

Resolution No. OB-2019-023

Meeting Date: 09/19/2019

A RESOLUTION OF THE SAN DIEGO COUNTYWIDE REDEVELOPMENT  
SUCCESSOR AGENCY OVERSIGHT BOARD APPROVING THE  
ISSUANCE AND SALE BY THE SUCCESSOR AGENCY TO THE LEMON  
GROVE COMMUNITY DEVELOPMENT AGENCY OF TAX ALLOCATION  
REFUNDING BONDS, AND APPROVING AND AUTHORIZING OTHER  
ACTIONS IN CONNECTION THEREWITH

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

WHEREAS, the Redevelopment Plan for a redevelopment project known and designated as the “Lemon Grove Redevelopment Project Area” has been adopted and approved by Ordinance No. 132, enacted by the City Council of the City of Lemon Grove on November 17, 1986 and has been amended by Ordinance No. 228 adopted by the City Council on December 20, 1994 and by Ordinance No. 286 adopted by the City Council on November 17, 1998, and by Ordinance No. 359 adopted by the City Council on November 21, 2006 and all requirements of law for and precedent to the adoption and approval of the Redevelopment Plan, as amended, have been duly complied with; and

WHEREAS, Section 34179(j) of the Health and Safety Code of the State of California provides for the appointment of a countywide oversight board (the “Countywide Oversight Board”) with specific duties to approve certain Successor Agency actions pursuant to Section

34180 of the Health and Safety Code and to direct the Successor Agency in certain other actions pursuant to Section 34181 of the Health and Safety Code;

WHEREAS, the Prior Agency has previously issued its Lemon Grove Redevelopment Project Area, 2007 Tax Allocation Bonds, issued on June 7, 2007 in the aggregate principal amount of \$13,830,000 (the “2007 Bonds”), and its Lemon Grove Redevelopment Project Area, 2010 Tax Allocation Refunding Bonds, issued on October 6, 2010 in the aggregate principal amount of \$8,000,000 (the “2010 Bonds”); and

WHEREAS, by implementation of California Assembly Bill X1 26, which amended provisions of the Law, and the California Supreme Court’s decision in *California Redevelopment Association v. Matosantos*, the Prior Agency was dissolved on February 1, 2012 in accordance with California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011 (as amended, the “Dissolution Act”), and on February 1, 2012, the Successor Agency to the Lemon Grove Community Development Agency (the “Successor Agency”), in accordance with and pursuant to the Dissolution Act, assumed the duties and obligations of the Prior Agency as provided in the Dissolution Act, including, without limitation, the obligations of the Prior Agency with respect to the 2007 Bonds and the 2010 Bonds; and

WHEREAS, Section 34177.5(a)(1) of the California Health and Safety Code authorizes the Successor Agency to undertake proceedings for the refunding of outstanding bonds and other obligations of the Prior Agency, subject to the conditions precedent contained in said Section 34177.5; and

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

WHEREAS, said Section 34177.5 further provides that the Successor Agency may pledge to its refunding bonds the revenues pledged to the bonds or other indebtedness being refunded, and that pledge, when made in connection with the issuance of such refunding bonds, shall have the same lien priority as the pledge of the bonds or other obligations to be refunded, and shall be valid, binding, and enforceable in accordance with its terms; and

WHEREAS, for the purpose of refunding the Prior Agency's 2007 Bonds and 2010 Bonds to achieve debt service savings in accordance with Section 34177.5(a)(1), the Successor Agency wishes at this time to issue its Lemon Grove Redevelopment Project Area Tax Allocation Refunding Bonds, Issue of 2019 (the "2019 Bonds"), secured by a pledge of property tax revenues authorized by California Health and Safety Code Section 34177.5(g) on a parity basis to the Successor Agency's Lemon Grove Redevelopment Project Area Tax Allocation Refunding Bonds, Issue of 2014 issued in the initial principal amount of \$5,740,000 (the "2014 Bonds"), all pursuant to the provisions of Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law").

NOW, THEREFORE, BE IT RESOLVED by the San Diego Countywide Redevelopment Successor Agency Oversight Board as follows:

1. The Oversight Board hereby finds, resolves, and determines that the foregoing recitals are true and correct and are incorporated herein by reference, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.

2. The execution and delivery by the Successor Agency of the proposed Indenture and Escrow Agreements, in substantially the forms submitted herewith, for the purpose of prepaying all or a portion of the 2007 Bonds and the 2010 Bonds to achieve debt service savings, in accordance with Health and Safety Code Section 34177.5(a)(1), and the pledge of property tax

revenues to the 2019 Bonds, approved by the Resolution of the Successor Agency approving the Indenture and the 2019 Bonds (as authorized by Health and Safety Code Section 34177.5(a)(1)), is hereby approved.

3. The Oversight Board hereby directs the Successor Agency to undertake the refunding proceedings for the issuance of the 2019 Bonds pursuant to Section 34177.5(a)(1) of the Health and Safety Code and further authorizes and directs the Successor Agency to prepare, approve and execute such other documents, including, as necessary, a Continuing Disclosure Certificate, a bond purchase agreement or placement agent agreement, a preliminary official statement and official statement or private placement memorandum, agreements relating to bond insurance and/or a reserve surety bond, and any additional agreements as may be required to carry out the purposes hereof and of the Resolution of the Successor Agency approving the refunding transaction and related documents without the need for any further approval from the Countywide Oversight Board so long as the Successor Agency determines in consultation with Bond Counsel to the Successor Agency that the 2019 Bonds will comply with federal tax laws and Section 34177.5 of the Dissolution Act.

4. The Chair of the Oversight Board and the other officers and members of staff having responsibility for the affairs of the Oversight Board are hereby authorized and directed to execute such documents and certificates, if any, as they determine are necessary or appropriate to assist the Successor Agency in the issuance of the 2019 Bonds.

5. Pursuant to the provisions of California Health and Safety Code Section 34177.5(f), the Successor Agency is expressly authorized to recover its related costs in connection with the transaction approved hereby, irrespective of whether the 2019 Bonds are issued or the 2007 Bonds or the 2010 Bonds are refunded or defeased.

6. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or

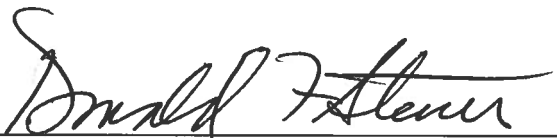
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application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that the Oversight Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

7. This resolution shall take effect in accordance with Health and Safety Code Sections 34177.5(f) and 34179(h).

PASSED AND ADOPTED by the Oversight Board at a duly noticed meeting of the Oversight Board held on September 19, 2019

Approved as to Form and Legality  
By George H. Eiser III, Oversight Board Counsel

  
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Chair, Oversight Board

Resolution No. OB-2019-024

Meeting Date: 09/19/2019

A RESOLUTION OF THE SAN DIEGO COUNTYWIDE  
REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD  
APPROVING AN AMENDMENT TO THE RECOGNIZED  
OBLIGATION PAYMENT SCHEDULE FOR THE NATIONAL CITY  
SUCCESSOR AGENCY FOR THE PERIOD OF JANUARY 1, 2020 -  
JUNE 30, 2020

WHEREAS, the National City Successor Agency (“Successor Agency”) submitted its Recognized Obligation Payment Schedule (ROPS 19-20) to the San Diego Countywide Redevelopment Successor Agency Oversight Board (“Oversight Board”) on January 17, 2019, and the Oversight Board approved ROPS 19-20 on that date; and

WHEREAS, the Successor Agency submitted ROPS 19-20 to the California Department of Finance (“DOF”) by the February 1, 2019 deadline and on March 19, 2019, DOF approved all items on the ROPS; and

WHEREAS, the Successor Agency prepared an Amended Recognized Obligation Payment Schedule (Amended ROPS 19-20B) for the second half of Fiscal Year 2019-20 pursuant to Health and Safety Code section 34177(l) ; and

WHEREAS, the Successor Agency Board approved Amended ROPS 19-20B via Resolution No. 2019-104 on August 20, 2019; and

WHEREAS, the Amended ROPS 19-20B would increase the Redevelopment Property Tax Trust Fund (RPTTF) allocation for Line Item #12 WI-TOD Remediation Planning in the amount of \$30,000, for Line Item #13 WI-TOD Environmental Oversight in the amount of \$46,780, for Line Item #111 Environmental Monitoring for CDC Properties in the amount of \$5,874, and for Line Item #182 2017 Tax Allocation Refunding Bond – Series B Principal Payment in the amount of \$3,000, for the payment for services or other obligations that exceeded authorized and available amounts in ROPS 18-19; and

WHEREAS, the sum of the amendments for these four items is \$85,654; and

WHEREAS, the Amended ROPS 19-20B would enable the Successor Agency to report the payments that exceeded authorized and available amounts in ROPS 18-19 as expenditures in the ROPS 19-20 period as follows: \$131,200 for Line Item #12, \$46,780 for Line Item #13, \$5,874 for Line Item #111, and \$3,000 for Line Item #182; and

WHEREAS, the Successor Agency submitted the Amended ROPS 19-20B to the San Diego Countywide Redevelopment Successor Agency Oversight Board for approval; and

WHEREAS, at its regular meeting held on September 19, 2019, the Oversight Board considered the Successor Agency's request for approval of the Amended ROPS 19-20B; and

WHEREAS, Health and Safety Code Section 34177(o)(1)(E) provides that once per Recognized Obligation Payment Schedule period, and no later than October 1, a successor agency may submit one amendment to the Recognized Obligation Payment Schedule approved by the Department of Finance, if the Oversight Board makes a finding that the revision is necessary for the payment of approved enforceable obligations during the second one-half of the Recognized Obligation Payment Schedule period; and

WHEREAS, the Oversight Board hereby finds that the proposed revisions to the Successor Agency's ROPS 19-20 would increase the Redevelopment Property Tax Trust Fund allocation for that agency in the amount of \$85,654 for distribution to Line Items #12, #13, #111, and #182 as delineated above; and

WHEREAS, the Oversight Board hereby finds that the proposed revisions to the Successor Agency's ROPS 19-20 would allow the Successor Agency to report the payments that exceeded authorized and available amounts for Line Items #12, #13, #111, and #182 in the ROPS 18-19 period as expenditures in the ROPS 19-20 period as delineated above; and

WHEREAS, the Oversight Board hereby finds that such revisions are necessary for the payment of approved obligations during the second one-half of the ROPS 19-20 period.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Amended ROPS 19-20B for the Successor Agency, to increase the Redevelopment Property Tax Trust Fund allocation in the amount of \$85,654 to be distributed to Line Items #12, #13, #111, and #182 for the purposes therein delineated, is hereby approved.

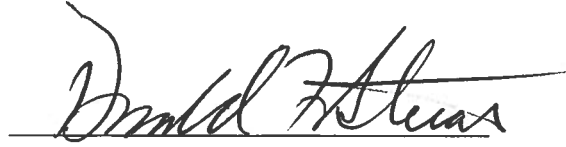
IT IS FURTHER RESOLVED that the approved Amended ROPS 19-20B for the Successor Agency shall be submitted to the State Department of Finance and County Auditor-Controller no later than October 1, 2019.

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Approved as to Form and Legality

By George H. Eiser III, Oversight Board Counsel

A handwritten signature in black ink, appearing to read "Donald H. Eiser III", written over a horizontal line.

Chair, Oversight Board



A RESOLUTION OF THE SAN DIEGO COUNTYWIDE  
REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD  
APPROVING A CONTRACT BETWEEN THE SAN DIEGO  
SUCCESSOR AGENCY'S DESIGNATED AGENT AND KIMLEY-  
HORN AND ASSOCIATES FOR CIVIL ENGINEERING  
CONSULTING SERVICES ON THE B STREET PEDESTRIAN  
CORRIDOR PROJECT

WHEREAS, the former Redevelopment Agency of the City of San Diego (Former RDA) administered the implementation of various redevelopment projects, programs, and activities within designated redevelopment project areas throughout the City of San Diego (City); and

WHEREAS, under California's redevelopment dissolution laws, the Former RDA dissolved as of February 1, 2012, at which time the City, solely in its capacity as the designated successor agency to the Former RDA (Successor Agency), assumed the Former RDA's assets and obligations and commenced winding down the Former RDA's operations; and

WHEREAS, the Successor Agency is required to administer the winding down of the Former RDA's operations and to ensure compliance with the Former RDA's obligations in accordance with AB 26, as subsequently amended (collectively, the Dissolution Laws); and

WHEREAS, the Dissolution Laws specify that the Oversight Board and the California Department of Finance (DOF) must review and approve certain actions and decisions of the Successor Agency, including the Successor Agency's approval of each Recognized Obligation Payment Schedule (ROPS); and

WHEREAS, among other things, each ROPS shows the estimated payments owed by the Successor Agency to third parties for enforceable obligations during the upcoming fiscal period and identifies the funding sources that will be used to make such payments; and

WHEREAS, California Health and Safety Code (Code) section 34177.3(a) states that successor agencies "shall lack the authority to, and shall not, create new enforceable obligations

or begin redevelopment work, except in compliance with an enforceable obligation . . . that existed prior to June 28, 2011”; and

WHEREAS, Code section 34177.3(b) permits successor agencies to “create enforceable obligations to conduct the work of winding down the redevelopment agency, including hiring staff, acquiring necessary professional administrative services and legal counsel, and procuring insurance”; and

WHEREAS, Code section 34171(d)(1)(E) defines “enforceable obligation” to include “any legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy”; and

WHEREAS, Code section 34171(d)(1)(F)(i) further defines “enforceable obligation” to include “[c]ontracts or agreements for the administration or operation of the successor agency, in accordance with this part . . . .”; and

WHEREAS, Code section 34177(a) requires the Successor Agency to continue to make payments due for enforceable obligations, and Code section 34177(c) requires the Successor Agency to perform obligations required pursuant to any enforceable obligation; and

WHEREAS, the DOF issued a letter dated November 8, 2013 (November 2013 Letter) that effectively requires the Oversight Board and the DOF to approve all post-AB 26 services contracts, management contracts and similar contracts, and post-AB 26 amendments to existing contracts of that nature, that will involve the Successor Agency’s expenditure of funds in the ROPS 13-14B time period and beyond; and

WHEREAS, Civic San Diego (CivicSD) performs certain administrative functions on the Successor Agency’s behalf related to winding down the Former RDA’s operations; and

WHEREAS, to comply with the November 2013 Letter, the Successor Agency is now presenting, for approval by the Oversight Board and the DOF, the Professional Services Agreement (Agreement) between CivicSD and Kimley-Horn and Associates (Consultant), which involves the expenditure of ROPS-approved funds for civil engineering consulting services for schematic design and public outreach associated with the construction of certain pedestrian pathway and landscaping improvements in the B Street corridor (Project); and

WHEREAS, in 1993, the Former RDA and Catellus Development Corporation (Catellus) entered into the Amended and Restated Development Agreement and the Amended and Restated Owner Participation Agreement (collectively, Development/Owner Participation Agreements), which revised development entitlements first granted in 1983 to Catellus' predecessor for approximately 17 acres of land near the Santa Fe Depot in downtown San Diego; and

WHEREAS, the Development/Owner Participation Agreements required Catellus to retrofit and complete base building improvements to the Santa Fe Depot Baggage Building (Baggage Building) and to transfer title of the Baggage Building to the City, or any other governmental agency or non-profit entity designated by the City, for use as a museum or other cultural use; and

WHEREAS, in 2004, the Former RDA, an affiliate of Catellus, and the Museum of Contemporary Art, San Diego (Museum) entered into the Transfer Agreement and Escrow Instructions (Transfer Agreement), by which Catellus transferred title of the Baggage Building to the City and the City leased the Baggage Building to the Museum until July 31, 2091; and

WHEREAS, Section 10.22 of the Transfer Agreement requires the Successor Agency, as successor to the Former RDA, to acquire certain public pedestrian easements within the vacated

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B Street right of way and to pay for the design, development, and construction of the pedestrian pathway and landscaping improvements in the B Street corridor (i.e., the Project); and

WHEREAS, the Agreement will allow the Successor Agency to begin the process to acquire the public pedestrian easements and start the schematic design for the Project; and

WHEREAS, the proposed form of the Agreement is attached to the staff report accompanying this Resolution; and

WHEREAS, the maximum expenditure amount under the Agreement is \$49,600, which includes the cost of the Consultant's outreach to the B Street corridor occupants, as well as preparation of the schematic design drawings and preliminary cost estimate for the Project; and

WHEREAS, the Successor Agency, or CivicSD as the contracting agent on its behalf, will pay for the Consultant's services performed under the Amendment utilizing the funding sources shown in line item 164 of the ROPS.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board that the Agreement is approved.

**PASSED AND ADOPTED** by the Oversight Board at a duly noticed meeting of the Oversight Board held on September 19, 2019.

Approved as to Form and Legality

By George H. Eiser III, Oversight Board Counsel

A handwritten signature in cursive script, reading "Donald F. Steiner", is written over a horizontal line.

Chair, Oversight Board