

**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, SEPTEMBER 19, 2017 – 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](http://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 audífonos 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. [Successor Agency Warrant Register #5 for the period of 07/26/17 through 08/01/17 in the amount of \\$256,374.24. \(Finance\)](#)
2. [Successor Agency Warrant Register #6 for the period of 8/02/17 through 8/08/17 in the amount of \\$0.00. \(Finance\)](#)

**PUBLIC HEARINGS**

**NON CONSENT RESOLUTIONS**

3. [Resolution of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency approving an increase of \\$383,203 to the Recognized Obligation Payment Schedule \(ROPS\) for the period January 1, 2018 through June 30, 2018 \(Amended ROPS 17-18B\) and authorizing a corresponding increase in the Successor Agency's budget for Fiscal Year 2018, based on Successor Agency fund balance, upon approval of the Amended ROPS 17-18B by the State Department of Finance. \(Successor Agency\)](#)

**NEW BUSINESS**

**STAFF REPORTS**

4. [Status Report on the refunding of the Successor Agency's Outstanding Tax Allocation Bonds. \(Successor Agency\)](#)

**MEMBER REPORTS**

**CLOSED SESSION REPORT**

**ADJOURNMENT**

Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency - Tuesday -

October 3, 2017 - 6:00 p.m. - Council Chambers - National City,  
California.

The following page(s) contain the backup material for Agenda Item: Successor Agency Warrant Register #5 for the period of 07/26/17 through 08/01/17 in the amount of \$256,374.24. (Finance)

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

**MEETING DATE:** September 19, 2017

**AGENDA ITEM NO. |**

**ITEM TITLE:**

Successor Agency Warrant Register #5 for the period of 07/26/17 through 08/01/17 in the amount of \$256,374.24. (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, all check-paid expenses of the Successor Agency are paid by the City. The Successor Agency then reimburses the City. Successor Agency wires are paid directly from the Successor Agency account.

Attached is a detailed listing of all Successor Agency expenses for the period, which total \$256,374.24. Staff requests approval of payments of Successor Agency expenses.

**FINANCIAL STATEMENT:**

**APPROVED:** Mark Roberto Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

Reimbursement total \$256,374.24.

**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 \$256,374.24

**BOARD / COMMISSION RECOMMENDATION:**

**ATTACHMENTS:**

Successor Agency Warrant Register #5



**SUCCESSOR AGENCY  
WARRANT REGISTER #5  
8/1/2017**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
GEOSYNTEC CONSULTANTS INC	ENVIRONMENTAL SVCS FOR SUCCESSOR AGENCY	330117	8/1/17	2,664.30
A/P Total				\$ 2,664.30
<b>Total disbursements paid with City's Funds</b>				
<u>WIRES</u>				
THE BANK OF NEW YORK MELLON	N C 1999 TAX ALLOCATION HOUSING BONDS	870444	7/31/17	253,709.94
 <b>GRAND TOTAL</b>				<b>\$ 256,374.24</b>

The following page(s) contain the backup material for Agenda Item: Successor Agency Warrant Register #6 for the period of 8/02/17 through 8/08/17 in the amount of \$0.00. (Finance)



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

**MEETING DATE:** September 19, 2017

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Successor Agency Warrant Register #6 for the period of 8/02/17 through 8/08/17 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 8/02/17 – 8/08/17.

**FINANCIAL STATEMENT:**

**APPROVED:** Mark Ralento Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

Reimbursement total \$0.00.

**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 #6



**SUCCESSOR AGENCY  
WARRANT REGISTER #6  
8/8/2017**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
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NO WARRANTS PROCESSED TO SUCCESSOR  
AGENCY FOR THE WEEK OF 08/02/2017 - 08/08/2017

A/P Total \$ -

**Total disbursements paid with City's Funds**                     

**GRAND TOTAL** \$ -

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 an increase of \$383,203 to the Recognized Obligation Payment Schedule (ROPS) for the period January 1, 2018 through June 30, 201

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

**MEETING DATE:** September 19, 2017

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Resolution of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency approving an increase of \$383,203 to the Recognized Obligation Payment Schedule (ROPS) for the period January 1, 2018 through June 30, 2018 (Amended ROPS 17-18B) and authorizing a corresponding increase in the Successor Agency's budget for Fiscal Year 2018, based on Successor Agency fund balance, upon approval of the Amended ROPS 17-18B by the State Department of Finance.

**PREPARED BY:** Brad Raulston, Executive Director

**DEPARTMENT:** Successor Agency

**PHONE:** (619) 336-4256

**APPROVED BY:** 

**EXPLANATION:**

Health and Safety Code Section 34177 requires Successor Agencies to prepare a Recognized Obligation Payment Schedule (ROPS) before each fiscal period that details amounts required to be spent and the source of funds for those expenditures. Each ROPS must be submitted to the Oversight Board for approval after which it is forwarded for review and approval to the State Department of Finance (DOF), with copies to the County Auditor and Controller and State Controller's Office. Beginning with the ROPS that was effective on July 1, 2016, payment schedules are to be prepared on an annual fiscal year basis rather than semi-annually. Successor agencies are allowed, with approval by the Oversight Board and DOF, to amend the annual ROPS once, but only with respect to amounts requested for the second half of the ROPS period.

Before the Successor Agency today is Amended ROPS 17-18B that would increase the amounts authorized in ROPS 17-18 for items 12, 176, and 179. Items 12 and 176 pertain to environmental remediation costs for the Paradise Creek housing project. Item 179 is the cost sharing agreement for joint defense with respect to the Affordable Housing Coalition litigation. The Amended ROPS 17-18B is due to the State Department of Finance by October 1, 2017. Please see attached staff report for further details.

**FINANCIAL STATEMENT:**

**ACCOUNT NO.** Fund 711: Total increase in appropriations of \$383,203 distributed to legal, professional, and contract services

**APPROVED:**  Finance

**APPROVED:** \_\_\_\_\_ MIS

**ENVIRONMENTAL REVIEW:**

Pursuant to Title 15 of the California Code of Regulations, Section 15378(b)(4), this item is not subject to the California Environmental Quality Act review because the recommended approvals are not considered a project and are governmental funding mechanisms and fiscal activities that do not involve any commitment to any specific project that may result in a potentially significant environmental impact.

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

**STAFF RECOMMENDATION:**

Adopt the resolution and submit the Amended ROPS 17-18B to the Oversight Board for approval and subsequent submittal to the State and the County.

**BOARD / COMMISSION RECOMMENDATION:**

Not Applicable.

**ATTACHMENTS:**

1. Staff Report
2. Amended ROPS for the period January 1, 2018 through June 30, 2018 (Amended ROPS 17-18B)
3. Resolution

**CITY OF NATIONAL CITY**  
**SUCCESSOR AGENCY STAFF REPORT**

September 19, 2017

**Item:**

Resolution of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency approving an increase of \$383,203 to the Recognized Obligation Payment Schedule (ROPS) for the period January 1, 2018 through June 30, 2018 (Amended ROPS 17-18B) and authorizing a corresponding increase in the Successor Agency's budget for Fiscal Year 2018, based on Successor Agency fund balance, upon approval of the Amended ROPS 17-18B by the State Department of Finance

**Background:**

One of the changes to the redevelopment agency dissolution law that was enacted in 2015 via SB 107 was the requirement that for fiscal periods beginning on or after July 1, 2016, the ROPS would be prepared on an annual basis instead of once every six months. ROPS 16-17 was the first annual ROPS. Each successor agency is allowed one amendment to the annual ROPS, but it must be submitted to DOF by October 1 and Successor agencies may only amend the amounts requested for payment of approved enforceable obligations that fall within the "B" portion of the year (January through June); no new obligations can be created through the amendment process. In addition, the Oversight Board must make a finding that the revision is necessary for payment of the obligation.

**Discussion:**

The Amended ROPS 17-18B form shows an increase of \$100,000 for Item 12 (WI-TOD Remediation Planning), an increase of \$273,203 for Item 176 (Unforeseen SA Remediation cost obligation for WI-TOD Phase II), and an increase of \$10,000 for Item 179 (Joint Defense and Cost Sharing Agreement with respect to the Affordable Housing Coalition litigation).

**Item 12:** ROPS 16-17 authorized \$200,000 in Redevelopment Property Tax Trust Fund ("RPTTF") monies for this item. The approved ROPS 17-18 assumed that \$100,000 of the funds authorized for ROPS 16-17 would be spent and thus shows the expenditure of \$100,000 of reserve balance funds (previously authorized but unspent RPTTF monies) in the "A" portion (not shown in the amended ROPS schedule) for remediation planning for Phase II of the WI-TOD affordable housing project. Because none of the \$200,000 was spent during fiscal year 2016-17, Amended ROPS 17-18B requests the carryover of the remaining \$100,000, which, if approved, would result in a total authorization of \$200,000 for ROPS 17-18. This work is being done by EnSafe (previously E2ManageTech) and entails assisting with obtaining regulatory approvals and implementation of the Property Mitigation Plan for environmental remediation of the Westside Infill Transit Oriented Development (WI-TOD) housing project site and the adjacent Park site development located on the west side of Paradise Creek, pursuant to the Agency's obligation to carry out the Disposition and Development Agreement by and between the Community Development Commission of the City of

National City and Paradise Creek Housing Partners, LP, dated June 21, 2011. Delays in the project schedule have pushed the expenditures for these services into fiscal year 2017-18.

**Item 176:** The approved ROPS 17-18 included \$2,200,000 in the “A” portion (not shown in the amended ROPS schedule) as a carry-over amount from ROPS 16-17 for environmental remediation of the WI-TOD Phase II site. Of that \$2,200,000, \$200,000 was described as being carried over for the housing portion of the project and \$2,000,000 for the park portion of the project. As work progressed during the 16-17 period, however, it became clear that more than \$200,000 would be unspent by the end of that period. By the end of ROPS 16-17, there was an outstanding balance of \$473,203 out of the \$2,790,000 originally authorized in ROPS 15-16B. This amendment seeks an increase of \$273,203 in expenditure authorization during ROPS 17-18 to be able to utilize the entire outstanding balance for the work remaining on the project. The balance will be used to pay for Health and Safety Plan requirements through the end of the project for both hardscape and landscape work and haul off of contaminated soil in preparation for gas line trenching and landscaping. The funding source would be cash on hand (reserve balance) from RPTTF monies originally authorized and distributed, but not spent, for ROPS 15-16B.

**Item 179:** The approved ROPS 17-18 includes \$20,000 in the “A” portion (not shown in the amended ROPS schedule) to reimburse the City of National City for past costs incurred, and to pay costs that may arise during fiscal year 2017-18, to defend the Successor Agency in the lawsuit filed by the Affordable Housing Coalition of San Diego County seeking to have the affordable housing obligations of the former redevelopment agencies in the county be considered enforceable obligations of the successor agencies. The case is currently on appeal. The cost of the litigation is being shared by eight agencies. Pre-appeal costs to date for the Successor Agency total \$13,900, leaving only \$6,100 to cover the appeal process that is expected to conclude in the spring or early summer of 2018. An additional \$10,000 is requested to ensure that the Successor Agency has adequate funds to cover its share of the costs of the appeal. The funding source would be cash on hand (reserve balance) from RPTTF amounts authorized for other legal services in ROPS 16-17, but not spent.

**Recommendation:**

Adopt the resolution and direct staff to submit the Amended ROPS 17-18B to the Oversight Board for approval and subsequent submittal to the State Department of Finance, the State Controller and the County Auditor and Controller.

**Fiscal Impact Statement:**

The amended ROPS 17-18B requests authorization to spend an additional \$383,203 in fiscal year 2017-18. The funding source for all items would be reserve balance - cash available to the Successor Agency from previously authorized and distributed, but unspent, RPTTF monies. The corresponding increase of \$383,203 to the Successor Agency’s budget (Fund 711) will facilitate the processing of invoices and tracking of expenditures during the year. The \$383,203 increase in appropriations would be distributed as follows: \$10,000 to account 711-409-000-213-0000 (Legal Services), \$100,000 to account 711-409-000-213-0000 (Professional Services), and \$273,203 to account 711-409-000-299-0000 (Contract Services).

**Amended Recognized Obligation Payment Schedule (ROPS 17-18B) - Summary**

Filed for the January 1, 2018 through June 30, 2018 Period

**Successor Agency:** National City  
**County:** San Diego

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>ROPS 17-18B Authorized Amounts</b>	<b>ROPS 17-18B Requested Adjustments</b>	<b>ROPS 17-18B Amended Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ -</b>	<b>\$ 383,203</b>	<b>\$ 383,203</b>
B Bond Proceeds	-	-	-
C Reserve Balance	-	383,203	383,203
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 1,642,983</b>	<b>\$ -</b>	<b>\$ 1,642,983</b>
F RPTTF	1,489,690	-	1,489,690
G Administrative RPTTF	153,293	-	153,293
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 1,642,983</b>	<b>\$ 383,203</b>	<b>\$ 2,026,186</b>

Certification of Oversight Board Chairman:  
Pursuant to Section 34177 (o) of the Health and Safety  
code, I hereby certify that the above is a true and accurate  
Recognized Obligation Payment Schedule for the above  
named successor agency.

\_\_\_\_\_  
Name Title  
/s/ \_\_\_\_\_  
Signature Date

**National City Amended Recognized Obligation Payment Schedule (ROPS 17-18B) - ROPS Detail**

January 1, 2018 through June 30, 2018

(Report Amounts in Whole Dollars)

Item #	Project Name/Debt Obligation	Obligation Type	Total Outstanding Balance	AUTHORIZED AMOUNTS					Total	REQUESTED ADJUSTMENTS					Total	Notes
				Fund Sources						Fund Sources						
				Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
1	1999 Tax Allocation Bond	Bonds Issued On or Before	\$ 81,429,717	\$ -	\$ -	\$ -	\$ 1,489,690	\$ 153,293	\$ 1,642,983	\$ -	\$ 383,203	\$ -	\$ -	\$ -	\$ 383,203	
3	2005 Tax Allocation Bond	Bonds Issued On or Before 12/31/10	\$ 11,816,186	-	-	-	74,338		\$ 74,338						\$ -	
4	2011 Tax Allocation Bond	Bonds Issued After 12/31/10	\$ 61,775,500	-	-	-	1,197,850		\$ 1,197,850						\$ -	
12	WI-TOD (DDA/Co-Op/Bond Docs/Other Grants)	OPA/DDA/Construction	\$ 100,000	-	-	-	-		\$ -		100,000				\$ 100,000	Anticipated carry over from 16-17 was \$100,000; actual unspent amount from 16-17 is \$200,000.
13	WI-TOD (DDA/Co-Op/Bond Docs/Other Grants)	OPA/DDA/Construction	\$ 100,000	-	-	-	-		\$ -						\$ -	
86	Loan from Sewer Fund	City/County Loans On or Before 6/27/11	\$ 340,350	-	-	-	-		\$ -						\$ -	
87	Personnel and Admin Costs	Admin Costs	\$ 306,587	-	-	-	-		\$ -						\$ -	
110	Environmental Monitoring for CDC Properties	OPA/DDA/Construction	\$ 20,000	-	-	-	-		\$ -						\$ -	
111	Environmental Monitoring for CDC Properties	Remediation	\$ 33,000	-	-	-	-		\$ -						\$ -	
128	Contract for Financial Analysis	Fees	\$ 75,000	-	-	-	15,000		\$ 15,000						\$ -	
130	Contract for Environmental Services	Property Maintenance	\$ -	-	-	-	-		\$ -						\$ -	
144	Contract for Legal Services	Legal	\$ 17,000	-	-	-	-		\$ -						\$ -	
146	Contract for Legal Services	Legal	\$ 50,000	-	-	-	-		\$ -						\$ -	
147	Contract for Legal Services	Legal	\$ 50,000	-	-	-	-		\$ -						\$ -	
161	Bonds	Fees	\$ 140,000	-	-	-	5,000		\$ 5,000						\$ -	
162	Bonds	Fees	\$ 140,000	-	-	-	5,000		\$ 5,000						\$ -	
167	Contract for Legal Services	Legal	\$ 24,000	-	-	-	-		\$ -						\$ -	
170	Housing Entity Administrative Cost Allowance	Housing Entity Admin Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -						\$ -	
176	Unforeseen SA remediation cost obligation - estimated additional costs Phase II WI-TOD	OPA/DDA/Construction	\$ 2,200,000	-	-	-	-		\$ -		273,203				\$ 273,203	Anticipated carry over from 16-17 was \$200,000; actual unspent amount from 16-17 is \$473,203
178	Reserve for early redemption of 1999 Tax Allocation Bonds	Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -						\$ -	
179	Joint Defense and Cost Sharing Agreement with respect to the Affordable Housing Coalition of San Diego County v. Sandoval et al case	Litigation	\$ 20,000	-	-	-	-		\$ -		10,000				\$ 10,000	Case is on appeal. SA's share of costs to date (pre-appeal) totals \$13,900. The additional \$10,000, when added to the \$6,100 still available, should ensure that the SA has adequate funds to cover its share of the costs of the appeal.



The following page(s) contain the backup material for Agenda Item: Status Report on the refunding of the Successor Agency's Outstanding Tax Allocation Bonds. (Successor Agency)

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

**MEETING DATE:** September 19, 2017

**AGENDA ITEM NO.** | \_\_\_\_\_

**ITEM TITLE:**

Status Report on the refunding of the Successor Agency's Outstanding Tax Allocation Bonds

**PREPARED BY:** Brad Raulston, Deputy City Manager

**DEPARTMENT:** Successor Agency

**PHONE:** (619) 336-4256

**APPROVED BY:** \_\_\_\_\_

**EXPLANATION:**

On June 20, 2017 (Item #7) the Board of Directors of the Successor Agency authorized the issuance and sale of tax allocation refunding bonds in an amount not to exceed \$58,000,000. On June 21, 2017 (Item #2), the Oversight Board voted to support the proposed refunding. Subsequently a formal application was submitted to the State Department of Finance (DOF). In anticipation of an affirmative response from DOF, a request for qualifications was issued by the Agency's municipal advisor, NHA Advisors, to four highly qualified firms, all of which provided strong responses for public offerings of the refunding bonds. One option, however, stood out from the others and was proposed by only one of the underwriters (Hilltop Securities) – a private placement with a single financial institution, BBVA Compass, which offered an attractive low interest rate. That low rate, in combination with the simpler issuance process and annual reporting requirements associated with private placements, led the financing team to select the private placement option offered by Hilltop Securities and BBVA Compass.

Please see attached staff report for further details.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ **Finance**

**ACCOUNT NO.** The refunding of the Agency's tax allocation bonds will result in over \$1.0 million in annual debt service savings.

**APPROVED:** \_\_\_\_\_ **MIS**

**ENVIRONMENTAL REVIEW:**

Pursuant to Title 15 of the California Code of Regulations, Section 15378(b)(4), this item is not subject to the California Environmental Quality Act review because the recommended approvals are not considered a project and are governmental funding mechanisms and fiscal activities that do not involve any commitment to any specific project that may result in a potentially significant environmental impact.

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

**STAFF RECOMMENDATION:**

Note and file the report.

**BOARD / COMMISSION RECOMMENDATION:**

Not Applicable.

**ATTACHMENTS:**

1. Staff Report
2. TBD
3. TBD