

**AGENDA OF A REGULAR MEETING - SUCCESSOR AGENCY TO THE
COMMUNITY DEVELOPMENT COMMISSION AS THE NATIONAL CITY
REDEVELOPMENT AGENCY**



**COUNCIL CHAMBERS
CIVIC CENTER
1243 National City Blvd.
National City, California**

TUESDAY, JUNE 16, 2015 – 6:00 PM

RON MORRISON
Chairman

JERRY CANO
Boardmember

ALBERT MENDIVIL
Boardmember

MONA RIOS
Boardmember

ALEJANDRA SOTELO-SOLIS
Boardmember

**1243 National City Blvd.
National City
619-336-4240**

***Meeting agendas and
minutes available on web***

WWW.NATIONALCITYCA.GOV

ORDER OF BUSINESS: Public sessions of all Regular Meetings of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency begin at 6:00 p.m. on the first and third Tuesday of each month. Public hearings begin at 6:00 p.m. unless otherwise noted. Closed Sessions begin at 5:00 p.m. or such other time as noted on the agenda. If a workshop is scheduled, the subject and time of the workshop will appear on the agenda.

REPORTS: All regular meeting agenda items and reports as well as all documents and writings distributed to the Board less than 72 hours prior to the meeting, are available for review at the entry to the Council Chambers. Regular Meetings of the Board are webcast and archived on the City's website www.nationalcityca.gov.

PUBLIC COMMENTS: Prior to the Business portion of the agenda, the Board will receive public comments regarding any matters within the jurisdiction of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency. Members of the public may also address any item on the agenda at the time the item is considered by the Board. Persons who wish to address the Board are requested to fill out a "Request to Speak" form available at the entrance to the City Council Chambers, and turn in the completed form to the City Clerk. The Chairperson will separately call for testimony of those persons who have turned in a "Request to Speak" form. If you wish to speak, please step to the podium at the appropriate time and state your name and address (optional) for the record. The time limit established for public testimony is three minutes per speaker unless a different time limit is announced. Speakers are encouraged to be brief. The Chairperson may limit the length of comments due to the number of persons wishing to speak or if comments become repetitious or irrelevant.

WRITTEN AGENDA: With limited exceptions, the Board may take action only upon items appearing on the written agenda. Items not appearing on the agenda must be brought back on a subsequent agenda unless they are of a demonstrated emergency or urgent nature, and the need to take action on such items arose after the agenda was posted.

CONSENT AGENDA: Consent calendar items involve matters which are of a routine or noncontroversial nature. All consent items are adopted by approval of a single motion by the City Council. Prior to such approval, any item may be removed from the consent portion of the agenda and separately considered, upon request of a Councilmember, a staff member, or a member of the public.

Upon request, this agenda can be made available in appropriate alternative formats to persons with a disability in compliance with the Americans with Disabilities Act. Please contact the City Clerk's Office at (619) 336-4228 to request a disability-related modification or accommodation. Notification 24-hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Spanish audio interpretation is provided during Board Meetings. Audio headphones are available in the lobby at the beginning of the meeting.

Audio interpretación en español se proporciona durante sesiones del Consejo Municipal. Los audiófonos están disponibles en el pasillo al principio de la junta.

THE BOARD REQUESTS THAT ALL CELL PHONES AND PAGERS BE TURNED OFF DURING BOARD MEETINGS.

OPEN TO THE PUBLIC
SUCCESSOR AGENCY AGENDA

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTS (THREE-MINUTE TIME LIMIT)

CONSENT CALENDAR

1. [Approval of the Minutes of the Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency of June 2, 2015. \(City Clerk\)](#)
2. [Resolution of the Board of the Successor Agency to the community Development Commission as the National City Redevelopment Agency authorizing the Chairman to execute a Settlement Agreement between the Successor Agency to the Community Development Commission as the National City Redevelopment Agency and Rosenow Spevacek Group, Inc., to resolve the pending arbitration proceeding. \(City Attorney\)](#)
3. [Successor Agency Warrant Register #45 for the period of 4/29/15 through 5/05/15 in the amount of \\$0.00. \(Finance\)](#)
4. [Successor Agency Warrant Register #46 for the period of 5/06/15 through 5/12/15 in the amount of \\$0.00. \(Finance\)](#)

PUBLIC HEARINGS

NON CONSENT RESOLUTIONS

5. [Resolution of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency Adopting a Budget for Fiscal Year 2016. \(Finance\)](#)
6. [Resolution of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency Approving a Proposed Administrative Budget for the ROPS 15 - 16A period \(July 1, 2015 through December 31, 2015\). \(Finance\)](#)

NEW BUSINESS

STAFF REPORTS

MEMBER REPORTS

CLOSED SESSION REPORT

ADJOURNMENT

Adjourned Regular Successor Agency to the Community Development Commission as The National City Redevelopment Agency Meeting on Tuesday, August 4, 2015 at 5:00 p.m. - Council Chambers, National City, California. (Adjourned Regular Successor Agency meeting to start at 5:00 pm due to the "National Night Out Event.")

2015 CITY COUNCIL SUMMER LEGISLATIVE RECESS

July 7 - Regular Successor Agency to the Community Development Commission as the National City Redevelopment Agency Meeting and City Council Meeting – Suspended

July 21 - Regular Successor Agency to the Community Development Commission as the National City Redevelopment Agency Meeting and City Council Meeting – Suspended

The following page(s) contain the backup material for Agenda Item: Approval of the Minutes of the Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency of June 2, 2015.
(City Clerk)

Item #____
06/16/15

**APPROVAL OF THE MINUTES OF THE
REGULAR MEETING OF THE SUCCESSOR AGENCY
TO THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT
AGENCY OF JUNE 2, 2015.**

(City Clerk)

DRAFT DRAFT DRAFT

**MINUTES OF THE REGULAR MEETING OF THE
SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT
COMMISSION AS THE NATIONAL CITY REDEVELOPMENT AGENCY**

June 2, 2015

The Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency was called to order at 9:03 p.m. by Chairman Ron Morrison.

ROLL CALL

Board members present: Cano, Mendivil, Morrison, Rios, Sotelo-Solis.
Administrative Officials present: Dalla, Deese, Raulston, Silva.

PUBLIC COMMENTS

None.

CONSENT CALENDAR

ADOPTION OF CONSENT CALENDAR. Item No. 1 (Minutes), Item Nos. 2 and 3 (Warrant Registers). Motion by Sotelo-Solis, seconded by Rios, to approve the Consent Calendar. Carried by unanimous vote.

APPROVAL OF MINUTES

1. APPROVAL OF THE MINUTES OF THE REGULAR MEETING OF THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION AS THE NATIONAL CITY REDEVELOPMENT AGENCY OF MAY 19, 2015. (City Clerk)

ACTION: Approved. See above.

SUCCESSOR AGENCY 2015 (406-10-13)

2. Successor Agency Warrant Register #43 for the period of 04/15/15 through 04/21/15 in the amount of \$294.44. (Finance)

ACTION: Approved. See above.

SUCCESSOR AGENCY 2015 (406-10-13)

3. Successor Agency Warrant Register #44 for the period of 04/22/15 through 04/28/15 in the amount of \$6,310.00. (Finance)

ACTION: Approved. See above.

STAFF REPORTS

None.

CLOSED SESSION REPORT

Agency Counsel Claudia Silva stated there was no Closed Session.

ADJOURNMENT

Motion by Sotelo-Solis, seconded by Rios, to adjourn the meeting to the next Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency to be held Tuesday, June 16, 2015, 6:00 p.m., Council Chambers, National City, California. Carried by unanimous vote.

The meeting closed at 9:04 p.m.

Secretary

The foregoing minutes were approved at the Regular Meeting of June 16, 2015.

Chairman

2015 City Council Summer Legislative Recess

- July 07 Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency – Suspended
- July 21 Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency – Suspended

The Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency on Tuesday, August 2, 2015 is scheduled to be held at 5:00 p.m. pending approval of the City Council to accommodate "National Night Out."

The following page(s) contain the backup material for Agenda Item: Resolution of the Board of the Successor Agency to the community Development Commission as the National City Redevelopment Agency authorizing the Chairman to execute a Settlement Agreement between the Successor Agency to the Community Development Commissi

**SUCCESSOR AGENCY TO
THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
AGENDA STATEMENT**

MEETING DATE: June 16, 2015

AGENDA ITEM NO. |

ITEM TITLE: Resolution of the Board of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency authorizing the Chairman to execute a Settlement Agreement between the Successor Agency to the Community Development Commission as the National City Redevelopment Agency and Rosenow Spevacek Group, Inc., to resolve the pending arbitration proceeding.

PREPARED BY: Claudia Gacitua Silva

DEPARTMENT: City Attorney

PHONE: 336-4222

APPROVED BY: 

EXPLANATION:

Please see attached staff report.

FINANCIAL STATEMENT:

APPROVED: _____ Finance

ACCOUNT NO.

APPROVED: _____ MIS

N/A

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: INTRODUCTION: FINAL ADOPTION:

STAFF RECOMMENDATION:

N/A

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

Staff report
Settlement Agreement
Proposed resolution

Staff Report

BACKGROUND

On February 20, 2007, the former Community Development Commission of the City of National City ("CDC") entered into an Agreement with Rosenow Spevacek Group, Inc. (RSG) for the 2007 Redevelopment Plan Amendment. The 2007 Redevelopment Plan Amendment was prepared by RSG and eventually adopted in July of 2007. On or about September 2007, the 2007 Redevelopment Plan Amendment was challenged by the Community Youth Athletic Center (the CYAC matter). In addition to the reverse validation challenge to the 2007 Redevelopment Plan Amendment, the CYAC matter alleged violations of the public records act, due process, and takings.

The CYAC matter was dismissed, appealed, remanded, tried, appealed, and remanded over the years between 2007 and 2015. Overall, the appellate court affirmed the invalidation of the 2007 Redevelopment Plan Amendment and found a violation of the public records act based upon records not being furnished by RSG for disclosure. The court reversed the trial court's due process findings, affirmed the trial court's ruling regarding the other denied causes of action (upon which CYAC had cross-appealed), and remanded the matter back to the trial court to re-hear the attorneys fees in light of the ruling. In April 2015, the trial court entered judgment in the CYAC matter, awarding fees in the amount of \$2,016,249.87.

In or about 2011, the City and CDC commenced arbitration proceedings seeking damages against RSG arising out of work performed by RSG pursuant to its contract with the CDC (the Arbitration Proceedings).

THE LAWSUIT

In the Arbitration Proceedings, the City and CDC (collectively, City) alleged that RSG negligently performed its contractual obligations which resulted in compensatory damages in excess of \$30,000,000. More specifically, the invalidation of the 2007 Redevelopment Plan Amendment (as well as the public record act violations) in the CYAC matter resulted in compensatory damages for the expended and awarded attorneys' fees amounting to over \$3,000,000; compensatory damages representing the loss of revenues which were dependent upon validation of the 2007 Redevelopment Plan, in the form of increased sales tax to the City, increased property tax to the City, and the value of developer-provided infrastructure improvements, amounting to no less than \$20,000,000; and, the related damages amounting to no less than \$9,000,000 from the reduced bonding capacity (2011 bonds).

RSG denied liability for all of the claims and damages alleged by the City. Moreover, RSG alleged the damages were speculative and non-compensable.

During the course of the litigation, extensive discovery was undertaken by the parties. The City determined that RSG was insured with an aggregate policy limit of \$2,000,000, reduced by claim expenses. The Arbitration Proceedings defense costs

**SETTLEMENT AGREEMENT AND MUTUAL
GENERAL RELEASE OF ALL CLAIMS**

THIS SETTLEMENT AGREEMENT AND MUTUAL GENERAL RELEASE OF ALL CLAIMS (hereinafter "Agreement") is made and entered into by and between the parties hereto, namely, THE CITY OF NATIONAL CITY and what was formerly the COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF NATIONAL CITY and is now the SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION AS THE NATIONAL CITY REDEVELOPMENT AGENCY (collectively the "CITY") on the one hand and ROSENOW SPEVACEK GROUP, INC. ("RSG"), on the other hand. CITY and RSG are sometimes hereinafter referred to collectively as the "Parties".

RECITALS

This agreement is made with reference to the following facts:

A. In or about 2011, CITY commenced arbitration proceedings against RSG arising out of work performed by RSG pursuant to its contract with the Community Development Commission of the City of National City dated February 20, 2007 (the "Arbitration Proceedings").

B. In the Arbitration Proceedings, CITY alleged that RSG negligently performed its contractual obligations and that in the result, the San Diego Superior Court invalidated National City's Redevelopment Plan in an action filed by Community Youth Athletic Center and others (collectively "CYAC") against the City of National City and National City Community Development Commission (collectively "CDC") (hereinafter the "Underlying Action"). The Superior Court's judgment invalidating the

Redevelopment Plan in the Underlying Action was affirmed by the Court of Appeal in 2013.

C. In the Arbitration Proceedings, CITY sought compensatory damages from RSG, representing (1) attorney fees totaling \$2,016,249.87 awarded against CDC and in favor of CYAC and other Interested Parties in the Underlying Action; (2) attorney's fees totaling \$1,064,574.62 incurred by the CDC in defending the Underlying Action; (c) attorney's fees totaling \$110,029.49 as of February 28, 2015, with additional attorney's fees incurred but not yet paid by CITY to prosecute the Arbitration Proceedings; and (4) compensatory damages representing (a) loss of revenues caused by disruption of improvement and development within the City which was dependent upon validation of the Redevelopment Plan Amendment, in the form of increased sales tax revenue, increased property tax revenue, the value of developer-provided infrastructure improvements, etc., of no less than \$20,000,000.00; and (b) additional expenses incurred by CITY related to bonding expenses caused by the invalidation proceedings in the amount of no less than \$9,100,000.00. RSG denied liability for all of the claims and damages alleged by CITY.

D. Following a period of due diligence and formal discovery, it was determined that RSG was insured by National Union Fire Insurance Company of Pittsburgh, PA under Miscellaneous Professional Liability Policy No. 042923310 (the "National Union Policy") with aggregate policy limits of \$2,000,000.00 reduced by claims expenses. The legal fees and costs incurred by RSG in defending the Arbitration Proceedings, have been paid from the proceeds of the National Union Policy, thereby reducing the available policy limits. That diligence and discovery by CITY revealed that it is in the best interest of CITY to settle and resolve the dispute on the terms contained herein.

E. During the pendency of the Arbitration Proceedings, the Parties engaged in two lengthy negotiations conducted at two mediation sessions over many months. The Parties have agreed to settle the disputes between them subject to the terms and conditions set forth in the agreement.

NOW THEREFORE and in consideration of the foregoing facts and the mutual covenants, conditions, promises and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

1. AGREEMENT:

1.1 Settlement Payment:

CITY shall be paid the balance of the \$2,000,000 policy limits in the National Union Policy that remain after payment has been made of all legal fees and costs incurred by RSG in connection with the defense and settlement of the Arbitration Proceedings. Payment shall be made to CITY within 45 days after signature of this agreement by all Parties, or within 14 days after all governmental approvals to this settlement agreement have been procured, whichever event occurs last. The amount of the settlement proceeds is presently estimated to be slightly more than \$1,830,000, but the final amount of the settlement proceeds will be confirmed by RSG within 10 days after signature of this agreement. RSG shall, if requested, provide satisfactory proof of the legal fees and costs incurred in connection with the defense of the arbitration proceedings, but shall not be required to waive the attorney-client privilege with respect to the contents of its attorneys' invoices.

1.2 Conditional Settlement:

This settlement is conditional upon approval of all of its terms and conditions by all necessary governmental bodies or agencies, including, but not limited to, CITY, the Oversight Board, and the California Department of Finance.

1.3 Dismissal of the Arbitration with Prejudice:

The Parties agree that upon payment of the settlement proceeds, CITY shall immediately dismiss the arbitration proceedings against RSG with prejudice.

1.4 Costs of Litigation:

It is further agreed that the Parties to this agreement shall assume and bear their own costs and attorneys' fees as a result of, or in connection with, the arbitration and this settlement agreement.

2. MUTUAL RELEASE PROVISIONS:

2.1 CITY'S Release of RSG:

In consideration respectively of the agreements referred to in Section 1 hereof, CITY does hereby forever release and discharge RSG and any and all of its parent companies, affiliates, subsidiaries, agents, heirs, attorneys, servants, employees, predecessors, successors, assigns, and assignors, and its insurers and reinsurers, from any and all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities, and demands of whatsoever character, nature and kind, known or unknown, suspected or unsuspected, other than as may arise out of or relate to the breach of this settlement agreement by RSG.

2.2 RSG Release of CITY:

In consideration, respectively, of the agreements referred to in Section 1 hereof, RSG does hereby forever release and discharge CITY, and all of its agents, heirs,

attorneys, servants, employees, predecessors, successors, assigns, and assignors, from any and all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities, and demands of whatsoever character, nature and kind, known or unknown, suspected or unsuspected, other than as may arise out of or relate to the breach of this settlement agreement by CITY.

2.3 Waiver of Civil Code Section 1542:

It is the intention of the Parties that the foregoing mutual releases shall be effective as a bar to all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities, and demands of whatsoever character, nature and kind, known or unknown, suspected or unsuspected herein above specified to be so barred; in furtherance of this intention the parties expressly waive any and all rights and benefits conferred upon them by provisions of Section 1542 of the California Civil Code, which are as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

The Parties hereby acknowledge that the foregoing waiver of the provisions of Section 1542 of the California Civil Code was separately bargained for. The Parties expressly consent that this release shall give the same full force and effect to unknown and unsuspected claims, demands, and causes of action, if any, as to those terms and provisions relating to claims, demands, and causes of action herein above specified.

3. MISCELLANEOUS:

3.1 Compromise:

The Parties acknowledge that this Agreement constitutes a compromise and settlement of disputed claims and nothing in this Agreement is or shall be treated, or construed or deemed as an admission by any Party of any liability or fault.

3.2 Further Assurances:

The Parties hereby agree to execute such other documents and to take such other action as may reasonably be necessary to implement the terms of this Agreement.

3.3 Law:

This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of California.

3.4 Benefit and Burden:

This Agreement shall be binding upon and inure to the benefit of the Parties and their respective representatives, successors, and assigns.

3.5 Waiver and Amendment:

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach shall not be deemed to be a waiver of any other breach of the same or any other provision hereof. This Agreement may be amended or modified only by a written agreement executed by all of the Parties.

3.6 Counterparts:

This Agreement may be executed in counterparts by the Parties and will become effective and binding upon the Parties only at such time as all of the signatories hereto have signed a counterpart of this Agreement. All counterparts so executed shall constitute one Agreement binding on all the Parties, notwithstanding that all Parties are

not signatory to the original or the same counterpart. Each of the Parties shall sign a sufficient number of counterparts so that each Party will receive a fully executed original of this Agreement. The Parties agree that a facsimile signature shall bear the same force and effect as an original signature, thus enabling the Parties to expeditiously obtain signatures of all Parties and their counsel. In the event, however, that a facsimile signature is used by any Party, that Party shall ensure that all other Parties receive the original document bearing that Party's original signature within five (5) days.

3.7 Gender and Tense:

Whenever required by the context hereof, the singular shall be deemed to include the plural, and the plural shall be deemed to include the singular, and the masculine, feminine, and neuter genders shall be deemed to include the other. The term "person" shall include corporation, firm, joint venture, partnership, trust, or estate.

3.8 Entire Agreement:

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof, fully supersedes all prior understandings, stipulations, representations, warranties, and agreements between the Parties, or any of them, pertaining to the subject matter hereof, and may be modified only by written agreement signed by all of the Parties hereto.

3.9 Captions and Interpretation:

Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Agreement or any provision hereof. No provision in this Agreement is to be interpreted for or against any Party because that Party or its legal representative drafted such provision.

3.10 Independent Advice of Counsel:

The Parties, and each of them, represent and declare that in executing this Agreement they rely solely upon their own judgment, belief, and knowledge, and the advice and recommendations of their own independently selected counsel, concerning the nature, extent, and duration of their rights and claims, and that they have not been influenced to any extent whatsoever in executing the same by any representations or statements covering any matters made by any other Party or by any person representing such other Party.

3.11 Voluntary Agreement:

The Parties, and each of them, further represent and declare that they have carefully read this Agreement and know the contents thereof and that they sign the same freely and voluntarily.

3.12 Authority to Execute Agreement:

CITY and RSG and each of them, each warrant and represent that the individual persons executing this agreement are duly authorized to execute this agreement on behalf of the respective parties and in their respective capacities as indicated below.

3.13 Assignment:

Each of the parties hereby warrants, represents and agrees that it is the sole and lawful owner of all right, title, and interest in and to all of the respective claims which are referenced in the releases set forth above and they have not hereto voluntarily, by operation of law or otherwise, assigned or transferred or purported to assign or transfer to any person whomsoever, any such claims or any part or portion thereof. Each of the parties agree to indemnify and hold each of the other parties, harmless from any claim, demand, damage, liability, action, or cause of action, based on or connected with or arising in any manner out of any such assignment or transfer.

3.14 Incorporation of Recitals:

The Recitals to this Settlement Agreement are hereby incorporated into this Settlement Agreement by this reference.

3.15 Further Assurances.

All Parties agree to cooperate fully and execute any and all supplementary documents and take additional actions which may be necessary or appropriate to give full force and effect to the basic terms and intent of this Settlement Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date and year written below.

CLAIMANTS:

Dated: May __, 2015

CITY OF NATIONAL CITY

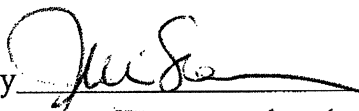
By _____

Its _____

RESPONDENT:

Dated: May 18, 2015

ROSENOW SPEVACEK GROUP, INC.

By 
Its President

APPROVED AS TO FORM:

Dated: May ____, 2015

MAZZARELLA & MAZZARELLA, LLP


By: _____

Daral B. Mazzarella

Attorney for Claimant CITY OF NATIONAL
CITY

Dated: May 28, 2015

LEWIS BRISBOIS BISGAARD & SMITH LLP

By:  _____

Ernest Slome

Attorney for Respondent ROSENOW
SPEVACEK GROUP, INC.

RESOLUTION NO. 2015 –

RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY
TO THE COMMUNITY DEVELOPMENT COMMISSION AS THE NATIONAL CITY
REDEVELOPMENT AGENCY AUTHORIZING THE CHAIRMAN TO EXECUTE
A SETTLEMENT AGREEMENT BETWEEN THE SUCCESSOR AGENCY TO
THE COMMUNITY DEVELOPMENT COMMISSION AS THE NATIONAL CITY
REDEVELOPMENT AGENCY AND ROSENOW SPEVACEK GROUP, INC.,
TO RESOLVE THE PENDING ARBITRATION PROCEEDING

WHEREAS, On February 20, 2007, the former Community Development Commission of the City of National City ("CDC") entered into an Agreement with Rosenow Spevacek Group, Inc. (RSG) for the 2007 Redevelopment Plan Amendment; and

WHEREAS, the 2007 Redevelopment Plan Amendment was prepared by RSG and eventually adopted in July of 2007; and

WHEREAS, on or about September 2007, the 2007 Redevelopment Plan Amendment was challenged by the Community Youth Athletic Center (the CYAC matter). In addition to the reverse validation challenge to the 2007 Redevelopment Plan Amendment, the CYAC matter alleged violations of the public records act, due process, and takings; and

WHEREAS, the CYAC matter was dismissed, appealed, remanded, tried, appealed, and remanded over the years between 2007 and 2015; and

WHEREAS, the appellate court affirmed the invalidation of the 2007 Redevelopment Plan Amendment, and found a violation of the Public Records Act based upon records not being furnished by RSG for disclosure; and

WHEREAS, In April 2015, the trial court entered judgment in the CYAC matter, awarding fees in the amount of \$2,016,249.87; and

WHEREAS, in or about 2011, the City and CDC commenced arbitration proceedings seeking damages against RSG arising out of work performed by RSG pursuant to its contract with the CDC (the Arbitration Proceedings); and

WHEREAS, during the pendency of the Arbitration Proceedings, the parties engaged in two lengthy negotiations conducted at two mediation sessions over many months; and

WHEREAS, RSG has agreed to pay the City and CDC the balance of their \$2,000,000 policy limits that remain after payment has been made of all legal fees and costs incurred by RSG in connection with the defense and settlement of the Arbitration Proceedings, currently estimated at about \$1.8M; and

WHEREAS, these actions require Oversight Board approval and DOF approval before they are final.

NOW, THEREFORE, BE IT RESOLVED that the Board of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency hereby authorizes the Chairman to execute the Settlement Agreement between the Successor Agency to the Community Development Commission as the National City Redevelopment Agency and Rosenow Spevacek Group, Inc., to resolve the pending Arbitration Proceeding.

PASSED and ADOPTED this 16th day of June, 2015.

Ron Morrison, Chairman

ATTEST:

Michael R. Dalla, City Clerk as
Secretary to the Successor Agency

APPROVED AS TO FORM:

Claudia Gacitua Silva
Successor Agency Counsel

The following page(s) contain the backup material for Agenda Item: Successor Agency Warrant Register #45 for the period of 4/29/15 through 5/05/15 in the amount of \$0.00. (Finance)

**SUCCESSOR AGENCY TO
THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
AGENDA STATEMENT**

MEETING DATE: June 16, 2015

AGENDA ITEM NO. |

ITEM TITLE:

Successor Agency Warrant Register #45 for the period of 4/29/15 through 5/05/15 in the amount of \$0.00. (Finance)

PREPARED BY: K. Apalategui
PHONE: 619-336-4572

DEPARTMENT: Finance

APPROVED BY: 

EXPLANATION:

Pursuant to ABX1 26, all redevelopment agencies in the State of California were dissolved as of February 1, 2012. Upon dissolution of the City of National City's Redevelopment Agency, the City assumed the role of Successor Agency to the Community Development Commission as the National City Redevelopment Agency ("Successor Agency").

In order to streamline the payment process, the City pays all expenses of the Successor Agency. The Successor Agency then reimburses the City.

No Successor Agency Warrants issued for the period of 4/29/15 – 5/05/2015.

FINANCIAL STATEMENT:

ACCOUNT NO.

Reimbursement total \$0.00.

APPROVED:  Finance

APPROVED: _____ MIS

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION: FINAL ADOPTION:

STAFF RECOMMENDATION:

Ratification of reimbursement in the amount of \$0.00.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

Successor Agency Warrant Register #45



**SUCCESSOR AGENCY
WARRANT REGISTER #45
5/5/2015**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
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	NO CHARGES TO SUCCESSOR AGENCY FOR THE WEEK OF 4/29/15 - 5/05/2015			
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			A/P Total	\$ <u> -</u>
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			GRAND TOTAL	\$ <u> -</u>
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The following page(s) contain the backup material for Agenda Item: Successor Agency Warrant Register #46 for the period of 5/06/15 through 5/12/15 in the amount of \$0.00. (Finance)

**SUCCESSOR AGENCY TO
THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
AGENDA STATEMENT**

MEETING DATE: June 16, 2015

AGENDA ITEM NO. |

ITEM TITLE:

Successor Agency Warrant Register #46 for the period of 5/06/15 through 5/12/15 in the amount of \$0.00. (Finance)

PREPARED BY: K. Apalategui
PHONE: 619-336-4572

DEPARTMENT: Finance

APPROVED BY: 

EXPLANATION:

Pursuant to ABX1 26, all redevelopment agencies in the State of California were dissolved as of February 1, 2012. Upon dissolution of the City of National City's Redevelopment Agency, the City assumed the role of Successor Agency to the Community Development Commission as the National City Redevelopment Agency ("Successor Agency").

In order to streamline the payment process, the City pays all expenses of the Successor Agency. The Successor Agency then reimburses the City.

No Successor Agency Warrants issued for the period of 5/06/15 – 5/12/2015.

FINANCIAL STATEMENT:

ACCOUNT NO.

Reimbursement total \$0.00.

APPROVED: 

Finance

APPROVED: _____

MIS

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION:

FINAL ADOPTION:

STAFF RECOMMENDATION:

Ratification of reimbursement in the amount of \$0.00.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

Successor Agency Warrant Register #46



**SUCCESSOR AGENCY
WARRANT REGISTER #46
5/12/2015**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
	NO CHARGES TO SUCCESSOR AGENCY FOR THE WEEK OF 5/06/15 - 5/12/2015			
				A/P Total \$ <u> -</u>
				GRAND TOTAL \$ <u> -</u>

The following page(s) contain the backup material for Agenda Item: Resolution of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency Adopting a Budget for Fiscal Year 2016. (Finance)

**SUCCESSOR AGENCY TO
THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
AGENDA STATEMENT**

MEETING DATE: June 16, 2015

AGENDA ITEM NO. |

ITEM TITLE:

Resolution of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency Adopting a Budget for Fiscal Year 2016.

PREPARED BY: Brad Raulston 

DEPARTMENT: Successor Agency

PHONE: (619) 336-4246

APPROVED BY: _____

EXPLANATION:

Expenditures for the Successor Agency (SA) are governed by the Recognized Obligation Payment Schedules (ROPS) that are proposed by the Successor Agency, approved by the Oversight Board, and submitted to the State Department of Finance (DOF) for authorization every six months. The budget before the Successor Agency today reflects amounts authorized for ROPS 15-16A, covering the period of July 1, 2015 through December 31, 2015, and amounts anticipated to be authorized for ROPS 15-16B, covering the period of January 1, 2016 through June 30, 2016. Adopting an annual budget is not required under the redevelopment agency dissolution legislation, but is necessary in order to effectively track expenditures and revenues in the general ledger. The proposed budget includes amounts for scheduled debt service payments, legal services, professional services, maintenance of SA properties and other miscellaneous expenses. The proposed budget also includes appropriations for Phase II of the Westside Infill Transit-Oriented Development (WI-TOD) project, the early pay off of the 2004 Tax Allocation Bonds, payment of the judgment amount for the CYAC litigation, and site remediation obligations on the WI-TOD property.

FINANCIAL STATEMENT:

APPROVED:  **Finance**

ACCOUNT NO.

APPROVED: _____ **MIS**

The proposed budget provides for total expenditures of \$30,514,551 and total transfers between SA funds of \$15,734,000.

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: **INTRODUCTION:**

FINAL ADOPTION:

STAFF RECOMMENDATION:

Adopt the Resolution.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

1. Resolution
2. Fiscal Year 2016 Proposed Budget for the Successor Agency

SUCCESSOR AGENCY TO THE COMMUNITY
DEVELOPMENT COMMISSION AS THE NATIONAL CITY
REDEVELOPMENT AGENCY

FISCAL YEAR 2016 PROPOSED BUDGET

Contents:

- Estimated Financing Sources
- Expenditures and Transfers Summary
- Expenditure Account Detail
- Fund Transfers Detail

**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
ESTIMATED FINANCING SOURCES SUMMARY BY FUND AND SOURCE
FISCAL YEAR 2015 - 2016**

Acct No	Account Title	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Estimated
711- 00000	REDEV OBLIGATIONS RETIREMENT FUND				
3011	RPTTF Distribution	11,505,010	13,608,368	11,606,247	11,100,000
3300	Investments Earnings	70,407	61,794	40,000	40,000
3309	Rental Property Income	30,000	30,000	30,000	0
3320	Interest Income - Loans	12,034	14,281	11,610	10,449
3321	HILP Payments Interest	16,956	10,936	10,890	0
3634	Misc Revenue	100		0	0
	REDEV OBLIGATIONS RETIREMENT FUND TOTAL REVENUE	11,634,507	13,725,379	11,698,747	11,150,449
	Transfers-In				825,000
	Use of Fund Balance				3,630,102
	REDEV OBLIGATIONS RETIREMENT FUND TOTAL FINANCING SOURCES	11,634,507	13,725,379	11,698,747	15,605,551
714- 00000	CAPITAL PROJECTS - NON HOUSING				
3300	Investments Earnings	43,228	34,916	0	0
	CAPITAL PROJECTS NON HOUSING FUND TOTAL REVENUE	43,228	34,916	0	0
	Use of Fund Balance				14,909,000
	CAPITAL PROJECTS NON HOUSING FUND TOTAL FINANCING SOURCES	43,228	34,916	0	14,909,000
715- 00000	CAPITAL PROJECTS - HOUSING				
3300	Investments Earnings	37,710	33,522	0	0
	CAPITAL PROJECTS HOUSING FUND TOTAL REVENUE	37,710	33,522	0	0
	Transfers-In				14,909,000
	CAPITAL PROJECTS HOUSING FUND TOTAL FINANCING SOURCES	37,710	33,522	0	14,909,000
722- 00000	S/A PREVIOUSLY LOW/MOD HOUSING FUND				
3300	Investments Earnings	(836)	11,239	0	0
	S/A PREVIOUSLY LOW/MOD HOUSING FUND TOTAL REVENUE	(836)	11,239	0	0
	Use of Fund Balance				825,000
	S/A PREVIOUSLY LOW/MOD HOUSING FUND TOTAL FINANCING SOURCES	(836)	11,239	0	825,000
	TOTAL REVENUES	11,714,609	13,805,056	11,698,747	11,150,449
	TOTAL TRANSFERS IN	0	0	0	15,734,000
	TOTAL USE OF FUND BALANCE	0	0	0	19,364,102
	GRAND TOTAL ALL FINANCING SOURCES	11,714,609	13,805,056	11,698,747	46,248,551

**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
EXPENDITURES AND TRANSFERS SUMMARY, BY OBJECT - ALL FUNDS
FISCAL YEAR 2015 - 2016**

Fund	Fund Name	Personnel Services	Maintenance and Operations	Capital Improvements	Total Expenditures	Transfers Out	Total Budget
711	Redev Obligations Retirement Fund	\$ -	\$ 15,605,551	\$ -	\$ 15,605,551	\$ -	\$ 15,605,551
714	Capital Projects Fund - Non Housing	-	-	-	-	14,909,000	14,909,000
715	Capital Projects Fund - Housing	-	14,909,000	-	14,909,000	-	14,909,000
722	S/A Previously Low Mod Housing Fund	-	-	-	-	825,000	825,000
	Total All Funds	\$ -	\$ 30,514,551	\$ -	\$ 30,514,551	\$ 15,734,000	\$ 46,248,551

**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
EXPENDITURE ACCOUNT DETAIL
FISCAL YEAR 2015 - 2016**

Account Number	Account Title	FY 2014 Actuals	FY 2015 Adopted	FY 2016 Proposed
711-409	Redev Obligations Retirement Fund			
000-209	Legal Services	\$ 364,751	\$ 828,161	\$ 728,000
000-210	City of National City	693,450		
000-210	City of National City - Sewer Fund Loan Principal		411,215	148,322
000-210	City of National City - SA Admin Services		200,000	300,000
000-210	City of National City - SA Property Management		80,000	80,000
000-212	Governmental Purposes	731	2,000,000	2,016,250
000-213	Professional Services	43,201	158,000	202,000
000-219	Fiscal Agent Fees	1,590	20,000	20,000
000-234	Electricity and Gas	2,369	6,000	6,000
000-236	Water	4,876	8,000	8,000
000-299	Contract Services	29,765	98,838	1,420,950
000-470-0001	Bond Principal Redemption - 1999 TAB	145,000	150,000	155,000
000-470-0002	Bond Principal Redemption - 2004 TAB	305,000	315,000	330,000
000-470-0002	Bond Principal Redemption - 2004 TAB			2,815,000
000-470-0003	Bond Principal Redemption - 2005 TAB	3,345,000	3,505,000	3,670,000
000-470-0004	Bond Principal Redemption - 2011 TAB	325,000	320,000	315,000
000-480-0001	Bond Interest Redemption - 1999 TAB	181,530	177,175	169,550
000-480-0002	Bond Interest Redemption - 2004 TAB	177,357	169,883	156,413
000-480-0003	Bond Interest Redemption - 2005 TAB	804,029	706,808	533,690
000-480-0004	Bond Interest Redemption - 2011 TAB	2,543,364	2,535,882	2,522,591
000-483	Sewer Fund Loan Interest Payment		8,785	8,785
	Total Fund 711	\$ 8,967,013	\$ 11,698,747	\$ 15,605,551
714-409	Capital Projects Fund - Non Housing			
099-0000	Transfers to Other Funds	\$ -	\$ -	\$ 14,909,000
500-598-various	Capital Projects			-
	Total Fund 714	\$ -	\$ -	\$ 14,909,000
715-409	Capital Projects Fund - Housing			
000-650-9060	WI-TOD Phase II Grant	\$ -	\$ -	\$ 14,909,000
500-598-1592	WI-TOD Phase I			
000-650-9059	WI-TOD Phase I Grant			
	Total Fund 715	\$ -	\$ -	\$ 14,909,000
722-409	S/A Previously Low Mod Housing Fund			
000-099-0000	Transfers to Other Funds	\$ -	\$ -	\$ 825,000
000-212-0000	Governmental Purposes		572,596	
500-598-1592/3934	WI-TOD Phase I	4,329,238	777,973	
	Total Fund 722	\$ 4,329,238	\$ 1,350,569	\$ 825,000
Total Successor Agency Expenditures and Transfers				\$ 46,248,551

**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
FUND TRANSFERS DETAIL
FISCAL YEAR 2015 - 2016**

From Fund #	Name	To Fund #	Name	Purpose	Amount
714	Capital Projects Fund - Non Housing	715	Capital Projects Fund - Housing	WI-TOD Housing Project Phase II	\$ 14,909,000
722	S/A Previously Low Mod Housing Fund	711	Redev Obligations Retirement Fund	Close Fund 722	825,000
				Total Transfers	\$ 15,734,000

Discussion:

Proceeds from the issuance of the 2011 Tax Allocation Bonds were planned to be used for both housing and non-housing projects, so two funds were created to record the use of the money. The State Department of Finance has ruled that the non-housing projects that were intended to be constructed are not enforceable obligations, but that both Phase I and Phase II of the WI-TOD project are enforceable obligations. The Phase II obligation is \$14,909,000, which would be funded by a transfer of resources from the SA non-housing bond proceeds fund to the SA housing bond proceeds fund.

Upon the creation of the Successor Agency, assets of the Redevelopment Agency's Low and Moderate Income Housing Fund (LMIHF) were transferred to Fund 722 and were used to satisfy the pre-development loan obligation under the Disposition and Development Agreement (DDA) for Phase I of the WI-TOD project. Further, the LMIHF underwent the required due diligence review and the balance that was determined to be available for distribution to the affected taxing entities was remitted to the County from that fund in August, 2014. While there is still technically cash in Fund 722, the structure of the State Department of Finance's ROPS forms is such that it would be simpler for reporting and reconciliation purposes to pool all of the non-bond proceeds cash in one fund, i.e., Fund 711, the Redevelopment Obligations Retirement Fund. The \$825,000 that is recommended to be transferred is an "up to" amount and is based on an estimate of the amount of cash that will be in the fund as of June 30, 2015.

RESOLUTION NO. 2015 –

RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY
TO THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
ADOPTING A BUDGET FOR FISCAL YEAR 2016

WHEREAS, on June 16, 2015, the Executive Director submitted to the Board of the Successor Agency a Recommended Budget for the 2016 fiscal year, which has been discussed and deliberated in public session.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency that the budget for the fiscal year beginning July 1, 2015 with Successor Agency expenditures totaling \$30,514,551 is hereby approved, adopted, and appropriated.

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized to make budgetary revisions between budget line items within a fund as necessary for the operation of the Successor Agency.

BE IT FURTHER RESOLVED that the Executive Director is hereby authorized to transfer monies between funds as set forth in the "Fund Transfers Detail" schedule.

PASSED and ADOPTED this 16th day of June, 2015.

Ron Morrison, Chairman

ATTEST:

Michael R. Dalla, City Clerk as
Secretary to the Successor Agency

APPROVED AS TO FORM:

Claudia Gacitua Silva
Successor Agency Counsel

The following page(s) contain the backup material for Agenda Item: Resolution of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency Approving a Proposed Administrative Budget for the ROPS 15 - 16A period (July 1, 2015 through December 31, 2015). (Finance)

**SUCCESSOR AGENCY TO
THE COMMUNITY DEVELOPMENT COMMISSION
AS THE NATIONAL CITY REDEVELOPMENT AGENCY
AGENDA STATEMENT**

MEETING DATE: June 16, 2015

AGENDA ITEM NO. |

ITEM TITLE:

Resolution of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency Approving a Proposed Administrative Budget for the ROPS 15 – 16A period (July 1, 2015 through December 31, 2015).

PREPARED BY: Brad Raulston, Executive Director

DEPARTMENT: Successor Agency

PHONE: 619 336-4256

APPROVED BY: 

EXPLANATION:

Health and Safety Code section 34177(j) requires the Successor Agency to prepare a proposed administrative budget for each ROPS period and submit it to the Oversight Board for approval. The proposed administrative budget is to include estimated amounts for Successor Agency administrative costs for the upcoming six-month period, the proposed sources of payment for those costs, and proposals for arrangements for administrative and operations services. The estimated administrative costs for the Recognized Obligation Payment Schedule (ROPS) 15-16A period total \$300,000 and are authorized to be funded by Redevelopment Property Tax Trust Fund (RPTTF) revenues. Administrative and operations services are provided through a combination of City of National City staff and outside contractors. See attached table for the details.

FINANCIAL STATEMENT:

APPROVED:  Finance

ACCOUNT NO.

APPROVED: _____ MIS

The proposed administrative budget totals \$300,000 for the ROPS 15-16A period.

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: **INTRODUCTION:** **FINAL ADOPTION:**

STAFF RECOMMENDATION:

Adopt the Resolution approving the administrative budget and directing staff to submit it to the Oversight Board.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

1. ROPS 15-16A Proposed Administrative Budget for the Successor Agency
2. Resolution

**Successor Agency to the Community Development Commission
as the National City Redevelopment Agency**

ROPS 15-16A Administrative Budget

Expenditures

	Annual Salaries & Benefits	% Allocated	Annual Cost	Six Month Cost ROPS 15-16A
Personnel*				
Executive Director	221,300	40%	88,520	44,260
Executive Secretary	65,500	75%	49,125	24,563
City Manager	252,130	15%	37,820	18,910
Executive Assistant	87,155	5%	4,358	2,179
City Attorney	266,775	10%	26,678	13,339
Executive Assistant	82,600	3%	2,478	1,239
City Clerk/Records Management Officer	138,285	15%	20,743	10,371
Administrative Secretary	71,100	10%	7,110	3,555
Property Agent	41,800	50%	20,900	10,450
Community Development Manager	125,400	50%	62,700	31,350
Planning Technician	67,600	5%	3,380	1,690
Director of Finance	172,300	5%	8,615	4,308
Financial Services Officer	127,300	5%	6,365	3,183
Management Analyst	104,400	10%	10,440	5,220
Financial Analyst (part time)	40,000	90%	36,000	18,000
Senior Accountant	90,900	10%	9,090	4,545
Accountant	72,900	4%	2,916	1,458
Accountant	77,300	10%	7,730	3,865
Buyer	68,500	5%	3,425	1,713
Accounting Assistant	58,500	5%	2,925	1,463
Accounting Assistant	55,200	5%	2,760	1,380
Accounting Assistant	58,500	5%	2,925	1,463
Accounting Assistant	54,900	5%	2,745	1,373
Various	N/A	N/A	40,000	20,000
Total Personnel			459,747	229,873
Maintenance & Operations				
Contract Services - Legal Services for Successor Agency				7,500
Contract Services - Legal Services for Oversight Board				7,500
Contract Services - Accounting/Audit Support				10,000
Other Operating Expenditures**				45,127
Total M&O				70,127
Total Expenditures				300,000
Funding Sources				
RPTTF - Administrative Allowance				300,000
Other Revenues				-
Total Funding				300,000

* Personnel responsibilities include, but are not limited to, providing executive direction and legal guidance for the operations of scheduling and maintaining records of the meetings of the Successor Agency and the Oversight Board, preparing agenda materia SA and the Oversight Board, managing litigation, developing the ROPS for each six-month period, projecting and managing the ca the SA, implementing a long range property manangement plan, managing contracts with vendors, managing the payments to v accounting for all transactions of the SA in the general ledger, and preparing annual financial statements. Not represented on thi schedule, but playing an important policy role in the administration of the Successor Agency are the City's Mayor and Council wh the Board for the Successor Agency, and the Mayor who also serves as the Chair of the Oversight Board.

** Other operating expenses include, but are not limited to, bank service charges, landscape maintenance district assessments, title searches, information technology support, and miscellaneous other costs.

RESOLUTION NO. 2015 –

RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY
TO THE COMMUNITY DEVELOPMENT COMMISSION AS
THE NATIONAL CITY REDEVELOPMENT AGENCY APPROVING
AN ADMINISTRATIVE BUDGET FOR THE ROPS 15-16A PERIOD
(JULY 1, 2015 THROUGH DECEMBER 31, 2015)

WHEREAS, Health and Safety Code section 34177(j) requires that the Successor Agency prepare a proposed administrative budget for each upcoming six-month period and submit it to the oversight board for its approval; and

WHEREAS, said administrative budget is to include estimated amounts for successor agency administrative costs, the proposed sources of payment, and proposals for arrangements for administrative and operations services provided by a city, county, city and county, or other entity; and

WHEREAS, on June 16, 2015, the Executive Director submitted to the Board of the Successor Agency a proposed administrative budget for the Recognized Obligation Payment Schedule (ROPS) 15-16A period, and said budget has been discussed and deliberated in public session.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency that the administrative budget for the ROPS period beginning July 1, 2015, with expenditures totaling \$300,000 is hereby approved and directed to be submitted to the Oversight Board for its approval.

PASSED and ADOPTED this 16th day of June, 2015.

Ron Morrison, Chairman

ATTEST:

Michael R. Dalla, City Clerk as
Secretary to the Successor Agency

APPROVED AS TO FORM:

Claudia Gacitua Silva
Successor Agency Counsel