

City of Poway COUNCIL AGENDA REPORT

APPROVED	<input checked="" type="checkbox"/>
APPROVED AS AMENDED (SEE MINUTES)	<input type="checkbox"/>
DENIED	<input type="checkbox"/>
REMOVED	<input type="checkbox"/>
CONTINUED	_____
RESOLUTION NO.	R12-01

DATE: January 17, 2012
TO: Honorable Chairman and Members of the Redevelopment Agency
FROM: Penny Riley, Executive Director 
INITIATED BY: John French, Director of Administrative Services 
SUBJECT: Enforceable Obligation Payment Schedule Revision

Summary:

The California Supreme Court's recent decision upholding ABX1 26 and striking down ABX1 27 requires revision of the City's Enforceable Obligation Payment Schedule ("EOPS"). ABX1 26 provides that the schedule may be amended as needed at a public meeting. In addition, staff is asking the Board to appropriate funding to pay for necessary construction review and legal services on the Orange Gardens Low and Moderate Income Housing project.

Recommended Action:

It is recommended that the Board of Directors:

1. Adopt a Resolution revising the Enforceable Obligation Payment Schedule pursuant to Section 34169 of ABX1 26 (California Health and Safety Code).
2. Appropriate \$90,000 from the Housing Fund Undesignated Fund Balance for expenses of the Orange Gardens project.
3. Appropriate \$4,346,181.50 from the Redevelopment Agency Debt Service Fund Undesignated Fund Balance to repay past loans made to the Agency by the General Fund and the Sewer fund.

Background:

The California Supreme Court decision on December 29, 2011 upheld AB X1 26 and found AB X1 27 unconstitutional. This decision requires the Agency to amend its EOPS to remove obligations pertaining to AB X1 27.

Findings:

On August 23, 2011, as required by Section 34169 of ABX1 26, the Redevelopment Agency approved an EOPS by adopting Resolution No. R-11-16. On October 4, 2011, the EOPS was amended by Resolution R-11-17. The EOPS includes obligations required by the City's election to participate in ABX1 27's alternative voluntary redevelopment program. Because of the Court's decision striking down AB X1 27, the obligations pertaining to that law have been removed in the revised EOPS. As required by ABX1 26, the revised EOPS will be posted to the City's website and provided to the San Diego County Auditor Controller, the California State Controller, and the California Department of Finance.

The funding request from the Housing Fund is requested to pay existing obligations incurred by necessary construction review and legal services for the Orange Gardens Low and Moderate Income Housing project.

The funding request from the Redevelopment Agency Debt Service Fund to pay past loans made by the City's General Fund and Sewer Fund will close out the remaining debts of the Agency to City funds.

Fiscal Impact:

1. Appropriate \$90,000 from the Housing Fund Undesignated Fund Balance (416-8912) to the Orange Gardens Project account (5964C).
2. Appropriate \$4,346,181.50 from the Redevelopment Agency Debt Service Fund Undesignated Fund Balance (321-8912) to Interfund Loans account 321-2004-5350 with the repayment going to the General Fund account 100-2004-5350 for \$2,301,457.50, and to the Sewer Fund account 520-2004-5350 for \$2,044,724.00.

Environmental Review:

This item is not subject to CEQA review.

Public Notification:

None required.

Attachments: Resolution with Exhibit

RESOLUTION NO. R-12-

**A RESOLUTION OF THE POWAY REDEVELOPMENT AGENCY
TO REVISE THE ENFORCEABLE OBLIGATION PAYMENT
SCHEDULE (EOPS)**

WHEREAS, Assembly Bill x1 26 ("AB 26") and Assembly Bill x1 27 ("AB 27") were passed by the State Legislature on June 15, 2011 and signed by the Governor on June 28, 2011; and

WHEREAS, on August 23, 2011 the Poway Redevelopment Agency adopted Resolution No. R-11-16 approving an Enforceable Obligations Schedule ("EOPS"), as required by AB 26; and

WHEREAS, on October 4, 2011 the Poway Redevelopment Agency adopted Resolution No. R-11-17 amending the EOPS, as allowed by AB 26; and

WHEREAS, the EOPS adopted and amended by the Agency included obligations required pursuant to AB 27; and

WHEREAS, on December 29, 2011 the California Supreme Court found that AB 26 was constitutional but AB 27 was not constitutional.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Poway Redevelopment Agency as follows:

Section 1. The Agency hereby finds and determines that the foregoing recitals are true and correct.

Section 2. The revised EOPS attached hereto as "Exhibit" and incorporated by reference herein is hereby adopted.

Section 3. This Resolution shall take effect immediately upon its adoption.

PASSED, ADOPTED AND APPROVED by the Poway Redevelopment Agency of the City of Poway at a regular meeting this 17th day of January 2012, by the following vote:

Don Higginson, Chairman

ATTEST:

Linda A. Troyan, MMC, Secretary

ENFORCEABLE OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34167 and 34169 (*)

Revised January 17, 2012

	Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by Month						
						Jan	Feb	Mar	Apr	May	Jun	Total
1	2000 Tax Allocation Refunding Bonds	US Bank	Bonds issue to fund housing & non-housing projects	12,066,256.25	167,181.25					167,181.25		\$ 167,181.25
2	2001 Tax Allocation Bonds	US Bank	Bonds issue to fund housing & non-housing projects	118,448,144.26	2,522,068.13					2,522,068.13		\$ 2,522,068.13
3	2003 Tax Allocation Bonds	US Bank	Bonds issue to fund housing & non-housing projects	189,930,962.50	7,026,650.00					7,026,650.00		\$ 7,026,650.00
4	2007 Tax Allocation Refunding Bonds	US Bank	Bonds issue to fund non-housing projects	47,235,682.50	627,258.75					627,258.75		\$ 627,258.75
5	2005 Certificates of Partic Refunding Bonds	US Bank	Bonds issue to fund non-housing projects	2,683,962.50	0.00							\$ -
6	City Loan entered into FY 00-01 w/interest thru 1/12	City of Poway	Loan for public works project	833,793.01	833,793.01	833,793.01						\$ 833,793.01
7	City Loan entered into FY 07-08 w/interest thru 1/12	City of Poway	Loan for public works project	1,211,555.87	1,211,555.87	1,211,555.87						\$ 1,211,555.87
8	City Loan entered into FY 89-90 w/interest thru 1/12	City of Poway	Loan for redevelopment agency admin	1,143,314.34	1,143,314.34	1,143,314.34						\$ 1,143,314.34
9	City Loan entered into FY 00-01 w/interest thru 1/12	City of Poway	Loan for public works project	1,159,869.25	1,159,869.25	1,159,869.25						\$ 1,159,869.25
10	Owner Participation Agreement	Parkway III	Public Improvements	6,531,918.84	608,023.79						608,023.79	\$ 608,023.79
11	Owner Participation Agreement	Tech/Corporate Bus Center	Public Improvements	2,661,899.49	1,158,737.10						1,158,737.10	\$ 1,158,737.10
12	Owner Participation Agreement	AZ Poway, LLC	Operating Covenant	2,672,503.42	0.00							\$ -
13	Tax Increment Administration	County of San Diego	Annual charge for administering prop tax system	475,000.00	475,000.00				475,000.00			\$ 475,000.00
14	Judgment Case No. 667691	City Special Programs Fund	Housing Capacity Building per judgment	2,826,514.22	478,533.12	79,755.52	39,877.76	7,975.55	239,266.66	71,779.97	39,877.76	\$ 478,533.12
15	Judgment Case No. 667691	Community Hsg Works	Housing Capacity Building per judgment	319,100.00	319,100.00			106,366.00	106,366.00		106,366.00	\$ 319,100.00
16	Judgment Case No. 667691	Wakeland Housing	Housing Capacity Building per judgment	314,231.00	0.00							\$ -
17	Contract for design Services	RJM Design Group, Inc	5548A - FS#2 App Storage Bldg Des	20,557.91	20,557.91		20,557.91					\$ 20,557.91
18	Contract for design Services	RJM Design Group, Inc	5660 - Community Park Mstr Plan	195,104.65	100,000.00			100,000.00				\$ 100,000.00
19	Contract for consulting services	SCS Engineers	5925B - Env services - Oak Knoll	6,037.00	6,037.00			6,037.00				\$ 6,037.00
20	Contract for consulting services	Bureau Veritas	5292A - Espola Rd Widening - Twin Peaks	113,720.63	80,000.00			80,000.00				\$ 80,000.00
21	Contract for design services	Nolte & Assoc, Inc	5298A - Oak Knoll Widening	8.00	8.00		8.00					\$ 8.00
22	Contract for demolition services	Anton's Services	5547B - Demolition work various sites	24,190.16	24,190.16		24,190.16					\$ 24,190.16
23	Contract for utility services	Cox Communications	5260 - Utility Undergrounding - Midland	34,980.00	34,980.00		34,980.00					\$ 34,980.00
24	Contract for security services	Progressive Technology	Security monitoring - Chrysler	387.00	387.00	180.00		207.00				\$ 387.00
25	Contract for utility service	AT&T	Phone utility - Chrysler	91.12	91.12	45.56	45.56					\$ 91.12
26	Contract for Pest Control	Orkin	Pest control services - Lanthier	576.00	576.00	576.00						\$ 576.00
27	Contract for Pest Control	Orkin	Pest Control Services - Young	576.00	576.00	576.00						\$ 576.00
28	Contract for Legal Services	Gaidarb & Lipman	Legal Services for Toyota ground lease	9,589.00	9,589.00			9,589.00				\$ 9,589.00
29	Contract for Financial Consulting Services	Keyser Marston Assoc.	Financial Analysis Toyota project	6,500.00	6,500.00		6,500.00					\$ 6,500.00
30	Audit	Caporicci & Larson	Audit Services	20,000.00	20,000.00		20,000.00					\$ 20,000.00
Totals - This Page				\$ 390,947,024.92	\$ 18,034,576.80	\$ 4,429,665.55	\$ 146,159.39	\$ 300,585.55	\$ 830,221.56	\$ 10,414,938.10	\$ 1,913,006.65	\$ 18,034,576.80
Totals - Page 2				\$ 6,030,770.80	\$ 3,446,167.70	\$ 4,635.70	\$ 10,773.19	\$ 552,174.70	\$ 142,522.69	\$ 5,593.20	\$ 2,730,468.22	\$ 3,446,167.70
Totals - Other Obligations				\$ 12,117,233.70	\$ 852,322.16	\$ -	\$ 7,846.63	\$ 42,638.01	\$ 48,637.21	\$ 521,026.57	\$ 232,173.74	\$ 852,322.16
Totals - All Pages				\$ 409,095,029.42	\$ 22,333,066.66	\$ 4,434,301.25	\$ 164,779.21	\$ 895,398.26	\$ 1,021,381.46	\$ 10,941,557.87	\$ 4,875,648.61	\$ 22,333,066.66

ENFORCEABLE OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34167 and 34169 (*)

Revised January 17, 2012

	Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by month						
						Jan	Feb	Mar	Apr	May	Jun	Total
1)	Contract for roofing services	Excalibur Roofing	Roof repair-13053 Poway Road	1,130.00	1,130.00		1,130.00					\$ 1,130.00
2)	Contract for remediation services	American Technologies	Repair & Remediation-13053 Poway Road	6,739.00	6,739.00			6,739.00				\$ 6,739.00
3)	Contract for consulting services	Keyser Marston Assoc	Financial consulting svcs - Meadows	38,093.10	3,000.00		2,000.00				1,000.00	\$ 3,000.00
4)	Contract for consulting services	Keyser Marston Assoc	Financial consulting svcs - SHOP	7,294.00	2,000.00			1,000.00			1,000.00	\$ 2,000.00
5)	Contract for consulting services	Kane, Ballmer, & Berk	Legal consulting svcs - SHOP	12,827.00	5,000.00	1,000.00	1,000.00				3,000.00	\$ 5,000.00
6)	Contract for consulting services	Keyser Marston Assoc	Financial consulting svcs - Brighton	3,957.00	2,000.00			1,000.00			1,000.00	\$ 2,000.00
7)	Contract for consulting services	Kane, Ballmer, & Berk	Legal consulting svcs - Brighton	10,000.00	3,000.00			1,000.00			2,000.00	\$ 3,000.00
8)	Contract for consulting services	Keyser Marston Assoc	Financial consulting svcs - Monte Vista	25,043.00	0.00							\$ -
9)	Contract for consulting services	SCS Engineers	Environmental monitoring - Poway TV	1,286.00	0.00							\$ -
10)	Contract for consulting services	Keyser Marston Assoc	Financial consulting svcs - BP Rest Site	34,591.00	0.00							\$ -
11)	Contract for consulting services	SCS Engineers	Environmental monitoring - Twin Peaks	9,727.00	3,200.00		3,200.00					\$ 3,200.00
12)	Contract for consulting services	Opper & Varco	Legal consulting svcs - Twin Peaks	14,049.00	2,500.00						2,500.00	\$ 2,500.00
13)	Contract for consulting services	Keyser Marston Assoc	Financial consulting svcs - Org Gardens	7,500.00	3,000.00			2,000.00			1,000.00	\$ 3,000.00
14)	Contract for consulting services	Kane, Ballmer, & Berk	Legal consulting svcs - Org Gardens	4,128.00	2,000.00						2,000.00	\$ 2,000.00
15)	Contract for consulting services	Marx Okubo Assoc	Construction Monitoring Svcs - OG	14,000.00	10,000.00	1,000.00	2,000.00	2,000.00	2,000.00	2,000.00	1,000.00	\$ 10,000.00
16)	Contract for consulting services	Kane, Ballmer, & Berk	Legal consulting svcs - Evanston	3,593.00	0.00							\$ -
17)	Contract for Pest Control	Orkin	Pest control services - Evanston	1,240.20	1,240.20	206.70	206.70	206.70	206.70	206.70	206.70	\$ 1,240.20
18)	Contract for landscape svcs	Benchmark	Landscape main svcs - BP Rest Site	774.00	774.00	129.00	129.00	129.00	129.00	129.00	129.00	\$ 774.00
19)	Contract for utility service	City of Poway	Water utility service - Chrysler	400.00	400.00		400.00					\$ 400.00
20)	Contract for utility service	City of Poway	Water utility service - Dunster	422.50	422.50		140.83		140.83		140.84	\$ 422.50
21)	Contract for utility service	City of Poway	Water utility service - Lanthier	800.00	800.00		266.66		266.66		266.68	\$ 800.00
22)	Reciprocal Easement Agmt	Ocean Park Hotels	40% of Common Area Maintenance	60,000.00	6,000.00	2,000.00			2,000.00		2,000.00	\$ 6,000.00
23)	Contract for utility service	SDG&E	Utility services - Chrysler	600.00	600.00	300.00	300.00					\$ 600.00
24)	Contract for fence rental	American Fence Co., Inc	Fence rental - Big Stone Lodge	542.50	542.50					542.50		\$ 542.50
25)	Contract for Pest Control	Orkin	Pest control services - Big Stone Lodge	1,099.00	0.00							\$ -
26)	Disposition & Dev Agreement	Brighton Place, L.P.	Brighton Affordable Housing Proj	538,100.00	538,100.00			538,100.00				\$ 538,100.00
27)	Disposition & Dev Agreement	Poway Meadows LP	Meadows Affordable Housing Proj	1,680,000.00	135,000.00				135,000.00			\$ 135,000.00
28)	Disposition & Dev Agreement	Pwy Family Hsg Part LP	Orange Gardens Affordable Hsg Proj	3,231,000.00	2,711,000.00						2,711,000.00	\$ 2,711,000.00
29)	County Fixed Fees	County of San Diego	Chrysler site	414.50	414.50				414.50			\$ 414.50
30)	Contract for arbitrage services	Arbitrage Compliance Sp.	Bond arbitrage calculations	80,566.00	0.00							\$ -
31)	Bond administration	US Bank	Trustee services	239,755.00	6,755.00				2,365.00	2,715.00	1,675.00	\$ 6,755.00
32)	Contract for inspection services	CQAG	CRLP monitoring	1,100.00	550.00						550.00	\$ 550.00
												\$ -
	Totals - This Page			\$ 6,030,770.80	\$ 3,446,167.70	\$ 4,635.70	\$ 10,773.19	\$ 552,174.70	\$ 142,522.69	\$ 5,593.20	\$ 2,730,468.22	\$ 3,446,167.70

OTHER OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34167 and 34169 (*)

Revised January 17, 2012

	Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by month						Total
						Jan	Feb	Mar	Apr	May	Jun	
1)	Allowable Admin Expense	City of Poway	Administration of Successor Agency	12,117,233.70	852,322.16		7,846.63	42,638.01	48,637.21	521,026.57	232,173.74	\$ 852,322.16
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26)												\$ -
27)												\$ -
28)												\$ -
Totals - Other Obligations				\$ 12,117,233.70	\$ 852,322.16	\$ -	\$ 7,846.63	\$ 42,638.01	\$ 48,637.21	\$ 521,026.57	\$ 232,173.74	\$ 852,322.16