

**AGENDA**

Oversight Board of the City as Successor Agency  
for the Community Redevelopment Agency  
of the City of Moreno Valley

**Regular Meeting**

September 25, 2013 -2:00p.m.

**Moreno Valley City Hall, Council Chamber**  
14177 Frederick Street, Moreno Valley

**CALL TO ORDER**

**ROLL CALL/INTRODUCTIONS**

**PUBLIC COMMENTS**

Those wishing to speak should complete and submit a BLUE speaker slip to the Board Secretary. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley and not to any individual Board member, staff member or other person.

**APPROVAL OF MINUTES**

1. Approval of Minutes

**REGULAR BUSINESS**

1. CONSIDERATION OF A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY RECOGNIZING AND APPROVING THE DESIGNATION BY THE MAYOR OF A MEMBER OF THE OVERSIGHT BOARD
2. CONSIDERATION OF A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY REAPPROVING LOAN AGREEMENTS BETWEEN THE CITY OF MORENO VALLEY AND SUCCESSOR AGENCY FOLLOWING THE OBTAINING OF A FINDING OF COMPLETION

3. CONSIDERATION OF A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY REAPPROVING THE PUBLIC WORKS AGREEMENT BETWEEN THE CITY OF MORENO VALLEY ("CITY") AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY ("SUCCESSOR AGENCY")
4. CONSIDERATION OF A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY FOR THE REPAYMENT AGREEMENT BETWEEN THE CITY OF MORENO VALLEY ("CITY") AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY ("SUCCESSOR AGENCY")
5. CONSIDERATION OF A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JANUARY 1, 2014 THROUGH JUNE 30, 2014 (ROPS 13-14B)
6. CONSIDERATION OF A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY ADOPTING AN ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY FOR JANUARY 1, 2014 THROUGH JUNE 30, 2014

## **ADJOURNMENT**

*Materials related to an item on this Agenda submitted to the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley after distribution of the agenda packet are available for public inspection in the Community & Economic Development Department at 14177 Frederick Street during normal business hours.*

*Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, in compliance with the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Mel Alonzo, ADA Coordinator, at 951.413.3027 at least 48 hours before the meeting. The 48-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.*

**MINUTES  
OVERSIGHT BOARD OF THE CITY AS SUCCESSOR AGENCY  
FOR THE COMMUNITY REDEVELOPMENT AGENCY  
OF THE CITY OF MORENO VALLEY**

**REGULAR MEETING – 2:00 P.M.  
May 8, 2013**

**CALL TO ORDER** - Meeting of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley (Oversight Board) was called to order at 2:05 p.m. by Chairman Moss in the Council Chamber at Moreno Valley City Hall. Copies of the Agenda and items for review were made available to the public.

**ROLL CALL/INTRODUCTIONS**

**Oversight Board:**

Glenn Moss	Chairman
Chris Carlson	Vice Chair
Mays Kakish	Board Member
Henry Garcia	Board Member
John Strickler	Board Member

**Absent:**

David Slawson	Board Member
Jamil Dada	Board Member
Jon Goetz	Oversight Board Counsel - KMTG (Kronick Moskowitz Tiedemann & Girard)

**Staff:**

Barry Foster	Community & Economic Development Director
Dante Hall	Redevelopment & Neighborhood Programs Administrator
Rick Teichert	Financial & Administrative Services Director
Kathi Pierce	Board Secretary

**Legal Representation:**

Mark Huebsch	Successor Agency Counsel (Stradling, Yocca, Carlson & Rauth)
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**PUBLIC COMMENTS**

No public comments.

1. APPROVAL OF MINUTES

**Motion to Approve Minutes of February 27, 2013 by m/Board Member Mays, s/Board Member Carlson (Approved by a vote of 5-0-2).**

REGULAR BUSINESS

1. CONSIDERATION OF A RESOLUTION ADOPTING AN ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY FOR THE PERIOD OF JULY 1, 2013 THROUGH DECEMBER 31, 2013

RESOLUTION NO. OB 2013-03

Staff briefly explained the proposed administrative budget showing the details for the upcoming six-month fiscal period. Adjustments have been made, including work force reductions in order to remain in compliance. The maximum that we can spend on Administration is 250,000.

**Motion to Adopt Resolution No. OB 2013-03, by m/Board Member Mays, s/Chairman Moss. (Approved by a vote of 5-0-2 ).**

2. UPDATE ON THE OTHER ASSETS DUE DILIGENCE REVIEW

Staff explained that the Department of Finance had denied the 2005 Lease Revenue Bond payments. Staffs requested an in-person meet and confer with the DOF in Sacramento. They will be presenting backup that justifies all the actions that the RDA originally planned for that debt.

That debt was part of several pooled debt issuances. All of the entities that participated took action to acknowledge their share of the debt service that would be transferred directly to the debt service fund.

The DOF feels that the actual bond lease documents are between the City and the Moreno Valley Financing Authority. The RDA is not a party to that lease agreement. Staff is assembling all of the evidence that indicates that was merely for convenience and to minimize the cost of the debt. There is a strong case that this was intended to be RDA Debt and has been accounted as such.

During the Successor Agency Due Diligence review, the DOF had concern about the property tax component that went into the escrow account. In their final determination letter, they requested that we return the \$582,000 of property tax that was in this escrow account. Another meet and confer was scheduled. The money was legitimately committed to the project in escrow, encumbered appropriately and it was agreed that we can keep the \$582,000.

In addition, there was \$300,000 that was not used due to an overage in certain ROPS line items. We were in agreeance and a wire transfer was made in the amount of \$220,000 to the County that will be distributed to the taxing entities.



The City is applying for a "Finding of Completion" which will allow us to get paid back for the RDA City loans that were previously denied, and to expend bond proceeds.

The City continues to negotiate with the IRS.

**ADJOURNMENT**

There being no further business to conduct, the meeting was adjourned at 2:20 p.m. by unanimous informal consent.

**NEXT MEETING**

The next Meeting of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley scheduled for June 12, 2013 has been cancelled. The next scheduled Meeting is July 10, 2013 from 2 – 4 p.m. in the Council Chamber.

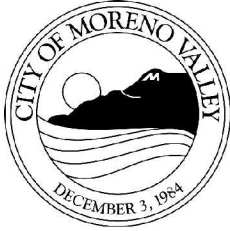
Submitted by:

\_\_\_\_\_  
Board Secretary, Kathi Pierce

Approved by:

\_\_\_\_\_  
Chairman, Glenn Moss

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## **Report to the Oversight Board for Successor Agency to Community Redevelopment Agency of the City of Moreno Valley**

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**TO:** Members of the Board

**FROM:** John Terell, Community & Economic Development Director

**AGENDA DATE:** September 25, 2013

**TITLE:** CONSIDERATION OF A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY RECOGNIZING AND APPROVING THE DESIGNATION BY THE MAYOR OF A MEMBER OF THE OVERSIGHT BOARD

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### **RECOMMENDED ACTION**

Recommendations:

1. Rescind the Mayor's Appointment of Henry Garcia to the Oversight Board.
2. Adopt Resolution No. OB 2013-04 Recognizing and Approving the Designation by the Mayor of a Member of the Oversight Board.

### **BACKGROUND:**

Health and Safety Code section 34179(a) provides in part for the mayor of the city that formed a former redevelopment agency to appoint a member to the oversight board. The Mayor of the City of Moreno Valley previously appointed Henry Garcia, then City Manager of the City of Moreno Valley, as his appointee to the Oversight Board. As a

replacement to Henry Garcia, the Mayor has appointed Ahmad Ansari, the current Public Works Director as the new appointee, of the Mayor to the Oversight Board.

Successor Agency staff now requests that the Oversight Board take action to formally recognize the seating of Ahmad Ansari as the Mayor's appointee to the Oversight Board. Because of the requirement of AB 1484 that actions of Oversight Board be taken by a resolution. A Resolution is presented to implement the requested action.

**ALTERNATIVES:**

The alternatives available to the Oversight Board are:

1. Rescind the current Mayor's appointment of Henry Garcia to the Oversight Board and adopt a Resolution of the Oversight Board of Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley approving the designation by the Mayor of a member of the Oversight Board; or
2. Provide staff with alternative direction.

**FISCAL IMPACT:**

There is no fiscal impact.

**ATTACHMENTS:**

Attachment 1: Resolution No. OB 2013-04

**SUCCESSOR AGENCY STAFF:**

Prepared By:  
Anochar Clark  
Sr. Financial Analyst

Department Head Approval:  
John Terrell  
Community & Economic Development  
Director

ATTACHMENT 1

RESOLUTION NO. OB 2013-04

A RESOLUTION OF THE OVERSIGHT BOARD OF SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY RECOGNIZING AND APPROVING THE DESIGNATION BY THE MAYOR OF A MEMBER OF THE OVERSIGHT BOARD

WHEREAS, the Oversight Board for Successor Agency to Community Redevelopment Agency of the City of Moreno Valley ("Oversight Board" as applicable) has previously convened and has met several times since its formation;

WHEREAS, Health and Safety Code section 34179(a) provides in part for the mayor of the city that formed a former redevelopment agency to appoint a member to the oversight board. The Mayor of the City of Moreno Valley ("Mayor") previously appointed Henry Garcia, then City Manager of the City of Moreno Valley, as his appointee to the Oversight Board. The Mayor has appointed Ahmad Ansari, the Public Works Director of the City, as the new appointee of the Mayor to the Oversight Board;

NOW, THEREFORE, the Oversight Board of Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley does hereby resolve as follows:

SECTION 1. The Oversight Board finds and determines that the foregoing recitals are true and correct.

SECTION 2. The Oversight Board recognizes and approves the appointment by the Mayor of Ahmad Ansari as the Mayor's appointee to the Oversight Board.

SECTION 3. The Oversight Board, through its secretary, shall maintain on file as a public record this Resolution.

Resolution No. OB 2013-04  
Date Adopted: September 25, 2013

PASSED, APPROVED, AND ADOPTED at a special meeting of the Oversight Board of Successor Agency to Community Redevelopment Agency of the City of Moreno Valley, held on this the 25<sup>th</sup> day of September, 2013.

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Chairperson  
Oversight Board of Successor  
Agency to Community  
Redevelopment Agency of the  
City of Moreno Valley

ATTEST:

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Oversight Board Secretary

Resolution No. OB 2013-04  
Date Adopted: September 25, 2013

**RESOLUTION JURAT**

STATE OF CALIFORNIA     )  
COUNTY OF RIVERSIDE    ) ss.  
CITY OF MORENO VALLEY )

I, Kathi Pierce, Secretary of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, California, do hereby certify that Resolution No. OB 2013-04 was duly and regularly adopted by the Board Members of the Successor Agency Oversight Board at a regular meeting thereof held on the 25<sup>th</sup> day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

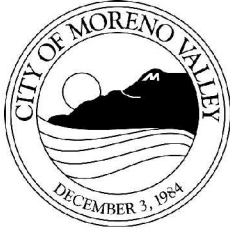
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SECRETARY

Resolution No. OB 2013-04  
Date Adopted: September 25, 2013

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## **Report to the Oversight Board for Successor Agency to Community Redevelopment Agency of the City of Moreno Valley**

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**TO:** Members of the Board

**FROM:** John Terell, Community & Economic Development Director

**AGENDA DATE:** September 25, 2013

**TITLE:** CONSIDERATION OF A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY REAPPROVING LOAN AGREEMENTS BETWEEN THE CITY OF MORENO VALLEY AND THE SUCCESSOR AGENCY FOLLOWING THE OBTAINING OF A FINDING OF COMPLETION.

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### **RECOMMENDED ACTION**

Recommendation:

1. ADOPT RESOLUTION NO. OB 2013-05 OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY REAPPROVING LOAN AGREEMENTS IN THE COMBINED AMOUNT OF \$652,248 BETWEEN THE CITY OF MORENO VALLEY AND THE SUCCESSOR AGENCY FOLLOWING THE OBTAINING OF A FINDING OF COMPLETION.

### **BACKGROUND**

ABx1 26 provides, in part, at Health & Safety Code Section 34178, that commencing as of the effective date of ABx1 26, loan agreements, contracts or arrangements between

the city that activated a redevelopment agency and the redevelopment agency are invalid and shall not be binding on the successor agency; provided that Section 34178, as amended by AB 1484 (Chapter 26, Statutes of 2012) further provides that a successor agency and city that formed a redevelopment agency may enter or reenter into agreements upon obtaining the approval of the Oversight Board.

Concerning the loaning of moneys by a host city to its successor agency and the repayment thereof, Health & Safety Code Section 34173(h) provides:

“(h) The city, county, or city and county that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.”

The City of Moreno Valley has been induced to bear the cost of various expenses associated with the conduct of the dissolution process, such as costs for staff time, related costs to house staff performing services in connection with dissolution, consulting services, accounting, and legal services. Such expenses have not been defrayed by an administrative allowance. Moreover, it is anticipated that costs and expenses will continue to be incurred in connection with the dissolution process. The Successor Agency proposes that amounts heretofore disbursed by the City for dissolution-related matters as well as costs hereafter incurred in relation to such matters shall be treated as loans to the Successor Agency, to constitute an enforceable obligation to be repaid to the City from property tax revenues (specifically, from the Redevelopment Property Tax Trust Fund) in connection with processing of such recognized obligation payment schedules (ROPS) as are approved hereafter from time to time. Such payments are authorized pursuant to Section 34173(h), as cited above.

In addition, pursuant to Health & Safety Code Section 34191.4(b), as added by AB 1484, after a successor agency obtains a finding of completion pursuant to Health & Safety Code Section 34179.7, upon application by the successor agency to its oversight board, in addition to certain other activities which become permitted, a loan agreement between (i) the city that created the redevelopment agency (the City of Moreno Valley) and (ii) the redevelopment agency (the Community Redevelopment Agency of the City of Moreno Valley) shall be deemed to be enforceable obligations provided that the oversight board makes findings, as to each such loan agreement, that (i) “the loan was for legitimate redevelopment purposes” and (ii) the loan agreement is an enforceable obligation. Such actions may only take place after the successor agency has obtained a finding of completion from the California Department of Finance. In the case of Moreno Valley, the Successor Agency has received such a finding of completion from

the California Department of Finance by correspondence dated as of May 24, 2013 (the "Finding of Completion" – Attachment 2).

Once the Oversight Board makes the findings described above, the accumulated interest on the remaining principal amount shall be recalculated, in each case, from the origination (of such loan) at the interest rate earned as to funds deposited in the Local Agency Investment Fund ("LAIF"); thereafter, each such loan shall be repaid to the City in accordance with a defined schedule over a "reasonable" term at an interest rate that not to exceed the interest rate earned on funds deposited into LAIF. Repayment is, per Section 34191.4 of the Health & Safety Code, subject to other limitations set forth in that Section. No particular guidance is provided under Section 34191.4 concerning the frequency with which calculations as to interest rates applicable under LAIF shall be determined.

The Successor Agency now presents to the Oversight Board approved Loan Agreements dated January 3, 2007, and December 11, 2007 respectively, between the City and the former Community Redevelopment Agency of the City of Moreno Valley (the "Former Redevelopment Agency") as evidenced by the accompanying resolution; that agreements, dated January 3, 2007, and December 11, 2007 respectively (combined as the "Existing Repayment Agreement"), with the request that the Oversight Board consents to the Successor Agency reapproving the Existing Repayment Agreement upon making of the finding contained in the enclosed resolution. The prior approvals of the Oversight Board and the Successor Agency shall remain in effect concerning other agreements between the City and the Former Redevelopment Agency.

Upon approval by the City, the Successor Agency and the Oversight Board, the Successor Agency would include the Existing Repayment Agreement in future Recognized Obligation Payment Schedules (ROPS).

### **ALTERNATIVES**

The alternatives available to the Oversight Board are:

1. Adopt a resolution approval of the reentry of the Existing Repayment Agreement as to all matters submitted to the Oversight Board at this meeting by staff of the Successor Agency; or
2. Adopt a resolution approving the reentry of the Existing Repayment Agreement submitted to the Oversight Board at this meeting by staff of the Successor Agency with those modifications as made by the Oversight Board; or
3. Provide staff with alternative direction.

**ATTACHMENTS**

Attachment 1 – Proposed Resolution OB 2013-05

Attachment 2 – Finding of Completion Letter

Prepared By:  
Anochar Clark  
Sr. Financial Analyst

Department Head Approval:  
John Terrell  
Community & Economic Development  
Director

## RESOLUTION NO. OB 2013-05

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY CONFIRMING THAT THE LOAN AGREEMENTS BETWEEN THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AND THE CITY OF MORENO VALLEY WAS FOR LOANS IN THE COMBINED AMOUNT OF \$652,248 AND FOR LEGITIMATE REDEVELOPMENT PURPOSES AND FURTHER AUTHORIZING THE SUCCESSOR AGENCY TO RE-ESTABLISH SAID AGREEMENT AS AN AGREEMENT BETWEEN THE CITY AND THE SUCCESSOR AGENCY AND AUTHORIZE CERTAIN ADDITIONAL AGREEMENTS IN COMPLIANCE WITH THE DISSOLUTION ACT

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley ("Redevelopment Agency") was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health & Safety Code Section 33000, et seq. ("CRL"), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Moreno Valley ("City"); and

WHEREAS, Assembly Bill ABx1 26 (Chapter 5, Statutes of 2011) added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies ("Dissolution Act"); and

WHEREAS, on December 29, 2011, in connection with *California Redevelopment Association v. Matosantos*, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of and on February 1, 2012 under the dates in the Dissolution Act that were reformed and extended thereby; and

WHEREAS, as of and on and after February 1, 2012, the City serves and acts as the successor agency to the Redevelopment Agency (in such capacity, the "Successor Agency") and will perform its functions as the successor agency under the Dissolution Act to administer the enforceable obligations of the former Redevelopment Agency and otherwise unwind the former Redevelopment Agency's affairs, all subject to the review and approval by an oversight board established pursuant to Health & Safety Code Section 34179 ("Oversight Board"); and

WHEREAS, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entitles that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

WHEREAS, upon issuance of a Finding of Completion by the California Department of Finance ("DOF") pursuant to Health & Safety Code Section 34179.7, notwithstanding Section 34171(d), upon application by the Successor Agency and approval by the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City, which activated the former Redevelopment Agency, shall be deemed enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes and a finding that the loan agreements are enforceable obligations; and

WHEREAS, the Oversight Board has reviewed the documentation and testimony concerning that certain agreement described in the accompanying staff report as the "Existing Repayment Agreement" (as set forth at Exhibit "A" hereto) between the former Redevelopment Agency and the City and hereby finds and determines that the Existing Repayment Agreement, was in the nature of a loan, with the Redevelopment Agency having become obligated to make repayments to the City based upon the cost of certain improvements, was legally binding, was made for legitimate redevelopment purposes within the meaning of Health & Safety Code Section 34191.4 and constitutes enforceable obligations and shall be recognized as re-entered into as between the Successor Agency and the City; and

WHEREAS, the Oversight Board further authorizes the Successor Agency to re-establish said Existing Repayment Agreement upon DOF's issuance of a Finding of Completion to the Successor Agency and to re-establish said agreements subject to and in compliance with Health & Safety Code section 34191.4, and with repayment schedules as set forth in Exhibit "B" hereto, as deemed restated to replace the Redevelopment Agency with the Successor Agency (as creditor/payee) on a going forward basis; and

WHEREAS, Health & Safety Code Section 34173(h) provides that "The city... that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.

**NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AS FOLLOWS:**

**SECTION 1.** The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**SECTION 2.** Pursuant to the Dissolution Act, the Oversight Board finds and determines that: (i) the Existing Repayment Agreement was made of for legitimate

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Resolution No. OB 2013-05  
Date Adopted: September 25, 2013

redevelopment purposes within the meaning of Health & Safety Code Section 34191.4 and; (ii) the Existing Repayment Agreement in the combined amount of \$652,248 plus allowable interest constitutes enforceable obligations; and (iii) the loan repayments, to the extent governed by Section 34191.4 and not Section 34178, are reasonable and conform to Section 34191.4.

SECTION 3. The Oversight Board authorizes the Successor Agency to re-establish said Existing Repayment Agreement, including without limitation as to the Existing Repayment Agreement the provisions (as set forth Exhibit "A" hereto), and to re-establish said agreement in compliance with Exhibit "B" hereto and subject to and in conformance with Health & Safety Code section 34191.4, and authorizes and approves their inclusion on recognized obligation payment schedules.

SECTION 4. This Resolution shall be effective after this Resolution is transmitted to DOF, and after the expiration of five (5) business days pending a request for review by DOF within the time periods set forth in the Dissolution Act.

SECTION 5. The Oversight Board instructs the Successor Agency to have its Executive Director to include each of the Existing Repayment Agreement in the Recognized Obligation Payment Schedules as shall from time to time be prepared by the Successor Agency.

SECTION 6. The Oversight Board, through its secretary, shall maintain on file as a public record this Resolution.

**PASSED, APPROVED, AND ADOPTED** at a special meeting of the Oversight Board of Successor Agency to Community Redevelopment Agency of the City of Moreno Valley, held on this the 25<sup>th</sup> day of September, 2013.

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Chairperson  
Oversight Board of Successor  
Agency to Community  
Redevelopment Agency of the  
City of Moreno Valley

**ATTEST:**

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Oversight Board Secretary

3  
Resolution No. OB 2013-05  
Date Adopted: September 25, 2013

**RESOLUTION JURAT**

STATE OF CALIFORNIA     )  
COUNTY OF RIVERSIDE    ) ss.  
CITY OF MORENO VALLEY )

I, Kathi Pierce, Secretary of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, California, do hereby certify that Resolution No. OB 2013-05 was duly and regularly adopted by the Board Members of the Successor Agency Oversight Board at a regular meeting thereof held on the 25<sup>th</sup> day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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SECRETARY

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Resolution No. OB 2013-05  
Date Adopted: September 25, 2013



**LOAN AGREEMENT****EXHIBIT A**

THIS LOAN AGREEMENT ("Agreement") is entered into as of the twenty third day of January, 2007, by and between the **CITY OF MORENO VALLEY** (herein the "City") and the **COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY** (herein the "Agency").

**RECITALS**

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*), the City Council of the City of Moreno Valley, activated the Agency and adopted the Redevelopment Plan (the "Redevelopment Plan") for the Moreno Valley Redevelopment Project (the "Project").

B. From time to time since the activation of the Agency, the City and the Agency have entered into agreements, including agreements under which the City has made moneys available to the Agency. Some of these agreements have provided for loans by the City to the Agency; these instruments have included without limitation promissory notes and prior agreements which have been denominated as "Cooperation Agreement(s)" and/or "Loan Agreement(s)" (collectively, the "Prior Agreements").

C. Without amending, limiting, or modifying the Prior Agreements and the ongoing effectiveness of such Prior Agreements (as such agreements may be modified by the amended and restated Cooperation Agreement between the City and Agency of even date herewith), which shall remain in effect according to their terms for the greatest time legally allowable, the City desire to loan and the Agency desire to borrow the amounts identified in this Agreement on the terms and conditions herein set forth.

**AGREEMENTS**

1. The City agrees to disburse to the Agency, as a loan, the amount of Five Hundred Eighteen Thousand Five Hundred and Twenty Dollars (\$518,520)(the "Loan Amount") within thirty (30) days following the date first set forth above, as such date may be extended upon mutual agreement of the Agency (acting through its Executive Director) and the City (acting through its City Manager).

2. The Agency agrees to pay the City, with interest, the Loan Amount from and to the extent that funds are available to the Agency for such purpose pursuant to Section 33670 of the Health and Safety Code ("Tax Increment") and the Agency pledges the Tax Increment to repayment of its indebtedness to the City hereunder, subject to Section 3, below. The parties recognize that repayment may occur over a period of several years. Interest shall accrue on all amounts payable by the Agency pursuant to this Agreement at the rate of the lesser of (i) twelve percent (12%) per annum, or (ii) the highest legally-allowable interest rate for a redevelopment agency.

3. The obligation of the Agency to make payment to the City shall, without necessity of further action by the Agency or City, be junior and subordinate to: (i) prior express pledges, if any, by the Agency of Tax Increment, to the extent of such pledges; (ii) the Amended and Restated Cooperation Agreement between the City and the Agency dated as of July 1, 2005; (iii) the Purchase and Sale Agreement between the City and the Agency dated as of May 1, 2005; and (iv) to the extent, if any, that the Agency expressly provides to contrary effect in the instruments creating such other obligations or indebtedness. In addition, the Agency shall have the sole and exclusive right to subordinate such pledge for the benefit of the City to such other pledges as the Agency may make with respect to repayment of other indebtedness incurred by the Agency in carrying out the Project.

4. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 *et seq.* of the Community Redevelopment Law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF MORENO VALLEY

By: Robert G. Gutierrez  
Robert G. Gutierrez  
City Manager

Attest:

Alice Reed  
Alice Reed  
City Clerk

COMMUNITY REDEVELOPMENT AGENCY OF  
THE CITY OF MORENO VALLEY

By: Robert G. Gutierrez  
Robert G. Gutierrez  
Executive Director

Attest:

Alice Reed  
Alice Reed  
Agency Secretary

Approved as to Form  
Date 1/31/07  
By: [Signature]  
City Attorney  
Moreno Valley

**LOAN AGREEMENT**

THIS LOAN AGREEMENT (“Agreement”) is entered into as of the eleven day of December, 2007, by and between the **CITY OF MORENO VALLEY** (herein the “City”) and the **COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY** (herein the “Agency”).

**RECITALS**

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*), the City Council of the City of Moreno Valley, activated the Agency and adopted the Redevelopment Plan (the “Redevelopment Plan”) for the Moreno Valley Redevelopment Project (the “Project”).

B. From time to time since the activation of the Agency, the City and the Agency have entered into agreements, including agreements under which the City has made moneys available to the Agency. Some of these agreements have provided for loans by the City to the Agency; these instruments have included without limitation promissory notes and prior agreements which have been denominated as “Cooperation Agreement(s)” and/or “Loan Agreement(s)” (collectively, the “Prior Agreements”).

C. Without amending, limiting, or modifying the Prior Agreements and the ongoing effectiveness of such Prior Agreements (as such agreements may be modified by the amended and restated Cooperation Agreement between the City and Agency of even date herewith), which shall remain in effect according to their terms for the greatest time legally allowable, the City desire to loan and the Agency desire to borrow the amounts identified in this Agreement on the terms and conditions herein set forth.

**AGREEMENTS**

1. The City agrees to disburse to the Agency, as a loan, the amount of One Hundred Thirty Three Thousand Seven Hundred and Twenty Eight Dollars (\$133,728)(the “Loan Amount”) within thirty (30) days following the date first set forth above, as such date may be extended upon mutual agreement of the Agency (acting through its Executive Director) and the City (acting through its City Manager).

2. The Agency agrees to pay the City, with interest, the Loan Amount from and to the extent that funds are available to the Agency for such purpose pursuant to Section 33670 of the Health and Safety Code ("Tax Increment") and the Agency pledges the Tax Increment to repayment of its indebtedness to the City hereunder, subject to Section 3, below. The parties recognize that repayment may occur over a period of several years. Interest shall accrue on all amounts payable by the Agency pursuant to this Agreement at the rate of the lesser of (i) twelve percent (12%) per annum, or (ii) the highest legally-allowable interest rate for a redevelopment agency.

3. The obligation of the Agency to make payment to the City shall, without necessity of further action by the Agency or City, be junior and subordinate to: (i) prior express pledges, if any, by the Agency of Tax Increment, to the extent of such pledges; (ii) the Amended and Restated Cooperation Agreement between the City and the Agency dated as of July 1, 2005; (iii) the Purchase and Sale Agreement between the City and the Agency dated as of May 1, 2005; and (iv) to the extent, if any, that the Agency expressly provides to contrary effect in the instruments creating such other obligations or indebtedness. In addition, the Agency shall have the sole and exclusive right to subordinate such pledge for the benefit of the City to such other pledges as the Agency may make with respect to repayment of other indebtedness incurred by the Agency in carrying out the Project.

4. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 *et seq.* of the Community Redevelopment Law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF MORENO VALLEY

By: Robert G. Gutierrez  
Robert G. Gutierrez  
City Manager

Attest:

Jane Halstead  
Jane Halstead  
City Clerk

COMMUNITY REDEVELOPMENT AGENCY OF  
THE CITY OF MORENO VALLEY

By: Robert G. Gutierrez  
Robert G. Gutierrez  
Executive Director

Attest:

Jane Halstead  
Jane Halstead  
Agency Secretary

**2007 Loans (Combined) to RDA - Loans #1 and #2**

**EXHIBIT B**

Year	Fiscal Year	Principal	Accumulated Interest	0.3860% Annual Interest	Principal Payment	Interest Payment	Total Payment	
1/2007	7/06							
	1/07	652,248.00						
	7/07	652,248.00	-	1,258.84	-	-	-	
	1/08	652,248.00	1,258.84	1,258.84	-	-	-	
	7/08	652,248.00	2,517.68	1,258.84	-	-	-	
	1/08	652,248.00	3,776.52	1,258.84	-	-	-	
	7/08	652,248.00	5,035.36	1,258.84	-	-	-	
	1/09	652,248.00	6,294.20	1,258.84	-	-	-	
	7/09	652,248.00	7,553.04	1,258.84	-	-	-	
	1/10	652,248.00	8,811.88	1,258.84	-	-	-	
	7/10	652,248.00	10,070.72	1,258.84	-	-	-	
	1/11	652,248.00	11,329.56	1,258.84	-	-	-	
	7/11	652,248.00	12,588.40	1,258.84	-	-	-	
	1/12	652,248.00	13,847.24	1,258.84	-	-	-	
	7/12	652,248.00	15,106.08	1,258.84	-	-	-	
	1/13	652,248.00	16,364.92	1,258.84	-	-	-	
	7/13	652,248.00	17,623.76	1,258.84	-	-	-	
	1/14	652,248.00	18,882.60	1,258.84	-	-	-	
<b>ROPS 14/15A</b>	1	7/14	652,248.00	20,141.44	1,258.84	(278,599.72)	(21,400.28)	(300,000.00) *
<b>ROPS 14/15B</b>	2	1/15	373,648.28	-	721.14	(373,648.28)	(721.14)	(374,369.42)
<b>ROPS 15/16A</b>	3	7/15	-	-	-	-	-	-
<b>ROPS 15/16B</b>	4	1/16	-	-	-	-	-	-

\* Note - Payment will begin based on AB 1484 Statute on the ROPS 14/15A and is estimated to be completed on ROPS 14/15 B.



**DEPARTMENT OF  
FINANCE**

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

Attachment 2

May 24, 2013

Mr. Dante G. Hall, Business Support & Neighborhood Programs Administrator  
City of Moreno Valley  
Community & Economic Development Department  
14177 Frederick Street  
Moreno Valley, CA 92552

Dear Mr. Hall:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Moreno Valley Successor Agency.

Finance has completed its review of your documentation, which may have included reviewing supporting documentation submitted to substantiate payment or obtaining confirmation from the county auditor-controller. Pursuant to Health and Safety Code (HSC) section 34179.7, we are pleased to inform you that Finance has verified that the Agency has made full payment of the amounts determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

This letter serves as notification that a Finding of Completion has been granted. The Agency may now do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4 (b) (1). Loan repayments will be governed by criteria in HSC section 34191.4 (a) (2).
- Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c).

Additionally, the Agency is required to submit a Long-Range Property Management Plan to Finance for review and approval, per HSC section 34191.5 (b), within six months from the date of this letter.

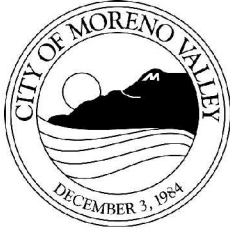
Please direct inquiries to Andrea Scharffer, Staff Finance Budget Analyst, or Chris Hill, Principal Program Budget Analyst, at (916) 445-1546.

Sincerely,

STEVE SZALAY  
Local Government Consultant

cc: Ms. Anochar Clark, Senior Financial Analyst, City of Moreno Valley  
Ms. Pam Elias, Chief Accountant Property Tax Division, Riverside County  
Auditor-Controller  
California State Controller's Office





## **Report to the Oversight Board for Successor Agency to Community Redevelopment Agency of the City of Moreno Valley**

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**TO:** Members of the Board

**FROM:** John Terell, Community & Economic Development Director

**AGENDA DATE:** September 25, 2013

**TITLE:** CONSIDERATION OF A RESOLUTION REAPPROVING THE PUBLIC WORKS AGREEMENT BETWEEN THE CITY OF MORENO VALLEY ("CITY") AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY ("SUCCESSOR AGENCY").

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### **RECOMMENDED ACTION**

Recommendation:

1. ADOPT RESOLUTION NO. OB 2013-06 APPROVING THE REENTRY OF THE PUBLIC WORKS AGREEMENT IN THE AMOUNT OF \$9,100,000 BETWEEN THE CITY OF MORENO VALLEY ("CITY") AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY ("SUCCESSOR AGENCY").

### **BACKGROUND**

ABx1 26 provides, in part, at Health & Safety Code Section 34178, that commencing as of the effective date of ABx1 26, loan agreements, contracts or arrangements between the city that activated a redevelopment agency and the redevelopment agency are

invalid and shall not be binding on the successor agency; provided that Section 34178, as amended by AB 1484 (Chapter 26, Statutes of 2012) further provides that a successor agency and city that formed a redevelopment agency may enter or reenter into agreements upon obtaining the approval of the Oversight Board.

Concerning the loaning of moneys by a host city to its successor agency and the repayment thereof, Health & Safety Code Section 34173(h) provides:

“(h) The city, county, or city and county that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.”

The City of Moreno Valley has been induced to bear the cost of various expenses associated with the conduct of the dissolution process, such as costs for staff time, related costs to house staff performing services in connection with dissolution, consulting services, accounting, and legal services. Such expenses have not been defrayed by an administrative allowance. Moreover, it is anticipated that costs and expenses will continue to be incurred in connection with the dissolution process. The Successor Agency proposes that amounts heretofore disbursed by the City for dissolution-related matters as well as costs hereafter incurred in relation to such matters shall be treated as loans to the Successor Agency, to constitute an enforceable obligation to be repaid to the City from property tax revenues (specifically, from the Redevelopment Property Tax Trust Fund) in connection with processing of such recognized obligation payment schedules (ROPS) as are approved hereafter from time to time. Such payments are authorized pursuant to Section 34173(h), as cited above.

In addition, pursuant to Health & Safety Code Section 34191.4(b), as added by AB 1484, after a successor agency obtains a finding of completion pursuant to Health & Safety Code Section 34179.7, upon application by the successor agency to its oversight board, in addition to certain other activities which become permitted, a loan agreement between (i) the city that created the redevelopment agency (the City of Moreno Valley) and (ii) the redevelopment agency (the Community Redevelopment Agency of the City of Moreno Valley) shall be deemed to be enforceable obligations provided that the oversight board makes findings, as to each such loan agreement, that (i) “the loan was for legitimate redevelopment purposes” and (ii) the loan agreement is an enforceable obligation. Such actions may only take place after the successor agency has obtained a finding of completion from the California Department of Finance. In the case of Moreno Valley, the Successor Agency has received such a finding of completion from the California Department of Finance by correspondence dated as of May 24, 2013 (the “Finding of Completion” – Attachment 2).

Once the Oversight Board makes the findings described above, the accumulated interest on the remaining principal amount shall be recalculated, in each case, from the origination (of such loan) at the interest rate earned as to funds deposited in the Local Agency Investment Fund ("LAIF"); thereafter, each such loan shall be repaid to the City in accordance with a defined schedule over a "reasonable" term at an interest rate that not to exceed the interest rate earned on funds deposited into LAIF. Repayment is, per Section 34191.4 of the Health & Safety Code, subject to other limitations set forth in that Section. No particular guidance is provided under Section 34191.4 concerning the frequency with which calculations as to interest rates applicable under LAIF shall be determined.

The Successor Agency now presents to the Oversight Board approved Public Works Agreement dated July 12, 2005, between the City and the former Community Redevelopment Agency of the City of Moreno Valley (the "Former Redevelopment Agency") as evidenced by the accompanying Resolution (Attachment 1), with the request that the Oversight Board consents to the Successor Agency reapproving the Existing Repayment Agreement, and the Repayment Schedule, upon making of the finding contained in the enclosed Resolution. The prior approvals of the Oversight Board and the Successor Agency shall remain in effect concerning other agreements between the City and the Former Redevelopment Agency.

Upon approval by the City, the Successor Agency and the Oversight Board, the Successor Agency would include the Existing Repayment Agreement in future Recognized Obligation Payment Schedules (ROPS).

### **ALTERNATIVES**

The alternatives available to the Oversight Board are:

1. Adopt a resolution approving the reentry of the Existing Repayment Agreement as to all matters submitted to the Oversight Board at this meeting by staff of the Successor Agency; or
2. Adopt a resolution approving the reentry of the Existing Repayment Agreement submitted to the Oversight Board at this meeting by staff of the Successor Agency with those modifications as made by the Oversight Board; or
3. Provide staff with alternative direction.

### **ATTACHMENTS**

Attachment 1 – Proposed Resolution OB 2013-06

Attachment 2 – Finding of Completion Letter

Prepared By:  
Anochar Clark  
Sr. Financial Analyst

Department Head Approval:  
John Terell  
Community & Economic Development  
Director

## RESOLUTION NO. OB 2013-06

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY CONFIRMING THAT THE PUBLIC WORKS AGREEMENT BETWEEN THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AND THE CITY OF MORENO VALLEY WAS FOR A LOAN IN THE AMOUNT OF \$9,100,000 AND FOR LEGITIMATE REDEVELOPMENT PURPOSES AND FURTHER AUTHORIZING THE SUCCESSOR AGENCY TO RE-ESTABLISH SAID AGREEMENT AS AN AGREEMENT BETWEEN THE CITY AND THE SUCCESSOR AGENCY AND AUTHORIZE CERTAIN ADDITIONAL AGREEMENTS IN COMPLIANCE WITH THE DISSOLUTION ACT

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley ("Redevelopment Agency") was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health & Safety Code Section 33000, et seq. ("CRL"), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Moreno Valley ("City"); and

WHEREAS, Assembly Bill ABx1 26 (Chapter 5, Statutes of 2011) added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies ("Dissolution Act"); and

WHEREAS, on December 29, 2011, in connection with *California Redevelopment Association v. Matosantos*, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of and on February 1, 2012 under the dates in the Dissolution Act that were reformed and extended thereby; and

WHEREAS, as of and on and after February 1, 2012, the City serves and acts as the successor agency to the Redevelopment Agency (in such capacity, the "Successor Agency") and will perform its functions as the successor agency under the Dissolution Act to administer the enforceable obligations of the former Redevelopment Agency and otherwise unwind the former Redevelopment Agency's affairs, all subject to the review and approval by an oversight board established pursuant to Health & Safety Code Section 34179 ("Oversight Board"); and

WHEREAS, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

WHEREAS, upon issuance of a Finding of Completion by the California Department of Finance ("DOF") pursuant to Health & Safety Code Section 34179.7, notwithstanding Section 34171(d), upon application by the Successor Agency and approval by the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City, which activated the former Redevelopment Agency, shall be deemed enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes and a finding that the loan agreements are enforceable obligations; and

WHEREAS, the Oversight Board has reviewed the documentation and testimony concerning that certain agreement described in the accompanying staff report as the "Existing Repayment Agreement" (as set forth at Exhibit "A" hereto) between the former Redevelopment Agency and the City and hereby finds and determines that the Existing Repayment Agreement, was in the nature of a loan, with the Redevelopment Agency having become obligated to make repayments to the City based upon the cost of certain improvements, was legally binding, was made for legitimate redevelopment purposes within the meaning of Health & Safety Code Section 34191.4 and constitutes enforceable obligations and shall be recognized as re-entered into as between the Successor Agency and the City; and

WHEREAS, the Oversight Board further authorizes the Successor Agency to re-establish said Existing Repayment Agreement upon DOF's issuance of a Finding of Completion to the Successor Agency and to re-establish said agreements subject to and in compliance with Health & Safety Code section 34191.4, and with repayment schedules as set forth in Exhibit "B" hereto, as deemed restated to replace the Redevelopment Agency with the Successor Agency (as creditor/payee) on a going forward basis; and

WHEREAS, Health & Safety Code Section 34173(h) provides that "The city... that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.

**NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AS FOLLOWS:**

**SECTION 1.** The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**SECTION 2.** Pursuant to the Dissolution Act, the Oversight Board finds and determines that: (i) the Existing Repayment Agreement was made of for legitimate

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Resolution No. OB 2013-06  
Date Adopted: September 25, 2013

redevelopment purposes within the meaning of Health & Safety Code Section 34191.4 and; (ii) the Existing Repayment Agreement in the amount of \$9.1 million constitutes enforceable obligations.; and (iii) the loan repayments, to the extent governed by Section 34191.4 and not Section 34178, are reasonable and conform to Section 34191.4.

SECTION 3. The Oversight Board authorizes the Successor Agency to re-establish said Existing Repayment Agreement, including without limitation as to the Existing Repayment Agreement the provisions (as set forth Exhibit "A" hereto), and to re-establish said agreement in compliance with Exhibit "B" hereto and subject to and in conformance with Health & Safety Code section 34191.4, and authorizes and approves their inclusion on recognized obligation payment schedules.

SECTION 4. This Resolution shall be effective after this Resolution is transmitted to DOF, and after the expiration of five (5) business days pending a request for review by DOF within the time periods set forth in the Dissolution Act.

SECTION 5. The Oversight Board instructs the Successor Agency to have its Executive Director to include each of the Existing Repayment Agreement in the Recognized Obligation Payment Schedules as shall from time to time be prepared by the Successor Agency.

SECTION 6. The Oversight Board, through its secretary, shall maintain on file as a public record this Resolution.

**PASSED, APPROVED, AND ADOPTED** at a special meeting of the Oversight Board of Successor Agency to Community Redevelopment Agency of the City of Moreno Valley, held on this the 25<sup>th</sup> day of September, 2013.

---

Chairperson  
Oversight Board of Successor  
Agency to Community  
Redevelopment Agency of the  
City of Moreno Valley

**ATTEST:**

---

Oversight Board Secretary

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Resolution No. OB 2013-06  
Date Adopted: September 25, 2013

**RESOLUTION JURAT**

STATE OF CALIFORNIA     )  
COUNTY OF RIVERSIDE    ) ss.  
CITY OF MORENO VALLEY )

I, Kathi Pierce, Secretary of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, California, do hereby certify that Resolution No. OB 2013-06 was duly and regularly adopted by the Board Members of the Successor Agency Oversight Board at a regular meeting thereof held on the 25<sup>th</sup> day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

SECRETARY

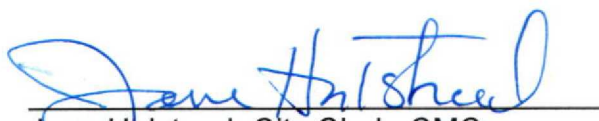
4  
Resolution No. OB 2013-06  
Date Adopted: September 25, 2013

DECLARATION

STATE OF CALIFORNIA            )  
COUNTY OF RIVERSIDE        ) ss.  
CITY OF MORENO VALLEY        )

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify and attest that I have reviewed the official documents for the Community Redevelopment Agency of the City of Moreno Valley and hereby declare that on July 12, 2005, the Community Redevelopment Agency of the City of Moreno Valley approved The Public Works Agreement, Exhibit "B" as shown on Resolution No. RDA 2005-07. The ministerial action of signing Exhibit "B" (The Public Works Agreement) to Resolution No. RDA 2005-07 was not completed but it was approved by the Community Redevelopment Agency of the City of Moreno Valley as shown on Resolution RDA No. 2005-07.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Moreno Valley, this 18<sup>th</sup> day of September, 2013.

  
\_\_\_\_\_  
Jane Halstead, City Clerk, CMC  
City of Moreno Valley, California





**EXHIBIT "B" TO RESOLUTION**

Exhibit A

**THE PUBLIC WORKS AGREEMENT**

**THIS PUBLIC WORKS AGREEMENT ("Agreement") is entered into as of July 12, 2005 (the "Date of the Agreement"), by and between the **CITY OF MORENO VALLEY** (herein the "City") and the **COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY** (herein the "Agency").**

**RECITALS**

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*), the City Council of the City of Moreno Valley, activated the Agency and adopted the Redevelopment Plan (the "Redevelopment Plan") for the Moreno Valley Redevelopment Project (the "Project").

B. Pursuant to the Community Redevelopment Law, the Agency is performing a public function of the City and may have access to services and facilities of the City.

C. It is a policy of the Agency to improve and provide public improvements which are of benefit to the Project and the project area thereof (the "Project Area").

D. The City Council of the City and the governing board of the Agency have determined that, subject to the making of appropriate findings pursuant to Section 33445 of the California Health and Safety Code (and such other statutory provisions as may be applicable), the Agency and City agree to have the City provide public improvements on behalf of the Agency, with a portion of the cost to be borne by the Agency on the terms and conditions herein set forth; such improvements as are to be provided pursuant to this Agreement, as more fully described in Exhibit "A" hereto, shall constitute the "Designated Public Improvements".

E. The City and the Agency desire to enter into this Agreement:

(1) To set forth activities, services and facilities which the City will render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Community Redevelopment Law; and

(2) To provide that the Agency will be responsible to bear One Hundred Percent (100%) of the cost of the Designated Public Improvements, up to a maximum amount of \$ 9.1 million (which resulting amount constitutes the "Agency Amount"). Now therefore,

**AGREEMENTS**

1. The City shall undertake and complete the Designated Public Improvements on or before the second anniversary of the Date of Agreement. On or before completion of the Designated Public Improvements, the City shall submit to the Agency a statement of the costs incurred by the City for the Designated Public Improvements.

2. The Agency agrees to pay the City the Agency Amount. No interest shall accrue on the Agency Amount.

3. The obligation of the Agency to make payment to the City shall, without necessity of further action by the Agency or City, be junior and subordinate to all other obligations or indebtedness heretofore or hereafter voluntarily incurred by the Agency, except to the extent, if any, that the Agency expressly provides to contrary effect in the instruments creating such other obligations or indebtedness.

4. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 et seq. of the Community Redevelopment Law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF MORENO VALLEY

By: \_\_\_\_\_  
City Manager

ATTEST:

\_\_\_\_\_  
City Clerk

COMMUNITY REDEVELOPMENT AGENCY OF  
THE CITY OF MORENO VALLEY

By: \_\_\_\_\_  
Chairperson

ATTEST:

\_\_\_\_\_  
Agency Secretary

ATTEST:

\_\_\_\_\_  
City Attorney

**Sunnymead Boulevard Public Works Agreement**

**EXHIBIT B**

	Year	Fiscal Year	Principal	Accumulated Interest	0.000% Annual Interest	Principal Payment	Interest Payment	Total Payment*
	11/2005	2005-06	9,100,000.00					
<b>ROPS 14/15A</b>	1	7/14	9,100,000.00	-	-	(300,000.00)	-	(300,000.00)
<b>ROPS 14/15B</b>	2	1/15	8,800,000.00	-	-	(300,000.00)	-	(300,000.00)
<b>ROPS 15/16A</b>	3	7/15	8,500,000.00	-	-	(300,000.00)	-	(300,000.00)
<b>ROPS 15/16B</b>	4	1/16	8,200,000.00	-	-	(300,000.00)	-	(300,000.00)
	5	7/16	7,900,000.00	-	-	(300,000.00)	-	(300,000.00)
	6	1/17	7,600,000.00	-	-	(300,000.00)	-	(300,000.00)
	7	7/17	7,300,000.00	-	-	(300,000.00)	-	(300,000.00)
	8	1/18	7,000,000.00	-	-	(300,000.00)	-	(300,000.00)
	9	7/18	6,700,000.00	-	-	(300,000.00)	-	(300,000.00)
	10	1/19	6,400,000.00	-	-	(300,000.00)	-	(300,000.00)
	11	7/19	6,100,000.00	-	-	(300,000.00)	-	(300,000.00)
	12	1/20	5,800,000.00	-	-	(300,000.00)	-	(300,000.00)
	13	7/20	5,500,000.00	-	-	(300,000.00)	-	(300,000.00)
	14	1/21	5,200,000.00	-	-	(300,000.00)	-	(300,000.00)
	15	7/21	4,900,000.00	-	-	(300,000.00)	-	(300,000.00)
	16	1/22	4,600,000.00	-	-	(300,000.00)	-	(300,000.00)
	17	7/22	4,300,000.00	-	-	(300,000.00)	-	(300,000.00)
	18	1/23	4,000,000.00	-	-	(300,000.00)	-	(300,000.00)
	19	7/23	3,700,000.00	-	-	(300,000.00)	-	(300,000.00)
	20	1/24	3,400,000.00	-	-	(300,000.00)	-	(300,000.00)
	21	7/24	3,100,000.00	-	-	(300,000.00)	-	(300,000.00)
	22	1/25	2,800,000.00	-	-	(300,000.00)	-	(300,000.00)
	23	7/25	2,500,000.00	-	-	(300,000.00)	-	(300,000.00)
	24	1/26	2,200,000.00	-	-	(300,000.00)	-	(300,000.00)
	25	7/26	1,900,000.00	-	-	(300,000.00)	-	(300,000.00)
	26	1/27	1,600,000.00	-	-	(300,000.00)	-	(300,000.00)
	27	7/27	1,300,000.00	-	-	(300,000.00)	-	(300,000.00)
	28	1/28	1,000,000.00	-	-	(300,000.00)	-	(300,000.00)
	29	7/28	700,000.00	-	-	(300,000.00)	-	(300,000.00)
	30	1/29	400,000.00	-	-	(300,000.00)	-	(300,000.00)
	31	7/29	100,000.00	-	-	(100,000.00)	-	(100,000.00)

\*Note - Payment will begin based on AB 1484 Statute on the ROPS 14-15A and is estimated to be completed in FY 2029-2030



**DEPARTMENT OF  
FINANCE**

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

Attachment 2

May 24, 2013

Mr. Dante G. Hall, Business Support & Neighborhood Programs Administrator  
City of Moreno Valley  
Community & Economic Development Department  
14177 Frederick Street  
Moreno Valley, CA 92552

Dear Mr. Hall:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Moreno Valley Successor Agency.

Finance has completed its review of your documentation, which may have included reviewing supporting documentation submitted to substantiate payment or obtaining confirmation from the county auditor-controller. Pursuant to Health and Safety Code (HSC) section 34179.7, we are pleased to inform you that Finance has verified that the Agency has made full payment of the amounts determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

This letter serves as notification that a Finding of Completion has been granted. The Agency may now do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4 (b) (1). Loan repayments will be governed by criteria in HSC section 34191.4 (a) (2).
- Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c).

Additionally, the Agency is required to submit a Long-Range Property Management Plan to Finance for review and approval, per HSC section 34191.5 (b), within six months from the date of this letter.

Please direct inquiries to Andrea Scharffer, Staff Finance Budget Analyst, or Chris Hill, Principal Program Budget Analyst, at (916) 445-1546.

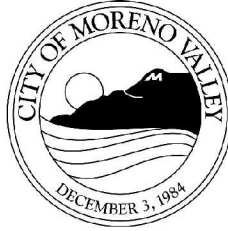
Sincerely,

STEVE SZALAY  
Local Government Consultant

cc: Ms. Anochar Clark, Senior Financial Analyst, City of Moreno Valley  
Ms. Pam Elias, Chief Accountant Property Tax Division, Riverside County  
Auditor-Controller  
California State Controller's Office

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## **Report to the Oversight Board for Successor Agency to Community Redevelopment Agency of the City of Moreno Valley**

---

**TO:** Members of the Board

**FROM:** John Terell, Community & Economic Development Director

**AGENDA DATE:** September 25, 2013

**TITLE:** CONSIDERATION OF A RESOLUTION FOR THE REPAYMENT AGREEMENT BETWEEN THE CITY OF MORENO VALLEY ("CITY") AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY ("SUCCESSOR AGENCY").

---

### **RECOMMENDED ACTION**

Recommendation:

1. ADOPT RESOLUTION NO. OB 2013-07 APPROVING THE REPAYMENT AGREEMENT IN THE AMOUNT OF \$150,000 BETWEEN THE CITY OF MORENO VALLEY ("CITY") AND THE CITY OF MORENO VALLEY IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY ("SUCCESSOR AGENCY").

### **BACKGROUND**

ABx1 26 provides, in part, at Health & Safety Code Section 34178, that commencing as of the effective date of ABx1 26, loan agreements, contracts or arrangements between the city that activated a redevelopment agency and the redevelopment agency are

invalid and shall not be binding on the successor agency; provided that Section 34178, as amended by AB 1484 (Chapter 26, Statutes of 2012) further provides that a successor agency and city that formed a redevelopment agency may enter or reenter into agreements upon obtaining the approval of the Oversight Board.

Concerning the loaning of moneys by a host city to its successor agency and the repayment thereof, Health & Safety Code Section 34173(h) provides:

“(h) The city, county, or city and county that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city’s discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.”

The City of Moreno Valley has been induced to bear the cost of various expenses associated with the conduct of the dissolution process, such as costs for staff time, related costs to house staff performing services in connection with dissolution, consulting services, accounting, and legal services. Such expenses have not been defrayed by an administrative allowance. Moreover, it is anticipated that costs and expenses will continue to be incurred in connection with the dissolution process. The staff of the Successor Agency and the staff of the City (as a general law city) proposes that amounts heretofore disbursed by the City for dissolution-related matters as well as costs hereafter incurred in relation to such matters shall be treated as loans to the Successor Agency, to constitute an enforceable obligation to be repaid to the City from property tax revenues (specifically, from the Redevelopment Property Tax Trust Fund) in connection with processing of such recognized obligation payment schedules (ROPS) as are approved hereafter from time to time. Such payments are authorized pursuant to Section 34173(h), as cited above.

In addition, pursuant to Health & Safety Code Section 34191.4(b), as added by AB 1484, after a successor agency obtains a finding of completion pursuant to Health & Safety Code Section 34179.7, upon application by the successor agency to its oversight board, in addition to certain other activities which become permitted, a loan agreement between (i) the City that created the Redevelopment Agency (the City of Moreno Valley) and (ii) the Redevelopment Agency (the Community Redevelopment Agency of the City of Moreno Valley) shall be deemed to be enforceable obligations provided that the Oversight Board makes findings, as to each such loan agreement, that (i) “the loan was for legitimate redevelopment purposes” and (ii) the loan agreement is an enforceable obligation. Such actions may only take place after the successor agency has obtained a finding of completion from the California Department of Finance. In the case of Moreno Valley, the Successor Agency has received such a finding of completion from the DOF by correspondence dated as of May 24, 2013 (the “Finding of Completion”)



Once the Oversight Board makes the findings described above, the accumulated interest on the remaining principal amount shall be recalculated, in each case, from the origination (of such loan) at the interest rate earned as to funds deposited in the Local Agency Investment Fund ("LAIF"); thereafter, each such loan shall be repaid to the City in accordance with a defined schedule over a "reasonable" term at an interest rate that not to exceed the interest rate earned on funds deposited into LAIF. Repayment is, per Section 34191.4 of the Health & Safety Code, subject to other limitations set forth in that Section. No particular guidance is provided under Section 34191.4 concerning the frequency with which calculations as to interest rates applicable under LAIF shall be determined; for convenience, Successor Agency proposes that such interest shall be determined based upon the rates in effect as of January 1 and July 1 of each calendar year.

The Successor Agency now presents to the Oversight Board an agreement between the City and the Successor Agency as evidenced by the accompanying resolution; and requests that the Oversight Board consent to the Successor Agency approving the Repayment Agreement upon making of the finding contained in the enclosed resolution. The prior approvals of the Oversight Board and the Successor Agency shall remain in effect concerning other agreements between the City and the Former Redevelopment Agency.

### **ALTERNATIVES**

The alternatives available to the Oversight Board are:

1. Adopt a resolution approving the Repayment Agreement as to all matters submitted to the Oversight Board at this meeting by staff of the Successor Agency; or
2. Adopt a resolution approving the Repayment Agreement submitted to the Oversight Board at this meeting by staff of the Successor Agency with those modifications as made by the Oversight Board; or
3. Provide staff with alternative direction.

### **ATTACHMENTS**

Attachment 1 – Proposed Resolution OB 2013-07

Attachment 2 – Finding of Completion Letter

Prepared By:  
Anochar Clark  
Sr. Financial Analyst

Department Head Approval:  
John Terrell  
Community & Economic Development  
Director

## RESOLUTION NO. OB 2013-07

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY CONFIRMING THAT THE REPAYMENT AGREEMENT BETWEEN THE CITY OF MORENO VALLEY AND THE CITY OF MORENO VALLEY, ACTING IN THE CAPACITY AS THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY, WAS FOR A LOAN IN THE AMOUNT OF \$150,000 AND FOR LEGITIMATE REDEVELOPMENT PURPOSES AND FURTHER AUTHORIZING THE SUCCESSOR AGENCY TO ESTABLISH SAID AGREEMENT AS AN AGREEMENT BETWEEN THE CITY AND THE SUCCESSOR AGENCY IN COMPLIANCE WITH THE DISSOLUTION ACT

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley ("Redevelopment Agency") was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health & Safety Code Section 33000, et seq. ("CRL"), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Moreno Valley ("City"); and

WHEREAS, Assembly Bill ABx1 26 (Chapter 5, Statutes of 2011) added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies ("Dissolution Act"); and

WHEREAS, on December 29, 2011, in connection with *California Redevelopment Association v. Matosantos*, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of and on February 1, 2012 under the dates in the Dissolution Act that were reformed and extended thereby; and

WHEREAS, as of and on and after February 1, 2012, the City serves and acts as the successor agency to the Redevelopment Agency (in such capacity, the "Successor Agency") and will perform its functions as the successor agency under the Dissolution Act to administer the enforceable obligations of the former Redevelopment Agency and otherwise unwind the former Redevelopment Agency's affairs, all subject to the review and approval by an oversight board established pursuant to Health & Safety Code Section 34179 ("Oversight Board"); and

WHEREAS, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit

from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

WHEREAS, upon issuance of a Finding of Completion by the California Department of Finance ("DOF") pursuant to Health & Safety Code Section 34179.7, notwithstanding Section 34171(d), upon application by the Successor Agency and approval by the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City, which activated the former Redevelopment Agency, shall be deemed enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes and a finding that the loan agreements are enforceable obligations; and

WHEREAS, the Oversight Board has reviewed the documentation and testimony concerning that certain agreement described in the accompanying staff report as the "Repayment Agreement" (as set forth at Exhibit "A" hereto) between the Successor Agency and the City and hereby finds and determines that the Repayment Agreement, was in the nature of a loan, with the Successor Agency having become obligated to make repayments to the City based upon the cost of certain improvements, was legally binding, was made for legitimate redevelopment purposes and constitutes enforceable obligations and shall be recognized as re-entered into as between the Successor Agency and the City; and

WHEREAS, the Oversight Board further authorizes the Successor Agency to establish said Repayment Agreement upon DOF's issuance of a Finding of Completion to the Successor Agency and to establish said agreement subject to and in compliance with Health & Safety Code, and with repayment schedules as set forth in Exhibit "B" hereto, as deemed restated to replace the Redevelopment Agency with the Successor Agency (as creditor/payee) on a going forward basis; and

WHEREAS, Health & Safety Code Section 34173(h) provides that "The city... that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.

**NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AS FOLLOWS:**

**SECTION 1.** The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**SECTION 2.** Pursuant to the Dissolution Act, the Oversight Board finds and

2  
Resolution No. OB 2013-07  
Date Adopted: September 25, 2013

determines that: (i) the Existing Repayment Agreement was made of for legitimate redevelopment purposes within the meaning of Health & Safety Code and; (ii) the Existing Repayment Agreement constitutes enforceable obligations in the amount of \$150,000; and (iii) the loan repayments, to the extent governed by Section 34173(h), are reasonable and conform to Section 34173(h).

SECTION 3. The Oversight Board authorizes the Successor Agency to establish said Repayment Agreement, including without limitation as to the Repayment Agreement the provisions (as set forth Exhibit "A" hereto), and to establish said agreement in compliance with Exhibit "B" hereto and subject to and in conformance with Health & Safety Code section 34173(h), and authorizes and approves their inclusion on recognized obligation payment schedules.

SECTION 4. This Resolution shall be effective after this Resolution is transmitted to DOF, and after the expiration of five (5) business days pending a request for review by DOF within the time periods set forth in the Dissolution Act.

SECTION 5. The Oversight Board instructs the Successor Agency to have its Executive Director to include each of the Existing Repayment Agreement in the Recognized Obligation Payment Schedules as shall from time to time be prepared by the Successor Agency.

SECTION 6. The Oversight Board, through its secretary, shall maintain on file as a public record this Resolution.

**PASSED, APPROVED, AND ADOPTED** at a special meeting of the Oversight Board of Successor Agency to Community Redevelopment Agency of the City of Moreno Valley, held on this the 25<sup>th</sup> day of September, 2013.

---

Chairperson  
Oversight Board of Successor  
Agency to Community  
Redevelopment Agency of the  
City of Moreno Valley

**ATTEST:**

---

Oversight Board Secretary

3  
Resolution No. OB 2013-07  
Date Adopted: September 25, 2013

**RESOLUTION JURAT**

STATE OF CALIFORNIA     )  
COUNTY OF RIVERSIDE    ) ss.  
CITY OF MORENO VALLEY )

I, Kathi Pierce, Secretary of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, California, do hereby certify that Resolution No. OB 2013-07 was duly and regularly adopted by the Board Members of the Successor Agency Oversight Board at a regular meeting thereof held on the 25<sup>th</sup> day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

SECRETARY

Resolution No. OB 2013-07<sup>4</sup>  
Date Adopted: September 25, 2013

**SUCCESSOR AGENCY REPAYMENT AGREEMENT**

THIS **SUCCESSOR AGENCY REPAYMENT AGREEMENT**(the "Agreement") is entered into as of September 24, 2013, by and between the **CITY OF MORENO VALLEY**, a municipal corporation (herein the "City") and the **CITY OF MORENO VALLEY, ACTING SOLELY IN THE CAPACITY AS THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY** (herein the "Successor Agency").

**RECITALS**

A. Pursuant to the provisions of the California Redevelopment Law (Health & Safety Code Section 33000 et seq.[the "Redevelopment Law"]), the City Council of the City of Moreno Valley, activated the Community Redevelopment Agency of the City of Moreno Valley (the "Redevelopment Agency").

B. By legislation enacted in 2011 (ABx1 26, the "2011 Dissolution Measure"), redevelopment agencies throughout California were dissolved, which dissolution was effective February 1, 2012. Under the 2011 Dissolution Measure, administration of activities of the former Redevelopment Agency is to be conducted by a successor agency, as prescribed under Part 1.85, Chapter 3 of the 2011 Dissolution Measure. The City has been designated as the Successor Agency for such purposes. Subsequently, the California Legislature enacted AB 1484 (Chapter 26, Statutes of 2012; "AB 1484" and, together with the 2011 Dissolution Measure as amended thereby, the "Dissolution Act").

C. Pursuant to the Redevelopment Law, as amended by the Dissolution Act, the Successor Agency will be performing duties, including without limitation the administration of certain moneys and properties formerly held by the Redevelopment Agency, the provision of information, submittal of reports and interacting with an oversight board as established pursuant to the Dissolution Act with respect to the former Redevelopment Agency (the "Oversight Board"). The Successor Agency is performing a public function.

D. The Dissolution Act provides, at Section 34173(h), Section 34178 and Section 34191.4(b), that a successor entity wishing to enter or reenter into agreement with the city that formed the redevelopment agency that it is succeeding may do so upon obtaining the approval of its oversight board.

E. The City and the Successor Agency desire to enter into this Agreement, which Agreement has been duly presented to the Oversight Board, which has approved and authorized the Successor Agency to enter into this Agreement with the City.

**AGREEMENT**

1. The City has heretofore borne the sum of One Hundred-Fifty Thousand Dollars (\$150,000) (the "Existing Amounts") in connection with costs associated with the dissolution of the Redevelopment Agency and the Closing Agreement on Final Determination Covering Specific Matters between the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley and the Commissioner of Internal Revenue (the "IRS Agreement") which shall hereafter be treated as advances to the Successor Agency for the purposes of this Agreement.

2. The City may, to the extent permitted by law, but is not required to, advance necessary funds to the Successor Agency or to expend funds on behalf of the Successor Agency for implementation of the Dissolution Act. Additional advances will be made in accordance with such budgets as are adopted from time to time by the Successor Agency and approved by the Oversight Board.

3. The Successor Agency agrees to pay the City, with interest, an amount equal to the Accrued Amount and all expenditures made and obligations and liabilities incurred by the City pursuant to this Agreement from funds allocated to the Successor Agency. City will periodically compute amounts owing under this Agreement. Interest shall accrue on all amounts payable by the Successor Agency pursuant to this Agreement at the rate of the lesser of (i) seven percent (7%) per annum, or (ii) the interest rate determined from time to time for the Local Agency Investment Fund ("LAIF"). Payment shall be made in accordance with the schedule of payments set forth as Exhibit "B" hereto (the "Repayment Schedule").

4. If any term, provision, condition or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF MORENO VALLEY

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

CITY OF MORENO VALLEY SOLELY IN  
ITS CAPACITY AS SUCCESSOR AGENCY  
TO THE COMMUNITY REDEVELOPMENT  
AGENCY OF THE CITY OF MORENO  
VALLEY

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk



**CLOSING AGREEMENT ON FINAL DETERMINATION  
COVERING SPECIFIC MATTERS**

---

Under section 7121 of the Internal Revenue Code of 1986, as amended (the "Code"), the City of Moreno Valley, EIN: 33-0076484 in its capacity as a municipal corporation and as the successor agency (the "Successor") to the Community Redevelopment Agency of the City of Moreno Valley, California, EIN 33-0076484 (the "Issuer") and the Commissioner of Internal Revenue (the "Service") make this closing agreement (the "Agreement").

WHEREAS, the parties have determined the following facts and made the following legal conclusions and representations:

- A. This Agreement is in settlement of issues raised in an examination of the \$54,160,000, 2007 Tax Allocation Bonds, Series A and 2007 Special Tax Refunding Bonds (collectively, the "Bonds"), dated and issued on November 29, 2007.
- B. The Service has conducted an examination of the Bonds and concluded that, because the Issuer might not have reasonably expected to expend a portion of the proceeds of the Bonds in a timely manner and, in fact, did not expend a portion of the proceeds of the Bonds in a timely manner, the Bonds fail to meet the requirements of section 103 of the Code. Specifically, because of the failure to expend the proceeds of the Bonds in a timely manner, the Bonds are hedge bonds as defined under section 149(g)(3)(A); and the Issuer did not meet the requirements of section 149(g)(2). Under section 149(g)(1), it is provided that section 103(a) shall not apply to any hedge bond unless, with respect to the issue of which such bond is a part, the requirements of sections 149(g)(2) and 149(f)(3) are met. Thus, section 149(g)(1) precludes the exclusion of interest on the Bonds under section 103.
- C. The Service has not formally asserted any claims against the Issuer or the Successor or sought to tax any holders of the Bonds on interest income on the Bonds.
- D. The Successor and the Service desire to resolve the issue raised during the examination of the Bonds and identified in Paragraph B.
- E. The terms of this Agreement were arrived at by negotiation between the Successor and the Service, and may differ from the terms of settlement of other bond issues examined or to be examined by the Service.

NOW, IT IS HEREBY DETERMINED AND AGREED PURSUANT TO THIS CLOSING AGREEMENT EXECUTED BY THE PARTIES HERETO UNDER CODE SECTION 7121, THAT FOR FEDERAL INCOME TAX PURPOSES:

CLOSING AGREEMENT between the City of Moreno Valley, EIN 33-0076484 (the "Successor") and the Commissioner of Internal Revenue (the "Service")

1. Prior to the execution and delivery of this Agreement, the Successor shall cause to be electronically paid the sum of \$150,000.00 (One Hundred-Fifty Thousand Dollars and Zero Cents) (the "Settlement Amount") to the Service via the Electronic Federal Tax Payment System and in accordance with the directions contained in Exhibit A of this Agreement. Payment of the Settlement Amount shall not be made from proceeds of bonds described in section 103(a) of the Code.
2. The Settlement Amount paid by the Successor pursuant to this Agreement is not refundable, or subject to credit or offset under any circumstance.
3. This Agreement is executed with respect to the taxability of interest paid on the Bonds.
4. Interest paid on the Bonds is excludable from gross income under section 103 of the Code, unless a violation occurs pursuant to Paragraph 5 of this Agreement
5. The Service may take any appropriate action with respect to the taxability of interest paid on the Bonds for any violation occurring after June 30, 2013, with the exception of the violation identified in Paragraph B of this Agreement.
6. This Agreement may not be cited or relied upon by any person or entity whatsoever as precedent in the disposition of any other case.
7. This Agreement is final and conclusive, except that:
  - a) The matter it relates to may be reopened in the event of fraud, malfeasance, or misrepresentation of a material fact;
  - b) It is subject to sections of the Code that expressly provide that effect be given to their provisions (including any stated exceptions for section 7122) notwithstanding any other law or rule of law; and
  - c) If it relates to a tax period ending after the effective date of this agreement, it is subject to any law enacted after the Agreement date that applies to that tax period.

This space intentionally left blank.





CLOSING AGREEMENT between the City of Moreno Valley, EIN 33-0076484 (the "Successor") and the Commissioner of Internal Revenue (the "Service")

Exhibit A  
Taxpayer Information Worksheet for  
Electronic Federal Tax Payment System Deposit

This Agreement requires the electronic deposit of an amount to the U.S. Treasury through the Electronic Federal Tax Payment System (EFTPS) as a term for resolution of certain identified matters related to the tax-exempt treatment of interest income paid on a municipal obligation. This payment must be deposited in accordance with the directions contained in this Exhibit.

Please carefully review the taxpayer information listed below and immediately report any errors to the IRS Tax Exempt Bonds employee assigned to your case. If, to the best of your knowledge, the information is correct, then please deposit all required payments through the EFTPS (either *EFTPS – Direct* or *EFTPS – Through a Financial Institution*) accurately and in accordance with this information and the terms of this Agreement.

1. Total Amount of Tax Deposit: **\$150,000.00**
2. Taxpayer's Employee Identification Number (EIN): **33-0076484**
3. Taxpayer Name Control (4 characters): **COMM**
4. Taxpayer Name (up to 35 characters): **Community Redevelopment Agency of the City of Moreno Valley**
5. Tax Type (5 characters): **80384**
6. Tax Year (2 digits): **07**
7. Tax Month (2 digits): **11**

Your financial institution may call the EFTPS Financial Institution Helpline for questions or assistance at **1-800-605-9876** (Monday – Friday, 8:00 a.m. – 8:00 p.m., Eastern Standard Time).

**NOTE:** If you are not enrolled in *EFTPS – Direct* or *EFTPS – Through a Financial Institution*, or otherwise wish to use the Same Day Payment option, then please provide your financial institution with the information listed above and direct them to accurately deposit your payments utilizing the following routing and account numbers:

Receiving ABA/Routing Number: **091036164 FRB MPLS ETA**  
 Receiving FI Name: **US TREAS SINGLE TX**  
 Beneficiary: **330076484:COMM:COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY:80384:07:11**

Beneficiary Name: **COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY**

Beneficiary FI: **20092900IRS**

If the financial institution has difficulty transmitting the EFTPS same-day payment, please call **1-800-382-0045** (Monday – Friday, 7:45 a.m. – 4:30 p.m. Central Standard Time) to receive assistance from a Customer Service Representative at the Minneapolis Federal Reserve Bank.

CONSENT TO DISCLOSE TAX INFORMATION

I hereby consent, pursuant to section 6103(c) of the Internal Revenue Code of 1986 (as amended), to the disclosure of return information (as defined in section 6103(b)(2)) relating to the Closing Agreement (Agreement) between the City of Moreno Valley (the "Successor") in its capacity as a municipal corporation and as the successor agency to Community Redevelopment Agency of the City of Moreno Valley and the Commissioner of Internal Revenue, executed by the Successor on 8/20/2013 as follows:

The Internal Revenue Service may disclose the existence and subject matter of the Agreement under the following circumstances:

- a. In the event of a default by Successor on any term in the Agreement; or
b. To the extent that the Internal Revenue Service deems necessary to correct any material misstatement with respect to the Agreement in response to a public statement by Successor, or an agent of Successor.

Such disclosure may be made to Members of Congress, the press, and the general public, and may be made by any means, including press releases and notices in Internal Revenue Service publications.

This authorization is applicable only to the taxability under section 103 of the Internal Revenue Code of interest paid on \$54,160,000.00 Tax Allocation Bonds, 2007 Series A and 2007 Special Tax Refunding Bonds from November 29, 2007 to June 30, 2013. I am aware that in the absence of this authorization, the returns and return information of Community Redevelopment Agency of the City of Moreno Valley, are confidential and may not be disclosed except as authorized by the Internal Revenue Code.

I certify that I have the authority to execute this consent on behalf of Successor:

Successor: City of Moreno Valley
EIN: 33-0076484
By: Richard Teichert
Title: Chief Financial Officer/City Treasurer
Signature: [Handwritten Signature]
Date: 8/20/13

**SCHEDULE OF PAYMENTS**

Fiscal Year	Interest	Principal	Total
FY 2013-2014		\$150,000.00	\$150,000.00

Note: Repayment to be listed on ROPS 13-14B in the single repayment amount of \$150,000.

**DEPARTMENT OF  
FINANCE**

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

Attachment 2

May 24, 2013

Mr. Dante G. Hall, Business Support & Neighborhood Programs Administrator  
City of Moreno Valley  
Community & Economic Development Department  
14177 Frederick Street  
Moreno Valley, CA 92552

Dear Mr. Hall:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Moreno Valley Successor Agency.

Finance has completed its review of your documentation, which may have included reviewing supporting documentation submitted to substantiate payment or obtaining confirmation from the county auditor-controller. Pursuant to Health and Safety Code (HSC) section 34179.7, we are pleased to inform you that Finance has verified that the Agency has made full payment of the amounts determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

This letter serves as notification that a Finding of Completion has been granted. The Agency may now do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4 (b) (1). Loan repayments will be governed by criteria in HSC section 34191.4 (a) (2).
- Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c).

Additionally, the Agency is required to submit a Long-Range Property Management Plan to Finance for review and approval, per HSC section 34191.5 (b), within six months from the date of this letter.

Please direct inquiries to Andrea Scharffer, Staff Finance Budget Analyst, or Chris Hill, Principal Program Budget Analyst, at (916) 445-1546.

Sincerely,

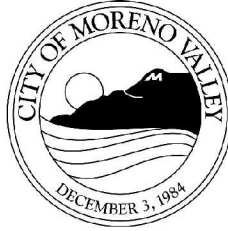


STEVE SZALAY  
Local Government Consultant

cc: Ms. Anochar Clark, Senior Financial Analyst, City of Moreno Valley  
Ms. Pam Elias, Chief Accountant Property Tax Division, Riverside County  
Auditor-Controller  
California State Controller's Office

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## **Report to the Oversight Board for Successor Agency to Community Redevelopment Agency of the City of Moreno Valley**

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**TO:** Members of the Board

**FROM:** John Terell, Community & Economic Development Director

**AGENDA DATE:** September 25, 2013

**TITLE:** RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JANUARY 1, 2014 THROUGH JUNE 30, 2014

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### **RECOMMENDED ACTION**

Recommendations:

1. Adopt Resolution No. OB 2013-08 Approving a Recognized Obligation Payment Schedule (ROPS 13-14 B), for the period of January 1, 2014 through June 30, 2014 with Board Member Strickler abstaining as to items 13, 14, and 23 (on page 2).

### **BACKGROUND**

ABX1 26 requires the Successor Agency and Oversight Board to approve a Recognized Obligation Payment Schedule ("ROPS") for each six-month period. The required content of the ROPS, set forth in Health and Safety Code Section 34177(l)(1), details all of the Agency's legally binding and enforceable obligations, anticipated payments, and sources of payments. Recognized obligations include bonds, loans, judgments,

settlements, any legally binding and enforceable agreements or contracts, and contracts and agreements for agency administration or operation

AB 1484 further clarifies certain matters associated with the dissolution of RDAs and addresses substantive issues related to administrative processes, affordable housing activities, and repayment of loans from communities, use of existing bond proceeds, and the disposition or retention of former RDA assets.

The City of Moreno Valley is the Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley (RDA) pursuant to Part 1.85 of Division 24 of the Health and Safety Code. As Successor Agency, the City is responsible for winding down the affairs of the redevelopment agency including disposing of its assets; making payments and performing other obligations due for Enforceable Obligations of the former RDA. In order to facilitate the process, on February 28, 2012, the City Council serving as the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley ("City Council"), adopted Resolution No. 2012-13 approving a Recognized Obligation Payment Schedule for the period of January 1, 2012 through June 30, 2012, and on April 10, 2012, adopted Resolution No. 2012-22, approving a Second Recognized Obligation Payment Schedule (Original "ROPS 2") for the period of July 1, 2012 through December 31, 2012. On August 28, 2012, the City Council adopted Resolution No. 2012-71 approving a Third Recognized Obligation Payment Schedule (Original "ROPS 3"), and most recently, on February 26, 2013, the City Council adopted Resolution No. 2013-12 approving the Recognized Obligation Payment Schedule for the period of July 1, 2013 through December 31, 2013 (ROPS 13-14 A).

## **DISCUSSION**

### **Enforceable Obligation Payment Schedule**

In accordance with ABX1 26, the Successor Agency is required to adopt an Enforceable Obligation Payment Schedule ("EOPS"). The EOPS lists all of the Agency's legally binding and enforceable agreement obligations and anticipated payments. Enforceable obligations include bonds, loans, judgments, settlements, any legally binding and enforceable agreements or contracts, and contracts and agreements for agency administration or operation costs.

Section 34177(a)(1) of ABX1 26 provides that upon the dissolution of the Agency, the Successor Agency may only make those payments required pursuant to the most recent Enforceable Obligation Payment Schedule adopted by the Agency and the Successor Agency, and until such time the Recognized Obligation Payment Schedule becomes operative.

### **Recognized Obligation Payment Schedule**

ABX1 26 requires the Successor Agency and Oversight Board to approve a Recognized Obligation Payment Schedule ("ROPS"). The ROPS supersedes the EOPS, and is required for each six-month period.

Similar to the EOPS, the required content of the ROPS, set forth in Health and Safety Code Section 34177(l)(1), details all of the Agency's legally binding and enforceable obligations, anticipated payments, and sources of payments. Recognized obligations include bonds, loans, judgments, settlements, any legally binding and enforceable agreements or contracts, and contracts and agreements for agency administration or operation costs. The attached ROPS 13-14 B ("Attachment 1") sets forth the enforceable obligations for the period of January 1, 2014 through June 30, 2014.

Upon approval by the Oversight Board, a copy of the approved ROPS will be transmitted to the County-Auditor Controller, the State Controller's Office, the Department of Finance, and posted to the City's website.

### **ALTERNATIVES**

1. Adopt the attached proposed resolution, which approve the Recognized Obligation Payment Schedule for the period of January 1, 2014 through June 30, 2014, and authorizing the transmittal of said Schedules to the Department of Finance for review and approval. *Staff recommends this alternative because it allows the City serving as the Successor Agency to make required payments, including debt service payments, in accordance with the State legislation.*
2. Decline to adopt the attached proposed resolution which would not allow the City, serving as the Successor Agency, to maintain the operations, and fulfill debt obligations of the former RDA as required by law. *Staff does not recommend this alternative.*

### **FISCAL IMPACT**

The Recognized Obligation Payment Schedule provides the details necessary for the City serving as the Successor Agency to fulfill the former RDA's legally binding and enforceable agreements. The ROPS 13-14 B will serve as authorization to pay obligations listed during the noted period.

### **SUMMARY**

As Successor Agency, the City is responsible for winding down the affairs of the redevelopment agency including disposing of its assets; making payments and performing other obligations due for Enforceable Obligations of the former RDA. The Recognized Obligation Payment Schedules for the stated periods provides the details necessary for the City serving as the Successor Agency to fulfill the former RDA's legally binding and enforceable agreements as required by law.

### **ATTACHMENTS**

Attachment 1 – Proposed Resolution OB 2013-08  
Exhibit A -Recognized Obligation Payment Schedule (ROPS 13-14 B)

Prepared By:  
Anochar Clark  
Sr. Financial Analyst

Department Head Approval:  
John Terrell  
Community & Economic Development  
Director

ATTACHMENT 1

RESOLUTION NO. OB 2013-08

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD OF JANUARY 1, 2014 THROUGH JUNE 30, 2014, AND AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO MAKE MODIFICATIONS THERETO

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley ("Agency") is a community redevelopment agency organized and existing under the California Community Redevelopment Law, Health and Safety Code Sections 33000, et seq. ("CRL") and has been authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council ("City Council") of the City of Moreno Valley ("City"); and

WHEREAS, the Agency was established pursuant to the Redevelopment Law. The Agency was activated on February 18, 1986, by City Ordinance No. 50. The City Council adopted and approved the Redevelopment Plan for the Project Area by Ordinance 87-154 of the City on December 29, 1987 (the "Original Plan"), as subsequently amended by Ordinance No. 448 of the City adopted January 10, 1995, Ordinance No. 556 of the City adopted December 14, 1999, and Ordinance No. 732 adopted December 19, 2006 (as so amended, the "Amended Redevelopment Plan", the area of which is referred to herein as the "Project Area"); and

WHEREAS, Parts 1.8, 1.85 and 1.9 of Division 24 of the Health and Safety Code were added to the CRL by ABX1 26 and ABX1 27, which measures purport to become effective immediately. ABX1 26 and ABX1 27, which are trailer bills to the 2011-12 budget bills, were approved by both houses of the Legislature on June 15, 2011 and signed by the Governor on June 28, 2011; and

WHEREAS, Part 1.85 of the CRL ("Part 1.85") provides for the statewide dissolution of all redevelopment agencies, including the Agency, as of October 1, 2011 (which date has been deemed to be February 1, 2012 pursuant to a decision by the California Supreme Court), and provides that, thereafter, a successor agency to administer the enforceable obligations of the Agency and otherwise wind up the Agency's affairs, all subject to the review and approval by an oversight committee; and

WHEREAS, Part 1.8 of the CRL ("Part 1.8") provides for the restriction of activities and authority of the Agency in the interim period prior to dissolution to certain "enforceable obligations" and to actions required for the general winding up of affairs, preservation of assets, and certain other goals delineated in Part 1.8; and

Resolution No. OB 2013-08  
Date Adopted: September 25, 2013

WHEREAS, in connection with the implementation of those provisions of ABX1 26 which require the adoption of an enforceable obligation schedule, the City serving as the Successor Agency has previously adopted an amended enforceable obligation schedule in the form previously submitted (the "Amended Enforceable Obligation Schedule") and has authorized the City Manager or his designee to augment, modify or revise such Amended Enforceable Obligation Schedule; and

WHEREAS, ABX1 26 further requires the adoption of an Initial Recognized Obligation Payment Schedule; such initial Recognized Obligation Payment Schedule was approved by Resolution No. 2012-13 of the City of Moreno Valley serving as Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley ("Successor Agency") on February 28, 2012; and

WHEREAS, ABX1 26 further requires the adoption of a Recognized Obligation Payment Schedule for every six month period; and

WHEREAS, an oversight board, as provided under ABX1 26 ("Oversight Board") has been established for the former Agency; and

WHEREAS, pursuant to ABX1 26 and the implementation thereof, the Oversight Board desires to adopt a Recognized Obligation Payment Schedule for the period covering January 1, 2014 through June 30, 2014 ("ROPS 13-14 B"), in the form submitted herewith. The ROPS 13-14 B is attached hereto, marked as Exhibit "A", and is incorporated herein by reference. By this resolution, the Oversight Board approves and authorizes the transmittal of the ROPS 13-14 B to the Department of Finance; and

WHEREAS, given the adoption of ABX1 26, the Oversight Board has duly considered this Resolution and has determined that the adoption of this Resolution is in the best interests of the Board and the health, safety, and welfare of the residents of the City, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

**NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY DOES HEREBY RESOLVE AS FOLLOWS:**

SECTION 1. The foregoing recitals are incorporated into this resolution by this reference, and constitute a material part of this resolution.

SECTION 2. The Oversight Board approves for transmittal to the Department of Finance the Recognized Obligation Payment Schedule for the period January 1, 2014 through June 30, 2014 ("Exhibit A"), including the Administrative budget for the period.

SECTION 3. The Successor Agency shall maintain on file as a public record this Resolution and ROPS 13-14 B as approved hereby.

Resolution No. OB 2013-08  
Date Adopted: September 25, 2013

SECTION 4. This Resolution shall be effective immediately upon adoption.

SECTION 5. The Secretary of the Oversight Board shall certify to the adoption of this Resolution.

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Chairperson  
Oversight Board of the City as  
Successor Agency for the  
Community Redevelopment  
Agency of the City of Moreno  
Valley

**ATTEST:**

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Oversight Board Secretary

Resolution No. OB 2013-08  
Date Adopted: September 25, 2013

**RESOLUTION JURAT**

STATE OF CALIFORNIA     )  
COUNTY OF RIVERSIDE     ) ss.  
CITY OF MORENO VALLEY )

I, Kathi Pierce, Secretary of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, California, do hereby certify that Resolution NO. OB 2013-08 was duly and regularly adopted by the Board Members of the Successor Agency Oversight Board at a regular meeting thereof held on the 25th day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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SECRETARY

Resolution No. OB 2013-08  
Date Adopted: September 25, 2013



**Recognized Obligation Payment Schedule (ROPS 13-14B) - Summary**

Filed for the January 1, 2014 through June 30, 2014 Period

EXHIBIT A

**Name of Successor Agency:** Moreno Valley  
**Name of County:** Riverside

<b>Current Period Requested Funding for Outstanding Debt or Obligation</b>		<b>Six-Month Total</b>
<b>Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF)</b>		
<b>A Funding Sources (B+C+D):</b>		<b>\$ -</b>
B Bond Proceeds Funding (ROPS Detail)		-
C Reserve Balance Funding (ROPS Detail)		-
D Other Funding (ROPS Detail)		-
<b>E Enforceable Obligations Funded with RPTTF Funding (F+G):</b>		<b>\$ 4,151,799</b>
F Non-Administrative Costs (ROPS Detail)		4,026,799
G Administrative Costs (ROPS Detail)		125,000
<b>H Current Period Enforceable Obligations (A+E):</b>		<b>\$ 4,151,799</b>

<b>Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding</b>		
I Enforceable Obligations funded with RPTTF (E):		4,151,799
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column U)		-
<b>K Adjusted Current Period RPTTF Requested Funding (I-J)</b>		<b>\$ 4,151,799</b>

<b>County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding</b>		
L Enforceable Obligations funded with RPTTF (E):		4,151,799
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AB)		-
<b>N Adjusted Current Period RPTTF Requested Funding (L-M)</b>		<b>4,151,799</b>

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) 13-14B - Report of Fund Balances**  
(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.

A	B	C	D	E	F	G	H	I	J	K	
<b>Fund Balance Information by ROPS Period</b>		<b>Fund Sources</b>								<b>Total</b>	<b>Comments</b>
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>				
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Review balances retained for approved enforceable obligations	RPTTF balances retained for bond reserves	Rent, Grants, Interest, Etc.	Non-Admin	Admin			
<b>ROPS III Actuals (01/01/13 - 6/30/13)</b>											
1	<b>Beginning Available Fund Balance (Actual 01/01/13)</b> Note that for the RPTTF, 1 + 2 should tie to columns L and Q in the Report of Prior Period Adjustments (PPAs)				1,462,215		46,132		\$ 1,508,347		
2	<b>Revenue/Income (Actual 06/30/13)</b> Note that the RPTTF amounts should tie to the ROPS III distributions from the County Auditor-Controller						6,457,643	152,953	\$ 6,610,596		
3	<b>Expenditures for ROPS III Enforceable Obligations (Actual 06/30/13)</b> Note that for the RPTTF, 3 + 4 should tie to columns N and S in the Report of PPAs			-			6,619,351	152,953	\$ 6,772,304		
4	<b>Retention of Available Fund Balance (Actual 06/30/13)</b> Note that the Non-Admin RPTTF amount should only include the retention of reserves for debt service approved in ROPS III								\$ -		
5	<b>ROPS III RPTTF Prior Period Adjustment</b> Note that the net Non-Admin and Admin RPTTF amounts should tie to columns O and T in the Report of PPAs.			No entry required					\$ -		
6	<b>Ending Actual Available Fund Balance (1 + 2 - 3 - 4 - 5)</b>	\$ -	\$ -	\$ -	\$ 1,462,215	\$ -	\$ (115,576)	\$ -	\$ 1,346,639		
<b>ROPS 13-14A Estimate (07/01/13 - 12/31/13)</b>											
7	<b>Beginning Available Fund Balance (Actual 07/01/13)</b> (C, D, E, G, and I = 4 + 6, F = H4 + F6, and H = 5 + 6)	\$ -	\$ -		\$ 1,462,215	\$ -	\$ (115,576)	\$ -	\$ 1,346,639		
8	<b>Revenue/Income (Estimate 12/31/13)</b> Note that the RPTTF amounts should tie to the ROPS 13-14A distributions from the County Auditor-Controller						1,990,957	181,500	\$ 2,172,457		
9	<b>Expenditures for 13-14A Enforceable Obligations (Estimate 12/31/13)</b>				1,462,215		1,875,132	181,500	\$ 3,518,847		
10	<b>Retention of Available Fund Balance (Estimate 12/31/13)</b> Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14A								\$ -		
11	<b>Ending Estimated Available Fund Balance (7 + 8 - 9 - 10)</b>	\$ -	\$ -		\$ 0	\$ -	\$ 249	\$ -	\$ 249		

**Recognized Obligation Payment Schedule (ROPS ) 13-14B - ROPS Detail**  
**January 1, 2014 through June 30, 2014**  
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K					P						
										L						M	N	O			
										Funding Source									Non-Admin	Admin	Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-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	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	Six-Month Total						
								\$ 130,684,424		\$ -	\$ -	\$ -	\$ 4,026,799	\$ 125,000	\$ 4,151,799						
1	2007 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	11/29/2007	08/01/2038	Wells Fargo Bank	Debt service payments for bonds issued to finance various capital projects	Original Area	76,140,896	N				2,254,284		\$ 2,254,284						
2	2007 Special Tax Refunding Bonds - Towngate 87-1	Bonds Issued On or Before 12/31/10	11/29/2007	12/01/2021	Wells Fargo Bank	Debt service payments for bonds issued to finance the acquisition of public facilities	Original Area	8,955,160	N				591,174		\$ 591,174						
3	Improvement Area No. 1 Special Tax Refunding Bonds	Bonds Issued On or Before 12/31/10	11/29/2007	10/01/2023	Wells Fargo Bank	Debt service payments for bonds issued to finance the construction of public facilities	Original Area	2,665,525	N				138,591		\$ 138,591						
4	CFD No. 3 - Auto Mall Refinance	Bonds Issued On or Before 12/31/10	04/05/2000	09/30/2013	Wells Fargo Bank	Debt service payments for bonds issued to finance the construction of public facilities	Original Area		Y						\$ -						
5	2011 Refunding of 97 LRB Bonds	Revenue Bonds Issued After 12/31/10	01/01/2011	11/01/2022	Bank of America	Debt service payments for bonds issued to finance the construction of a public facility	Original Area	1,275,000	N				75,000		\$ 75,000						
6	2005 Lease Revenue Bonds	City/County Loans On or Before 6/27/11	06/01/2005	11/01/2035	Wells Fargo Bank	Debt service payments for bonds issued to finance Sunnymead Blvd project	Original Area	9,318,673	N						\$ -						
7	On-going Housing Monitoring Requirements	Project Management Costs	01/01/2014	06/30/2014	City of Moreno Valley/Successor Agency	Costs to perform the recertification and monitoring of housing units	Original Area	20,000	N				20,000		\$ 20,000						
8	Contract for Legal Services	Admin Costs			Stradling, Yocca, Carlson & Rauth	Legal services - General	Original Area		N						\$ -						
9	Contract for Legal Services	Admin Costs			Kronick Moskovitz Tiedemann & Girard	Legal services - Oversight Board Legal Counsel	Original Area		N						\$ -						
10	Contract for Abatement of Properties	Property Maintenance	07/01/2009	07/30/2014	Fire Prevention/Inland Empire Property Service, Inc.	Nuisance/weed abatement of Agency owned properties	Original Area	3,750	N				3,750		\$ 3,750						
11	Contract for Audit Services	Professional Services	02/10/2011		Lance Soll & Iunghard, LLP or Approved Audit Firm	Preparation of Annual Audit	Original Area	15,000	N				15,000		\$ 15,000						
12	Contract for Special Tax Reporting	Admin Costs	01/01/2011		Willdan/Staff Administration	Preparation of Continuing Disclosure Report	Original Area		N						\$ -						
13	CalPERS Retirement Liability	Unfunded Liabilities	01/01/2014		The California Public Employees' Retirement System (CalPERS)	Unfunded PERS Retirement Liability Acct	Original Area	572,282	N						\$ -						
14	Retiree Medical Trust (CERBT)	Unfunded Liabilities	01/01/2014		California Employers' Retiree Medical Trust(CERBT)/CalPERS	Unfunded Retiree Medical Trust Acct	Original Area	179,835	N						\$ -						
15	Agency Loans #1 & # 2	City/County Loans On or Before 6/27/11	01/23/2007	06/30/2028	City of Moreno Valley	City/Agency Loan Agreement	Original Area	652,248	N						\$ -						
16	Price Club Acquisition Note	Third-Party Loans	05/07/1992	05/07/2015	The Price Family Charitable Fund	Participation Agreement	Original Area	795,730	N				350,000		\$ 350,000						
17	Towngate Acquisition Note	City/County Loans After 6/27/11	05/03/2004		City of Moreno Valley	Participation Agreement	Original Area	16,656,325	N				370,000		\$ 370,000						
18	Moss Bros. Autogroup Participation Agreement	OPA/DDA/Construction	05/25/2010	11/25/2010	Moss Bros. Autogroup	Participation Agreement	Original Area		Y						\$ -						
19	Robertson's Ready Mix, Inc. OPA	OPA/DDA/Construction	09/26/2006		Robertson's Ready Mix, Inc.	Owner Participation Agreement	Original Area	4,000,000	N						\$ -						
20	Hemlock Family Apartments	Third-Party Loans	03/08/2011		Rancho Belago, Inc.	Affordable Housing Agreement	Original Area	57,000	N				57,000		\$ 57,000						
21	Rancho Dorado Apts - South (Second Phase)	Third-Party Loans			Moreno Valley Housing Authority/MV Rancho Dorado Limited Partnership	Affordable Housing Agreement	Original Area		Y						\$ -						
22	Rancho Dorado Apts - South (Second Phase)	Legal			Stradling, Yocca, Carlson & Rauth	Legal services - Specific to Affordable Housing Agreement w/ Rancho Dorado Apts.	Original Area		Y						\$ -						

**Item No. 5.**

**Recognized Obligation Payment Schedule (ROPS ) 13-14B - ROPS Detail**  
**January 1, 2014 through June 30, 2014**  
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K					P	
										L						Six-Month Total
										M						
										N		O				
Funding Source					Six-Month Total											
Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			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	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	Six-Month Total	
23	Rancho Dorado Apts - South (Second Phase)	Professional Services			Strickler Association	Title & Closing Costs	Original Area		Y						\$ -	
24	Payroll Costs/Operating Costs	Admin Costs			City of Moreno Valley/Employees	Successor Agency's Payroll & Operating Costs	Original Area	125,000	N					125,000	\$ 125,000	
25	Sunnymead Blvd. CIP 79221	Improvement/Infrastructure			Excel	Capital Project Contract, CIP 79221	Original Area		Y						\$ -	
26	Sunnymead Blvd. CIP 79221	Improvement/Infrastructure			Harris & Assoc.	Capital Project Contract, CIP 79221	Original Area		Y						\$ -	
27	Sunnymead Blvd. CIP 79221	Improvement/Infrastructure			City of Moreno Valley, cost allocation, and extra admin. costs	Project Management CIP 79221	Original Area		Y						\$ -	
28	Sunnymead Blvd. CIP 79221	Improvement/Infrastructure			City Consultants	Project Management CIP 79221	Original Area		Y						\$ -	
29	Sunnymead Blvd. CIP 79221	Improvement/Infrastructure			Gibbs, Giden, Locher, Turner & Senet LLP	Additional Legal Fees - CIP 79221	Original Area		Y						\$ -	
30	Storm Drain/Day Street to Cottonwood CIP 79222	Litigation			Gibbs, Giden, Locher, Turner & Senet	Contractual Services PO# 42123 CIP 79222	Original Area		Y						\$ -	
31	Storm Drain/Day Street to Cottonwood CIP 79222	Improvement/Infrastructure			City of Moreno Valley	Project Management CIP 79222	Original Area		Y						\$ -	
32	Day Street/Alessandro Blvd to Cottonwood CIP 79724	Improvement/Infrastructure			DMC Design	Contractual Services PO#40920 CIP 79724	Original Area		Y						\$ -	
33	Day Street/Alessandro Blvd to Cottonwood CIP 79724	Improvement/Infrastructure			AEI-CASC	Contractual Services PO#35423 CIP 79724	Original Area		Y						\$ -	
34	Day Street/Alessandro Blvd to Cottonwood CIP 79724	Improvement/Infrastructure			Group Delta	Contractual Services PO#39328 CIP 79724	Original Area		Y						\$ -	
35	Day Street/Alessandro Blvd to Cottonwood CIP 79724	Improvement/Infrastructure			KDM Meridian	Contractual Services PO#41865 CIP 79724	Original Area		Y						\$ -	
36	Day Street/Alessandro Blvd to Cottonwood CIP 79724	Improvement/Infrastructure			STI Inc.	Contractual Services PO#41859 CIP 79724	Original Area		Y						\$ -	
37	Day Street/Alessandro Blvd to Cottonwood CIP 79724	Improvement/Infrastructure			City of Moreno Valley	Project Management CIP 79724	Original Area		Y						\$ -	
38	Auto Mall Street Upgrades CIP 79725	Improvement/Infrastructure			VA Consulting	Capital Project Contract, CIP 79725	Original Area		Y						\$ -	
39	Auto Mall Street Upgrades CIP 79725	Improvement/Infrastructure			City of Moreno Valley	Project Management CIP 79725	Original Area		Y						\$ -	
40	Auto Mall Street Upgrades CIP 79725	Improvement/Infrastructure			United Inspection (Geotech)	Capital Project Contract, CIP 79725	Original Area		Y						\$ -	
41	Auto Mall Street Upgrades CIP 79725	Improvement/Infrastructure			VA Consulting Inc. (Survey)	Capital Project Contract, CIP 79725	Original Area		Y						\$ -	
42	Auto Mall Street Upgrades CIP 79725	Improvement/Infrastructure			SME&C (Contractor)	Capital Project Contract, CIP 79725	Original Area		Y						\$ -	
43	Indian Basin, Appurtenant CIP 79726	Improvement/Infrastructure			Lim & Nascimento Engineering	Contractual Services PO#35828 CIP 79726	Original Area		Y						\$ -	
44	Indian Basin, Appurtenant CIP 79726	Improvement/Infrastructure			City of Moreno Valley, cost allocation, and minor expenses	Project Management CIP 79726	Original Area		Y						\$ -	
45	Ironwood Ave-Day St/Barclay Dr CIP 79727	Improvement/Infrastructure			AEI-CASC Engineering	Capital Project Contract, CIP 79727	Original Area		Y						\$ -	

**Item No. 5.**

**Recognized Obligation Payment Schedule (ROPS ) 13-14B - ROPS Detail**  
**January 1, 2014 through June 30, 2014**  
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K					P	
										L						Six-Month Total
										M						
										N						
O																
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						
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF			
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin		
46	Ironwood Ave-Day St/Barclay Dr CIP 79727	Improvement/Infrastructure			City of Moreno Valley, cost allocation, and minor expenses	Project Management CIP 79727	Original Area		Y						\$ -	
47	Ironwood Ave-Day St/Barclay Dr CIP 79727	Improvement/Infrastructure			Contractor	Capital Project Contract, CIP 79727	Original Area		Y						\$ -	
48	Ironwood Ave-Day St/Barclay Dr CIP 79727	Improvement/Infrastructure			Survey Consultant	Project Management CIP 79727	Original Area		Y						\$ -	
49	Ironwood Ave-Day St/Barclay Dr CIP 79727	Improvement/Infrastructure			Geotechnical Consultant	Capital Project Contract, CIP 79727	Original Area		Y						\$ -	
50	Ironwood Ave-Day St/Barclay Dr CIP 79727	Improvement/Infrastructure			Southern California Edison	Project Management CIP 79727	Original Area		Y						\$ -	
51	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Singer & Coffin, APC	Legal services CIP 79718	Original Area		Y						\$ -	
52	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			City of Moreno Valley	Project Management and associated costs CIP 79718	Original Area		Y						\$ -	
53	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Staff Consultants	Project Management CIP 79718	Original Area		Y						\$ -	
54	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Moreno Valley Utility	Lighting CIP 79718	Original Area		Y						\$ -	
55	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Caltrans	State-furnished materials CIP 79718	Original Area		Y						\$ -	
56	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Caltrans	State source inspection fees CIP 79718	Original Area		Y						\$ -	
57	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			CHP	Construction zone enforcement (COZEEP) CIP 79718	Original Area		Y						\$ -	
58	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Parsons Transportation	Design-related costs CIP 79718	Original Area		Y						\$ -	
59	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Falcon Engineering	Construction mgmt and Inspection Services CIP 79718	Original Area		Y						\$ -	
60	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Contractor	Construction Contract CIP 79718	Original Area		Y						\$ -	
61	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Survey Consultant	Construction Services - Survey CIP 79718	Original Area		Y						\$ -	
62	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			Geotechnical Consultant	Construction Services - Geotechnical CIP 79718	Original Area		Y						\$ -	
63	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			SCE	Utility relocation CIP 79718	Original Area		Y						\$ -	
64	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			EMWD	Permits/Fees, CIP 79718	Original Area		Y						\$ -	
65	Nason/SR-60 Bridge CIP 79718	Improvement/Infrastructure			RCFC&WCD	Permits/Fees, CIP 79718	Original Area		Y						\$ -	
66	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			City of Moreno Valley	Project Management and associated costs CIP 79731	Original Area		Y						\$ -	
67	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			City of Moreno Valley	City-furnished equipment - CIP 79731	Original Area		Y						\$ -	
68	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			City of Moreno Valley	Project Management and associated costs CIP 79731	Original Area		Y						\$ -	
69	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Parsons Transportation	Design-related costs CIP 79731	Original Area		Y						\$ -	
70	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Parsons Transportation	Construction support CIP 79731	Original Area		Y						\$ -	
71	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Falcon Engineering	Constructability review CIP 79731	Original Area		Y						\$ -	
72	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Falcon Engineering	Construction mgmt and Inspection Services CIP 79731	Original Area		Y						\$ -	

**Item No. 5.**

**Recognized Obligation Payment Schedule (ROPS ) 13-14B - ROPS Detail**  
**January 1, 2014 through June 30, 2014**  
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K					P
										Funding Source					
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
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						
73	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			So. Calif. Edison	Utility Relocation CIP 79731	Original Area		Y						\$ -
74	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Caltrans	State-furnished materials CIP 79731	Original Area		Y						\$ -
75	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Caltrans	State source inspection fees CIP 79731	Original Area		Y						\$ -
76	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			CHP	CHP - construction zone enforcement (COZEEP) CIP 79731	Original Area		Y						\$ -
77	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Powell Constructors, Inc.	Construction Contract CIP 79731	Original Area		Y						\$ -
78	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Survey Consultant	Construction Svcs - Survey CIP 79731	Original Area		Y						\$ -
79	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			Geotechnical Consultant	Construction Svcs - Geotechnical CIP 79731	Original Area		Y						\$ -
80	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			RCFC&WCD	Permits/Fees, CIP 79731	Original Area		Y						\$ -
81	Moreno Beach Ramps - Phase 1 CIP 79731	Improvement/Infrastructure			EMWD	Permits/Fees, CIP 79731	Original Area		Y						\$ -
82	Hemlock Family Apartments	Professional Services	07/01/2014	06/30/2014	Strickler Association	Project Management	Original Area	2,000	N				2,000		\$ 2,000
83	Public Works Agreement	City/County Loans On or Before 6/27/11			City of Moreno Valley	Public Works Agreement	Original Area	9,100,000	N						\$ -
84	IRS Repayment Agreement	Miscellaneous	08/27/2013		City of Moreno Valley	IRS Repayment Agreement	Original Area	150,000					150,000		\$ 150,000
															\$ -
															\$ -
															\$ -
															\$ -
															\$ -
															\$ -
															\$ -
															\$ -

**Recognized Obligation Payment Schedule (ROPS) 13-14B - Report of Prior Period Adjustments**  
 Reported for the ROPS III (January 1, 2013 through June 30, 2013) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)  
 (Report Amounts in Whole Dollars)

**ROPS III Successor Agency (SA) Self-reported Prior Period Adjustments (PPA):** Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS III (July through December 2013) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 13-14B (January through June 2014) period will be offset by the SA's self-reported ROPS III prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.

**ROPS III CAC PPA:** To be completed by the CAC upon submittal of the ROPS 13-14B by the SA to Finance and the CAC

A	B	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB		
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures								RPTTF Expenditures														SA Comments	CAC Comments		
		Bond Proceeds		Reserve Balance (Includes Other Funds and Assets DDR retained balances)		Other Funds		Non-Admin				Admin				Net SA Non-Admin and Admin PPA	Non-Admin CAC			Admin CAC			Net CAC Non-Admin and Admin PPA				
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Difference (If M is less than N, the difference is zero)	Authorized	Actual	Difference (If R is less than S, the difference is zero)	Net Difference (Amount Used to Offset ROPS 13-14B Requested RPTTF (O + T))	Net Lesser of Authorized / Available	Actual	Difference (If V is less than W, the difference is zero)	Net Lesser of Authorized / Available	Actual	Difference (If Y is less than Z, the difference is zero)	Net Difference (Amount Used to Offset ROPS 13-14B Requested RPTTF (X + AA))				
1	2007 Tax Allocation Bonds							6,852,730	6,457,643	6,392,113	6,619,351			152,953	152,953	152,953	152,953										
2	2007 Special Tax Refunding Bonds - Towngate 87-1							2,263,484	2,101,776	2,101,776	2,263,484																
3	Improvement Area No. 1 Special Tax Refunding Bonds							139,168	136,995	136,995	136,995																
4	CFD No. 3 - Auto Mail Reliance							91,882	13,623	13,623	13,623																
5	2011 Refunding of 97 LRB Bonds							75,000	75,000	75,000	75,000																
6	2005 Lease Revenue Bonds							195,349	192,574	192,574	192,574																
7	On-going Housing Monitoring Requirements							20,000																			
8	Contract for Legal Services																										
9	Contract for Legal Services																										
10	Contract for Abatement of Properties							2,500	3,005	2,500	3,005																
11	Contract for Audit Services							15,000	29,234	15,000	29,234																
12	Contract for Special Tax Reporting																										
13	CalPERS Retirement Liability																										
14	Retiree Medical Trust (CERBT)																										
15	Agency Loans #1 & #2																										
16	Price Club Acquisition Note							240,000	290,791	240,000	290,791																
17	Towngate Acquisition Note							240,000	232,397	232,397	232,397																
18	Moss Bros. Autogroup Participation Agreement																										
19	Roberts's Peady Mix, Inc. OPA																										
20	Hemlock Family Apartments																										
21	Rancho Dorado Apts - South (Second Phase)							2,373,000	2,173,000	2,173,000	2,173,000																
22	Rancho Dorado Apts - South (Second Phase)							12,500																			
23	Rancho Dorado Apts - South (Second Phase)							2,500	309	309	309																
24	Payroll Costs/Operating Costs													152,953	152,953	152,953	152,953										
25	CIP 79221																										
26	Sunnymead Blvd. CIP 79221																										
27	Sunnymead Blvd. CIP 79221																										
28	Sunnymead Blvd. CIP 79221																										
29	Sunnymead Blvd. CIP 79221																										
30	Storm Drain/Day Street to Cottonwood CIP 79222																										
31	Storm Drain/Day Street to Cottonwood CIP 79222								38,344	38,344	38,344																
32	Day Street/Alessandro Blvd to Cottonwood CIP 79724																										
33	Day Street/Alessandro Blvd to Cottonwood CIP 79724																										
34	Day Street/Alessandro Blvd to Cottonwood CIP 79724																										
35	Day Street/Alessandro Blvd to Cottonwood CIP 79724																										
36	Day Street/Alessandro Blvd to Cottonwood CIP 79724																										
37	Day Street/Alessandro Blvd to Cottonwood CIP 79724																										
38	Auto Mail Street Upgrades CIP 79725																										
39	Auto Mail Street Upgrades CIP 79725																										
40	Auto Mail Street Upgrades CIP 79725																										
41	Auto Mail Street Upgrades CIP 79725																										
42	Auto Mail Street Upgrades CIP 79725																										
43	Indian Basin, Appurtenant CIP 79726																										
44	Indian Basin, Appurtenant CIP 79726																										
45	Ironwood Ave-Day St/Barclay Dr CIP 79727																										
46	Ironwood Ave-Day St/Barclay Dr CIP 79727																										
47	Ironwood Ave-Day St/Barclay Dr CIP 79727																										
48	Ironwood Ave-Day St/Barclay Dr CIP 79727																										
49	Ironwood Ave-Day St/Barclay Dr CIP 79727																										
50	Ironwood Ave-Day St/Barclay Dr CIP 79727																										

**Item No. 5.**





**Recognized Obligation Payment Schedule 13-14B - Notes**  
January 1, 2014 through June 30, 2014

Item #	Notes/Comments
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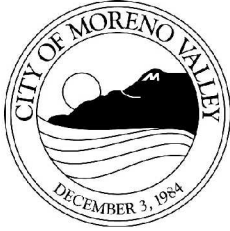
**Recognized Obligation Payment Schedule 13-14B - Notes**  
January 1, 2014 through June 30, 2014

Item #	Notes/Comments
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**Recognized Obligation Payment Schedule 13-14B - Notes**  
January 1, 2014 through June 30, 2014

Item #	Notes/Comments
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## **Report to the Oversight Board for Successor Agency to Community Redevelopment Agency of the City of Moreno Valley**

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**TO:** Members of the Board

**FROM:** John Terell, Community & Economic Development Director

**AGENDA DATE:** September 25, 2013

**TITLE:** CONSIDERATION OF A RESOLUTION ADOPTING AN ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY FOR JANUARY 1, 2014 THROUGH JUNE 30, 2014

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### **RECOMMENDED ACTION**

Recommendations:

1. Adopt a Resolution OB 2013-09 of the Oversight Board of Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley approving an Administrative Budget in the amount of \$125,000 for the Successor Agency for the period of January 1, 2014 through June 30, 2014.

### **BACKGROUND**

As part of the duties given to successor agencies under Chapter 3 of Part 1.85 of ABX 1 26, each successor agency, per Health and Safety Code Section 34177(j), is to "Prepare a proposed administrative budget and submit it to the oversight board for its approval." The administrative budget is to include: (1) estimated amounts for successor agency administrative costs for the upcoming six-month fiscal period; (2) proposed sources of payment for the items identified in item (1); and (3) proposals for arrangements for administrative and operations services provided by a city or other entity.

In the case of the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley, it is proposed by Successor Agency staff that administrative and operations services will continue to be provided by Successor Agency staff. Upon approval, Successor Agency staff will in turn inform the County Auditor-Controller as to those administrative costs to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, as required to be maintained by the County Auditor-Controller, as provided under Health and Safety Code Section 34177(k).

**ALTERNATIVES**

The alternatives available to the Oversight Board are:

1. Adopt a Resolution of the Oversight Board of Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Approving an Administrative Budget in the amount of \$125,000 for the Successor Agency for the period of January 1, 2014 through June 30, 2014, in the form submitted by Successor Agency staff; or
2. Adopt a Resolution of the Oversight Board of Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley Approving an Administrative Budget for the Successor Agency for the period of January 1, 2014 through June 30, 2014, in the form submitted by Successor Agency staff with those modifications as made by the Oversight Board; or
3. Provide staff with alternative direction.

**FISCAL IMPACT**

The Successor Agency has incurred and will incur administrative expenses in the preparation of the materials being presented to the Oversight Board. The Successor Agency will seek reimbursement for the costs related to administration of the Oversight Board. The Administrative Budget, as prepared by Successor Agency staff, reflects the current estimates for anticipated costs in the views of Successor Agency staff. Costs are as estimated in the proposed Administrative Budget submitted with this report.

**ATTACHMENTS**

Attachment 1: Resolution No. OB 2013-09  
Exhibit A: Administrative Budget

Prepared By:  
Anochar Clark  
Sr. Financial Analyst

Department Head Approval:  
John Terell  
Community & Economic Development  
Director

ATTACHMENT 1

RESOLUTION NO. OB 2013-09

A RESOLUTION OF THE OVERSIGHT BOARD OF SUCCESSOR AGENCY TO THE MORENO VALLEY REDEVELOPMENT AGENCY ADOPTING AN ADMINISTRATIVE BUDGET IN THE AMOUNT OF \$125,000 FOR THE SUCCESSOR AGENCY

WHEREAS, the Oversight Board of Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley ("Oversight Board", as applicable) has been established to direct the Successor Agency to take certain actions to wind down the affairs of the Redevelopment Agency in Accordance with the California Health and Safety Code; and

WHEREAS, Health and Safety Code Section 34177(j) provides, in part, that a Successor Agency is to "Prepare a proposed administrative budget and submit it to the oversight board for its approval", and that such administrative budget is to include: (1) estimated amounts for successor agency administrative costs for the upcoming six-month fiscal period; (2) proposed sources of payment for the items identified in item (1); and (3) proposals for arrangements for administrative and operations services provided by a city or other entity; and

WHEREAS, the Successor Agency has submitted a proposed administrative budget for the period of January 1, 2014 to June 30, 2014, as approved by the Executive Director of the Successor Agency on behalf of the Successor Agency, for consideration and approval by the Oversight Board; and

WHEREAS, the Successor Agency has duly considered the proposed administrative budget for the period of January 1, 2014 to June 30, 2014;

NOW, THEREFORE, the Oversight Board of Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley does hereby resolve as follows:

SECTION 1. The Oversight Board approves as the administrative budget for the Successor Agency the proposed administrative budget in the amount of \$125,000 for the period of January 1, 2014 to June 30, 2014, in the form as submitted by the Successor Agency as attached hereto as Exhibit "A" together with such additions, deletions and modifications as made by the Oversight Board at its meeting of September 25, 2013. The official records of the Oversight Board shall reflect all such additions, deletions and modifications.

SECTION 2. The Secretary shall certify to the adoption of this Resolution.

Resolution No. OB 2013-09  
Date Adopted: September 25, 2013

APPROVED AND ADOPTED this 25th day of September, 2013.

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Chairperson  
Oversight Board of Successor  
Agency to Community  
Redevelopment Agency of the  
City of Moreno Valley

ATTEST:

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Oversight Board Secretary

Resolution No. OB 2013-09  
Date Adopted: September 25, 2013



**RESOLUTION JURAT**

STATE OF CALIFORNIA     )  
COUNTY OF RIVERSIDE     ) ss.  
CITY OF MORENO VALLEY    )

I, Kathi Pierce, Secretary of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, California, do hereby certify that Resolution No. OB 2013-09 was duly and regularly adopted by the Board Members of the Successor Agency Oversight Board at a regular meeting thereof held on the 25<sup>th</sup> day of September, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
SECRETARY

Resolution No. OB 2013-09  
Date Adopted: September 25, 2013

**THE CITY OF MORENO VALLEY SERVING AS THE SUCCESSOR AGENCY FOR  
THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO  
VALLEY**

**EXHIBIT A**

**Budget Worksheet Report**

For the period  
January 1, 2014 -  
June 30, 2014

<u>Account Number</u>		
<b>Fund</b>	<b>4800</b>	<b>SUCCESSOR AGENCY ADMINISTRATION</b>
<b>Department</b>	<b>20</b>	<b>Community &amp; Economic Development</b>
<b>Division</b>	<b>31</b>	<b>CEDD - Business Support &amp; Neighborhood Programs</b>
<b>Section</b>	<b>20801</b>	<b>Successor Agency Administration</b>
<u>Personnel Services</u>		
<u>Regular</u>		
611110	Salaries, Regular	\$ 69,747.00
<u>Total: Regular</u>		<u>\$ 69,747.00</u>
<u>Additional</u>		
611699	Salaries, Addl - Other	\$ 1,400.00
<u>Total: Additional</u>		<u>\$ 1,400.00</u>
<u>Benefits</u>		
612110	Benefits - PERS & ERPD Def Comp	\$ 18,750.00
612120	Benefits - Bank	\$ 9,648.00
612130	Benefits - Medicare	\$ 1,005.00
612140	Benefits - Group Life Insurance	\$ 485.50
612145	Benefits - ST/LT Disability	\$ 121.50
612150	Benefits - Addl % Mgmt Pkg	\$ 241.00
612160	Benefits - Annuity	\$ 228.50
<u>Total: Benefits</u>		<u>\$ 30,479.50</u>
<u>Total: Personnel Services</u>		<u>\$ 101,626.50</u>
<u>Contractual Services</u>		
<u>Professional</u>		
620230	Professional Svcs - Legal Svcs	\$ 17,500.00
620299	Professional Svcs - Other	\$ 473.50
<u>Total: Professional</u>		<u>\$ 17,973.50</u>
<u>Communications</u>		
620410	Communications	\$ 250.00
<u>Total: Communications</u>		<u>\$ 250.00</u>
<u>Training &amp; Travel</u>		
620510	Training & Travel	\$ 250.00
<u>Total: Training &amp; Travel</u>		<u>\$ 250.00</u>
<u>Total: Contractual Services</u>		<u>\$ 18,473.50</u>
<u>Materials &amp; Supplies</u>		
<u>Materials &amp; Supplies-Postage &amp;</u>		
630120	Postage - Overnight	\$ 50.00
<u>Total: Materials &amp; Supplies-</u>		<u>\$ 50.00</u>
<u>Materials &amp; Supplies-Operating</u>		
630210	Oper Suppl - Office	\$ 1,250.00
630214	Oper Suppl - Printing & Binding	\$ 100.00
<u>Total: Materials &amp; Supplies-</u>		<u>\$ 1,350.00</u>
<u>Total: Materials &amp; Supplies</u>		<u>\$ 1,400.00</u>
<u>Fixed Charges</u>		
<u>ISF Charges</u>		
690220	ISF - Risk - Workers Comp	\$ 1,500.00
<u>Total: ISF Charges</u>		<u>\$ 1,500.00</u>
<u>Administrative Charges</u>		
692012	Admin Chrg - OPEB	\$ 2,000.00
<u>Total: Administrative Charges</u>		<u>\$ 2,000.00</u>
<u>Total: Fixed Charges</u>		<u>\$ 3,500.00</u>
<u>Total: Successor Agency Administration</u>		<u>\$ 125,000.00</u>

EXHIBIT A