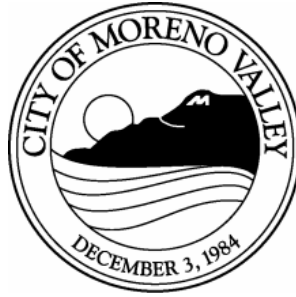

Board Members

GLENN MOSS
Chair

CHRIS CARLSON
Vice-Chair

JOHN STRICKLER
Board Member



JAMIL DADA
Board Member

MAYS KAKISH
Board Member

DAVE SLAWSON
Board Member

AHMAD ANSARI
Board Member

AGENDA

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

Regular Meeting

November 13, 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 TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING A LONG RANGE PROPERTY MANAGEMENT PLAN

2. CONSIDERATION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY TO RATIFY RESOLUTION NO. RDA 2011-01, WHICH WAS APPROVED BY THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY'S ACTIONS ON MARCH 8, 2011

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**

**SPECIAL MEETING – 2:00 P.M.
September 25, 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 2:15 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
John Strickler	Board Member
David Slawson	Board Member
Ahmad Ansair	Board Member
Jamil Dada	Board Member

Absent:

None

Staff:

John Terell	Community & Economic Development Director
Rick Teichert	Financial & Administrative Services Director
Kathi Pierce	Board Secretary

Legal Representation:

David Balmer	Representative for Mark Huebsch - Successor Agency Counsel (Stradling, Yocca, Carlson & Rauth)
Jon Goetz	Oversight Board Counsel - KMTG (Kronick Moskovitz Tiedemann & Girard)

PUBLIC COMMENTS

No public comments

1. APPROVAL OF MINUTES

Motion to Approve Minutes of May 8, 2013 by m/Board Member Mays, s/Board Member Carlson (Approved by a vote of 7-0).

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 OR A MEMBER OF THE OVERSIGHT BOARD

RESOLUTION NO. OB 2013-04

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

Motion to Rescind the Mayors appointment of Henry Garcia to the Oversight Board and Adopt Resolution No. OB 2013-04 to appoint Ahmad Ansari, by m/Board Member Mays, s/Board Member Dada. (Approved by a vote of 7-0).

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

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

Rick Teichert, Chief Financial Officer provided background on Items #2 and #3, the loan agreements between the City of Moreno Valley and Successor Agency

Obtaining the finding of completion with the DOF allows us the ability to use the AB 1484 process to capture 50% of the funds that would go back into the tax

increment to repay some of the loans that were eliminated by ABx126. The more recent law, AB1484, allows us to reinstate these loans.

A detailed discussion between Board Members, Staff and Legal Counsel occurred regarding the calculation of the interest rate, the rules established by AB1484, and the structure of the loans within these rules. The attorneys provided their perspective and analysis, allowing for a complete discussion by Board Members.

Motion to approve Resolution OB 2013-05 as amended, with the condition that it is in compliance with the current applicable laws by m/Board Member Mays, s/Board Member Dada. (Approved by a vote of 7-0).

3. CONSIDERATION OF A RESOLUTION OF THE OVERSIGHT BAORD 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 VALEY ("SUCCESSOR AGENCY")

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

Rick Teichert, Chief Financial Officer provided background on the Public Works Agreement that was approved in 2005 specifically to improve Sunnymead Boulevard.

A repayment schedule has been created to work within the 50% limitation. There is no interest component to this agreement.

The bond payment for the 2005 Lease Revenue Bonds was denied by the DOF in ROPS 3. This agreement was voided by ABx126 and is brought back as an agreement allowed under AB1484.

A detailed discussion between Board Members, Legal Counsel, and Staff continued.

Motion to approve Resolution OB 2013-06 with the condition that it is in compliance with the current applicable laws by m/Board Member Mays, s/Board Member Dada (Approved by a vote of 7-0)

4. 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”)

RESOLUTION NO. 0B 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.

During the DOF review of ROPS3, the DOF directed staff to remove contracts expending 2007 TABS bond proceeds from the ROPS. The funds, with direction from the Successor Agency, were transferred to the City to complete the projects. The IRS audited this Bond issue and determined that IRS code section 149(9) was not met. Staff negotiated a settlement for the resolution of this issue in the amount of \$150,000. Because this payment was not on the ROPS, it could not immediately be paid by the Successor Agency. The IRS demanded immediate payment, which the City accomplished by loaning the funds and paying from the General Fund. Staff is asking for this amount to be repaid on ROPS 1314B.

David Balmer shared that the reasonable expectation of the IRS is that the bond proceeds will be expended within 5 years of their issuance. This is an Agency obligation.

Jon Goetz commented that this is a valid expenditure of funds and should be reimbursed through the property taxes. It clearly relates to an Agency Bond issuance. There are legal concerns and arguments.

Discussion was shared between the Oversight Board Members and Counsel and decided it reasonable to pay the debt.

Motion to approve Resolution OB 2013-07 by m/Board Member Dada, s/Vice Chair Carlson (Approved by a vote of 7-0)

5. 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.

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, 04, and Authorizing the Executive Director or his Designee to make Modifications thereto

Motion to approve Resolution OB 2013-08 by m/Board Member Dada, s/Board Member Mays with Board Member Strickler and Slawson abstaining. (Approved by a vote of 5-2-0)

6. CONSIDERATION OF A RESOLUTION ADOPTING AN ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY FOR JANUARY 1, 2014 THROUGH JUNE 30, 2014

RESOLUTION NO. OB 2013-09

A Resolution of the Oversight Board of the Successor Agency to the Moreno Valley Redevelopment Agency Adopting an Administrative Budget in the Amount of \$125,000 for the Successor Agency

Rick Teichert, Chief Financial Officer briefly described the item and asked the Board to approve the expenditures as detailed.

Motion to approve Resolution OB 2013-09 by m/Board Member Dada, s/Board Member Mays (Approved by a vote of 7-0)

ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 4:35 p.m. by unanimous informal consent.

NEXT MEETING

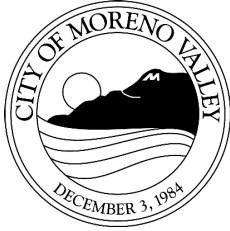
The next Meeting of the Oversight Board of the City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley is scheduled for November 13, 2013 from 2 – 4 p.m. in the Council Chamber.

Submitted by:

Board Secretary, Kathi Pierce

Approved by:

Chairman, Glenn Moss



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 C. Terell, Community & Economic Development Director

AGENDA DATE: November 13, 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 APPROVING A LONG RANGE PROPERTY MANAGEMENT PLAN

RECOMMENDED ACTION

Recommendation:

1. ADOPT RESOLUTION NO. OB 2013-10 APPROVING A LONG RANGE PROPERTY MANAGEMENT PLAN OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY; AND AUTHORIZING THE SUCCESSOR AGENCY TO TRANSMIT THE PROPERTY MANAGEMENT PLAN TO THE DEPARTMENT OF FINANCE FOR APPROVAL.

BACKGROUND

Health & Safety Code Section 34191.5(b) requires that, upon the Successor Agency's receipt of a "Finding of Completion" from the California Department of Finance pursuant

to Health & Safety Code Section 34179.7, the Successor Agency is to prepare a Long Range Property Management Plan (LRPMP)(see Attachment 2) for the former Agency's real property assets, that addresses the disposition and use of the real properties of the former redevelopment agency, and submit the approved LRPMP to the Oversight Board and the Department of Finance for approval, all within six months of the date of the Finding of Completion. The Finding of Completion has been received and the Successor Agency has prepared a LRPMP.

The LRPMP includes the only two properties held by the former Redevelopment Agency. Property One is two parcels that are improved with the Veteran's Memorial, the Conference and Recreation Center, and a parking area for the public facilities. Property Two is a vacant parcel of excess right of way created by the realignment of the I-215 freeway at Cactus Avenue. It is the recommendation of the Successor Agency that both parcels should be maintained by the City for governmental use. On November 12, 2013, the Successor Agency approved the LRPMP.

By this Resolution, the Oversight Board will approve the LRPMP in the form submitted by the Successor Agency, and authorize the Successor Agency to transmit the LRPMP to the Department of Finance for approval, all pursuant to Health & Safety Code Section 34191.5(b).

ALTERNATIVES

The alternatives available to the Oversight Board are:

1. Adopt a resolution approving the LRPMP in the form submitted by the Successor Agency, and authorize the Successor Agency to transmit the LRPMP to the Department of Finance for approval.
2. Adopt a resolution approving the LRPMP 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 2013-10

Attachment 2 – Long Range Property Management Plan

Prepared By:
Anochar Clark
Sr. Financial Analyst

Concurred By:
Richard Teichert
Chief Financial Officer

Department Head Approval:
John Terrell
Community & Economic Development
Director

RESOLUTION NO. OB 2013-10

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING A LONG RANGE PROPERTY MANAGEMENT PLAN

WHEREAS, prior to February 1, 2012, the Community Redevelopment Agency of the City of Moreno Valley (herein referred to as the "Former Agency") was a community redevelopment agency duly organized and existing under the California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.), and was 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, Assembly Bill x1 26, chaptered and effective on June 27, 2011, added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484, chaptered and effective on June 27, 2012 (together, the "Dissolution Act"); and

WHEREAS, as of February 1, 2012 the Former Agency was dissolved pursuant to the Dissolution Act and as a separate legal entity the City serves as the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley ("Successor Agency"); and

WHEREAS, the Successor Agency administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency's affairs, all subject to the review and approval by a seven-member oversight board ("Oversight Board"); and

WHEREAS, pursuant to Health & Safety Code Section 34191.5(b), upon the Successor Agency's receipt of a "Finding of Completion" from the California Department of Finance pursuant to Health & Safety Code Section 34179.7, the Successor Agency is required to prepare a long range property management plan ("Property Management Plan") for the Former Agency's real property assets and submit the approved Property Management Plan to the Oversight Board and the Department of Finance for approval, all within six months of the date of the Finding of Completion; and

WHEREAS, on May 24, 2013, pursuant to Health & Safety Code Section 34179.7, the Successor Agency received a Finding of Completion from the Department of Finance; and

WHEREAS, on November 12, 2013, pursuant to Health & Safety Code Section 34191.5(b), the Successor Agency approved the completed Property Management Plan and authorized the transmittal of the Property Management Plan to the Oversight Board and the Department of Finance for approval; and

1
Resolution No. OB 2013-10
Date Adopted: November 13, 2013

WHEREAS, by this Resolution, the Oversight Board desires to approve the Property Management Plan in the form submitted by the Successor Agency, and to authorize the Successor Agency to transmit said Property Management Plan to the Department of Finance for approval, all pursuant to Health & Safety Code Section 34191.5(b).

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 true and correct and constitute a substantive part of this Resolution.

Section 2. The Oversight Board hereby approves the Property Management Plan in the form submitted to the Oversight Board concurrently herewith and authorizes the Successor Agency to transmit said Property Management Plan to the Department of Finance for approval, all pursuant to Health & Safety Code Section 34191.5(b).

Section 3. This Resolution shall be effective immediately upon adoption.

Section 4. 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 13th day of November, 2013.

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

ATTEST:

Oversight Board Secretary

2
Resolution No. OB 2013-10
Date Adopted: November 13, 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- was duly and regularly adopted by the Board Members of the Successor Agency Oversight Board at a regular meeting thereof held on the 13th day of November, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

SECRETARY

Resolution No. OB 2013-10³
Date Adopted: November 13, 2013

ATTACHMENT 2

Successor Agency to the Community
Redevelopment Agency of the
City of Moreno Valley
Long Range Property Management Plan



November 2013

Successor Agency to the Community
Redevelopment Agency of the City of Moreno Valley
Long Range Property Management Plan

2013**Introduction**

Assembly Bill 1484, signed into law by the Governor makes substantial changes to the redevelopment agency dissolution process implemented by Assembly Bill 1X 26. One of the components of AB 1484 that each successor prepare and submit a Long Range Property Management Plan that governs the disposition and use of the non-housing properties of the former redevelopment agency. This document is the Long Range Property Management Plan (LRPMP) for the Successor Agency to the former Community Redevelopment Agency of the City of Moreno Valley.

Summary of Properties

At the time of passage of AB 1X 26, the Community Redevelopment Agency of the City of Moreno Valley (RDA) held title to two non-housing redevelopment agency properties; these are described in and are subject to the Long Range Property Management Plan.

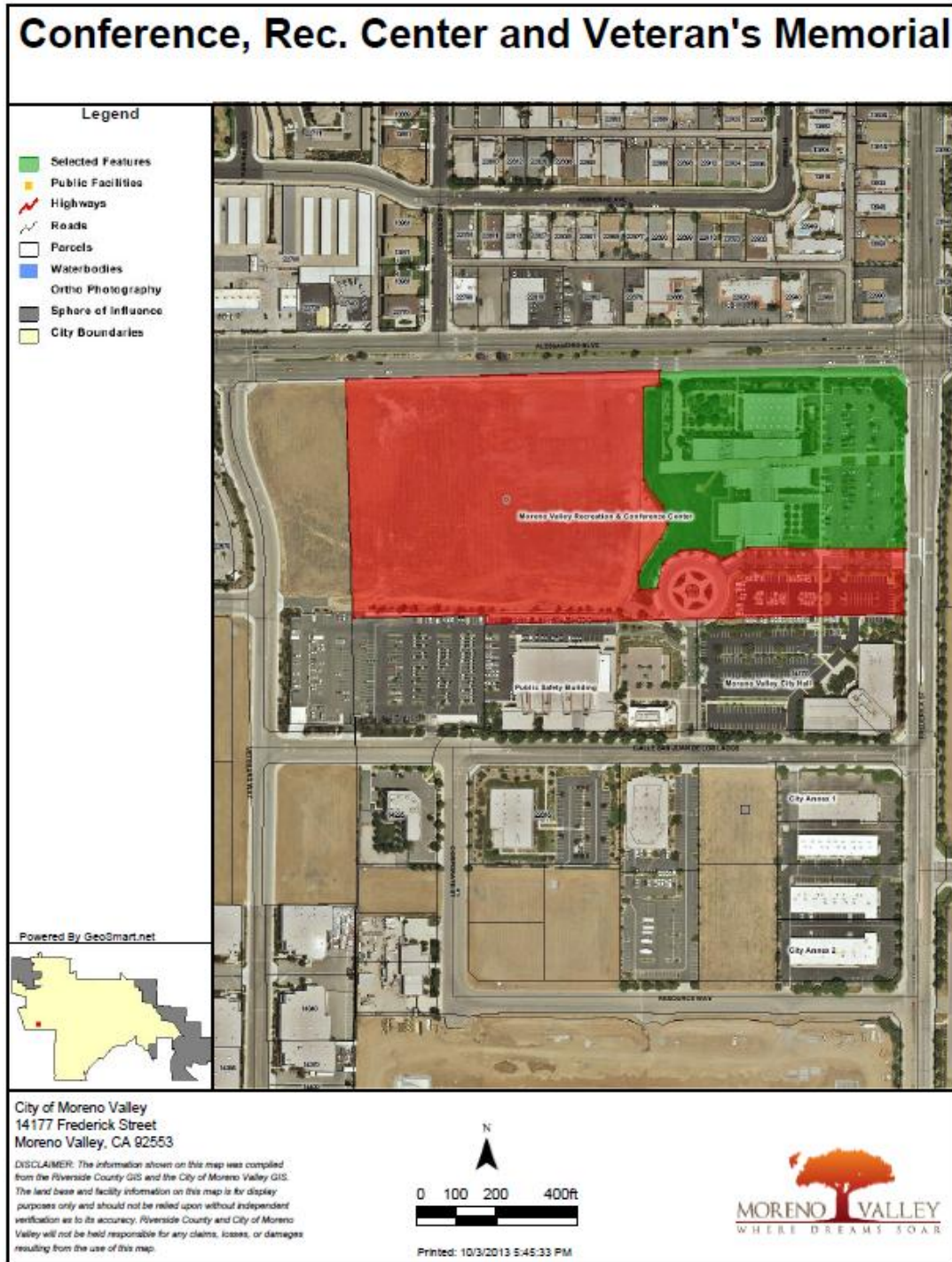
Property One is the Conference and Recreation Center and the Veteran's Memorial Plaza. Property Two is excess right of way which was relinquished to the City of Moreno Valley (City) by Caltrans after a freeway realignment project.

Successor Agency to the Community
Redevelopment Agency of the City of Moreno Valley
Long Range Property Management Plan

2013

Property One – The Conference and Recreation Center Property

Assessor's Parcel 297-140-046 is shown in red and 297-140-047 is shown in green



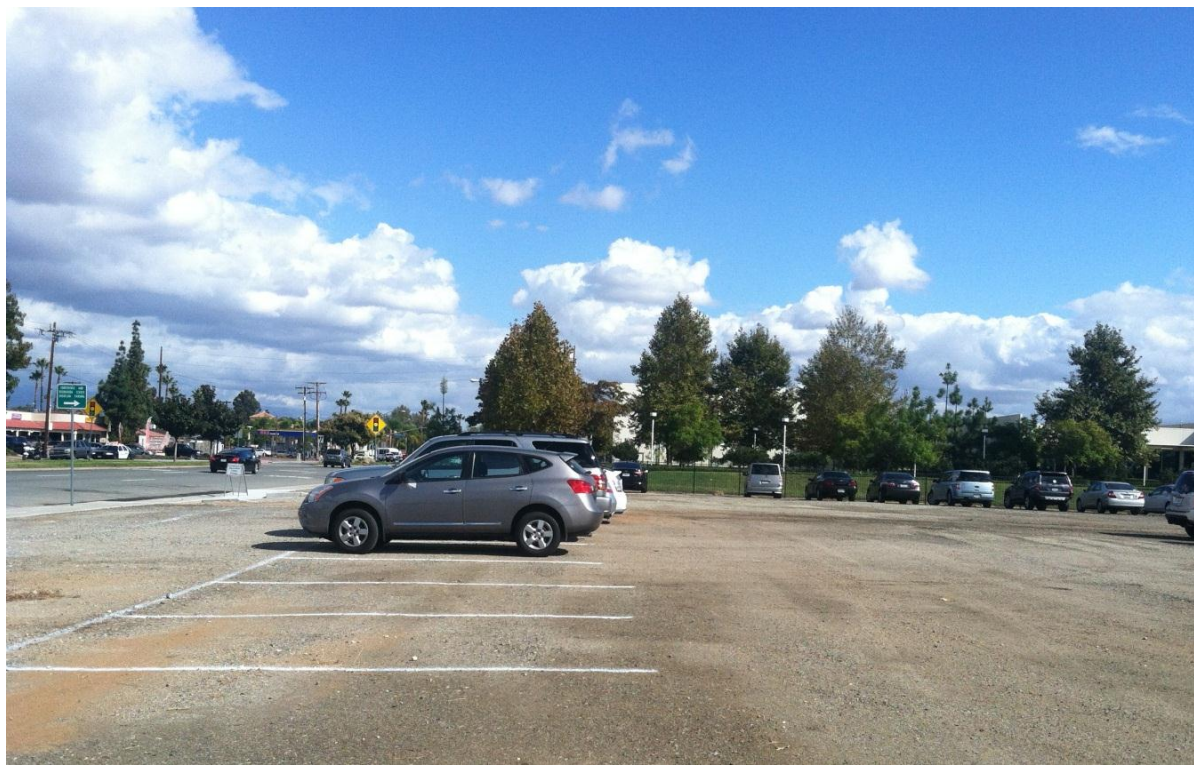
Successor Agency to the Community
Redevelopment Agency of the City of Moreno Valley
Long Range Property Management Plan

2013



Successor Agency to the Community
Redevelopment Agency of the City of Moreno Valley
Long Range Property Management Plan

2013



Successor Agency to the Community
Redevelopment Agency of the City of Moreno Valley
Long Range Property Management Plan

2013

1. Date of Acquisition and its value at that time and an estimate of current value.

The entire City Government Center Site was acquired by the City in 1994. Of the cumulative 32 acre site acquisition, 18.64 acres represented Assessor's Parcels 297-140-046 and 297-140-047 (Property One). Property One was acquired by the City in 1994 and was transferred to the Redevelopment Agency in 2005 as part of a financing plan. However, as part of the review of the Recognized Obligation Payment Schedule (ROPS) in 2012, the Department of Finance rejected the request by the Successor Agency for the payments from the Redevelopment Property Tax Increment Fund moneys with respect to the purchase of the Property One. Based on the City's purchase price in 1994 of \$4,150,000 for the entire site, the value of Property One at acquisition was \$1,632,000 (based upon pro rata share of the total square footage acquired in 1994). Subsequent to the 1994 acquisition, Property One has been improved with the construction of the Conference and Recreation Center (42,413 sq. ft.) along with the Veteran's Memorial Plaza. There has been no appraisal of the property's current value since the property improvements were made.

2. Purpose for which the property was acquired.

The City was incorporated in December of 1984 and for the first 10 years of operation City Hall and various other City offices consisted of rented space in several locations within the City. In 1994, Property One, along with the other adjoining parcels, was acquired for the purpose of development of a governmental center for the City. The Center comprises City Hall, the Public Safety Building, the Emergency Operations Center, Conference and Recreation Center and the Veteran's Memorial Plaza. City Hall was the first building to be constructed, followed by the Public Safety Building. The Conference and Recreation Center, which occupies a portion of Property One was completed in 2005 and title to Assessor's Parcels 297-140-046 and 297-140-047 was transferred to the Redevelopment Agency as a part of the financing plan (See Exhibit 1 Resolution RDA No. 2005-4 attached). The Veteran's Memorial Plaza was the most recent project within Property One to be completed. Property One is slated to include a library as part of the City Government Center.

Successor Agency to the Community
Redevelopment Agency of the City of Moreno Valley
Long Range Property Management Plan

2013

3. Parcel data for the property, including address, lot size and current zoning.

This property is Assessor's Parcel Numbers 297-140-046 and 297-140-047. The address of the Conference and Recreation Center is 14075 Frederick Street, Moreno Valley. The property is 18.64 acres and is currently zoned "Office". All uses on Property One are governmental uses.

4. Estimated current Value of the parcel including any appraisal data.

There is no current appraisal of Property One. The 32 acre site, including Property One, was purchased in 1994 for the development of the City Government Center for Moreno Valley. The value is assumed to have increased since purchase.

5. Estimate any lease, rental, or other revenue generated by the property and a description of the contractual requirements for the disposition of those revenues

Property One is currently used for governmental purposes and generates revenue to offset a small portion of operation and maintenance costs.

6. History of environmental contamination or remediation efforts.

The City has no knowledge of any environmental contamination with respect to Property One.

7. Description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency.

Property One is currently served by the Riverside Transit Authority and there are currently no plans for a transit oriented development. The City plans to develop a library on a portion of Property One to serve the public and to complement the existing public uses of the property.

Successor Agency to the Community
Redevelopment Agency of the City of Moreno Valley
Long Range Property Management Plan

2013

8. A brief history of previous development proposals and activities, including the rental or Lease of the property.

Since the property was acquired for governmental uses, the City has not sought private development proposals for Property One.

9. Identify the use or disposition strategy of the property.

Property One will be retained by the City for governmental use.

10. Outline your disposition strategy for this property.

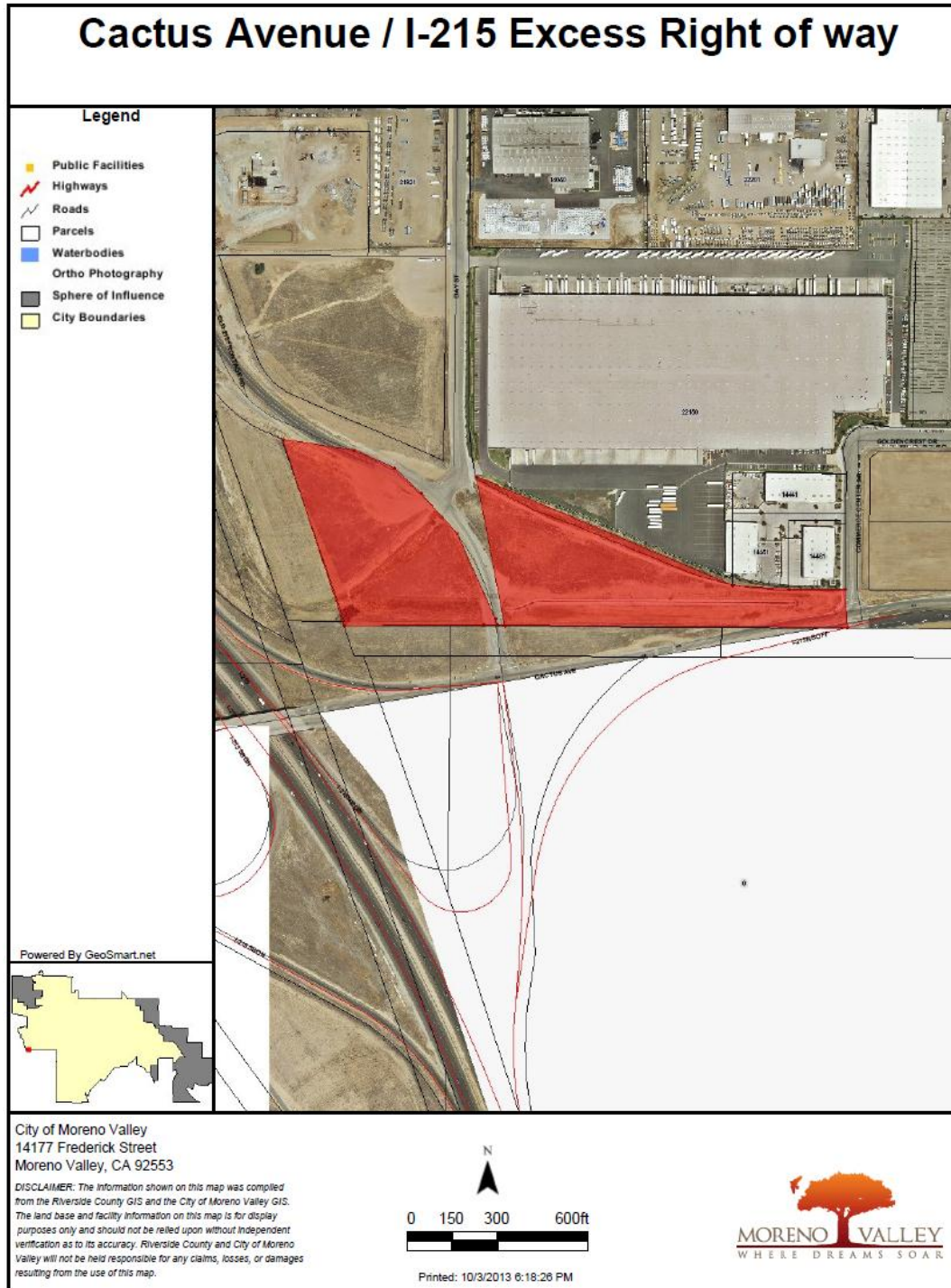
Property One will be retained by the City for governmental use.

Property One will revert back to City ownership due to the Successor Agency's default of the payments for the purchase of the property as a result of the DOF's denial of these payments on the ROPS. In addition, given the governmental use of Property One, Property One shall be retained by the City for the continued governmental use.

Successor Agency to the Community
Redevelopment Agency of the City of Moreno Valley
Long Range Property Management Plan

2013

Property Two – The Cactus / 215 Right of Way



Successor Agency to the Community
Redevelopment Agency of the City of Moreno Valley
Long Range Property Management Plan

2013



Successor Agency to the Community
Redevelopment Agency of the City of Moreno Valley
Long Range Property Management Plan

2013

1. Date of Acquisition and its value at that time and an estimate of current value.

There is no current appraisal of Property Two. Property Two is an oddly shaped parcel of excess right of way. The value of Property Two is severely impacted by its current use as a street right-of-way and by the Air Installation Compatible Use Zone which covers the entire property and restricts the height and type of improvement allowed as well as its irregular shape and access constraints. The property was originally acquired by the City through relinquishment by Caltrans and was inadvertently transferred from the City of Moreno Valley to the RDA. There was no value assigned to the parcel when it was relinquished to the City.

2. Purpose for which the property was acquired.

Property Two was relinquished by Caltrans; this occurs when a state highway has been realigned or built on an alignment that is different than the existing alignment making the old alignment redundant. Those local streets and roads that were built or modified during the course of a state highway project and are no longer needed for the State Highway System are relinquished to the appropriate local agency. The City accepted the relinquishment with the intent to hold the property for future right of way.

3. Parcel data for the property, including address, lot size and current zoning.

There is no Assessor's Parcel Number since Property Two was never assessed for tax purposes. Property Two was used as public right of way and no zoning designation was made. The property is 16.92 acres.

4. Estimated current Value of the parcel including any appraisal data.

The value of Property Two is severely impacted by its current use as a street right-of-way and by the Air Installation Compatible Use Zone which covers the entire property and restricts the height and type of improvement allowed. In addition, the property abuts Interstate Highway 215, access rights are restricted. Property Two is irregularly shaped, as well. The Caltrans relinquishment was done at no value.

Successor Agency to the Community
Redevelopment Agency of the City of Moreno Valley
Long Range Property Management Plan

2013

5. Estimate any lease, rental, or other revenue generated by the property and a description of the contractual requirements for the disposition of those revenues.

The severe use restrictions on Property Two make any revenue generation impossible.

6. History of environmental contamination or remediation efforts.

The City has no knowledge of any environmental contamination of Property Two.

7. Description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency.

The March Air Reserve Base Air Installation Compatible Use Zone which covers the entire property and restricts the height and type of improvement allowed. These restrictions make any development of Property Two difficult. The City plans to use Property Two to widen or reconfigure adjacent roadways in the area should that be necessary.

8. A brief history of previous development proposals and activities, including the rental or Lease of the property.

No private development proposals have been sought as to Property Two.

9. Identify the use or disposition strategy of the property.

Retain for governmental use.

10. Outline your disposition strategy for this property.

Property Two will be retained by the City for governmental use (per item 7 above).

Successor Agency to the Community
Redevelopment Agency of the City of Moreno Valley
Long Range Property Management Plan

EXHIBIT 1

RESOLUTION NO. RDA 2005-04

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY APPROVING AND AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH THE CITY OF MORENO VALLEY AND MAKING CERTAIN FINDINGS IN CONNECTION WITH THE PROVISION OF PUBLIC IMPROVEMENTS AND AUTHORIZING SUCH IMPROVEMENTS IN CONNECTION THEREWITH

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley (the "Agency") is a duly constituted redevelopment agency and is undertaking certain activities necessary for redevelopment under the provisions of the California Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.) and pursuant to the Redevelopment Plan (the "Plan") for the Moreno Valley Redevelopment Project, which is sometimes referred to as Project No. 1 (the "Project"); and

WHEREAS, from time to time in connection with the implementation of the Project, the Agency acquires interests in property; and

WHEREAS, the City desires to sell and, subject to the City's commitment to undertake certain improvements, the Agency desires to purchase certain real property described in Exhibit "1" to the Purchase Agreement submitted herewith as Attachment A (which real property is referred to below as the "Property"); and

WHEREAS, the improvements to be provided by the City on the Property (the "Improvements") are described in Exhibit "2" to the Purchase Agreement as submitted herewith as Attachment No. A; and

WHEREAS, 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"); and

WHEREAS, each of the City Council of the City of Moreno Valley and the governing board of the Agency has determined that the public health and safety will be promoted by the provision of the Improvements; and

WHEREAS, the Improvements are located in and would be of benefit to the Project Area; and

WHEREAS, the City and the Agency have proposed to and desire to enter into an agreement (the "Purchase and Sale Agreement") in the form submitted herewith; and

WHEREAS, without amending, limiting, or modifying any prior agreements between the City and the Agency ("Prior Agreements") and the ongoing effectiveness of such Prior Agreements, which shall remain in effect according to their terms for the greatest time legally allowable, the Agency and the City desire to approve the Purchase and Sale Agreement; and

Successor Agency to the Community
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WHEREAS, the Agency has the general purpose of redevelopment and the elimination of blight and the provision of public facilities as set forth in the Plan; and

WHEREAS, pursuant to Health and Safety Code Section 33445, the Agency is authorized, as provided in its redevelopment plan, to assist in the installation and construction of public improvements within the Project Area of the Project (the "Project Area"); and

WHEREAS, Section 33445 provides, in part, that notwithstanding Section 33440, an agency may, with the consent of the legislative body, pay all or part of the value of the land for and the cost of the installation and construction of any building, facility, structure, or other improvement which is publicly owned either within or without the project area, if the legislative body determines:

"(1) That the buildings, facilities, structures, or other improvements are of benefit to the project area or the immediate neighborhood in which the project is located, regardless of whether the improvement is within another project area, or in the case of a project area in which substantially all of the land is publicly owned that the improvement is of benefit to an adjacent project area of the agency.

(2) That no other reasonable means of financing the buildings, facilities, structures, or other improvements, are available to the community.

(3) That the payment of funds for the acquisition of land or the cost of buildings, facilities, structures, or other improvements will assist in the elimination of one or more blighting conditions inside the project area or provide housing for low- or moderate-income persons, and is consistent with the implementation plan adopted pursuant to Section 33490."; and

WHEREAS, the Agency desires to proceed to support the construction and provision of the Improvements by provision of the costs thereof as part of the purchase price for the Property; and

WHEREAS, the Agency and the City of Moreno Valley (the "City") have explored all possible funding sources for the Improvements, including federal, state, and local sources, and the efforts of private property owners and developers; and

WHEREAS, the City has sought to obtain from private property owners and developers resources to provide for provision of the Improvements; and

WHEREAS, there are no other reasonable means available to the Agency and the City to finance the Improvements other than Agency funds; and

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WHEREAS, the Agency has reviewed evidence, including both oral testimony and writings, in connection with this matter, and has determined that the foregoing recitals, and each of them, are true and correct, and further has determined that the provision of the Improvements is in the best interests of the Agency and the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable State and local law requirements.

NOW, THEREFORE, THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY DOES RESOLVE AS FOLLOWS:

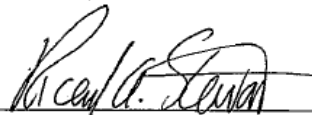
Section 1. The Agency finds and determines that: (i) the provision of the Improvements is of benefit to the Project Area and the neighborhood in which such Improvements are to be situated; (ii) no other reasonable means of financing the Improvements are available to the community; (iii) the payment by Agency of funds for the Improvements will assist in the elimination of one or more blighting conditions within the Project Area and is consistent with the adopted implementation plan; and (iv) the purchase price for the Property as set forth in the Purchase and Sale Agreement is fair and reasonable and represents the fair market value of the Property taking into account the value of the land and the cost of the Improvements.

Section 2. The Agency authorizes and directs the Chairperson to execute on behalf of the Agency the Purchase and Sale Agreement. The Agency further authorizes and directs staff to take all actions necessary and appropriate to implement the participation by the Agency pursuant to the Purchase and Sale Agreement, including without limitation the payment of the "City/Agency Price" (as defined in the Purchase and Sale Agreement) and the execution of a deed acceptance for the Property.

(Signature page follows)

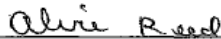
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Redevelopment Agency of the City of Moreno Valley
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APPROVED AND ADOPTED this 26th day of April, 2005.



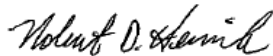
Mayor of the City of Moreno Valley,
Acting in the capacity of Chairperson of the
Community Redevelopment Agency of the
City of Moreno Valley

ATTEST:



City Clerk, acting in the capacity of
Secretary of the Community
Redevelopment Agency of the
City of Moreno Valley

APPROVED AS TO FORM:



City Attorney, acting in the capacity
of General Counsel of the Community
Redevelopment Agency of the
City of Moreno Valley

Successor Agency to the Community
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RESOLUTION JURAT

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

I, ALICE REED, Secretary of the Community Redevelopment Agency of the City of Moreno Valley, California, do hereby certify that RDA Resolution No. 2005-04 was duly and regularly adopted by the Agency Members of the Community Redevelopment Agency of the City of Moreno Valley at a regular meeting thereof held on the 26th day of April, 2005 by the following vote:

- AYES: Agencymembers Flickinger, West, and White
- NOES: None
- ABSENT: Agencymember Batey and Chairman Stewart
- ABSTAIN: None

Alice Reed
SECRETARY

(SEAL)

Resolution No. RDA 2005-04
Adopted April 26, 2005

Successor Agency to the Community
Redevelopment Agency of the City of Moreno Valley
Long Range Property Management Plan

ATTACHMENT A

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT, dated as of April 26, 2005, by and between the COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY, a redevelopment agency and public body, corporate and politic, organized and existing under and by virtue of the laws of the State of California (the "Agency"), as buyer, and the CITY OF MORENO VALLEY, a municipal corporation organized and existing under and by virtue of the laws of the State of California (the "City"), as seller;

WHEREAS, the City desires to sell certain real property which is more particularly described in Exhibit "1" hereto (the "Property") to the Agency, and the Agency desires to purchase such Property from the City; and

WHEREAS, the City has agreed to improve the Property with "Improvements" as more particularly described in Exhibit "2" hereto, and the price for the Property takes into account such Improvements; and

WHEREAS, the ownership by the Agency of the Property is essential to the implementation of the Redevelopment Plan for the Moreno Valley Redevelopment Project, as heretofore amended (the "Redevelopment Plan") and the implementation plan adopted pursuant thereto; and

WHEREAS, the Agency intends to use the Property for its governmental purposes; and

WHEREAS, the City agrees to convey and the Agency agrees to accept conveyance of the Property; and

WHEREAS, the Agency and the City have mutually arrived at a price for the Property based upon the current value of the Property plus the cost of the Improvements; and

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants hereinafter contained the parties hereby agree as follows:

Section 1. Sale of the Property. The City agrees to sell and the Agency agrees to purchase the Property for the amount of Fourteen Million Two Hundred Three Thousand Nine Hundred Forty Six Dollars (\$14,203,946) (the "City/Agency Price"). The conveyance shall be completed as soon as reasonably practicable following the approval by the parties of this Agreement. The Agency consents that the City shall have access to the Property, following the conveyance by the City to the Agency, for the purpose of the City providing the Improvements.

The City agrees to proceed with diligence to complete the Improvements. The City further agrees to defend, indemnify and hold harmless the Agency from and against

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any claims, losses, demands, suits or liabilities arising from the construction of the Improvements.

Section 2. Payment; Pledge of Agency Tax Increment Revenues. The Agency shall provide an initial payment of Two Million Seven Hundred Thousand Dollars (\$2,700,000) on or before the thirtieth (30th) day following the conveyance of the Property by the City to the Agency. Payment of the remainder of the Purchase Price shall be made based upon the availability of Agency funds, and is expected to be accomplished in the manner described in Exhibit "3" hereto; provided that the City may, upon ninety (90) days notice, accelerate the Agency's obligation to make payment of the remaining portion of the Purchase Price at any time. The obligation of the Agency to make payments under the Purchase and Sale Agreement shall constitute a pledge of tax increment revenues received by the Agency pursuant to Section 33670(b) of the California Health and Safety Code, within the meaning of Section 19 of Article XIII of the California Constitution and Sections 33670-33677 of the California Health and Safety Code, subject only to the lien of publicly-sold bonds issued prior to October 1, 2002 (and to publicly-sold bonds which refund such bonds so issued).

The obligation of the Agency shall bear interest until paid in full at the rate of twelve percent (12%) per annum, simple interest, or, if lower, the maximum interest rate that may lawfully be paid by a redevelopment agency as may from time to time be revised.

Section 3. Title; Grant Deed. Conveyance shall be effected by grant deed which shall be recorded among the official land records of the County Recorder of the County of Riverside. The grant deed shall be substantially in the form of Exhibit "4" hereto. The Agency assumes the obligation to pay all costs associated with the conveyance of title, including without limitation the obtaining of title insurance.

Section 4. Obligation to Refrain from Discrimination. There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the City, nor shall the Agency itself or any person claiming under or through it established or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use of occupancy of tenants, lessees, subtenants, sublessees, or vendees of the City or any portion thereof.

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Redevelopment Agency of the City of Moreno Valley
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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, all as of the date first above written.

CITY OF MORENO VALLEY

By: _____
Mayor

[SEAL]

Attest:

City Clerk

COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF MORENO VALLEY

By: _____
Chairman

[SEAL]

Attest:

Agency Secretary

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PURCHASE AND SALE AGREEMENT

THIS AGREEMENT, dated as of April 26, 2005, by and between the COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY, a redevelopment agency and public body, corporate and politic, organized and existing under and by virtue of the laws of the State of California (the "Agency"), as buyer, and the CITY OF MORENO VALLEY, a municipal corporation organized and existing under and by virtue of the laws of the State of California (the "City"), as seller;

WHEREAS, the City desires to sell certain real property which is more particularly described in Exhibit "1" hereto (the "Property") to the Agency, and the Agency desires to purchase such Property from the City; and

WHEREAS, the City has agreed to improve the Property with "Improvements" as more particularly described in Exhibit "2" hereto, and the price for the Property takes into account such Improvements; and

WHEREAS, the ownership by the Agency of the Property is essential to the implementation of the Redevelopment Plan for the Moreno Valley Redevelopment Project, as heretofore amended (the "Redevelopment Plan") and the implementation plan adopted pursuant thereto; and

WHEREAS, the Agency intends to use the Property for its governmental purposes; and

WHEREAS, the City agrees to convey and the Agency agrees to accept conveyance of the Property; and

WHEREAS, the Agency and the City have mutually arrived at a price for the Property based upon the current value of the Property plus the cost of the Improvements; and

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants hereinafter contained the parties hereby agree as follows:

Section 1. Sale of the Property. The City agrees to sell and the Agency agrees to purchase the Property for the amount of Fourteen Million Two Hundred Three Thousand Nine Hundred Forty Six Dollars (\$14,203,946) (the "City/Agency Price"). The conveyance shall be completed as soon as reasonably practicable following the approval by the parties of this Agreement. The Agency consents that the City shall have access to the Property, following the conveyance by the City to the Agency, for the purpose of the City providing the Improvements.

The City agrees to proceed with diligence to complete the Improvements. The City further agrees to defend, indemnify and hold harmless the Agency from and against any claims, losses, demands, suits or liabilities arising from the construction of the Improvements.

Section 2. Payment; Pledge of Agency Tax Increment Revenues. The Agency shall provide an initial payment of Two Million Seven Hundred Thousand Dollars (\$2,700,000) on or before the thirtieth (30th) day following the conveyance of the Property by the City to the Agency.

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Payment of the remainder of the Purchase Price shall be made based upon the availability of Agency funds, and is expected to be accomplished in the manner described in Exhibit "3" hereto; provided that the City may, upon ninety (90) days notice, accelerate the Agency's obligation to make payment of the remaining portion of the Purchase Price at any time. The obligation of the Agency to make payments under the Purchase and Sale Agreement shall constitute a pledge of tax increment revenues received by the Agency pursuant to Section 33670(b) of the California Health and Safety Code, within the meaning of Section 19 of Article XIII of the California Constitution and Sections 33670-33677 of the California Health and Safety Code, subject only to the lien of publicly-sold bonds issued prior to October 1, 2002 (and to publicly-sold bonds which refund such bonds so issued).

The obligation of the Agency shall bear interest until paid in full at the rate of twelve percent (12%) per annum, simple interest, or, if lower, the maximum interest rate that may lawfully be paid by a redevelopment agency as may from time to time be revised.

Section 3. Title; Grant Deed. Conveyance shall be effected by grant deed which shall be recorded among the official land records of the County Recorder of the County of Riverside. The grant deed shall be substantially in the form of Exhibit "4" hereto. The Agency assumes the obligation to pay all costs associated with the conveyance of title, including without limitation the obtaining of title insurance.

Section 4. Obligation to Refrain from Discrimination. There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the City, nor shall the Agency itself or any person claiming under or through it established or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use of occupancy of tenants, lessees, subtenants, sublessees, or vendees of the City or any portion thereof.

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Successor Agency to the Community
Redevelopment Agency of the City of Moreno Valley
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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, all as of the date first above written.

CITY OF MORENO VALLEY

By: *Robert G. Stewart*
Mayor

[SEAL]

Attest:

Alice Reed
City Clerk

COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF MORENO VALLEY

By: *Robert G. Stewart*
Chairman

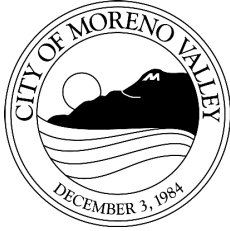
[SEAL]

Attest:

Alice Reed
Agency Secretary

CITY ATTORNEY
Approved as to Form

By: *Robert O. Hirsch* *5/24/05*
Date



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

TO: Members of the Board

FROM: Rick Teichert, Chief Financial Officer

AGENDA DATE: November 13, 2013

TITLE: CONSIDERATION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY TO RATIFY RESOLUTION NO. RDA 2011-01, WHICH WAS APPROVED BY THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY'S ACTIONS ON MARCH 8, 2011.

RECOMMENDED ACTION

Recommendation:

1. CONSIDERATION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY TO RATIFY RESOLUTION NO. RDA 2011-01, WHICH WAS APPROVED BY THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY'S ACTIONS ON MARCH 8, 2011.

BACKGROUND

The Community Redevelopment Agency of the City of Moreno Valley (Agency) issued tax exempt tax allocation bonds as Series A in 2007 in the amount of \$43,495,000 to fund a number of infrastructure and capital projects in the City's redevelopment area. In addition, the Agency structured taxable tax allocation bonds as Series B in the amount of \$22,500,000. The City of Moreno Valley (City) General Fund purchased 100% of the Series B bond issue with the funds invested in the City's investment pool pending the public sale of the bonds in the future. The bonds were intended to be sold publicly when tax increment was available through growth in property tax increment revenue or pending a lawsuit with the County of Riverside over a tax increment pass through agreement. The General Fund was to be reimbursed when the bonds were sold to the public.

Unfortunately, the lawsuit was resolved in the County's favor. The economy also turned negative causing property tax increment to decrease for several years. The City's General Fund also required the funds for cash flow purposes to maintain adequate liquidity in the General Fund. In light of those factors, the Agency redeemed the bonds and returned the amount of \$22,500,000 to the City's General Fund. On March 8, 2011 the City and the Agency approved Resolution 2011-20 and RDA Resolution 2011-01, respectively. These resolutions effectively authorized and approved the redemption of the subordinate 2007 Series B, taxable tax allocation bonds.

DISCUSSION

Health & Safety Code Section 34177(i) states that "...bond proceeds shall be used for the purposes for which bonds were sold unless the purposes can no longer be achieved, in which case, the proceeds may be used to defease the bonds.'

On March 8, 2011, the actions by the City and the Agency effectively defeased the subordinate 2007 Series B, taxable tax allocation bonds.

The proposed actions by the Oversight Board shall accept and ratify the prior actions by the Agency, following the amendments to the Health & Safety Codes.

ALTERNATIVES

The alternatives available to the Oversight Board are:

1. Consideration of the Oversight Board to the Successor Agency to the Community Redevelopment Agency of the City of Moreno Valley to ratify Resolution No. RDA 2011-01, which was approved by the Community Redevelopment Agency of the City of Moreno Valley's actions on March 8, 2011.
2. Provide staff with alternative direction.

ATTACHMENTS

Attachment 1 – March 8, 2011 Staff Report

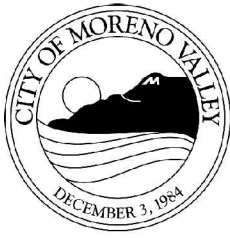
Attachment 2 – Resolution 2011-20

Attachment 3 – Resolution RDA 2011-01

Prepared By:
Marshall Eyerman
Budget Officer

Department Head Approval:
Richard Teichert
Chief Financial Officer

Concurred By:
John Terell
Community & Economic Development Director



APPROVALS	
BUDGET OFFICER	<i>caf</i>
CITY ATTORNEY	<i>RAH</i>
CITY MANAGER	<i>ms</i>

Report to City Council

TO: Mayor and City Council and Chairman and Members of the Board of Directors of the Community Redevelopment Agency of the City of Moreno Valley

FROM: Richard Teichert, Financial and Administrative Services Director

AGENDA DATE: March 8, 2011

TITLE: ADOPTION OF RESOLUTIONS APPROVING THE REDEMPTION OF 2007 TAXABLE TAX ALLOCATION BONDS, SERIES B

RECOMMENDED ACTION

Staff recommends that:

1. The City Council adopt Resolution No. 2011-20 approving the redemption of Moreno Valley Redevelopment Agency 2007 taxable tax allocation bonds in the amount of \$22,500,000; and
2. The City Council acting in the capacity as Chairman and Members of the Board of Directors of the Community Redevelopment Agency of the City of Moreno Valley adopt Resolution No. RDA 2011- 01 approving the redemption of Moreno Valley Redevelopment Agency 2007 taxable tax allocation bonds in the amount of \$22,500,000.

BACKGROUND

The City of Moreno Valley Redevelopment Agency (Agency) issued tax exempt tax allocation bonds as Series A in 2007 in the amount of \$43,495,000 to fund a number of infrastructure and capital projects in the City's redevelopment area. In addition, the Agency structured taxable tax allocation bonds as Series B in the amount of \$22,500,000. The City of Moreno Valley (City) General Fund purchased 100% of the Series B bond issue with the funds invested in the City's investment pool pending public sale of the bonds in the future. The bonds were intended to be sold publicly when tax increment was available through growth in property tax increment revenue or pending a

lawsuit with the County over a tax increment pass through agreement. The General Fund was to be reimbursed when the bonds were sold to the public.

DISCUSSION

Unfortunately, the lawsuit has been resolved in the County's favor. The economy also turned negative causing property tax increment to decrease for several years. At this time, the City's General Fund requires the funds for cash flow purposes to maintain adequate liquidity in the General Fund. In light of these factors, it is now appropriate for the Agency to redeem the bonds and return the amount of \$22,500,000 to the City's General Fund. The proposed draft of the three year Deficit Elimination Plan relies on this funding being returned to the General Fund to maintain required fund balances for the duration of the plan.

ALTERNATIVES

1. Adopt the proposed resolution approving the redemption of Moreno Valley Redevelopment Agency 2007 taxable tax exempt bonds in the amount of \$22,500,000.
2. Do not adopt the proposed resolution and provide staff with further direction. This option risks that the funds may not be returned within a reasonable timeframe when needed for cash flow. The delays could be caused by the Governor's proposed plan to eliminate redevelopment agencies.

FISCAL IMPACT

Redemption of the RDA Series B bonds is integral in the City's Deficit Elimination Plan to balance the City's General Fund. The \$22,500,000 in funding shall be used to support City services during the three year plan period and provides the necessary \$14,000,000 in minimum fund balance at the end of the three year period. The City will be forced to make dramatic cuts much sooner than it is prepared to and sooner than is prudent for providing a managed reduction in City services.

CITY COUNCIL GOALS

Revenue diversification and preservation and Public Safety.

SUMMARY

The intent that was present when the 2007 taxable tax allocation bonds were issued is no longer economically viable. The tax increment revenue from the Agency does not exist to support a public sale of these bonds. It is in the best interest of the City and the Agency to redeem the \$22,500,000 in bonds and reimburse the City General Fund as quickly as possible.

NOTIFICATION

Publication of the agenda

ATTACHMENTS/EXHIBITS

Exhibit A – Proposed resolution of the City Council the City of Moreno Valley authorizing and approving the redemption of its Moreno Valley Redevelopment Project, subordinate 2007 taxable tax allocation bonds and making certain determinations and approvals in connection therewith.

Exhibit B – Proposed resolution of the Community Redevelopment Agency of the City of Moreno Valley authorizing and approving the redemption of its Moreno Valley Redevelopment Project, subordinate 2007 taxable tax allocation bonds and making certain determinations and approvals in connection therewith.

Prepared By:
Richard Teichert
Financial and Administrative Services Director

Concurred By:
Michelle Dawson
Acting Assistant City Manager

Council Action	
Approved as requested:	Referred to:
Approved as amended:	For:
Denied:	Continued until:
Other:	Hearing set for:

RESOLUTION NO. 2011-20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY REQUESTING, AUTHORIZING AND APPROVING THE REDEMPTION OF COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY, MORENO VALLEY REDEVELOPMENT PROJECT, SUBORDINATE 2007 TAXABLE TAX ALLOCATION BONDS AND MAKING CERTAIN DETERMINATIONS AND APPROVALS IN CONNECTION THEREWITH

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley (the "Agency") is a redevelopment agency duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the Community Redevelopment Law (Part 1 of Division 24 (commencing with Section 33000) of the Health and Safety Code of the State of California) and the powers of the Agency include the power to issue bonds for any of its corporate purposes;

WHEREAS, a Redevelopment Plan known as the "Moreno Valley Redevelopment Project" has been adopted and approved by ordinance of the City of Moreno Valley (the "City"), and all requirements of law for and precedent to the adoption and approval of said Redevelopment Plan have been duly complied with;

WHEREAS, the Agency authorized and issued its \$43,495,000 Community Redevelopment Agency of the City of Moreno Valley, 2007 Tax Allocation Refunding Bonds, Series A (Moreno Valley Redevelopment Project)(the "2007A Bonds") by its Resolution No. RDA 2007-11 dated October 23, 2007. No change or action with respect to the 2007A Bonds is intended or effected by this Resolution;

WHEREAS, the Agency, in addition, authorized and issued its \$22,500,000 Community Redevelopment Agency of the City of Moreno Valley, Subordinate 2007 Taxable Tax Allocation Bonds (the "2007B Bonds") by its Resolution No. RDA 2007-12 dated October 23, 2007 and pursuant to an Indenture of Trust by and between the Agency and the City dated as of October 1, 2007 relating to the 2007B Bonds (the "2007B Indenture");

WHEREAS, the City, which purchased and has owned the 2007B Bonds continuously since the 2007B Bonds were issued by Agency, desires that the 2007B Bonds be redeemed at this time and has requested that the Agency redeem the 2007B Bonds immediately upon approval of this Resolution;

WHEREAS, the City has a substantial, immediate need for funds that will be addressed, in part, by redemption of the 2007B Bonds at this time;

WHEREAS, the Agency is amenable to the redemption of the 2007B Bonds by repayment by Agency to City of all amounts outstanding under the 2007B Bonds (namely, the sum of \$22,500,000)(the "Redemption Amount");

WHEREAS, the 2007B Indenture provides, in part, in Section 2.3(a), that the 2007B Bonds are subject to redemption at the option of the Agency from any available source of funds on any date prior to maturity at a price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium;

WHEREAS, under Section 2.3(a) of the 2007B Indenture, the Agency is to give the trustee, as designated therein (the "City" or the "Trustee") written notice of its intention to redeem 2007B Bonds at least 60 days prior to the date fixed for such redemption. Such notice requirement can be waived by the City, as trustee, and the City hereby waives such requirement;

WHEREAS, under Section 2.3(b) of the 2007B Indenture, the Trustee shall mail notice of redemption at least 30 days prior to the redemption date to (i) Owners of any 2007B Bonds, and (ii) the Securities Depositories and to one or more Information Services designated in a Request of the Agency (as such capitalized terms are defined in the 2007B Indenture). Section 2.3(b) also provides that "that such mailing shall not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein shall affect the validity of the proceedings for the redemption of such 2007B Bonds or the cessation of the accrual of interest thereon." The 2007B Indenture further provides that the Agency and the City, as owner of 100% of the 2007B Bonds, may amend the 2007B Indenture.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY RESOLVES:

1. The foregoing recitals are true and correct.
2. The City, as Owner of 100% of the 2007B Bonds and as Trustee under the 2007B Indenture, hereby requests, authorizes and directs the redemption of the 2007B Bonds, effective as of the date hereof, provided that the Agency, as issuer, consents thereto. By this Resolution, the City, both as Owner of 100% of the 2007B Bonds and as Trustee under the 2007B Indenture, acknowledges receipt of notice of redemption from the Agency, and approves and authorizes the waivers and amendments as described herein.
3. Effective as of the approval hereof, subject to approval by the Agency, Section 2.3 of the 2007B Indenture is amended to provide that notice of redemption may be given on the day fixed for redemption, and that, so long as the City is the Owner of 100% of the 2007B Bonds, notice of redemption need not be mailed but shall be deemed to have been given so long as the City has requested that the redemption of the 2007B Bonds take place. This Resolution acknowledges receipt of notice of redemption under the 2007B Indenture as to the 2007B Bonds.
4. Effective immediately as of the approval hereof, the 2007B Bonds shall be redeemed on March 8, 2011, or such other date approved by an Authorized Officer (as defined below), subject to the terms of the 2007B Indenture and this Resolution, at the Redemption Amount, to be credited by Trustee for the account of the City. The City Council, acting through its Mayor, the City Manager and the Finance Director of the City or their authorized designee ("Authorized Officers") are hereby authorized and directed to execute a receipt for proceeds upon redemption of the 2007B Bonds, to deliver the 2007B Bonds to the Agency for cancellation (or to instruct the Trustee to cancel the 2007B Bonds upon transferring to City the Redemption Amount), and to undertake such actions as are necessary or convenient to effect such redemption and payment or release of moneys to the City, including without limitation the execution and delivery of any and all documents and instruments relating to the redemption of the 2007B Bonds.

APPROVED and ADOPTED this 8th day of March, 2011.

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

RESOLUTION JURAT

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 that Resolution No. 2011-20 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 8th day of March, 2011 by the following vote:

- AYES: Council Members Hastings, Co, Batey, Mayor Pro Tem Molina and Mayor Stewart

- NOES: None

- ABSENT: None

- ABSTAIN: None

CITY CLERK

(SEAL)

RESOLUTION NO. RDA 2011-01

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AUTHORIZING AND APPROVING THE REDEMPTION OF ITS MORENO VALLEY REDEVELOPMENT PROJECT, SUBORDINATE 2007 TAXABLE TAX ALLOCATION BONDS AND MAKING CERTAIN DETERMINATIONS AND APPROVALS IN CONNECTION THEREWITH.

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley (the "Agency") is a redevelopment agency duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the Community Redevelopment Law (Part 1 of Division 24 (commencing with Section 33000) of the Health and Safety Code of the State of California) and the powers of the Agency include the power to issue bonds for any of its corporate purposes;

WHEREAS, a Redevelopment Plan known as the "Moreno Valley Redevelopment Project" has been adopted and approved by ordinance of the City of Moreno Valley (the "City"), and all requirements of law for and precedent to the adoption and approval of said Redevelopment Plan have been duly complied with;

WHEREAS, the Agency authorized and issued its \$43,495,000 Community Redevelopment Agency of the City of Moreno Valley, 2007 Tax Allocation Refunding Bonds, Series A (Moreno Valley Redevelopment Project)(the "2007A Bonds") by its Resolution No. RDA 2007-11 dated October 23, 2007. No change or action with respect to the 2007A Bonds is intended or effected by this Resolution;

WHEREAS, the Agency, in addition, authorized and issued its \$22,500,000 Community Redevelopment Agency of the City of Moreno Valley, Subordinate 2007 Taxable Tax Allocation Bonds (the "2007B Bonds") by its Resolution No. RDA 2007-12 dated October 23, 2007 and pursuant to an Indenture of Trust by and between the Agency and the City dated as of October 1, 2007 relating to the 2007B Bonds (the "2007B Indenture");

WHEREAS, the City, which purchased and has owned the 2007B Bonds continuously since the 2007B Bonds were issued by Agency, desires that the 2007B Bonds be redeemed at this time and has requested that the Agency redeem the 2007B Bonds immediately upon approval of this Resolution;

WHEREAS, the City has a substantial, immediate need for funds that will be addressed, in part, by redemption of the 2007B Bonds at this time;

WHEREAS, the Agency is amenable to the redemption of the 2007B Bonds by repayment by Agency to City of all amounts outstanding under the 2007B Bonds (namely, the sum of \$22,500,000) (the "Redemption Amount");

WHEREAS, the 2007B Indenture provides, in part, in Section 2.3(a), that the 2007B Bonds are subject to redemption at the option of the Agency from any available source of funds on any date prior to maturity at a price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium;

WHEREAS, under Section 2.3(a) of the 2007B Indenture, the Agency is to give the trustee, as designated therein (the "City" or the "Trustee") written notice of its intention to redeem 2007B Bonds at least 60 days prior to the date fixed for such redemption. Such notice requirement can be waived by the City, as trustee;

WHEREAS, under Section 2.3(b) of the 2007B Indenture, the Trustee shall mail notice of redemption at least 30 days prior to the redemption date to (i) Owners of any 2007B Bonds, and (ii) the Securities Depositories and to one or more Information Services designated in a Request of the Agency (as such capitalized terms are defined in the 2007B Indenture). Section 2.3(b) also provides that "that such mailing shall not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein shall affect the validity of the proceedings for the redemption of such 2007B Bonds or the cessation of the accrual of interest thereon." The 2007B Indenture further provides that the Agency and the City, as owner of 100% of the 2007B Bonds, may amend the 2007B Indenture.

NOW THEREFORE, THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY RESOLVES:

1. The foregoing recitals are true and correct.
2. The Agency hereby authorizes and directs the redemption of the 2007B Bonds, effective as of the date hereof, provided that the City (as trustee under the 2007B Indenture and as Owner of 100% of the 2007B Bonds under the 2007B Indenture) consents thereto. By this Resolution, the Agency gives notice to each of the City (as Trustee under the 2007B Bonds) and the City (as Owner of 100% of the 2007B Bonds), and approves and authorizes the waivers and amendments as described herein.
3. Effective as of the approval hereof, subject to approval by the City, Section 2.3 of the 2007B Indenture is amended to provide that notice of redemption may be given on the day fixed for redemption, and that, so long as the City is the Owner of 100% of the 2007B Bonds, notice of redemption need not be mailed but shall be deemed to have been given so long as the City has requested that the redemption of the 2007B Bonds take place. This Resolution shall serve as the notice of redemption under the 2007B Indenture as to the 2007B Bonds.

4. Effective immediately as of the approval hereof, the 2007B Bonds shall be redeemed on March 8, 2011, or such other date approved by an Authorized Officer (as defined herein) subject to the terms of the 2007B Indenture and this Resolution, at the Redemption Amount, to be credited by Trustee for the account of the City. The Agency, acting through its Chairman, the Executive Director and the Finance Director of the Agency or their authorized designee ("Authorized Officers") are hereby authorized and directed to execute a receipt for the 2007B Bonds or an acknowledgment that the Trustee has informed Agency that the Trustee has cancelled, upon payment to City of the Redemption Amount, the 2007B Bonds, and to undertake such actions as are necessary or convenient to effect such redemption and payment or release of moneys to the City, including without limitation the execution and delivery of any and all documents and instruments relating to the redemption of the 2007B Bonds.

APPROVED AND ADOPTED this 8th day of March, 2011.

Mayor of the City of Moreno Valley,
Acting in the capacity of Chairperson of the
Community Redevelopment Agency of the City of
Moreno Valley

ATTEST:

City Clerk, acting in the capacity of
Secretary of the Community
Redevelopment Agency of the
City of Moreno Valley

APPROVED AS TO FORM:

City Attorney, acting in the capacity of
General Counsel of the Community
Redevelopment Agency of the
City of Moreno Valley

RESOLUTION JURAT

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

I, JANE HALSTEAD, Secretary of the Community Redevelopment Agency of the City of Moreno Valley, California, do hereby certify that RDA Resolution No. 2011-01 was duly and regularly adopted by the Agency Members of the Community Redevelopment Agency of the City of Moreno Valley at a regular meeting thereof held on the 8th day of March, 2011 by the following vote:

- AYES: Agency Members Hastings, Co, Batey, Vice Chairman Molina and Chairman Stewart
- NOES: None
- ABSENT: None
- ABSTAIN: None

SECRETARY

(SEAL)

RESOLUTION NO. 2011-20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY REQUESTING, AUTHORIZING AND APPROVING THE REDEMPTION OF COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY, MORENO VALLEY REDEVELOPMENT PROJECT, SUBORDINATE 2007 TAXABLE TAX ALLOCATION BONDS AND MAKING CERTAIN DETERMINATIONS AND APPROVALS IN CONNECTION THEREWITH

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley (the "Agency") is a redevelopment agency duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the Community Redevelopment Law (Part 1 of Division 24 (commencing with Section 33000) of the Health and Safety Code of the State of California) and the powers of the Agency include the power to issue bonds for any of its corporate purposes;

WHEREAS, a Redevelopment Plan known as the "Moreno Valley Redevelopment Project" has been adopted and approved by ordinance of the City of Moreno Valley (the "City"), and all requirements of law for and precedent to the adoption and approval of said Redevelopment Plan have been duly complied with;

WHEREAS, the Agency authorized and issued its \$43,495,000 Community Redevelopment Agency of the City of Moreno Valley, 2007 Tax Allocation Refunding Bonds, Series A (Moreno Valley Redevelopment Project)(the "2007A Bonds") by its Resolution No. RDA 2007-11 dated October 23, 2007. No change or action with respect to the 2007A Bonds is intended or effected by this Resolution;

WHEREAS, the Agency, in addition, authorized and issued its \$22,500,000 Community Redevelopment Agency of the City of Moreno Valley, Subordinate 2007 Taxable Tax Allocation Bonds (the "2007B Bonds") by its Resolution No. RDA 2007-12 dated October 23, 2007 and pursuant to an Indenture of Trust by and between the Agency and the City dated as of October 1, 2007 relating to the 2007B Bonds (the "2007B Indenture");

WHEREAS, the City, which purchased and has owned the 2007B Bonds continuously since the 2007B Bonds were issued by Agency, desires that the 2007B Bonds be redeemed at this time and has requested that the Agency redeem the 2007B Bonds immediately upon approval of this Resolution;

WHEREAS, the City has a substantial, immediate need for funds that will be addressed, in part, by redemption of the 2007B Bonds at this time;

WHEREAS, the Agency is amenable to the redemption of the 2007B Bonds by repayment by Agency to City of all amounts outstanding under the 2007B Bonds (namely, the sum of \$22,500,000)(the "Redemption Amount");

WHEREAS, the 2007B Indenture provides, in part, in Section 2.3(a), that the 2007B Bonds are subject to redemption at the option of the Agency from any available source of funds on any date prior to maturity at a price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium;

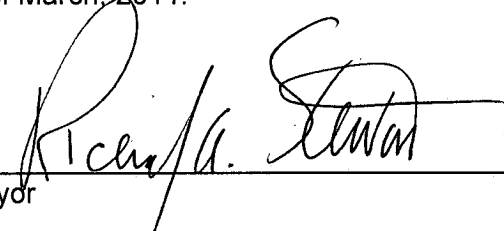
WHEREAS, under Section 2.3(a) of the 2007B Indenture, the Agency is to give the trustee, as designated therein (the "City" or the "Trustee") written notice of its intention to redeem 2007B Bonds at least 60 days prior to the date fixed for such redemption. Such notice requirement can be waived by the City, as trustee, and the City hereby waives such requirement;

WHEREAS, under Section 2.3(b) of the 2007B Indenture, the Trustee shall mail notice of redemption at least 30 days prior to the redemption date to (i) Owners of any 2007B Bonds, and (ii) the Securities Depositories and to one or more Information Services designated in a Request of the Agency (as such capitalized terms are defined in the 2007B Indenture). Section 2.3(b) also provides that "that such mailing shall not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein shall affect the validity of the proceedings for the redemption of such 2007B Bonds or the cessation of the accrual of interest thereon." The 2007B Indenture further provides that the Agency and the City, as owner of 100% of the 2007B Bonds, may amend the 2007B Indenture.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY RESOLVES:

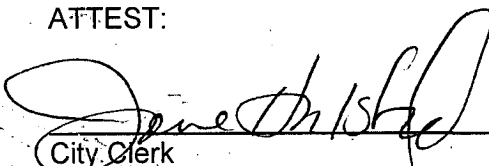
1. The foregoing recitals are true and correct.
2. The City, as Owner of 100% of the 2007B Bonds and as Trustee under the 2007B Indenture, hereby requests, authorizes and directs the redemption of the 2007B Bonds, effective as of the date hereof, provided that the Agency, as issuer, consents thereto. By this Resolution, the City, both as Owner of 100% of the 2007B Bonds and as Trustee under the 2007B Indenture, acknowledges receipt of notice of redemption from the Agency, and approves and authorizes the waivers and amendments as described herein.
3. Effective as of the approval hereof, subject to approval by the Agency, Section 2.3 of the 2007B Indenture is amended to provide that notice of redemption may be given on the day fixed for redemption, and that, so long as the City is the Owner of 100% of the 2007B Bonds, notice of redemption need not be mailed but shall be deemed to have been given so long as the City has requested that the redemption of the 2007B Bonds take place. This Resolution acknowledges receipt of notice of redemption under the 2007B Indenture as to the 2007B Bonds.
4. Effective immediately as of the approval hereof, the 2007B Bonds shall be redeemed on March 8, 2011, or such other date approved by an Authorized Officer (as defined below), subject to the terms of the 2007B Indenture and this Resolution, at the Redemption Amount, to be credited by Trustee for the account of the City. The City Council, acting through its Mayor, the City Manager and the Finance Director of the City or their authorized designee ("Authorized Officers") are hereby authorized and directed to execute a receipt for proceeds upon redemption of the 2007B Bonds, to deliver the 2007B Bonds to the Agency for cancellation (or to instruct the Trustee to cancel the 2007B Bonds upon transferring to City the Redemption Amount), and to undertake such actions as are necessary or convenient to effect such redemption and payment or release of moneys to the City, including without limitation the execution and delivery of any and all documents and instruments relating to the redemption of the 2007B Bonds.

APPROVED and ADOPTED this 8th day of March, 2011.




Mayor

ATTEST:



City Clerk

APPROVED AS TO FORM:



City Attorney

RESOLUTION JURAT

STATE OF CALIFORNIA)

COUNTY OF RIVERSIDE) ss.

CITY OF MORENO VALLEY)

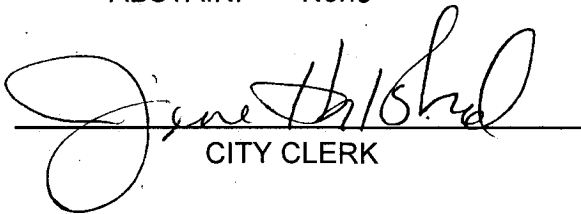
I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2011-20 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 8th day of March, 2011 by the following vote:

AYES: Council Members Hastings, Co, Batey, Mayor Pro Tem Molina and Mayor Stewart

NOES: None

ABSENT: None

ABSTAIN: None


CITY CLERK

(SEAL)

RESOLUTION NO. RDA 2011-01

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY AUTHORIZING AND APPROVING THE REDEMPTION OF ITS MORENO VALLEY REDEVELOPMENT PROJECT, SUBORDINATE 2007 TAXABLE TAX ALLOCATION BONDS AND MAKING CERTAIN DETERMINATIONS AND APPROVALS IN CONNECTION THEREWITH.

WHEREAS, the Community Redevelopment Agency of the City of Moreno Valley (the "Agency") is a redevelopment agency duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the Community Redevelopment Law (Part 1 of Division 24 (commencing with Section 33000) of the Health and Safety Code of the State of California) and the powers of the Agency include the power to issue bonds for any of its corporate purposes;

WHEREAS, a Redevelopment Plan known as the "Moreno Valley Redevelopment Project" has been adopted and approved by ordinance of the City of Moreno Valley (the "City"), and all requirements of law for and precedent to the adoption and approval of said Redevelopment Plan have been duly complied with;

WHEREAS, the Agency authorized and issued its \$43,495,000 Community Redevelopment Agency of the City of Moreno Valley, 2007 Tax Allocation Refunding Bonds, Series A (Moreno Valley Redevelopment Project)(the "2007A Bonds") by its Resolution No. RDA 2007-11 dated October 23, 2007. No change or action with respect to the 2007A Bonds is intended or effected by this Resolution;

WHEREAS, the Agency, in addition, authorized and issued its \$22,500,000 Community Redevelopment Agency of the City of Moreno Valley, Subordinate 2007 Taxable Tax Allocation Bonds (the "2007B Bonds") by its Resolution No. RDA 2007-12 dated October 23, 2007 and pursuant to an Indenture of Trust by and between the Agency and the City dated as of October 1, 2007 relating to the 2007B Bonds (the "2007B Indenture");

WHEREAS, the City, which purchased and has owned the 2007B Bonds continuously since the 2007B Bonds were issued by Agency, desires that the 2007B Bonds be redeemed at this time and has requested that the Agency redeem the 2007B Bonds immediately upon approval of this Resolution;

WHEREAS, the City has a substantial, immediate need for funds that will be addressed, in part, by redemption of the 2007B Bonds at this time;

WHEREAS, the Agency is amenable to the redemption of the 2007B Bonds by repayment by Agency to City of all amounts outstanding under the 2007B Bonds (namely, the sum of \$22,500,000) (the "Redemption Amount");

WHEREAS, the 2007B Indenture provides, in part, in Section 2.3(a), that the 2007B Bonds are subject to redemption at the option of the Agency from any available source of funds on any date prior to maturity at a price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium;

WHEREAS, under Section 2.3(a) of the 2007B Indenture, the Agency is to give the trustee, as designated therein (the "City" or the "Trustee") written notice of its intention to redeem 2007B Bonds at least 60 days prior to the date fixed for such redemption. Such notice requirement can be waived by the City, as trustee;

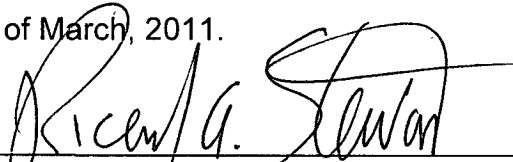
WHEREAS, under Section 2.3(b) of the 2007B Indenture, the Trustee shall mail notice of redemption at least 30 days prior to the redemption date to (i) Owners of any 2007B Bonds, and (ii) the Securities Depositories and to one or more Information Services designated in a Request of the Agency (as such capitalized terms are defined in the 2007B Indenture). Section 2.3(b) also provides that "that such mailing shall not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein shall affect the validity of the proceedings for the redemption of such 2007B Bonds or the cessation of the accrual of interest thereon." The 2007B Indenture further provides that the Agency and the City, as owner of 100% of the 2007B Bonds, may amend the 2007B Indenture.

NOW THEREFORE, THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY RESOLVES:

1. The foregoing recitals are true and correct.
2. The Agency hereby authorizes and directs the redemption of the 2007B Bonds, effective as of the date hereof, provided that the City (as trustee under the 2007B Indenture and as Owner of 100% of the 2007B Bonds under the 2007B Indenture) consents thereto. By this Resolution, the Agency gives notice to each of the City (as Trustee under the 2007B Bonds) and the City (as Owner of 100% of the 2007B Bonds), and approves and authorizes the waivers and amendments as described herein.
3. Effective as of the approval hereof, subject to approval by the City, Section 2.3 of the 2007B Indenture is amended to provide that notice of redemption may be given on the day fixed for redemption, and that, so long as the City is the Owner of 100% of the 2007B Bonds, notice of redemption need not be mailed but shall be deemed to have been given so long as the City has requested that the redemption of the 2007B Bonds take place. This Resolution shall serve as the notice of redemption under the 2007B Indenture as to the 2007B Bonds.

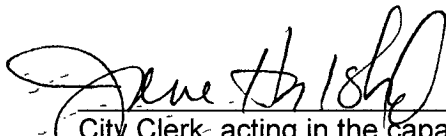
4. Effective immediately as of the approval hereof, the 2007B Bonds shall be redeemed on March 8, 2011, or such other date approved by an Authorized Officer (as defined herein) subject to the terms of the 2007B Indenture and this Resolution, at the Redemption Amount, to be credited by Trustee for the account of the City. The Agency, acting through its Chairman, the Executive Director and the Finance Director of the Agency or their authorized designee ("Authorized Officers") are hereby authorized and directed to execute a receipt for the 2007B Bonds or an acknowledgment that the Trustee has informed Agency that the Trustee has cancelled, upon payment to City of the Redemption Amount, the 2007B Bonds, and to undertake such actions as are necessary or convenient to effect such redemption and payment or release of moneys to the City, including without limitation the execution and delivery of any and all documents and instruments relating to the redemption of the 2007B Bonds.

APPROVED AND ADOPTED this 8th day of March, 2011.

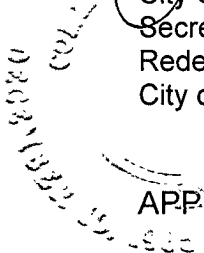


Mayor of the City of Moreno Valley,
Acting in the capacity of Chairperson of the
Community Redevelopment Agency of the City of
Moreno Valley


ATTEST:



City Clerk, acting in the capacity of
Secretary of the Community
Redevelopment Agency of the
City of Moreno Valley



APPROVED AS TO FORM:



City Attorney, acting in the capacity of
General Counsel of the Community
Redevelopment Agency of the
City of Moreno Valley

RESOLUTION JURAT

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

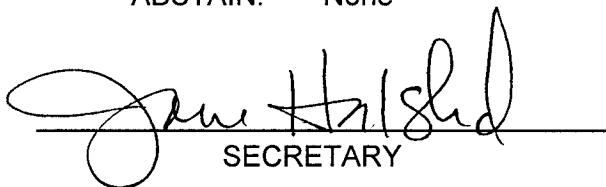
I, JANE HALSTEAD, Secretary of the Community Redevelopment Agency of the City of Moreno Valley, California, do hereby certify that RDA Resolution No. 2011-01 was duly and regularly adopted by the Agency Members of the Community Redevelopment Agency of the City of Moreno Valley at a regular meeting thereof held on the 8th day of March, 2011 by the following vote:

AYES: Agency Members Hastings, Co, Batey, Vice Chairman Molina and Chairman Stewart

NOES: None

ABSENT: None

ABSTAIN: None


SECRETARY

(SEAL)

