

**CITY COUNCIL OF THE CITY OF SAN DIEGO
SUPPLEMENTAL DOCKET NUMBER 1
MONDAY, SEPTEMBER 14, 2015, AT 2:00 PM
CITY ADMINISTRATION BUILDING
COUNCIL CHAMBERS – 12TH FLOOR
202 “C” STREET
SAN DIEGO, CA 92101**

This information will be made available in alternative formats upon request, as required by the Americans with Disabilities Act (ADA), by contacting the City Clerk at (619) 533-4000 or <mailto:cityclerk@sandiego.gov>. Requests for disability-related modifications or accommodations required to facilitate meeting participation, including requests for auxiliary aids, services or interpreters, require different lead times. Please keep this in mind and provide as much advance notice as possible in order to ensure availability. Assistive Listening Devices (ALDs) are available in Council Chambers upon request.

Pursuant to California Senate Bill 343 (Section 54957.5(b) of the Brown Act), late-arriving documents related to City Council meeting agenda items which are distributed to the legislative body prior to and during the Council meeting are available for public review in the Office of the City Clerk on the second floor of the City Administration Building, 202 C Street, San Diego, CA 92101. This relates to those documents received after the agenda is publicly noticed and during the 72 hours prior to the start of the meeting. Please note: Approximately one hour prior to the start of the Council Meeting, the documents will be available just outside Council Chambers in the lobby of the 12th floor of the City Administration Building in a binder labeled “SB 343.” Late-arriving materials received during the City Council meeting are available for review by making a verbal request of City Clerk staff located in Council Chambers.

NOTE: The public portion of the meeting will begin at 2:00 p.m., to provide the public with the opportunity to comment on the Special Closed Session agenda then the Council will adjourn into Closed Session from 2:00 p.m. - 3:00 p.m. Copies of the Special Closed Session agenda are available in the Office of the City Clerk.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS

RESOLUTIONS:

ITEM-S400: Successor Agency Amended and Restated Long-Range Property Management Plan. (Districts 2, 3, 4, 7, 8, and 9.)

ITEM DESCRIPTION:

This action is to approve an Amended and Restated Property Management Plan that addresses the disposition and use of the Former Redevelopment Agency's real properties. The proposed Amended and Restated Property Management Plan incorporates required changes, additions, deletions, and other revisions to the original Property Management Plan. Approval of the Amended and Restated Property Management Plan is required under State Assembly Bill 1484.

STAFF'S RECOMMENDATION:

Adopt the following resolutions:

Subitem-A: (R-2016-120)

Acting in its capacity as the Board of the Successor Agency to the Redevelopment Agency of the City of San Diego, approving certain actions related to the Amended and Restated Long Range Property Management Plan governing the disposition of the Former Redevelopment Agency's non-housing real property assets.

Subitem-B: (R-2016-119)

Approving certain actions related to the Amended and Restated Long-Range Property Management Plan governing the disposition of the Former Redevelopment Agency's non-housing real property assets.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

Staff does not anticipate any significant changes to projected revenues and estimated expenses as a direct result of the proposed ARPMP.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION: N/A

Jarrett/Graham

Primary Contact\Phone: Jeff Zinner\619-533-7122

City Attorney Contact: Slegers, Nate\Mendoza, Hilda R.

ITEM-S401: Approval of Ninth Recognized Obligation Payment Schedule, for the period covering January 1, 2016 through June 30, 2016, and the associated Six-Month Successor Agency Administrative and Project Management Budget. (Districts 1-9.)

ITEM DESCRIPTION:

The Successor Agency is in the process of winding down the operations of the former Redevelopment Agency of the City of San Diego. Under the Dissolution Laws, the Recognized Obligation Payment Schedule (ROPS) is the governing document as to payments that are allowed to be made by the Successor Agency during each applicable six-month period. The proposed ROPS is for the ROPS 9 (ROPS 15-16B) period covering January 1, 2016 through June 30, 2016.

STAFF'S RECOMMENDATION:

Adopt the following resolution:

(R-2016-130)

Acting in its capacity as the Board of the Successor Agency to the Redevelopment Agency of the City of San Diego, (i) approving the Ninth Recognized Obligation Payment Schedule (ROPS) for January through June 2016 (ROPS 9), (ii) approving the administrative budget associated with ROPS 9, and (iii) authorizing the Mayor and Chief Financial Officer to carry out certain related actions.

STAFF SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

The fiscal impact to the Successor Agency is dependent upon the review and potential challenge of ROPS 9 by the CAC, DOF, and State Controller. The Dissolution Laws limit the administrative cost allowance available to the Successor Agency to three percent of the amount disbursed from the RPTTF to the Successor Agency, which is approximately \$1,844,009 based on the attached ROPS 9. The actual level of funds that the City may utilize in fulfilling its role as the Successor Agency will not be known until the Oversight Board, DOF, CAC, and State Controller review and potentially challenge items listed in ROPS 9.

Total disbursements toward enforceable obligations during the ROPS 9 period are \$81,356,547, which is funded with \$18,045,578 of funds on hand from the Former RDA, including Bond Proceeds, Other Funds, and Reserves, \$1,844,009 from Administrative Cost Allowance from RPTTF, and a disbursement of \$61,466,960 from the RPTTF for enforceable obligations.

Any costs to the Successor Agency beyond those allowed by the Dissolution Laws would impact the City's General Fund. These costs could be offset by increased property tax revenues distributed to the City. Specifically, a portion of the tax increment revenue previously allocated to the Former RDA is reallocated as general property taxes through semi-annual RPTTF

distributions on January 2 and June 1 from the CAC to the City and other local taxing entities, to the extent that the Successor Agency does not need the continued property tax revenue in order to pay enforceable obligations. A court decision in Los Angeles involving the allocation of Educational Revenue Augmentation Funds took effect for the first time in connection with the RPTTF distribution for ROPS 7 in early January 2015, and generally has resulted in a greater distribution of RPTTF to school entities and a reduced distribution of RPTTF to the City and the County. Under the current allocation method, the City receives approximately 17% (as opposed to 21% for ROPS 1 through 6) of the general property taxes that are reallocated to local taxing entities from the residual balance of the RPTTF in accordance with the Dissolution Laws.

The potential reinstatement of previously-invalidated loan agreements, as discussed above, could result in the City's recovery of loan amounts owed by the Successor Agency under the CDBG Repayment Agreement and other agreements. Staff can provide a detailed update to the Council in the future regarding the City's potential financial recovery, assuming the City actually has an opportunity to revive certain previously-invalidated agreements.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

On 1/10/2012, the City Council designated the City to serve as the Successor Agency under the Dissolution Laws.

On 2/13/2012, the City Council adopted a resolution establishing certain policies and procedures that govern operation of the Successor Agency.

On 4/25/2012, the City Council, in its capacity as the Successor Agency, adopted the Third Amended and Restated EOPS, ROPS 1, and ROPS 2, as well as the ROPS 2 administrative budget.

On 7/31/2012, the City Council, in its capacity as the Successor Agency, adopted ROPS 3 as well as the ROPS 3 administrative budget.

On 2/13/2013, the City Council, in its capacity as the Successor Agency, adopted ROPS 4 as well as the ROPS 4 administrative budget.

On 9/10/2013, the City Council, in its capacity as the Successor Agency, adopted ROPS 5 as well as ROPS 5 administrative budget.

On 2/10/2014, the City Council, in its capacity as the Successor Agency, adopted ROPS 6 as well as the ROPS 6 administrative budget.

On 9/23/2014, the City Council, in its capacity as the Successor Agency, adopted ROPS 7 as well as the ROPS 7 administrative budget.

On 2/2/2015, the City Council, in its capacity as the Successor Agency, adopted ROPS 8 as well as the ROPS 8 administrative budget.

Jarrett/Graham

Primary Contact\Phone: Wanda Nations\619-533-7109, MS 51D
City Attorney Contact: Reisch, Kevin