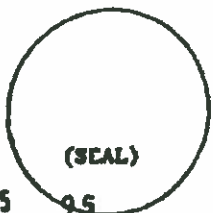
PASSED AND ADOPTED by the Redevelopment Agency of the County of San Diego, State of California, this 4th day of March, 1975, by the following vote:

- AYES: Agency Members Walsh, Brown, Conde, and Bates
- NOES: Agency Members None
- ABSENT: Agency Member Taylor

STATE OF CALIFORNIA)
County of San Diego) ss.

I, PORTER D. CREMANS, Secretary of the Redevelopment Agency of the County of San Diego, State of California, hereby certify that I have compared the foregoing copy with the original resolution passed and adopted by said Agency, at a regular meeting thereof, at the time and by the vote therein stated, which original resolution is now on file in my office; that the same contains a full, true and correct transcript therefrom and of the whole thereof.

Witness my hand and the seal of said Redevelopment Agency, this 4th day of March, 1975.



PORTER D. CREMANS
Secretary of the Redevelopment Agency

By Donna E. Trumble Deputy 7

MAR 4 1975 95

TUESDAY MAR 4 1975

BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO

RESOLUTION NO. _____

A RESOLUTION APPROVING AGREEMENT
ESTABLISHING COUNTY-AGENCY RELATIONSHIPS

On Motion of Supervisor _____, seconded by
Supervisor _____, the following resolution
is adopted:

WHEREAS, the Board of Supervisors of the County of San Diego
desires to establish certain County-Agency relationships with the
Redevelopment Agency of the County of San Diego;

BE IT RESOLVED AND ORDERED: that the agreement entitled

"Agreement Between the County of San Diego and the Redevelop-
ment Agency Establishing Certain County-Agency Relationships"

is approved and the Chairman is authorized to sign said agreement
for the County.

MAR 4 1975 94

Handwritten notes:
MAR 4 1975
94

Exhibit C

USDRIP General Fund Loan Proposed Repayment Schedule

Principal = \$588,780.00

Interest = 0.22%

Time = 20 years

Payment = \$30,123.77

Payment Date	Payment	Interest Component	Principal Component	Outstanding Principal
			588,780.00	
1/2/2015	\$30,123.77	1,295.32	28,828.46	559,951.54
1/2/2016	30,123.77	1,231.89	28,891.88	531,059.66
1/2/2017	30,123.77	1,168.33	28,955.44	502,104.22
1/2/2018	30,123.77	1,104.63	29,019.14	473,085.08
1/2/2019	30,123.77	1,040.79	29,082.99	444,002.09
1/2/2020	30,123.77	976.80	29,146.97	414,855.12
1/2/2021	30,123.77	912.68	29,211.09	385,644.03
1/2/2022	30,123.77	848.42	29,275.36	356,368.67
1/2/2023	30,123.77	784.01	29,339.76	327,028.91
1/2/2024	30,123.77	719.46	29,404.31	297,624.60
1/2/2025	30,123.77	654.77	29,469.00	268,155.60
1/2/2026	30,123.77	589.94	29,533.83	238,621.77
1/2/2027	30,123.77	524.97	29,598.81	209,022.97
1/2/2028	30,123.77	459.85	29,663.92	179,359.05
1/2/2029	30,123.77	394.59	29,729.18	149,629.86
1/2/2030	30,123.77	329.19	29,794.59	119,835.27
1/2/2031	30,123.77	263.64	29,860.14	89,975.14
1/2/2032	30,123.77	197.95	29,925.83	60,049.31
1/2/2033	30,123.77	132.11	29,991.66	30,057.65
1/2/2034	30,123.77	66.13	30,057.65	-
	\$602,475.46	\$13,695.46	\$588,780.00	

Assumptions:

- A. 0.22% = Last published LAIF Interest Rate Quarter ending 6/30/14
- B. Payments shall be applied to at any outstanding accrued interest until paid in full. Subsequent payments will be applied to principal and interest.
- C. Repayment schedule to be recalculated semi-annually based on the actual repayments amounts received from RPTTF
- D. Should subsequent legislation revise how accumulated interest is to be calculated, the reinstated loan will recalculate the interest to remain consistent with the law.

USDRIP Reinstated General Fund Loan Agreement Repayment Schedule

Principal = \$588,780.00

Interest = 0.22%

Time = 20 years

Payment = \$30,123.77

Payment Date	Payment	Interest Component	Principal Component	Outstanding Principal
			588,780.00	
1/2/2015	\$30,123.77	1,295.32	28,828.46	559,951.54
1/2/2016	30,123.77	1,231.89	28,891.88	531,059.66
1/2/2017	30,123.77	1,168.33	28,955.44	502,104.22
1/2/2018	30,123.77	1,104.63	29,019.14	473,085.08
1/2/2019	30,123.77	1,040.79	29,082.99	444,002.09
1/2/2020	30,123.77	976.80	29,146.97	414,855.12
1/2/2021	30,123.77	912.68	29,211.09	385,644.03
1/2/2022	30,123.77	848.42	29,275.36	356,368.67
1/2/2023	30,123.77	784.01	29,339.76	327,028.91
1/2/2024	30,123.77	719.46	29,404.31	297,624.60
1/2/2025	30,123.77	654.77	29,469.00	268,155.60
1/2/2026	30,123.77	589.94	29,533.83	238,621.77
1/2/2027	30,123.77	524.97	29,598.81	209,022.97
1/2/2028	30,123.77	459.85	29,663.92	179,359.05
1/2/2029	30,123.77	394.59	29,729.18	149,629.86
1/2/2030	30,123.77	329.19	29,794.59	119,835.27
1/2/2031	30,123.77	263.64	29,860.14	89,975.14
1/2/2032	30,123.77	197.95	29,925.83	60,049.31
1/2/2033	30,123.77	132.11	29,991.66	30,057.65
1/2/2034	30,123.77	66.13	30,057.65	-
	\$602,475.46	\$13,695.46	\$588,780.00	

Assumptions:

- A. 0.22% = Last published LAIF Interest Rate Quarter ending 6/30/14
- B. Payments shall be applied to at any outstanding accrued interest until paid in full. Subsequent payments will be applied to principal and interest.
- C. Repayment schedule to be recalculated semi-annually based on the actual repayments amounts received from RPTTF
- D. Should subsequent legislation revise how accumulated interest is to be calculated, the reinstated loan will recalculate the interest to remain consistent with the law.

Resolution No. _____
Meeting Date: _____

Rev. 9/12/14

**A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD
RELATED TO REINSTATED LOAN AGREEMENT REGARDING A LOAN FROM
THE COUNTY'S GENERAL FUND**

WHEREAS, pursuant to authority granted under Community Redevelopment Law (Health and Safety Code section 33000 et seq.) (CRL), the Redevelopment Agency of the County of San Diego (Redevelopment Agency) was responsible for implementing the redevelopment plan for the Upper San Diego River Improvement Project redevelopment project area; and

WHEREAS, on January 24, 2012, the County of San Diego (County) agreed to serve as the Successor Agency to the Redevelopment Agency (Successor Agency) commencing with the dissolution of the Redevelopment Agency on February 1, 2012 pursuant to Assembly Bill 1X 26; and

WHEREAS, pursuant to Health and Safety Code sections 33132 and 33601, the Redevelopment Agency was authorized to borrow money and accept financial assistance from the County for redevelopment projects located in the Redevelopment Agency's jurisdiction; and

WHEREAS, pursuant to Health and Safety Code section 33601, the County was authorized to loan money to the Redevelopment Agency for administrative expenses, including expenses of redevelopment planning and dissemination of redevelopment information, consultant contracts for work on the USDRIP Redevelopment Plan and the RiverWay Specific Plan and associated Environmental Impact Report, and overhead of the agency to be repaid on such terms as the County may provide; and

WHEREAS, consistent with the foregoing authority, the County loaned the Redevelopment Agency a total of \$688,780 from the County General Fund of which \$588,780 has not been repaid as of January 30, 2012.

WHEREAS, pursuant to Health and Safety Code section 34191.4(b), once a successor agency has received a Finding of Completion from the California Department of Finance pursuant to Health and Safety Code section 34179.7, loan agreements entered into between the Redevelopment Agency and the entity that created the redevelopment agency (Sponsoring Jurisdiction Loans) shall be deemed to be enforceable obligations provided that the Successor Agency's Oversight Board makes a finding that the Sponsoring Jurisdiction Loans were for legitimate redevelopment purposes; and

WHEREAS, the Successor Agency received a Finding of Completion on May 10, 2013; and

WHEREAS, Health and Safety Code section 34191.4(b)(2) provides that: (i) the accumulated interest on Sponsoring Jurisdiction Loans shall be recalculated from origination at the interest rate earned by funds deposited into the Local Agency Investment Fund (LAIF); (ii) Sponsoring Jurisdiction Loans shall be repaid to the sponsoring jurisdiction in accordance with a defined schedule over a reasonable term of years at an interest rate not to exceed the interest rate earned by funds deposited into LAIF; and (iii) the annual amount of repayments on Sponsoring Jurisdiction Loans provided for in the Recognized Obligation Payment Schedule (ROPS) is subject to specific limitations; and

WHEREAS, Successor Agency staff prepared a Reinstated Loan Agreement which provides for repayment of the loan from the General Fund in accordance with Health and Safety Code section 34191.4(b) and commits the County to use the loan repayment proceeds in accordance with Health and Safety Code section 34191.4(b); and

WHEREAS, the Board of Directors of the Successor Agency approved the execution of the Reinstated Loan Agreement subject to the approval of the Oversight Board; and

WHEREAS, on September 24, 2014, the Oversight Board considered the report prepared by Successor Agency staff explaining how the loan from the County General Fund was used for legitimate redevelopment purposes and heard testimony from Successor Agency staff on this issue.

NOW, THEREFORE, IT IS RESOLVED that the facts set forth in the recitals above are acknowledged and affirmed.

IT IS FURTHER RESOLVED that the Oversight Board finds and determines that the loan from the County General Fund to the Redevelopment Agency was for legitimate redevelopment purposes.

IT IS FURTHER RESOLVED that the Reinstated Loan Agreement, attached to the Oversight Board staff report as Attachment A, between the Successor Agency and the County is as an enforceable obligation pursuant to Health and Safety Code section 34191.4(b).

IT IS FURTHER RESOLVED that the Successor Agency is authorized and directed to list the Reinstated Loan Agreement and the repayment of the loan from the County General Fund on the Successor Agency's ROPS for January through June 2015

(ROPS 14-15B) and for each succeeding ROPS period until the loan from the County General Fund is repaid in full in accordance with the Reinstated Loan Agreement.

IT IS FURTHER RESOLVED that Successor Agency staff is authorized to take such further actions as may be necessary to carry out the intent of this Resolution.



COUNTY OF SAN DIEGO

AGENDA ITEM

COUNTY OVERSIGHT BOARD

COUNTY OVERSIGHT BOARD

JO MARIE DIAMOND
DR. BONNIE DOWD
KATHY KASSEL
SCOTT PATTERSON
MARIO SÁNCHEZ
ROBERT SCHWITZ
MATT SCHNEIDER

DATE: September 24, 2014

02

TO: County of San Diego Oversight Board

SUBJECT: A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE REINSTATED LOAN AGREEMENT REGARDING A LOAN FROM THE COUNTY'S AIRPORT ENTERPRISE FUND (DISTRICTS: ALL)

SUMMARY:

Overview

The Redevelopment Agency of the County of San Diego (Redevelopment Agency) was formed on October 14, 1974 (5 and 6), by County Ordinance 4393. The Gillespie Field Redevelopment Project Area (Project Area) was one of the Redevelopment Agency's two redevelopment project areas. The Redevelopment Plan for the Project Area was adopted on July 7, 1987 (53), by County Ordinance No. 7339 and by El Cajon City Council on July 14, 1987, by Ordinance No. 4036. The Project Area is a contiguous area of about 746 acres located at Gillespie Field Airport. The Project Area was established with the goal of alleviating blight, deterioration and stagnation of the Project Area attributable primarily to inadequate public improvements. The Project Area was funded initially by loans from the Airport Enterprise Fund (AEF).

On December 1, 1987 (11 thru 13), the Board of Supervisors and the Redevelopment Agency approved an agreement between the County of San Diego and the Redevelopment Agency establishing terms and conditions of amounts loaned by the AEF to the Redevelopment Agency to finance redevelopment activities in the Project Area. The Redevelopment Agency borrowed a total principal amount of \$9,636,875 from the AEF between Fiscal Year 1987-1988 and Fiscal Year 2000-2001. As of January 31, 2012, the Redevelopment Agency has made principal repayments of \$6,273,672. The current outstanding principal balance owed by the Redevelopment Agency to the AEF is \$3,363,203.

The Successor Agency to the Redevelopment Agency of the County of San Diego (Successor Agency) was established on January 24, 2012 (14) and the Redevelopment Agency was dissolved on February 1, 2012 pursuant to AB 1X 26, the Dissolution Act. Loan agreements by and between the County of San Diego and the Redevelopment Agency became invalid and non-binding pursuant to this legislation. According to AB

SUBJECT: A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE REINSTATED LOAN AGREEMENT REGARDING A LOAN FROM THE COUNTY'S AIRPORT ENTERPRISE FUND (DISTRICTS: ALL)

IX 26, the AEF loan to the Redevelopment Agency was not recognized as an enforceable obligation, and, therefore, repayment of the outstanding loan amount to the AEF was not permitted. However, under subsequent "clean-up" legislation (AB 1484), loans between the former Redevelopment Agency and the AEF may be re-established and deemed to be an enforceable obligation upon issuance of a "Finding of Completion" by the California Department of Finance (DOF) and a finding that the loan was for legitimate redevelopment purposes by the County Oversight Board (Oversight Board). The DOF issued its Finding of Completion on May 10, 2013.

On September 16, 2014, the Successor Agency approved a Reinstated Loan Agreement between the County of San Diego and the Successor Agency, authorized the Secretary of the Successor Agency to execute the agreement if approved by the Oversight Board, and directed staff to apply to the Oversight Board pursuant to Health and Safety Code Section 34191.4(b)(1) to reinstate the loan that was made from the Airport Enterprise Fund to the Redevelopment Agency.

This is a request to adopt a Resolution finding: the Airport Enterprise Fund loan to the Redevelopment Agency was for legitimate redevelopment purposes; approving the Reinstated Loan Agreement; and directing the Successor Agency to list the Reinstated Loan Agreement and repayment of the loan on the Successor Agency's Recognized Obligation Payments Schedule (ROPS) for January through June 2015 (ROPS 14-15B) and on each succeeding ROPS until the loan is repaid. This is also a request for the Oversight Board to direct the Oversight Board staff to submit the Reinstated Loan Agreement and Oversight Board Resolution to the DOF.

This is a similar request to the item also being considered today regarding the Upper San Diego River Improvement Project, the process and procedures for consideration of the loan reinstatement are the same, but the loan amounts and the projects are different.

Recommendation(s)

COUNTY SUCCESSOR AGENCY

1. Adopt a Resolution entitled, "A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE REINSTATED LOAN AGREEMENT REGARDING A LOAN FROM THE COUNTY'S AIRPORT ENTERPRISE FUND."
2. Direct the Oversight Board staff to submit the Reinstated Loan Agreement and Oversight Board Resolution to the California Department of Finance.

Fiscal Impact

Reinstatement of the loan from the County AEF to the Redevelopment Agency will

SUBJECT: A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE REINSTATED LOAN AGREEMENT REGARDING A LOAN FROM THE COUNTY'S AIRPORT ENTERPRISE FUND (DISTRICTS: ALL)

result in a new enforceable obligation for the Successor Agency. Repayments will be made by distributions from the Redevelopment Property Tax Trust Fund (RPTTF) to the AEF. The amount of each repayment will be subject to availability of funding in the RPTTF and the other requirements of AB 1484 and other applicable law.

BACKGROUND:

The Redevelopment Plan for the Project Area was adopted by the Redevelopment Agency on July 7, 1987 (53) and by the El Cajon City Council on July 14, 1987, Ordinance No. 4036. The Project Area was established with the goal of alleviating blight, deterioration and stagnation within the Project Area attributable primarily to inadequate public improvements, public facilities, and utilities and secondarily to existing buildings and structures that were unfit or unsafe for occupancy due to age and deterioration. A major goal of the Project Area was to facilitate industrial and commercial development. Significant progress has been made in addressing these issues. Pursuant to Health and Safety Code Section 33601, the establishment of the Redevelopment Agency and adoption of the Redevelopment Plan enabled the Redevelopment Agency to borrow money from any public agency and incur debt to complete projects within its area of operation and to use tax increment revenue to repay this debt.

The Redevelopment Plan for the Project Area called for the redevelopment of an area to the west of Cuyamaca Street as well as redevelopment and extension to Marshall Avenue. Split between two phases, the Cuyamaca West industrial development resulted in infrastructure improvements allowing for modern high quality office/industrial space. The Marshall Avenue extension has provided much improved traffic flow and access to additional industrial lots.

On December 1, 1987 (11 thru 13), the Board of Supervisors and the Redevelopment Agency approved an agreement between the AEF and the Redevelopment Agency establishing terms and conditions of loans (eventually totaling \$9,636,875) from the AEF to the Redevelopment Agency. The agreement states that all funds loaned to the Redevelopment Agency for the planning and implementation of the Redevelopment Plan for the Project Area shall be considered loans and shall be repaid with interest to the AEF as soon as Redevelopment Agency funds are available for this purpose. No formal repayment schedule was established since it was not known when funds would be available to make repayments and how much those repayments might be each year. As of January 31, 2012, the Redevelopment Agency has made principal repayments of \$6,273,672 with proceeds from the Redevelopment Agency's Gillespie Field Project 2005 bond issuance, leaving a principal balance of \$3,363,203 outstanding.

A. AEF Loan History:

Between Fiscal Year 1987-1988 and Fiscal Year 2000-2001, the County's AEF loaned the Redevelopment Agency a total of \$9,636,875 million used for infrastructure construction at

SUBJECT: A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE REINSTATED LOAN AGREEMENT REGARDING A LOAN FROM THE COUNTY'S AIRPORT ENTERPRISE FUND (DISTRICTS: ALL)

Cuyamaca West Industrial Park and Marshall Avenue, as well as environmental and administrative work in support of that construction by contractors and County staff acting in the capacity of Redevelopment Agency administration staff.

B. Deliverables:

Funds loaned from the AEF were used to produce the deliverables described below.

1. Gillespie Field Redevelopment Plan – Developed during 1986 and 1987, the Redevelopment Plan for the Gillespie Field Redevelopment Project Area was adopted by the County by Ordinance No. 7339 on July 7, 1987 (53), and by the City of El Cajon by Ordinance No. 4036 on July 14, 1987. The plan outlined the objectives of the Redevelopment Project Area to include the elimination of blight and substandard structures, the development of commercial property, improvements in infrastructure and utilities, improvements in traffic circulation, and the promotion of productive and efficient land use. These objectives were addressed in the three projects which followed and which are outlined below.
2. Cuyamaca West I Infrastructure Construction Project - Constructed between 1988 and 1989 by R.E. Hazard Contracting Company under contract to the County of San Diego and funded by the Redevelopment Agency, the Cuyamaca West I project developed 11 industrial building pads, road improvements to service those pads, such as curbs, gutters and sidewalks, and associated electric, gas, telephone, sewer and water facilities to support the new industrial development. Today, the Cuyamaca West I provides 216,479 square foot of commercial and industrial space and supports approximately 500 jobs. Promoting employment opportunities and increasing the tax base, the Cuyamaca West I Infrastructure Construction Project implemented the Plan's goals of eliminating blighted conditions and substandard structures and developing property, public utilities and infrastructure.
3. Cuyamaca West II Infrastructure Construction Project - Constructed between 1995 and 1997 by R.E. Hazard Contracting Company under contract to the County of San Diego and funded by the Redevelopment Agency, the Cuyamaca West II project developed 17 industrial building pads, road improvements to service those pads, such as curbs, gutters and sidewalks, and associated electric, gas, telephone, sewer, water and landscaping facilities to support the new industrial development. Today, the Cuyamaca West II provides 528,506 square foot of commercial and industrial space and supports approximately 650 jobs. Promoting employment opportunities and increasing the tax base, implementation of the Cuyamaca West II Infrastructure Construction Project satisfies the Plan's goals of eliminating blighted conditions and substandard structures and developing property, public utilities and infrastructure.

SUBJECT: A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE REINSTATED LOAN AGREEMENT REGARDING A LOAN FROM THE COUNTY'S AIRPORT ENTERPRISE FUND (DISTRICTS: ALL)

4. Marshall Avenue Extension Project – Constructed between 1999 and 2001, the Marshall Avenue extension project improved roadway infrastructure and connected Bradley Avenue with Cuyamaca Avenue and Weld Boulevard. This project provided access to approximately 12 acres of industrial land and 13 acres of aviation-use land which had previously not had street access. Increasing the tax base, the Marshall Avenue Extension Project implemented the Plan's goals of improving public infrastructure, eliminating traffic circulation problems and promoting productive and efficient land use.

AEF LOAN EXPENDITURES FISCAL YEARS 1987-1988 TO 2000 - 2001	
Gillespie Field Redevelopment Plan – development and implementation	\$424,400
Cuyamaca West I Infrastructure Project: <ul style="list-style-type: none"> • R.E. Hazard construction contractor • HCH engineering services • County Real Property administration • County Public Works survey and construction inspection • Public Utilities and Fees 	\$5,562,979
Cuyamaca West II Infrastructure Project: <ul style="list-style-type: none"> • W. R. Connelly Inc construction contractor 	\$1,567,548
Marshall Avenue Extension Project: <ul style="list-style-type: none"> • City of El Cajon (Project Lead and contract management) • San Diego Gas and Electric 	\$2,081,948
Total AEF Loans to Redevelopment Agency	\$9,636,875
TOTAL REPAID	\$6,273,672
TOTAL REMAINING BALANCE	\$3,363,203

C. Successor Agency:

The Successor Agency was established on January 24, 2012 (14) and the Redevelopment Agency was dissolved on February 1, 2012 pursuant to AB 1X 26, the Dissolution Act. Successor agencies were established to satisfy certain financial obligations and conclude activities of the now dissolved redevelopment agencies. The Successor Agency is the designated Successor Agency for the County's Redevelopment Agency. The Successor Agency must comply with state law to ensure payment of all enforceable obligations.

Loan agreements between the County and the Redevelopment Agency became invalid pursuant to AB 1X 26. Subsequent "clean-up" legislation, AB 1484, became effective at the end of June 2012, amended and supplemented AB 1X 26, and added Health and Safety Code Section 34191.4. Subsection (b) of Section 34191.4 allows for a loan between a redevelopment agency and the county that established the redevelopment agency to be re-

SUBJECT: A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE REINSTATED LOAN AGREEMENT REGARDING A LOAN FROM THE COUNTY'S AIRPORT ENTERPRISE FUND (DISTRICTS: ALL)

established and deemed to be an enforceable obligation, upon issuance of a "finding of completion" by the DOF and a finding that the loan was for legitimate redevelopment purposes by the Oversight Board.

During these legislative actions, payments to the AEF were approved by the Oversight Board in April 2012 for the first two Recognized Obligation Payment Schedule (ROPS) (January – June 2012 and July – December 2012) and accepted by the DOF in May 2012, however, the payment request for the third ROPS (January – June 2013) was denied by DOF in December 2012 stating that the Successor Agency had not yet received a Finding of Completion DOF stated covering calendar year 2012. A Finding of Completion was eventually issued May 10, 2013.

Any repayment of the loan must be listed on a ROPS, as approved by the Oversight Board and the DOF. The Successor Agency is required to prepare two ROPS each year. Each ROPS lists the Successor Agency's enforceable obligations payable during the six month fiscal period. In anticipation of the Oversight Board finding that the loan from the AEF was made for legitimate redevelopment purposes, the Successor Agency has included the repayment of the AEF loan on ROPS 14-15B (January 1, 2015 through June 30, 2015).

The DOF issued the Finding of Completion to the Successor Agency on May 10, 2013. The Successor Agency approved submitting the reinstated loan agreement to the Oversight Board on September 16, 2014. Approval of today's recommended action will allow the Oversight Board to direct the Oversight Board staff to submit the reinstated loan agreement and the Oversight Board resolution to the DOF.

Health and Safety Code Section 34191.4(b)(2) provides that any reinstated loan is subject to the following modified terms:

1. Each of the annual loan repayment amounts will be subject to the maximum amounts allowed under State Code Section 34191.4(b)(2), which defines the calculations to be used in assessing the annual tax increment available.
2. Accumulated interest on the remaining principal amount of the reinstated loan must be recalculated from the date of loan origination at the interest rate earned by funds deposited into the Local Agency Investment Fund (LAIF) Rate.
3. Twenty percent of any available loan repayment amount in the RPTTF shall be deducted from that available loan repayment amount prior to funds being dispersed to the AEF and shall be transferred to the Low and Moderate Income Housing Fund. The twenty percent deduction does not impact the total reinstated loan amount.

SUBJECT: A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE REINSTATED LOAN AGREEMENT REGARDING A LOAN FROM THE COUNTY'S AIRPORT ENTERPRISE FUND (DISTRICTS: ALL)

4. Successor Agency must repay the reinstated loan to the County in accordance with a defined schedule over a reasonable term of years, during which period the loan will continue to accrue interest at the LAIF Rate.

Assuming the Oversight Board's approval of the re-establishment of the loan (and no objection from the DOF upon their review of the Oversight Board Resolution), the actual dollar amount to be repaid by the Successor Agency for each loan repayment will be subject to the availability of funding in the RPTTF and the annual cap imposed by AB 1484.

D. Reinstated Loan Agreement

The following are the significant terms of the reinstated loan agreement:

1. The reinstated loan amount is \$3,363,203 of principal and \$379,603 of accumulated interest at the LAIF rate of 0.22%.
2. Under the repayment schedule, the loan would be repaid in 20 years, assuming the Successor Agency has sufficient funds to make each estimated loan repayment.
3. Twenty percent of any loan repayment shall be deducted from loan repayments will be allocated to the County's Low and Moderate Income Housing Asset Fund.

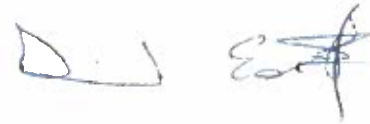
On September 16, 2014, the Successor Agency approved a reinstated loan agreement between the County of San Diego and the Successor Agency, authorized the Secretary to the Successor Agency to execute the agreement if approved by the Oversight Board, and directed staff to apply to the Oversight Board pursuant to Health and Safety Code Section 34191.4(b)(1) to reinstate the loan that was made from the AEF to the Redevelopment Agency.

Today's request is to adopt a Resolution finding that the AEF loan to the Redevelopment Agency was for legitimate redevelopment purposes, approving the reinstated loan agreement, and directing the Successor Agency to list the reinstated loan agreement and repayment of the loan on the Successor Agency's ROPS for January through June 2015 (ROPS 14-15B) and on each succeeding ROPS until the loan is repaid. This is also a request for the Oversight Board to direct the Oversight Board staff to submit the reinstated loan agreement and Oversight Board Resolution to the DOF.

SUBJECT: A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD
RELATED TO THE REINSTATED LOAN AGREEMENT REGARDING A
LOAN FROM THE COUNTY'S AIRPORT ENTERPRISE FUND
(DISTRICTS: ALL)

Respectfully submitted,

HELEN N. ROBBINS-MEYER



By
DAVID ESTRELLA
Deputy Chief Administrative Officer

ATTACHMENT(S)

Attachment A – Reinstated Airport Enterprise Fund Loan Agreement

Attachment B – Reinstated Airport Enterprise Fund Loan Agreement Repayment Schedule

Attachment C – Resolution of the County of San Diego Oversight Board Related to the
Reinstated Loan Agreement Regarding a Loan from the County's Airport Enterprise Fund

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SUBJECT: A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD
RELATED TO THE REINSTATED LOAN AGREEMENT REGARDING A
LOAN FROM THE COUNTY'S AIRPORT ENTERPRISE FUND
(DISTRICTS: ALL)

AGENDA ITEM INFORMATION SHEET

PREVIOUS RELEVANT BOARD ACTIONS:

N/A

MANDATORY COMPLIANCE:

N/A

CONTACT PERSON(S):

Derek Gade

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Phone

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Richard E. Crompton, Director

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Approval Log For:

AEF Oversight Board Letter 9 16 14.docx

Attachment A Exhibit A - Dec 1 1987 RDA AEF Loan Agreement.pdf

Attachment A Exhibit B - March 2011 RDA AEF Loan Repayment Schedule.pdf

Attachment A Exhibit C - updated Repayment Schedule Gillespie.docx

Attachment A - Reinstated loan Airport Ent Fund - Oversight Board .docx

Attachment B updated Repayment Schedule Gillespie .docx

Attachment C Oversight Board Resolution .docx

Approver's Name	Approvers Job Title	Approver's Department	Time and Date of Final Approval
Toroshinia Kennedy	Admin Analyst III	Office of Financial Planning	9/17/2014 1:53:12 PM
Kristen Laychus	Deputy County Counsel	County Counsel	9/17/2014 11:44:51 AM
Derek Gade	Deputy Director - Transportation Div.	Public Works	9/17/2014 12:24:58 PM
Brian Hagerty	Group Finance Director	Executive Office	9/17/2014 11:29:50 AM

REINSTATED LOAN AGREEMENT BETWEEN
THE COUNTY OF SAN DIEGO AND
THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE COUNTY
OF SAN DIEGO
REGARDING THE LOAN FROM THE
COUNTY'S AIRPORT ENTERPRISE FUND

This Reinstated Loan Agreement (Loan Agreement) is entered into on _____ between the County of San Diego, a political subdivision of the State of California (County), and the Successor Agency to the Redevelopment Agency of the County of San Diego (Successor Agency), a public entity established by state law and the successor to the Redevelopment Agency of the County of San Diego (Redevelopment Agency).

RECITALS

The County and the Successor Agency (collectively, Parties) enter into this Loan Agreement with reference to the following facts:

- A. The Redevelopment Agency dissolved on February 1, 2012 pursuant to Assembly Bill x1 26 (AB 26), at which time the Successor Agency was created and assumed the Redevelopment Agency's assets, rights and obligations under Community Redevelopment Law. On June 27, 2012, the Legislature enacted Assembly Bill 1484 (AB 1484), which clarified certain aspects of the process of the expeditious winding down of the former redevelopment agencies' operations. AB 26 and AB 1484 (collectively, Dissolution Laws) require the Successor Agency to prepare a Recognized Obligation Payments Schedule (ROPS) for each six-month period on a forward-looking basis. Under the Dissolution Laws, the County Auditor and Controller administers and makes semi-annual distributions of monies from the Redevelopment Property Tax Trust Fund (RPTTF), which is comprised of incremental property taxes generated in the County's two redevelopment project areas, Upper San Diego River Improvement Project and Gillespie Field. A seven-member Oversight Board and the California Department of Finance (DOF) oversee certain actions and decisions of the Successor Agency.
- B. Health and Safety Code section 34171(d)(2) generally provides that "enforceable obligations" do not include "any agreements, contracts, or arrangements between the city, county, or city and county that created the redevelopment agency and the former redevelopment agency." Consequently, the loan agreement between the County and its Redevelopment Agency for the loan of funds from the Airport Enterprise Fund (AEF) to the Redevelopment Agency ceased to be an enforceable obligation which could be repaid.
- C. Pursuant to Health and Safety Code section 34174(b), notwithstanding Health and Safety Code section 34171(d)(2) noted above, the County and the Successor

Agency may reinstate, subject to certain conditions and modified terms, loan agreements between the County and its Redevelopment Agency.

- D. As interpreted by DOF, Health and Safety Code section 34191.4(b)(1) requires the following conditions to be satisfied before a loan agreement may be reinstated: (1) the Successor Agency must have obtained a finding of completion from DOF pursuant to Health and Safety Code section 34179.7; (2) the Oversight Board must adopt a resolution that approves the reinstated loan as an enforceable obligation and finds that the original loan was for legitimate redevelopment purposes; and (3) DOF must approve the Oversight Board's resolution.
- E. On May 10, 2013 the Successor Agency obtained a finding of completion from DOF. On _____ the Oversight Board adopted a resolution that approved the reinstated loan as an enforceable obligation and found that the original loan was for legitimate redevelopment purposes. On _____ Successor Agency staff sent the Oversight Board resolution to DOF for its review.
- F. Health and Safety Code section 34191.4(b)(2) as interpreted by DOF provides that any reinstated loan will be subject to the following modified terms: (1) the Successor Agency's maximum annual repayment amount on all reinstated loans shall be equal to 50% of the increase between the residual balance amount distributed to the local taxing entities during the 2012-13 base fiscal year and the actual residual balance amount distributed to the local taxing entities during any subsequent fiscal year (50% Increase Formula); (2) the Successor Agency's annual payments to the County on reinstated loans must be reflected in the applicable ROPS and may commence in the 2014-15 fiscal year; (3) in each fiscal year, the maximum annual repayment amount is calculated with reference to the 50% Increase Formula as applied to actual residual balance distributions made in the immediately preceding fiscal year; (4) the accumulated interest on the remaining principal amount of the invalidated loan must be recalculated from the date of loan origination at the interest rate earned by funds deposited into the Local Agency Investment Fund (LAIF Rate); (5) the Successor Agency must deduct 20% of any reinstated loan payment from the loan payment amount and transfer this deducted amount to the County's Loan and Moderate Income Housing Asset Fund (Housing Fund); and (6) the Successor Agency must repay the reinstated loan to the County in accordance with a defined schedule over a reasonable term of years, during which period the loan will continue to accrue interest at the LAIF Rate. Should subsequent legislation revise how accumulated interest is to be calculated, the reinstated loan will recalculate the accumulated interest from origination date to remain consistent with law.
- G. Before it was dissolved, the Redevelopment Agency managed two redevelopment projects, the Upper San Diego River Improvement Project and Gillespie Field Redevelopment Project Area.

- H. On December 1, 1987, the County and its Redevelopment Agency entered into an agreement "Establishing Terms and Conditions of Advances or Loans from the Airport Enterprise Fund of the County of San Diego to the Redevelopment Agency." A copy of the 1987 agreement is attached hereto as Exhibit A. As stated in that agreement, "All funds advanced or loaned by County from the Airport Enterprise Fund to the Agency for the planning and implementation of the Redevelopment Plan for the Gillespie Field Redevelopment Project Area commencing February 11, 1986 shall be considered a loan under the terms of this Agreement." Pursuant to that agreement, the County loaned the Redevelopment Agency a total of \$9,636,875 from the AEF, of which the Redevelopment Agency repaid \$6,273.672 as of September 16, 2014.
- I. The Redevelopment Agency used the funds loaned from the AEF by the County for legitimate redevelopment purposes to create and implement the Gillespie Field Redevelopment Plan which has successfully redeveloped both Cuyamaca West Industrial Parks One and Two as well as extending Marshall Avenue to provide access to additional industrial and aviation use property within the Gillespie Field Project Area
- J. As of September 16, 2014, the outstanding amount of principal on the loans from the Airport Enterprise Fund is \$3,363,203. The accumulated interest recalculated at the present LAIF Rate of 0.22% on the remaining principal balance from the date of loan origination (November 28, 2001) through the anticipated date of the Oversight Board meeting for approval of this Loan Agreement (September 24, 2014) is \$379,603. Thus, the outstanding loan balance, including principal and recalculated interest, of the original loans eligible for reinstatement under Health and Safety Code section 34191.4(b) is \$3,742,806 (Reinstated Loan Amount).
- K. On March 22, 2011, the governing bodies of the County and its Redevelopment Agency approved a loan repayment schedule (Gillespie Field Redevelopment Repayment Schedule). See Exhibit B attached hereto.
- L. The County and the Successor Agency desire to enter into this Loan Agreement to reinstate the original loans on modified terms consistent with Health and Safety Code section 34191.4(b) based on the Reinstated Loan Amount.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

SECTION 1:

REINSTATED LOAN AND REPAYMENT TERMS

- (a) Reinstated Loan Amount. The Successor Agency shall repay the County AEF the Reinstated Loan Amount of \$3,742,806 subject to the terms and conditions in this Loan Agreement. The Successor Agency shall promptly request the Oversight Board to adopt a resolution that approves this Loan Agreement and the Reinstated Loan Amount as an enforceable obligation and that makes a finding that the original loan was for legitimate redevelopment purposes. The Successor Agency shall promptly transmit the Oversight Board resolution to DOF for its review and approval in accordance with Health and Safety Code section 34179(h).
- (b) Accrual of Interest. Commencing on the Effective Date, as specified below, and continuing until the Reinstated Loan has been fully repaid, the Reinstated Loan Amount shall continue to accrue interest at the LAIF Rate as such rate is adjusted on a quarterly basis. The interest that accrues on the Reinstated Loan Amount from and after the Effective Date shall compound quarterly to coincide with the published quarterly updates to the LAIF Rate.
- (c) Repayment Schedule. The Successor Agency shall make a good-faith effort to repay the Reinstated Loan Amount in accordance with the repayment schedule attached here to as Exhibit C; provided, however, that the Successor Agency's actual repayments to the County in any given fiscal year shall take into account (1) the available residual balance of funds under the 50% Increase Formula; and (2) the potential reinstatement of another invalidated loan agreement between the Parties (loan from the general fund) and the corresponding need for a funding source to repay that reinstated loan agreement. In each semi-annual loan repayment period, the Successor Agency will recalculate the payment schedule based upon the actual repayment amounts received from the RPTTF.
- (d) Treatment of Repayments. All repayments of the Reinstated Loan Amount shall first be used to repay accrued interest and then to reduce the principal balance.
- (e) Method of Repayment. The Successor Agency shall identify this Loan Agreement, including the full repayment of the Reinstated Loan Amount plus accrued interest, as an enforceable obligation on the 2014-2015 ROPS covering the period of January 1, through June 30 2015, (ROPS 14-15B), and shall request an allocation of property taxes from the residual balance of the RPTTF for this purpose on a semi-annual basis in ROPS 15-16A and in each succeeding ROPS to the extent that sufficient funds are available in the residual balance under the 50% Increase Formula.
- (f) Allocation to Housing Funds. Consistent with Health and Safety Code section 34191.4(b)(2)(C), the Successor Agency shall deduct 20% from each loan repayment amount and shall transfer this deducted amount to the County's

Housing Fund to be used by the County for affordable housing purposes in accordance with Community Redevelopment Law. The Parties acknowledge that, at the time of dissolution, the Redevelopment Agency did not owe any funds to the Low and Moderate Income Housing Fund. Consequently, the Successor Agency shall not be required to use any portion of the repayments to be made under this Loan Agreement to retire any such borrowed amounts pursuant to Health and Safety Code section 34191.4(b)(2)(B).

- (g) Source of Repayments. No funds or other assets of the Successor Agency, other than the allocation of property taxes from the RPTTF, may be used to meet the Successor Agency's repayment obligations under this Loan Agreement. To the extent that sufficient RPTTF distributions for repayment of the Reinstated Loan Amount are unavailable to the Successor Agency despite its good-faith efforts in accordance with section 1(c) above, the County acknowledges that the Reinstated Loan Amount may ultimately not be repaid in full.

SECTION 2: BOOKS AND ACCOUNTS

Each Party shall keep full and accurate books and accounts, records and other pertinent data showing its financial operations with regard to the repayment and use of the Reinstated Loan Amount.

SECTION 3: EFFECTIVE DATE

This Loan Agreement shall become effective on the date on which this Loan Agreement has been approved by the County Board of Supervisors and the Successor Agency Board of Directors and has been executed by the duly authorized officials on behalf of the County and the Successor Agency (Effective Date). However, repayment of the Reinstated Loan Amount shall not become a binding obligation of the Successor Agency unless and until the Oversight Board resolution has been approved by the Oversight Board in accordance with Health and Safety Code section 34179 and 34191.4(b)(1) and has been approved, or is deemed approved, by DOF in accordance with Health and Safety Code section 34179(h).

SECTION 4: GENERAL PROVISIONS

- (a) Agreement Between Public Entities. The Parties acknowledge and agree that, pursuant to Government Code section 895, this Loan Agreement is an agreement between public entities designed to implement the disbursement or subvention of public funds from one entity to the other and, as such, is not subject to the joint and several liability provisions of Government Code sections 895 to 895.8.

- (b) No Merger. In entering into this Loan Agreement, (i) the County is acting in its capacity as a political subdivision of the state of California, (ii) the Successor Agency is acting in its capacity as a separate public entity from the County, and (iii) both the County and the Successor Agency are acting pursuant to the specific authority granted under Health and Safety Code section 34191.4(b) authorizing the reinstatement of invalidated loan agreements between the Parties. Therefore, the Parties are not merged.
- (c) No Third Party Beneficiaries. The terms of this Loan Agreement are only for the benefit of the Successor Agency and the County, and there are no other intended or incidental third party beneficiaries hereto.
- (d) No Waiver. If either Party fails to insist upon strict performance by the other Party of any covenant, term or condition of the Loan Agreement, or fails to exercise any right or remedy following a breach, such failure shall not constitute a waiver of any breach of such covenant, term or condition or a waiver of the exercise of any such right or remedy.
- (e) Amendment. Except as provided in Section 4(f) below, this Loan Agreement may be amended in writing upon the mutual approval of the governing bodies of the Successor Agency and the County, subject to the approval of the Oversight Board and DOF.
- (f) Governing Laws. The laws of the State of California shall govern and control the terms and conditions of this Loan Agreement. The Parties agree that, if the current statutory provisions governing reinstatement of invalidated loans are modified by any legislative amendments or become subject to a binding interpretation from the DOF that differs from the assumptions underlying this Loan Agreement, then the Parties shall comply with such legislative amendment or binding interpretation and shall treat this Loan Agreement as having been automatically amended thereby.
- (g) Remedies. In addition to any other available legal rights or remedies, either Party may institute legal action to cure, correct, or remedy any default, to recover damages for any default, or to obtain any other remedy consistent with the purpose of this Loan Agreement. Any such legal action must be instituted in a court of competent jurisdiction in the County of San Diego, California, subject to any applicable choice-of-venue provisions under California law.
- (h) Severability. If any provision of this Loan Agreement is determined in any legal proceeding to be illegal, invalid or unenforceable, such determination shall not affect the validity of the remaining provisions of this Loan Agreement.

- (i) Counterparts. This Loan Agreement may be executed in counterparts, which when taken together, shall constitute a single signed original as though all Parties had executed the same page.
- (j) Entire Agreement. This Loan Agreement integrates all of the essential terms and conditions related to the subject matter of this Loan Agreement, and supersedes all negotiations or previous agreements between the Parties with respect to all or part of the subject matter hereof. The Exhibits referenced herein are incorporated into this Loan Agreement.

IN WITNESS WHEREOF, this Loan Agreement is executed by the County of San Diego Successor Agency and by the County of San Diego, to be effective on the Effective Date.

COUNTY OF SAN DIEGO SUCCESSOR AGENCY

By: _____
Secretary for the Successor Agency

Date: _____

COUNTY OF SAN DIEGO

By: _____
Clerk of the Board of Supervisors

Date: _____

Approved as to form and legality
County Counsel

By: _____
Senior Deputy

AGREEMENT BETWEEN THE COUNTY OF SAN DIEGO AND THE REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO ESTABLISHING TERMS AND CONDITIONS OF ADVANCES OR LOANS FROM THE AIRPORT ENTERPRISE FUND OF THE COUNTY OF SAN DIEGO TO THE REDEVELOPMENT AGENCY

THIS AGREEMENT is entered into this 1st day of December, 1987, by and between the County of San Diego (hereinafter referred to as "County") and the Redevelopment Agency of the County of San Diego (hereinafter referred to as "Agency");

WITNESSETH:

WHEREAS, on October 1, 1974, the Redevelopment Agency of the County of San Diego was established pursuant to the California Community Redevelopment Law (California Health and Safety Code, Section 33000 et seq.) by Ordinance No. 4393 of the Board of Supervisors, and;

WHEREAS, Section 33601 of the California Health and Safety Code authorizes the Agency to borrow money or accept financial or other assistance from any public agency for any redevelopment project within its area of operation, and to comply with any conditions of such loan or grant, and;

WHEREAS, the Redevelopment Plan for the Gillespie Field Redevelopment Project Area ("Redevelopment Plan") was adopted on July 7, 1987, and;

WHEREAS, the Gillespie Field Redevelopment Project Area lies wholly within the boundaries of the Gillespie Field Airport property, and;

WHEREAS, Section 202 of the Agreement Between the County of San Diego and the Redevelopment Agency Establishing Certain County-Agency Relationships ("Agreement") stipulates that the Agency shall reimburse the County for all costs incurred by County officers and employees in rendering services to the Agency commencing November 3, 1974, and;

WHEREAS, Section 501 of the Agreement stipulates that the County will aid and cooperate in the planning, undertaking, construction or operation of redevelopment projects within the County; NOW, THEREFORE,

BE IT RESOLVED AS FOLLOWS:

1. All funds advanced or loaned by County from the Airport Enterprise Fund to the Agency for the planning and implementation of the Redevelopment Plan for the Gillespie Field Redevelopment Project Area commencing February 11, 1986 shall be considered a loan under the terms of this Agreement.

12 1987 # 1 Re-Loan

NUMBER 25696-A

0 0 . 0 3 3

2. The Board of Supervisors may include funds for loans to the Redevelopment Agency in the annual Airport Enterprise Fund Spending Plan. The Spending Plan may be amended mid-year to provide for such loans if requested by the Agency and approved by the Board of Supervisors.
3. Loans under this Agreement shall be repaid from any source of Agency funds lawfully available for that purpose, and the Agency shall pay interest to the Airport Enterprise Fund. Interest shall accrue on the average quarterly outstanding balance equal to the average County earned investment rate as determined by the County Treasurer.
4. The Agency shall repay loans and accrued interest under this Agreement as soon as Agency funds are available for that purpose.
5. Any duty imposed on the Agency by this Agreement is based on the condition that the collection of property tax revenues pursuant to Health and Safety Code Section 33670(b) is sufficient to allow the Agency to perform as required herein.
6. The Auditor and Controller of the County of San Diego is hereby directed to establish whatever accounting and other procedures as are necessary, convenient or desirable to accomplish the purposes and intent of this Resolution.

IN WITNESS WHEREOF, this AGREEMENT is executed by AGENCY pursuant to action taken by its Members and by COUNTY pursuant to action taken by its Board of Supervisors.

Approved and/or authorized
by the Redevelopment Agency
of the County of San Diego

12-1-87 #1

William S. Nelson
Secretary, Redevelopment Agency

REDEVELOPMENT AGENCY OF THE COUNTY OF
SAN DIEGO

BY:

La. Rue M. Purvis, Asst. 12-1-87
Secretary, Redevelopment Agency Date

COUNTY OF SAN DIEGO

BY:

La. Rue M. Purvis, Asst. 12-1-87
Clerk of the Board of Supervisors Date

Approved and/or authorized by the Board
of Supervisors of the County of San Diego

12-1-87 #12

William S. Nelson

Clerk of the Board of Supervisors

12-1-87 #1 *Nelson*

APPROVED AS TO FORM AND LEGALITY
COUNTY COUNCIL

BY:

Mark C. Reed
DEPUTY

0 0 0 3 4

S E O O O

Distribution: DPM (0332) Roger Walsh
DPLU (0650)
Auditor and Controller (A5)
Controller Branch Office (0306)
Financial Management (A214)
CAO/Special Projects (A227) Carol Landsman/Susan Walton
CAO (A6)
Mailed 12-16-87/ps

COUNTY OF SAN DIEGO, CALIFORNIA
CONTRACT FISCAL CERTIFICATION

PLEASE NOTE INSTRUCTIONS ON REVERSE SIDE OF GOLDENROD COPY

1. New Change Contract No. 25696 Item No. CL A

Date: Dec. 1 19 87 Amend. No. Chg. Order No. Proj. No.
ORIGINATING DEPARTMENT Chief Administrative Office
In accordance with County Charter, Section 801, and other County policies, the following information is submitted:
2. Name and Address of Contractor San Diego, County of

AUDITOR'S USE ONLY

\$

PRE-AUTHORIZATION

Type	Adv. Repay	Escrow %	PY
Vendor Code			

3. Nature, purpose or description of contract: Agreement to establish terms and conditions of loans from the AEF to the Redevelopment Agency.

4. Effective Date Mo Day Yr 5. Expiration Date 12 30 99 6. Total Contract Amount \$ 0 Act. Est.

7. Appropriation Transfer or Appropriation of Revenue required
 No Yes (Attach completed Form 288)

10. If contract extends beyond the current fiscal year, please complete a schedule of the actual/estimated amount(s) for the subsequent fiscal years.

	EXPENDITURE	REVENUE
1st Subsequent F.Y.		
2nd Subsequent F.Y.		
3rd Subsequent F.Y.		
All Subsequent F.Y.'s		

8. Current Fiscal Year Accounting Information:

ORG UNIT	EXPENDITURE	REVENUE
ACCOUNT	8757	8757
TASK		
OPTION		
ACT/WORK AUTH		
AMT TO ENCUMBER	\$ 0	XXXXXXXX
EST REVENUE	XXXXXXXXXXXX	\$ 0

11. Please designate Carol Landman or Susan Walton as the County employee responsible for administration of this contract. Telephone: 331-5200

12. County Officer Chief Administrative Officer
By Susan Walton Signature & Title EE: dh

9. Remarks:

APPROVALS

13. EOMO APPROVAL:
Complies Not Required
Officer Victor A. Nite
By David G. Lopez Signature & Title 12-2-87 Date

14. AUDITOR AND CONTROLLER APPROVAL:
Votes Required 3 4 N/A
Board of Supervisors' Approval Required
Purchasing Agent's Approval Required
Other
ROD CALVAO, Auditor and Controller
By Carla Bauer Signature & Title 12-2-87 Date

15. PURCHASING AGENT'S ACTION:
Officer N/A Signature & Title Date

APPROVAL ROUTING SEQUENCE	DISTRIBUTION:
1. County Council*	WHITE - Clerk of the Board or Purchasing Agent
2. EOMO*	GREEN - Originating Dept. - Final
3. Auditor and Controller	CANARY - Auditor & Controller
4. Clerk of the Board or Purchasing Agent	PINK - Auditor & Controller
	GOLDENROD - Originating Dept. - Preliminary

* as required

16. BOARD ACTION:
Approved and/or authorized by the Redevelopment Agency of the County of San Diego
12-1-87 #1
W. Nelson
Secretary, Redevelopment Agency

0 0 0 3 1

2 E 0 0 0

INSTRUCTIONS

This form must be used for all contracts in accordance with existing County Policies.

Date: Enter date form is prepared.

Amendment Number: Enter amendment number, if applicable.

Change Order Number: Enter change order number, if applicable.

Project Number: Enter project number, if applicable.

Originating Department: Enter name of submitting department.

- (1) Place an "X" in the appropriate box for a "New" contract or a "Change" in an existing contract, and enter the contract number.

Item: Leave blank unless otherwise instructed by the Auditor and Controller's Accounts Payable Division.

Class: E for expenditure contracts
R for revenue contracts
A for agreements (no amount involved)

- (2) Enter the full name and mailing address of the contractor, including the zip code.

- (3) Enter the reason or purpose for the establishment of the contract. If this is a change, give reason for the change.

- (4) Enter the effective date of the contract. This must not precede the date of Board of Supervisors', Purchasing Agent's or other authorizing officer's approval.

- (5) Enter the contract expiration date stated in the contract. Note the following exceptions:

Use: (a) 12-31-88 if specific date must be provided but is yet to be determined (e.g. construction contracts)
(b) 12-31-99 if date is in the year 2000+
(c) 12-31-88 if date is indefinite

- (6) Enter the total amount of the contract. If this is a contract change, enter revised contract total amount, not the amount of the change. Put an "X" in the appropriate space, if it is actual or estimated.

- (7) Indicate, in appropriate space below Item 7, if an appropriation transfer is necessary. If a transfer is required, attach a completed Form 285.

- (8) (a) "Org. Unit" - Enter the [law] organization unit number.
(b) "Account" - Enter the applicable:
1. expenditure sub-object number, or
2. revenue subsidiary account number
(c) ("Task") - enter applicable task.
(d) ("Optional") - if applicable, enter option.
(e) ("Act/Work Auth") - enter the applicable Act/Work Auth.

- (9) Remarks Section for accounting data.

- (10) If the contract expires in a fiscal year other than the current fiscal year, complete a schedule showing expected expenditures or revenues by fiscal year according to the spaces provided.

- (11) Enter the name, title and phone number of the person who should be contacted for the information regarding the contract.

- (12) Signature and Title of the County officer who will be responsible for the administration of the contract.

- (13) FOR USE OF EQUAL OPPORTUNITY MANAGEMENT OFFICE ONLY.

- (14) FOR USE OF OFFICE OF AUDITOR AND CONTROLLER ONLY.

- (15) FOR USE OF PURCHASING AGENT ONLY.

- (16) Space for Board approval.

IMPORTANT: For contracts requiring Board Action, the following documents are required by the Auditor before he can approve a Contract Fiscal Certification.

- (a) Original transmittal letter to the Board.
(b) A signed copy of the contract which will be filed with the Board.
(c) Request for Transfer of Appropriations (Form 285), signed by the Auditor and Controller Department, Revenue and Budget Management Division, if required to finance the contract.

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
SPECIAL MEETING
TUESDAY, MARCH 22, 2011**

MINUTE ORDER NO. 1

SUBJECT: RATIFICATION OF AGREEMENTS BETWEEN THE COUNTY OF SAN DIEGO AND THE REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO REGARDING TERMS AND CONDITIONS OF ADVANCES OR LOANS FROM THE COUNTY (DISTRICT: 2)

OVERVIEW:

Gillespie Field Redevelopment Project

The Gillespie Field Redevelopment Project was established in 1987 with the goal of alleviating deterioration and stagnation at Gillespie Field Airport. Those problems were attributable primarily to inadequate public improvements, public facilities, and utilities, and secondarily to the existence of buildings and structures which were unfit or unsafe for occupancy due to age and deterioration. Significant improvements to the Project Area have been made since the Redevelopment Plan was adopted on July 7, 1987(53).

Gillespie Field Redevelopment projects were initially funded by loans from the Airport Enterprise Fund and through the sale of bonds pledged by the Project Area's tax increment. On December 1, 1987 (11 thru 13), your Board(s) approved an Agreement between the County of San Diego and the Redevelopment Agency. At its highest balance, the Redevelopment Agency owed the Airport Enterprise Fund \$9.2 million. Because of payments made to date by the Redevelopment Agency, the current balance of the loan is approximately \$3.8 million. In addition, the Redevelopment Agency currently has existing obligations in the outstanding principal amount of \$14.28 million, related to bonds issued in 2005 for the Gillespie Field Redevelopment Project.

This is a request to ratify the current agreement for the loan and approve a formal repayment schedule of said loan.

Upper San Diego River Improvement Project

On July 18, 1989 (61), the Board of Directors of the County of San Diego Redevelopment Agency adopted the Redevelopment Plan for the Upper San Diego River Improvement Project (USDRIP) located along the San Diego River in the unincorporated community of Lakeside. USDRIP was formed as an outgrowth of a number of efforts in the late 70s and early 80s to study and manage the San Diego River through the Lakeside area. The Project Area was seen as a mechanism for facilitating development of the area while providing for needed flood control and habitat restoration.

Between 1988 and 1994 the Redevelopment Agency Board of Directors approved multiple loans from the County General Fund. These loans were primarily needed to ensure USDRIP maintained indebtedness during the initial years of the project area. Currently the Redevelopment Agency owes the County General Fund approximately \$1.1 million.

This is a request to ratify the current terms and conditions of the loan and establish a formal repayment schedule for the loans.

FISCAL IMPACT:

**County of San Diego Redevelopment Agency
Gillespie Field Redevelopment Project Area**

Today's request will result in no fiscal impact in Fiscal Year 2010-11. Funds for the repayment of any loans will be included in subsequent year's Operational Plans. For Fiscal Year 2011-12, \$150,000 will be included.

Upper San Diego River Improvement Project Area (USDRIP)

Funds for today's request are included in the Fiscal Year 2010-11 Operational Plan. Future repayments will be included in subsequent year's Operational Plans. For Fiscal Year 2011-12, \$93,000 will be included.

County of San Diego

Revenue resulting from today's requests relative to the USDRIP loan repayment is included in the Fiscal Year 2010-11 Operational Plan. Revenue resulting from future repayments will be included in subsequent years' Operational Plans. For Fiscal Year 2011-12, revenue of \$150,000 and \$93,000 for Gillespie Field and USDRIP, respectively, will be included.

BUSINESS IMPACT STATEMENT:

N/A

RECOMMENDATION:

CHIEF ADMINISTRATIVE OFFICER

1. Find that the proposed action is not subject to review pursuant to the California Environmental Quality Act (CEQA) because it is not a project as defined in Section 15378 of the State CEQA Guidelines.
2. Approve ratification of Agreements between the County of San Diego and the County of San Diego Redevelopment Agency regarding terms and conditions of advances or loans from the Airport Enterprise Fund.
3. Approve ratification of Agreements between the County of San Diego and the County of San Diego Redevelopment Agency regarding terms and conditions of advances or loans from the County's General Fund.
4. Approve the Gillespie Field Redevelopment Project Repayment Schedule.

(Relates to Redevelopment Agency Agenda No. 1)

ACTION:

Noting for the record the submission of revised Recommendations, ON MOTION of Supervisor Jacob, seconded by Supervisor Slater-Price, the Board took the following actions:

1. Found that the proposed action is not subject to review pursuant to the California Environmental Quality Act (CEQA) because it is not a project as defined in Section 15378 of the State CEQA Guidelines.
2. Approved and authorized the Chief Administrative Officer to sign ratification of Agreements between the County of San Diego and the County of San Diego Redevelopment Agency regarding terms and conditions of advances or loans from the County's General Fund.
3. Approved and authorized the Chief Administrative Officer to sign the Gillespie Field Redevelopment Project Repayment Schedule.

AYES: Cox, Jacob, Slater-Price, Roberts

ABSENT: Horn

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

THOMAS J. PASTUSZKA
Clerk of the Board of Supervisors



By 
Marvica E. Mazyck, Deputy

GILLESPIE FIELD REDEVELOPMENT PROJECT REPAYMENT SCHEDULE FOR THE AGREEMENT BETWEEN THE COUNTY OF SAN DIEGO AND THE REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO ESTABLISHING TERMS AND CONDITIONS OF ADVANCES OR LOANS FROM THE AIRPORT ENTERPRISE FUND OF THE COUNTY OF SAN DIEGO TO THE REDEVELOPMENT AGENCY

THIS GILLESPIE FIELD REDEVELOPMENT PROJECT REPAYMENT SCHEDULE ("Repayment Schedule") is entered into this 22nd day of March, 2011, by and between the County of San Diego ("County") and the Redevelopment Agency of the County of San Diego ("Agency"), collectively referred to as "Parties."

RECITALS

WHEREAS, the Agency was established on October 1, 1974.

WHEREAS, December 1, 1987 the Parties entered into an AGREEMENT BETWEEN THE COUNTY OF SAN DIEGO AND THE REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO ESTABLISHING TERMS AND CONDITIONS OF ADVANCES OR LOANS FROM THE AIRPORT ENTERPRISE FUND OF THE COUNTY OF SAN DIEGO TO THE REDEVELOPMENT AGENCY ("Agreement").

WHEREAS, pursuant to its legal obligation to do so, the Agency has historically made payments towards the repayment of these loans. Exhibit A.

WHEREAS, Assembly Bill 101 ("AB 101") and Senate Bill 77 ("SB 77") were introduced on March 15, 2011, which, if passed, would require that in order to be an "enforceable obligation" that could be repaid, any loan of moneys borrowed by the Agency for a lawful purpose must be "legally required to be repaid pursuant to a required repayment schedule or other mandatory loan terms."

WHEREAS, the Parties have an enforceable obligation as required under AB 101 and SB 77 and the Parties desire to establish a repayment schedule of said loan in order to ensure repayment of the loan on or around 2022-23.

THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Commencing Fiscal Year 2011-12, the Agency will make a payment towards the repayment of outstanding loans, annually, in a minimum amount not less than \$150,000 and up to a maximum of \$500,000 ("Annual Payment").
2. The Annual Payment will be subordinate to all other legally obligated payments of the Agency, including but not limited to, debt service on

bonded indebtedness, administrative costs, and any other contractual or legally required payment.

3. To the extent there are insufficient funds to make a payment in the Annual Payment, then the minimum payment of \$150,000 will be carried over for payment in the next fiscal year.
4. Nothing in this Repayment Schedule will in any way change the legal obligations of the Parties provided for in the underlying Agreement which addresses the terms and conditions of the original loan.

IN WITNESS WHEREOF, this Repayment Schedule is executed by Agency pursuant to action taken by its Directors and by County pursuant to action taken by its Board of Supervisors.

REDEVELOPMENT AGENCY OF THE
COUNTY OF SAN DIEGO

BY: _____
Executive Director

COUNTY OF SAN DIEGO

BY: _____
Chief Administrative Officer

APPROVED AS TO FORM AND LEGALITY:
THOMAS E. MONTGOMERY
COUNTY COUNSEL

By: _____
Rachel H. Witt, Senior Deputy

AIRPORT ENTERPRISE FUND-GILLESPIE FIELD PROJECT AREA
SAN DIEGO REDEVELOPMENT AGENCY - GILLESPIE FIELD PROJECT AREA

DATE	LOAN BALANCE	CUMULATIVE INTEREST	TOTAL OWED
06/30/93	\$ 4,951,353	\$ 365,529	\$ 5,316,882
06/30/94	\$ 4,951,353	\$ 660,225	\$ 5,611,578
06/30/95	\$ 4,951,353	\$ 890,008	\$ 5,841,361
06/30/96	\$ 4,951,353	\$ 1,085,393	\$ 6,036,746
06/30/97	\$ 4,951,353	\$ 1,269,509	\$ 6,220,862
06/30/98	\$ 4,951,353	\$ 1,455,799	\$ 6,407,152
06/30/99	\$ 4,951,353	\$ 1,663,915	\$ 6,615,268
06/30/00	\$ 4,951,353	\$ 1,945,857	\$ 6,897,211
06/30/01	\$ 5,900,628	\$ 2,320,638	\$ 8,221,266
03/31/02	\$ 5,900,628	\$ 2,501,911	\$ 8,402,539
06/30/02	\$ 5,900,628	\$ 2,544,182	\$ 8,444,810
09/30/02	\$ 5,900,628	\$ 2,586,017	\$ 8,486,645
12/31/2002	\$ 5,900,628	\$ 2,623,170	\$ 8,523,799
03/31/03	\$ 5,900,628	\$ 2,654,341	\$ 8,554,969
06/30/03	\$ 5,900,628	\$ 2,680,159	\$ 8,580,787
06/30/04	\$ 5,675,628	\$ 2,772,002	\$ 8,447,630
06/30/05	\$ 5,675,628	\$ 2,898,907	\$ 8,574,535
06/29/06	\$ 5,675,628	\$ 3,094,981	\$ 8,770,610
Payment 6/06	\$ (2,312,425)	\$ (3,095,636)	\$ (5,408,061)
06/30/06	\$ 3,363,203		\$ 3,363,203
06/30/07	\$ 3,363,203	\$ 167,341	\$ 3,530,545
06/30/08	\$ 3,363,203	\$ 322,550	\$ 3,685,753
06/30/09	\$ 3,363,203	\$ 401,919	\$ 3,765,122
06/30/10	\$ 3,363,203	\$ 437,147	\$ 3,800,350
Total Payments	\$ 5,408,061		

**AIRPORT ENTERPRISE FUND - GILLESPIE FIELD PROJECT
 SAN DIEGO REDEVELOPMENT AGENCY - GILLESPIE FIELD PROJECT
 PAID LOAN**

DATE	LOAN BALANCE	CUMULATIVE INTEREST	TOTAL OWED
06/30/96	\$ 286,442	\$ 3,019	\$ 289,461
06/30/97	\$ 286,442	\$ 13,670	\$ 300,112
6/30/1998	\$ 286,442	\$ 24,448	\$ 310,890
6/30/1999	\$ 286,442	\$ 36,487	\$ 322,929
6/30/2000	\$ 286,442	\$ 52,798	\$ 339,240
06/30/01	\$ 286,442	\$ 70,992	\$ 357,434
06/30/02	\$ 286,442	\$ 81,843	\$ 368,285
06/30/03	\$ 286,442	\$ 88,444	\$ 374,886
06/30/04	\$ 286,442	\$ 92,998	\$ 379,440
06/30/05	\$ 286,442	\$ 99,361	\$ 385,803
Payment 6/06	\$ (286,442)	\$ (109,973)	\$ (396,415)
06/30/06	\$ -	\$ -	
Total Payments \$ 396,415			

**PUBLIC LIABILITY INTERNAL SERVICE FUND
 SAN DIEGO REDEVELOPMENT AGENCY - GILLESPIE FIELD PROJECT CAPITAL PROJECTS
 PAID LOAN**

DATE	BALANCE	
06/30/05	\$ 295,757	
06/30/06	\$ 236,606	
06/30/07	\$ 177,455	
06/30/08	\$ 118,304	
06/30/09	\$ 59,153	
06/30/10	\$ -	Paid in full
Payment terms:	59,153	Annually

Gillespie Proposed Repayment Schedule

EXHIBIT C

Principal = \$3,363,203.30
 Interest= 0.22%
 Time= 20 yrs
 Payment \$172,071.70

Payment Date	Payment	Interest Component	Principal Component	Outstanding Principal
			3,363,203.30	
1/2/2015	\$172,071.70	7,399.05	164,672.65	3,198,530.65
1/2/2016	172,071.70	7,036.77	165,034.93	3,033,495.72
1/2/2017	172,071.70	6,673.69	165,398.01	2,868,097.72
1/2/2018	172,071.70	6,309.81	165,761.88	2,702,335.84
1/2/2019	172,071.70	5,945.14	166,126.56	2,536,209.28
1/2/2020	172,071.70	5,579.66	166,492.04	2,369,717.24
1/2/2021	172,071.70	5,213.38	166,858.32	2,202,858.92
1/2/2022	172,071.70	4,846.29	167,225.41	2,035,633.52
1/2/2023	172,071.70	4,478.39	167,593.30	1,868,040.21
1/2/2024	172,071.70	4,109.69	167,962.01	1,700,078.21
1/2/2025	172,071.70	3,740.17	168,331.52	1,531,746.68
1/2/2026	172,071.70	3,369.84	168,701.85	1,363,044.83
1/2/2027	172,071.70	2,998.70	169,073.00	1,193,971.83
1/2/2028	172,071.70	2,626.74	169,444.96	1,024,526.87
1/2/2029	172,071.70	2,253.96	169,817.74	854,709.14
1/2/2030	172,071.70	1,880.36	170,191.34	684,517.80
1/2/2031	172,071.70	1,505.94	170,565.76	513,952.04
1/2/2032	172,071.70	1,130.69	170,941.00	343,011.04
1/2/2033	172,071.70	754.62	171,317.07	171,693.97
1/2/2034	172,071.70	377.73	171,693.97	(0.00)
	\$3,441,433.92	78,230.62	3,363,203.30	

Assumptions:

- A. 0.22% = Last published LAIF Interest Rate Quarter ending 6/30/14
- B. Payments shall be applied at any outstanding accrued interest until paid in full. Subsequent payments will be applied to principal and interest.
- C. Repayment schedule to be recalculated semi-annually based on the actual repayments amounts received from RPTTF
- D. Should subsequent legislation revise how accumulated interest is to be calculated, the reinstated loan will recalculate the interest to remain consistent with the law.

Gillespie Proposed Repayment Schedule

ATTACHMENT B

Principal = \$3,363,203.30
 Interest= 0.22%
 Time= 20 yrs
 Payment \$172,071.70

Payment Date	Payment	Interest Component	Principal Component	Outstanding Principal
			3,363,203.30	
1/2/2015	\$172,071.70	7,399.05	164,672.65	3,198,530.65
1/2/2016	172,071.70	7,036.77	165,034.93	3,033,495.72
1/2/2017	172,071.70	6,673.69	165,398.01	2,868,097.72
1/2/2018	172,071.70	6,309.81	165,761.88	2,702,335.84
1/2/2019	172,071.70	5,945.14	166,126.56	2,536,209.28
1/2/2020	172,071.70	5,579.66	166,492.04	2,369,717.24
1/2/2021	172,071.70	5,213.38	166,858.32	2,202,858.92
1/2/2022	172,071.70	4,846.29	167,225.41	2,035,633.52
1/2/2023	172,071.70	4,478.39	167,593.30	1,868,040.21
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1/2/2025	172,071.70	3,740.17	168,331.52	1,531,746.68
1/2/2026	172,071.70	3,369.84	168,701.85	1,363,044.83
1/2/2027	172,071.70	2,998.70	169,073.00	1,193,971.83
1/2/2028	172,071.70	2,626.74	169,444.96	1,024,526.87
1/2/2029	172,071.70	2,253.96	169,817.74	854,709.14
1/2/2030	172,071.70	1,880.36	170,191.34	684,517.80
1/2/2031	172,071.70	1,505.94	170,565.76	513,952.04
1/2/2032	172,071.70	1,130.69	170,941.00	343,011.04
1/2/2033	172,071.70	754.62	171,317.07	171,693.97
1/2/2034	172,071.70	377.73	171,693.97	(0.00)
	\$3,441,433.92	78,230.62	3,363,203.30	

Assumptions:

- A. 0.22% = Last published LAIF Interest Rate Quarter ending 6/30/14
- B. Payments shall be applied at any outstanding accrued interest until paid in full. Subsequent payments will be applied to principal and interest.
- C. Repayment schedule to be recalculated semi-annually based on the actual repayments amounts received from RPTTF
- D. Should subsequent legislation revise how accumulated interest is to be calculated, the reinstated loan will recalculate the interest to remain consistent with the law.

Resolution No. _____
Meeting Date: _____

Rev. 9/11/14

**A RESOLUTION OF THE COUNTY
OF SAN DIEGO OVERSIGHT BOARD
RELATED TO REINSTATED LOAN AGREEMENT
REGARDING A LOAN FROM THE
COUNTY'S AIRPORT ENTERPRISE FUND**

WHEREAS, pursuant to authority granted under Community Redevelopment Law (Health and Safety Code section 33000 et seq.) (CRL), the Redevelopment Agency of the County of San Diego (Redevelopment Agency) was responsible for implementing the redevelopment plan for the Gillespie Field Redevelopment Plan Project Area; and

WHEREAS, on January 24, 2012, the County of San Diego (County) agreed to serve as the successor agency to the Redevelopment Agency (Successor Agency) commencing with the dissolution of the Redevelopment Agency on February 1, 2012 pursuant to Assembly Bill 1X 26; and

WHEREAS, pursuant to Health and Safety Code section 33220, the County was authorized to assist the Redevelopment Agency for the purpose of aiding and cooperating in the planning, undertaking, construction, and operation of redevelopment projects located in the jurisdiction of the County, upon the terms and with or without consideration as the County determined; and

WHEREAS, pursuant to Health and Safety Code section 33445, the Redevelopment Agency was authorized to enter into agreements with the County pursuant to which the Redevelopment Agency would agree to reimburse the County for funds provided by the County for the cost of installation and construction of public improvements, structures and facilities in or outside of the project area; and

WHEREAS, pursuant to Health and Safety Code sections 33132 and 33601, the Redevelopment Agency was authorized to borrow money and accept financial assistance from the County for redevelopment projects located in the Redevelopment Agency's jurisdiction; and

WHEREAS, pursuant to Health and Safety Code section 33601, the County was authorized to loan money to the Redevelopment Agency for administrative expenses, redevelopment planning and construction; and

IT IS FURTHER RESOLVED that the Oversight Board finds and determines that the loan from the County Airport Enterprise Fund to the Redevelopment Agency was for legitimate redevelopment purposes.

IT IS FURTHER RESOLVED that the reinstated loan agreement, attached to this Resolution as Attachment A, between the Successor Agency and the County is approved as an enforceable obligation pursuant to Health and Safety Code section 34191.4(b).

IT IS FURTHER RESOLVED that the Successor Agency is authorized and directed to list the reinstated loan agreement and the repayment of the loan from the County's Airport Enterprise Fund on the Successor Agency's ROPS for January through June 2015 (ROPS 14-15B) and for each succeeding ROPS period until the loan from the County general fund is repaid in full in accordance with the reinstated loan agreement.

IT IS FURTHER RESOLVED that Successor Agency staff is authorized to take such further actions as may be necessary to carry out the intent of this Resolution.



COUNTY OF SAN DIEGO

AGENDA ITEM

COUNTY OVERSIGHT BOARD

COUNTY OVERSIGHT BOARD

JO MARIE DIAMOND
DR. BONNIE DOWD
KATHY KASSEL
SCOTT PATTERSON
MARIO SANCHEZ
ROBERT SCHIWITZ
MATT SCHNEIDER

DATE: September 24, 2014

03

TO: County of San Diego Oversight Board

SUBJECT: APPROVAL OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JANUARY-JUNE 2015 (ROPS 14-15B)

SUMMARY:

Overview

Approval is requested for the Recognized Obligation Payment Schedule for the period January through June 2015 (ROPS 14-15B), which is required to be transmitted to the Department of Finance and the County Auditor-Controller by October 3, 2014.

Total enforceable obligations of \$679,291 are eligible to be funded, including an administrative budget of \$75,000.

The County Successor Agency approved the ROPS 14-15B on September 16, 2014.

Recommendation(s)

COUNTY SUCCESSOR AGENCY

1. Adopt the resolution entitled, A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JANUARY - JUNE 2015.
2. Authorize staff to amend the Recognized Obligation Payment Schedule for the period of January-June 2015 to reflect changes made to the ROPS in other actions taken by the Oversight Board.
3. Authorize staff to make non-substantive changes to the Recognized Obligation Payment Schedule to meet Department of Finance formatting and submittal requirements and, subject to approval of Oversight Board Counsel, to make changes needed to comply with new legislation, any administrative direction from the Department of Finance, or court decisions.

SUBJECT: APPROVAL OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JANUARY-JUNE 2015 (ROPS 14-15B)

4. Direct staff to post and submit the approved Recognized Obligation Payment Schedule to the Department of Finance, County Auditor-Controller, and State Controller's office in accordance with Health and Safety Code section 34177 and 34179.

Fiscal Impact

Appropriations and funding for payments to be made from the ROPS for the period of January-June 2015 are included in the Fiscal Year 2014-15 CAO Recommended Operational Plan

BACKGROUND:

The Recognized Obligation Payment Schedule for January through June 2015 (ROPS 14-15B) sets forth amounts due on Enforceable Obligations as defined in Health and Safety Code sections 34171 (d)(1) and 34191.4 and funding sources.

ROPS 14-15B includes the addition of two new Enforceable Obligations, reinstated loans of \$3,742,807 and \$708,302 to the former County Redevelopment Agency from the Airport Enterprise Fund and the General Fund of the County of San Diego, respectively. These loans became invalid and non-binding by AB 1X 26 in the dissolution process that resulted in the formation of the Successor Agency on February 1, 2012. Subsequent legislation (AB 1484) allows the loans to be re-established and deemed as Enforceable Obligations upon issuance of a "finding of completion" by the DOF and a finding by the Oversight Board that the loans were for legitimate redevelopment purposes. The DOF issued its finding of completion on May 10, 2013. In other actions requested at today's meeting, the Oversight Board is requested to make the appropriate finding to reinstate the loans, which will then be eligible to be repaid with Redevelopment Property Tax Trust Fund (RPTTF) funding. In the event that the Oversight Board does not make the finding, the ROPS 14-15B will be revised before its submission to the Department of Finance.

For the six-month period, total obligations of \$679,291, including \$349,452 in Gillespie Bond debt service, \$254,839 in payments to the County of San Diego for reinstated loans, and \$75,000 for administrative costs, are listed on the ROPS. ROPS 14-15B also includes a prior period adjustment of \$102,040 for the unspent portion of the administrative allowance during January-June 2014 (ROPS 13-14B) and for funds received under the San Diego River Conservancy (SDRC) Financing Agreement. The ROPS payments are funded by the following: \$349,452 in reserved RPTTF funding received from ROPS 14-15A, \$227,799 from the RPTTF; and \$102,040 in retained cash from the prior period adjustment.

On July 5, 2014, the SDRC repaid its outstanding loan of \$159,234.74 and notified the Successor Agency that no further disbursements would be required.

Successor agencies are also required to prepare an administrative budget for each six-month ROPS period. In order to adjust the budget to actual experience, ROPS 14-15B includes a

SUBJECT: APPROVAL OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JANUARY-JUNE 2015 (ROPS 14-15B)

reduction of administrative costs from \$96,000 to \$75,000, to reimburse the County for staff work and pay for third-party professional services for the Gillespie Field bonds. The County Successor Agency approved the ROPS 14-15B on September 16, 2014. ROPS 14-15B is required to be submitted to the County Auditor and Controller and the State Department of Finance (DOF) by October 3, 2014 for further review and final approval. The DOF must complete its review by November 17, 2014; if DOF disputes any items on the ROPS 14-15B, the meet and confer process is available.

Oversight Board approval of the ROPS (Attachment B) is requested at this time.

Respectfully submitted,

HELEN N. ROBBINS-MEYER



By
DAVID ESTRELLA
Deputy Chief Administrative Officer

ATTACHMENT(S)
Attachment A-Resolution

Attachment B-ROPS 14-15B

**SUBJECT: APPROVAL OF THE RECOGNIZED OBLIGATION PAYMENT
SCHEDULE FOR JANUARY-JUNE 2015 (ROPS 14-15B)**

AGENDA ITEM INFORMATION SHEET

PREVIOUS RELEVANT BOARD ACTIONS:

N/A

MANDATORY COMPLIANCE:

Health and Safety Code Section 34177

CONTACT PERSON(S):

Holly Simonette

Name

619-531-5274

Phone

619-531-6439

Fax

A-6

Mail Station

holly.simonette@sdcounty.ca.gov

E-mail

Approval Log For:

Attach_A_Reso.pdf

ATTACH_B_ROPS.pdf

Oversight Board ROPS 14-15B 09 24 2014_bl.docx

ROPS 14-15B Reso.docx

San_Diego_County_ROPS_14-15B.xlsx

Approver's Name	Approvers Job Title	Approver's Department	Time and Date of Final Approval
Kristen Laychus	Deputy County Counsel	County Counsel	9/16/2014 5:03:19 PM
Janice Downs	Staff Officer	Exec Office	9/16/2014 6:08:24 PM
David Estrella	DCAO	CSG Exec Office	9/16/2014 8:37:37 PM
Brian Hagerty	Group Finance Director	Executive Office	9/16/2014 4:31:16 PM

Resolution No. _____
Meeting Date: _____

ATTACHMENT A

**A RESOLUTION OF THE COUNTY
OF SAN DIEGO OVERSIGHT BOARD
RELATED TO THE RECOGNIZED
OBLIGATION PAYMENT SCHEDULE
FOR THE PERIOD OF JANUARY-JUNE 2015**

WHEREAS, the County of San Diego Successor Agency prepared the recognized obligation payment schedule for the period of January 1, 2015 through June 30, 2015 (ROPS 14-15B) pursuant to Health and Safety Code section 34177(l); and

WHEREAS, pursuant to Health and Safety Code section 34171(h), the recognized obligation payment schedule lists the minimum amounts and due dates of payments to be made by the Successor Agency as required by enforceable obligations during the six-month period covered by the recognized obligation payment schedule; and

WHEREAS, pursuant to Health and Safety Code section 34177(m), the ROPS 14-15B must be approved by the County of San Diego Oversight Board and submitted to the State Department of Finance and County Auditor-Controller no later than October 3, 2014.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the ROPS 14-15B attached hereto is approved

IT IS FURTHER RESOLVED that the approved ROPS 14-15B shall be submitted to the State Department of Finance and County Auditor-Controller no later than October 3, 2014.

IT IS FURTHER RESOLVED that Successor Agency staff may amend the Recognized Obligation Schedule for the period of January –June 2015 to reflect changes made in actions taken by the Oversight Board.

IT IS FURTHER RESOLVED that Successor Agency staff may make non-substantive changes to the ROPS 14-15B, and, subject to approval of Oversight Board Counsel, make changes needed to comply with new legislation, any administrative direction from the Department of Finance, or court decisions..

Approved as to Form and Legality
By Valerie Tehan, Oversight Board Counsel

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

Filed for the January 1, 2015 through June 30, 2015 Period

Name of Successor Agency: San Diego County
Name of County: San Diego

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF)		
A	Funding Sources (B+C+D):	\$ 349,452
B	Bond Proceeds Funding (ROPS Detail)	-
C	Reserve Balance Funding (ROPS Detail)	349,452
D	Other Funding (ROPS Detail)	-
E	Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 329,839
F	Non-Administrative Costs (ROPS Detail)	254,839
G	Administrative Costs (ROPS Detail)	75,000
H	Current Period Enforceable Obligations (A+E):	\$ 679,291
Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I	Enforceable Obligations funded with RPTTF (E):	329,839
J	Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(102,040)
K	Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 227,799
County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L	Enforceable Obligations funded with RPTTF (E):	329,839
M	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N	Adjusted Current Period RPTTF Requested Funding (L-M)	329,839

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

Name	Title
/s/	
Signature	Date

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	
								\$ 34,784,146		\$ -	\$ 349,452	\$ -	\$ 254,839	\$ 75,000	\$ 679,291
1	Gillespie Field 2005 Bond Principal	Revenue Bonds	12/1/2005	12/1/2032	Bank of NY, as Trustee	Bond Principal and Interest.	Gillespie Field	21,070,475	N		349,452				349,452
2	County of San Diego Airport Enterprise Fund (AEF) (reinstated)	City/County Loans On or Before 6/27/11	9/24/2014	1/2/2034	AEF	Loan made for legitimate redevelopment purpose	Gillespie Field	3,742,807	N				216,872		216,872
3	Lakeside Fire Protection District (LFPD) Cooperative Agreement	OPA/DDA/Construction	9/26/2007	10/1/2029	LFPD	Funding assistance for construction of a 19,162 sf fire station and administration building	Upper San Diego River Improvement Project (USDRIP)	8,800,000	N						-
4	San Diego River Conservancy (SDRC) Financing Agreement (see NOTE Tab)	Third-Party Loans	4/7/2009	12/31/2015	SDRC	Loan to fund trails project	Upper San Diego River Improvement Project (USDRIP)	387,562	N						-
5	Transition period cash flow reserve	Miscellaneous	1/1/2014	6/30/2014	Successor Agency	Establish reserve for payments on Enforceable Obligations due to uncertainty over cash flows during Dissolution transition period			N						-
6	Successor Agency Admin Costs	Admin Costs	1/1/2014	6/30/2014	Successor Agency	Administrative Costs		75,000	N					75,000	75,000
7	County of San Diego General Fund Loan (GF) (reinstated)	City/County Loans On or Before 6/27/11	9/24/2014	1/2/2034	GF	Loan made for legitimate redevelopment purpose	Upper San Diego River Improvement Project (USDRIP)	708,302	N				37,967		37,967
8									N						-
9									N						-
10									N						-
11									N						-
12									N						-
13									N						-
14									N						-
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40									N						-
41									N						-
42									N						-
43									N						-

Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Cash Balances

(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see https://rad.dof.ca.gov/rad-sa/pdf/Cash_Balance_Agency_Tips_Sheet.pdf.

A	B	C	D	E	F	G	H	I	
Cash Balance Information by ROPS Period		Fund Sources							
		Bond Proceeds		Reserve Balance		Other	RPTTF		
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, Grants, Interest, Etc.	Non-Admin and Admin		Comments
ROPS 13-14B Actuals (01/01/14 - 06/30/14)									
1	Beginning Available Cash Balance (Actual 01/01/14)				359,933	75,390	164,412		
2	Revenue/Income (Actual 06/30/14) RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014					2,266	54,927	Other Revenue is Interest	
3	Expenditures for ROPS 13-14B Enforceable Obligations (Actual 06/30/14) RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q				359,933	77,656	36,626	Admin Costs of \$14,282 Non-admin cost of \$22,344 for SDRC loan	
4	Retention of Available Cash Balance (Actual 06/30/14) RPTTF amount retained should only include the amounts distributed for debt service reserve(s) approved in ROPS 13-14B								
5	ROPS 13-14B RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 13-14B PPA in the Report of PPA, Column S	No entry required						102,040	
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	-	-	-	-	-	80,673		
ROPS 14-15A Estimate (07/01/14 - 12/31/14)									
7	Beginning Available Cash Balance (Actual 07/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	-	-	-	-	-	182,713		
8	Revenue/Income (Estimate 12/31/14) RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor-Controller during June 2014					159,235	1,773,039	Other is loan payment	
9	Expenditures for ROPS 14-15A Enforceable Obligations (Estimate 12/31/14)						1,435,933		
10	Retention of Available Cash Balance (Estimate 12/31/14) RPTTF amount retained should only include the amount distributed for debt service reserve(s) approved in ROPS 14-15A						349,151		
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	-	-	-	-	159,235	170,668		

Recognized Obligation Payment Schedule (ROPS 14-15B) - Notes

January 1, 2015 through June 30, 2015

Item #	Notes/Comments
1	Reserve Balance is from RPTTF received on June 1, 2014 for ROPS 14-15A. Bond Indenture requires a pledge of all project area revenues until the amount equals total annual debt service. The annual debt service of \$1,139,384 for FY 2014-15 was fully funded with the June 1, 2014 RPTTF distribution. \$789,933 in debt service will be paid in the ROPS 14-15A period, leaving \$349,451 from the June 1, 2014 distribution to pay the remaining debt service due for the ROPS 14-15B period.
2	Loan was reinstated by Oversight Board Action 9/24/2014; termination date is estimated due to variable annual payments
3	
4	The loan outstanding to the SD River Conservancy Financing Agreement has been paid in full and SDRC has terminated the agreement. SA has no further obligation to SDRC.
5	
6	
7	Loan was reinstated by Oversight Board Action 9/24/2014; termination date is estimated due to variable annual payments
	Total Outstanding Debt or Obligation balances are current at 6/30/2014



COUNTY OF SAN DIEGO

AGENDA ITEM

COUNTY OVERSIGHT BOARD

COUNTY OVERSIGHT BOARD

JO MARIE DIAMOND

DR. BONNIE DOWD

KATHY KASSEL

SCOTT PATTERSON

MARIO SANCHEZ

ROBERT SCHIWITZ

MATT SCHNEIDER

DATE: September 24, 2014

04

TO: County of San Diego Oversight Board

SUBJECT: APPROVAL OF THE ADMINISTRATIVE BUDGET FOR JANUARY-JUNE 2015

SUMMARY:

Overview

The Successor Agency is required to prepare a six-month administrative budget for the approval of the Oversight Board. The County Successor Agency approved the six-month administrative budget at its meeting on September 16, 2014.

Recommendation(s)

Adopt the resolution entitled, A RESOLUTION OF THE COUNTY OF SAN DIEGO OVERSIGHT BOARD RELATED TO THE ADMINISTRATIVE BUDGET FOR THE COUNTY OF SAN DIEGO SUCCESSOR AGENCY.

Fiscal Impact

Funding for the administrative budget is included in the Fiscal Year 2014-15 Adopted Operational Plan.

BACKGROUND:

The County Successor Agency is required expeditiously to wind down the affairs of the former redevelopment agency (Health and Safety Code section 34177(h)) and to prepare an administrative budget and submit it to the Oversight Board for approval (Health and Safety Code section 34177 (j)). The administrative budget for January 2015 through June 2015 (Attachment B) has estimates of financial, legal and other administrative costs totaling \$75,000, to be funded by distribution of property tax increment from the Redevelopment Property Tax Trust Fund.

**SUBJECT: APPROVAL OF THE ADMINISTRATIVE BUDGET FOR JANUARY-JUNE
2015**

Respectfully submitted,

HELEN N. ROBBINS-MEYER

Handwritten signatures of Helen N. Robbins-Meyer and David Estrella.

By
DAVID ESTRELLA
Deputy Chief Administrative Officer

ATTACHMENT(S)

A - Resolution

B - County of San Diego Successor Agency Administrative Budget, January-June 2015

**SUBJECT: APPROVAL OF THE ADMINISTRATIVE BUDGET FOR JANUARY-JUNE
2015**

AGENDA ITEM INFORMATION SHEET

PREVIOUS RELEVANT BOARD ACTIONS:

N/A

MANDATORY COMPLIANCE:

Health and Safety Code 34177 (j)

CONTACT PERSON(S):

Holly Simonette

Name

619-531-5274

Phone

619-531-6439

Fax

A-6

Mail Station

holly.simonette@sdcounty.ca.gov

E-mail

Approval Log For:

Admin_Budget_ROPS_14-15B.xlsx

Admin_Budget_ROPS_14-15B-RESOLUTION.docx

ATTACHMENT_A-Resolution.pdf

ATTACHMENT_B-Budget_.pdf

Oversight_Board_administrative_budget_January-June_2015_BL.docx

Approver's Name	Approvers Job Title	Approver's Department	Time and Date of Final Approval
Kristen Laychus	Deputy County Counsel	County Counsel	9/17/2014 11:29:51 AM
Janice Downs	Staff Officer	Exec Office	9/17/2014 11:36:19 AM
David Estrella	DCAO	CSG Exec Office	9/17/2014 11:44:52 AM
Brian Hagerty	Group Finance Director	Executive Office	9/17/2014 11:04:44 AM

Resolution No. _____
Meeting Date: _____

ATTACHMENT A

**A RESOLUTION OF THE COUNTY
OF SAN DIEGO OVERSIGHT BOARD
RELATED TO THE ADMINISTRATIVE BUDGET FOR THE
COUNTY OF SAN DIEGO SUCCESSOR AGENCY**

WHEREAS, the County of San Diego Successor Agency prepared the proposed administrative budget for the County of San Diego Successor Agency for January 1, 2015 through June 30, 2015, pursuant to Health and Safety Code section 34177(j); and

WHEREAS, the proposed administrative budget includes the items listed in Health and Safety Code section 34177(j); and

WHEREAS, pursuant to Health and Safety Code section 34180(j), a copy of the administrative budget has been submitted to the County Chief Administrative Officer, County Auditor/Controller and the State Department of Finance; and

WHEREAS, pursuant to Health and Safety Code section 34177(j), the County of San Diego Successor Agency submitted the proposed administrative budget to the Oversight Board for its approval.

NOW, THEREFORE, IT IS HEREBY BY RESOLVED that the administrative budget attached hereto for January 1, 2015 through June 30, 2015 for the County of San Diego Successor Agency is approved.

**Approved as to Form and Legality
By Valerie Tehan, Oversight Board Counsel**

**County of San Diego Successor Agency
 Administrative Budget
 ROPS 14-15B-January-June 2015**

6-month Total

Oversight Board and Successor Agency Staff Support

Finance Director	\$ 2,500 per month	\$ 15,000
Support Staff	\$ 1,500 per meeting	\$ 3,000
Public Meetings	\$ 500 per meeting	\$ 1,000

Legal Services

Successor Agency Counsel	\$ 10,000
Oversight Board Counsel	\$ 4,000

Accounting Services

County Staff	\$ 4,700
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Administration of Enforceable Obligations

Bonds Staff Costs	\$ 1,000
Bank of NY admin & dissemination charge	\$ 2,500
Gillespie Rosnow and PFM - Fiscal Consultants	\$ 3,200
LFPD Staff Costs	\$ 5,000
SDRC Staff Costs	\$ 5,000

Contingency

\$ 20,600

Total To be Paid from Administrative Allowance

\$ 75,000