

RESOLUTION OBSA-040

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE SOLANA BEACH REDEVELOPMENT AGENCY APPROVING AND ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE 12-MONTH FISCAL YEAR PERIOD FROM JULY 1, 2018 THROUGH JUNE 30, 2019 (ROPS 18-19) AND MAKING RELATED DETERMINATIONS AND TAKING RELATED ACTIONS IN CONNECTION THEREWITH.

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

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

WHEREAS, Assembly Bill No. X1 26 (2011-2012 1st Ex. Sess.) (“AB 26”) was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code (“Health and Safety Code”), including adding Part 1.8 (commencing with Section 34161) (“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”) to Division 24 of the Health and Safety Code; and

WHEREAS, pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

WHEREAS, on January 11, 2012, the City Council of the City adopted Resolution 2012-011, pursuant to Part 1.85 of AB 26, electing for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 (“Successor Agency”); and

WHEREAS, on February 1, 2012, the Redevelopment Agency was dissolved by operation of law and the Successor Agency was established pursuant to AB 26; and

WHEREAS, AB 26 has since been amended by various California assembly and senate bills enacted and signed by the Governor. AB 26 as amended is hereinafter referred to as the “Dissolution Law”; and

WHEREAS, Health and Safety Code Section 34179 of the Dissolution Law establishes a seven (7) member local entity with respect to each successor agency and such entity is titled the “oversight board.” The oversight board has been established for the Successor Agency (hereinafter referred to as the “Oversight Board”) and all seven (7) members have been appointed to the Oversight Board pursuant to Health and Safety Code Section 34179 of the Dissolution Law. The duties and responsibilities of the Oversight Board are primarily set forth in Health and Safety Code Sections 34179 through 34181 of the Dissolution Law; and

WHEREAS, pursuant to Health and Safety Code Section 34171(h) of the Dissolution Law, on and after July 1, 2016, “Recognized Obligation Payment Schedule” (“ROPS”) means the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations for each fiscal year as provided in Section 34177(o) of the Health and Safety Code; and

WHEREAS, pursuant to Health and Safety Code Section 34177(l)(3) of the Dissolution Law, the ROPS shall be forward looking to the next one year in accordance with Health and Safety Code Section 34177(o); and

WHEREAS, according to Health and Safety Code Section 34177(l)(1) of the Dissolution Law, the Successor Agency shall prepare a ROPS before each fiscal year period. For each recognized obligation, the ROPS shall identify one or more of the following sources of payment: (i) Low and Moderate Income Housing Funds, (ii) bond proceeds, (iii) reserve balances, (iv) administrative cost allowance, (v) the Redevelopment Property Tax Trust Fund (“RPTTF”) but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation or by the provisions of Part 1.85 of the Dissolution Law, and (vi) other revenue sources, including rents, concessions, asset sale proceeds, interest earnings, and any other revenues derived from the former Redevelopment Agency as approved by the Oversight Board in accordance with Part 1.85 of the Dissolution Law; and

WHEREAS, pursuant to Health and Safety Code Section 34177(a)(3) of the Dissolution Law, the Successor Agency may only make payments required pursuant to an approved ROPS; and

WHEREAS, pursuant to Health and Safety Code Section 34177 of the Dissolution Law, the Successor Agency, on January 10, 2018, received the ROPS covering the 12-month fiscal year period from July 1, 2018 through June 30, 2019 (“ROPS 18-19”), in substantial form attached to this Resolution as Exhibit “A”, and the Successor Agency authorized the submission of the ROPS 18-19 to the Oversight Board for its approval; and

WHEREAS, the ROPS 18-19 is now being submitted to the Oversight Board for review and approval in accordance with Health and Safety Code Sections 34177(l)(2)(B) and 34180(g) of the Dissolution Law; and

WHEREAS, the proposed ROPS 18-19 attached to this Resolution as Exhibit "A" is consistent with the requirements of the Health and Safety Code and other applicable law; and

WHEREAS, ROPS 18-19 contains the schedules for payments on enforceable obligations required of the Successor Agency for the applicable fiscal year period and sources of funds for payments as required pursuant to Health and Safety Code Section 34177(l) of the Dissolution Law; and

WHEREAS, pursuant to Health and Safety Code Section 34177(o)(1) of the Dissolution Law, the Successor Agency is required to submit the ROPS 18-19, after its approval by the Oversight Board, to the California Department of Finance ("Department of Finance") and the San Diego County Auditor-Controller ("County Auditor-Controller") no later than February 1, 2018. Section 34177(o)(1) further provides that the Department of Finance shall make its determination of the enforceable obligations and the amounts and funding sources of the enforceable obligations no later than April 15, 2018 and that the Successor Agency may, within 5 business days of the Department of Finance's determination, request additional review by the Department of Finance and an opportunity to meet and confer on disputed items. In the event of a meet and confer and request for additional review, the Department of Finance shall notify the Successor Agency and the County Auditor-Controller as to the outcome of its review at least 15 days before the date of the first property tax distribution for that period (i.e. before June 1, 2018); and

WHEREAS, pursuant to Health and Safety Code Section 34177(l)(2)(C) of the Dissolution Law, a copy of the Oversight Board-approved ROPS 18-19 shall be submitted to the County Auditor-Controller, the State Controller's Office and the Department of Finance and shall be posted on the Successor Agency's internet website; and

WHEREAS, pursuant to Health and Safety Code Section 34177(o)(1)(A) of the Dissolution Law, the Successor Agency shall submit a copy of the Oversight Board-approved ROPS 18-19 to the Department of Finance in the manner provided by the Department of Finance; and

WHEREAS, pursuant to Health and Safety Code Section 34183(a)(2) of the Dissolution Law, the County Auditor-Controller is required to make a payment of property tax revenues (i.e. former tax increment funds) from the RPTTF to the Successor Agency on June 1, 2018 and January 2, 2019 for payments to be made toward recognized obligations listed on the ROPS 18-19 and approved by the Department of Finance; and

WHEREAS, pursuant to the Dissolution Law, the Oversight Board met at a duly noticed public meeting on January 23, 2018 to consider approval of the ROPS 18-19 among other approvals; and

WHEREAS, after reviewing the ROPS 18-19 presented to and recommended for approval to the Oversight Board by the Successor Agency, and after reviewing any written and oral comments from the public relating thereto, the Oversight Board desires to approve the ROPS 18-19; and

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

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

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board of the Successor Agency for the Solana Beach Redevelopment Agency hereby resolves and determines as follows:

SECTION 1. The foregoing recitals are true and correct, and, together with information provided by the Successor Agency and the public, form the basis for the approvals, resolutions, and determinations set forth below.

SECTION 2. The Oversight Board approves and adopts the ROPS 18-19 for the 12-month fiscal year period from July 1, 2018 through June 30, 2019 in the form presented to the Oversight Board and attached hereto as Exhibit A which includes the approval of the agreements and obligations described in the ROPS 18-19, and determines that such agreements and obligations constitute "enforceable obligations" and "recognized obligations" for all purposes of the Dissolution Law in connection with the ROPS 18-19.

SECTION 3. The Oversight Board has examined the items contained on the ROPS 18-19 and determines that each of them is necessary for the continued maintenance and preservation of property owned by the Successor Agency until disposition and liquidation, the continued administration of the enforceable obligations herein approved by the Oversight Board, and/or the expeditious wind-down of the affairs of the former Redevelopment Agency by the Successor Agency.

SECTION 4. The Oversight Board authorizes the Successor Agency to enter into any agreements and amendments to agreements necessary to implement the agreements and obligations listed on the ROPS 18-19 and herein approved by the Oversight Board unless Oversight Board approval of such Successor Agency action is otherwise required pursuant to the Dissolution Law.

SECTION 5. The Oversight Board authorizes and directs the Successor Agency to submit copies of the ROPS 18-19 adopted by this Resolution as required under the Dissolution Law, in the method required, and in a manner to avoid a late submission or accrual of any penalties. In this regard, the Executive Director, or designee, of the Successor Agency is hereby authorized and directed to: (i) submit the ROPS 18-19, as approved by the Oversight Board, to the Department of Finance and to the County Auditor-Controller no later than February 1, 2018; (ii) submit a copy of the ROPS 18-19, as approved by the Oversight Board, to the State Controller's Office and post the ROPS 18-19 on the Successor Agency's internet website; and (iii) revise the ROPS 18-19, and make such changes and amendments as necessary, before official submittal of the ROPS 18-19 to the Department of Finance in order to complete the ROPS 18-19 in the manner provided by the Department of Finance and to conform the ROPS 18-19 to the form or format as prescribed by the Department of Finance.

SECTION 6. The Executive Director, or designee, of the Successor Agency is authorized and directed to take such other actions and execute such other documents as are necessary to effectuate the intent of this Resolution.

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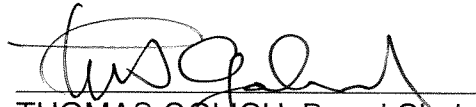
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SECTION 7. The Oversight Board determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

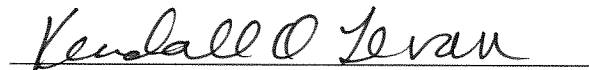
SECTION 8. This Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34177(o)(1) of the Dissolution Law.

PASSED AND ADOPTED this 23rd day of January 2018, at a special meeting of the Oversight Board of the Successor Agency for the Solana Beach Redevelopment Agency by the following vote:

AYES: Golich, Clemons, Deaver, Davis, Ng
NOES: None
ABSENT: Sammak
ABSTAIN: None


THOMAS GOLICH, Board Chair

APPROVED AS TO FORM:


KENDALL D. LEVAN, General Counsel

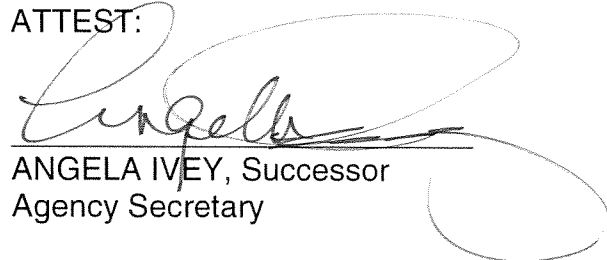
ATTEST:

ANGELA IVEY, Successor
Agency Secretary

EXHIBIT "A"

SUCCESSOR AGENCY FOR THE SOLANA BEACH REDEVELOPMENT AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE

July 1, 2018 through June 30, 2019
("ROPS 18-19")

(attached)

Recognized Obligation Payment Schedule (ROPS 18-19) - Summary

Filed for the July 1, 2018 through June 30, 2019 Period

Successor Agency: Solana Beach
County: San Diego

	18-19A Total (July - December)	18-19B Total (January - June)	ROPS 18-19 Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ 130,040	\$ 130,041	\$ 260,081
B Bond Proceeds	-	-	-
C Reserve Balance	130,040	130,041	260,081
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 121,747	\$ 115,830	\$ 237,577
F RPTTF	121,747	115,830	237,577
G Administrative RPTTF	-	-	-
H Current Period Enforceable Obligations (A+E):	\$ 251,787	\$ 245,871	\$ 497,658

Certification of Oversight Board Chairman:
Pursuant to Section 34177 (o) 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 successor agency.

Name
/s/ _____
Signature

Date

Solana Beach Recognized Obligation Payment Schedule (ROPS 18-19) - ROPS Detail

July 1, 2018 through June 30, 2019

(Report Amounts in Whole Dollars)

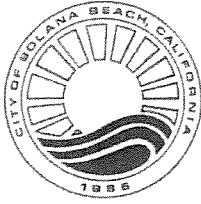
A	B	C	D	E	F	G	H	I	J	K	L	M	N			Q	R	S	T			V	W
													18-19A (July - December)	Other Funds	RPTTF				18-19B (January - June)	Other Funds	RPTTF		
Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 18-19 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	18-19B Total		
1	2006 Tax Allocation Bond	Bonds Issued On or Before	6/1/2006	6/1/2036	Wells Fargo Bank	Bonds to fund Public Improvements		\$ 6,592,290	Y	\$ 497,658	\$ -	\$ 130,040	\$ -	\$ 121,747	\$ -	\$ 251,787	\$ -	\$ 130,041	\$ -	\$ 115,830	\$ -	\$ 245,871	
2	Trustee Services	Fees	6/1/2006	12/1/2035	Wells Fargo Bank	Contract for Professional Services-Trustee Services		34,200	N	4,000				4,000		4,000							
3	Continuing Disclosure	Fees	6/1/2006	12/1/2035	Urban Futures	Contract for Professional Services-Continuing Disclosure		36,700	N	2,300				2,300		2,300							
4	Arbitrage	Fees	6/1/2006	12/1/2035	Koppel & Gruber	Contract for Professional Services - Arbitrage		21,600	N	1,500				1,500		1,500							
21	Legal Services	Litigation	1/1/2014	12/1/2035	McDougal, Love, et al, and Goldfabo and Lipman, LLP, and Solana Beach Successor Agency	Defend Third Party litigation against Successor Agency regarding case: "The Affordable Housing Coalition of San Diego v Sandoval, et al." Case No. 34-2012-80001158-CJ-LJWM-GDS		160,000	N	80,000		40,000				40,000						40,000	
22	Successor Agency Administrative Expenses	Admin Costs	1/1/2014	12/1/2035	City of Solana Beach	Successor Agency administrative obligations relating to maintaining payments on enforceable obligations and other activities as required by AG1X26		2,562,663	N	160,081		80,040				80,040						80,041	
24	2017 Tax Allocation Refunding Bond	Bonds Issued After 12/31/10	11/10/2017	12/1/2035	Wells Fargo Bank	Refunding of 2006 Tax Allocation Bonds that were used to fund Public Improvements		3,615,127	N	199,777						98,947			100,830			100,830	
25	Legal Services	Litigation	1/1/2017	12/1/2035	McDougal, Love, et al, and Colantuono, Highsmith & Whalley, PC, and Solana Beach Successor Agency	Defend Third Party litigation against Successor Agency regarding case: "San Diego County Board of Education, et al v Sandoval, et al." Case No. 37-2017-00019775-CJ-LJWM-CTL		160,000	N	50,000		10,000		15,000		25,000		10,000		15,000		25,000	
26									N	\$ -						\$ -						\$ -	
27									N	\$ -						\$ -						\$ -	

Solana Beach Recognized Obligation Payment Schedule (ROPS 18-19) - Report of Cash Balances
July 1, 2015 through June 30, 2016
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), 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 Cash Balance Tips Sheet									
A	B	C	D	E	F	G	H	I	
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	
1	Beginning Available Cash Balance (Actual 07/01/15)								
2	Revenue/Income (Actual 06/30/16) RPTTF amounts should tie to the ROPS 15-16 total distribution from the County Auditor-Controller during June 2015 and January 2016.	235,815				74,169		1,081	Other Beginning FB amount is remaining loan proceeds per cash flow loans from City to Successor Agency
3	Expenditures for ROPS 15-16 Enforceable Obligations (Actual 06/30/16)	26						651,245	Other revenue is interest earned on Bond Reserve account held by trustee and applied to bond payment
4	Retention of Available Cash Balance (Actual 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)					74,169		531,153	
5	ROPS 15-16 RPTTF Balances Remaining	No entry required							
6	Ending Actual Available Cash Balance (06/30/16) C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 + 5)	\$ 235,841	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 121,173	

Solana Beach Recognized Obligation Payment Schedule (ROPS 18-19) - Notes July 1, 2018 through June 30, 2019

Item #	Notes/Comments
1 and 24	The 2006 Tax Allocation Bonds were refunded on 11/07/17 and the 2017 Tax Allocation Refunding Bonds were issued in the amount of \$2,694,100. Total principle and interest payments over the life of the 2017 issuance will total \$3,615,127. DOF provided its approval for this refunding on 10/30/17 when it approved the Resolution No. OBSA -038
25	This legal services agreement constitutes an enforceable obligation pursuant to Section 34171(b) and 34171(d)(1)(E) and the services including defending third party litigation against the Successor Agency regarding case: San Diego County Board of Education, et al v Sandoval, et al." Case No. 37-2017-00019775-CU-WM-CTL



DOCUMENT CERTIFICATION

STATE OF CALIFORNIA }
COUNTY OF SAN DIEGO } §
CITY OF SOLANA BEACH }

I, ANGELA IVEY, City Clerk of the City of Solana Beach, California, and Secretary of the Oversight Board of the Successor Agency for the Solana Beach Redevelopment Agency, DO HEREBY CERTIFY that the foregoing is a full, true and correct copy of **Resolution OBSA-040** *approving and adopting the Recognized Obligation Payment Schedule for the 12-month Fiscal Year period from July 1, 2018 through June 30, 2019 (ROPS 18-19) and making related determinations and taking related actions in connection therewith* as duly passed and adopted at a Special Meeting of the Oversight Board of the Successor Agency for the Solana Beach Redevelopment Agency held on the 23rd day of January, 2018 and the original is on file in the City Clerk's Office.


ANGELA IVEY, AGENCY SECRETARY

Date of this Certification: 1-23-18