



## CITY OF ESCONDIDO

201 North Broadway  
Escondido, CA 92025

### Oversight Board to the Successor Agency of the Escondido Redevelopment Agency

**Tuesday**  
**Tuesday, September 8, 2015**

**10:00 AM**

**Mitchell Room**

1. [Approval of Minutes: February 10, 2015](#)

2. **Oral Communications**

“Under State law, all items under Oral Communications can have no action and will be referred to the staff for administrative action or scheduled on a subsequent agenda.”

This is the opportunity for members of the public to address the subcommittee on any item of business within the jurisdiction of the subcommittee.

3. [Adoption of Resolution No. OB 2015-03 Approving Recognized Obligation Payment Schedule \(ROPS 15-16B\) for January 2016 thru June 2016 -](#)

[Resolution No. OB 2015-03](#)

4. [Update on the Long Range Property Management Plan for the City of Escondido as the Successor Agency for the Escondido Redevelopment Agency -](#)

5. **Adjournment**

**CITY OF ESCONDIDO**

**MINUTES OF THE REGULAR MEETING  
OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF  
THE ESCONDIDO REDEVELOPMENT AGENCY**

**February 10, 2015**

The regular meeting of the Oversight Board of the Successor Agency of the Escondido Redevelopment Agency was called to order at 10:00 a.m., by Chairman Phillips in the Mitchell Room at City Hall, 201 North Broadway, Escondido, California.

**Board Members Present:** Chairman Phillips, Boardmember Simonson, Boardmember McNamara, Boardmember Bennett, Boardmember Baker, and Boardmember Baranowski.

**Commissioners absent:** Boardmember Yerxa.

**Staff present:** Jeffrey Epp, City Attorney; Joan Ryan, Finance Manager; Debra Lundy, Real Property Manager; Christina Holmes, Revenue Manager; and Ty Paulson, Minutes Clerk.

**MINUTES:**

Moved by Boardmember Simonson, seconded by Baranowski, to approve the minutes of the September 9, 2014 meeting. Motion carried unanimously.

**ORAL COMMUNICATIONS:** None.

3. **Adoption of Resolution No. OB 2015-01 Approving Recognized Obligation Payment Schedule (ROPS 15-16A) for July 2015 thru December 2015**  
(Resolution No. OB 2015-01)

Joan Ryan, Finance Manager, referenced the staff report and noted staff recommended adoption of Resolution No. OB 2015-01, approving the recognized obligation payment schedule (ROPS 15-16A) for July 2015 thru December 2015.

Boardmember Baranowski and Ms. Ryan discussed Page 2 and 4 of the staff report with regard to when funds would be coming in.

Boardmember Simonson referenced Item 6 and 26 in the staff report and noted that they appeared to be the same item. Ms. Ryan concurred and noted that this line

item was both a placeholder for staff and could not be removed.

**ACTION:**

Moved by Boardmember Baranowski, seconded by Boardmember Baker, to approve staff's recommendation. Motion carried unanimously.

**4. Adoption of Resolution No. OB 2015-02 Approving a Lease Agreement with Custom Blow Molding at 480 N. Spruce Street.**

Debra Lundy, Real Property Manager, referenced the staff report and noted staff recommended adoption of Resolution No. OB 2015-02, approving a lease agreement with Custom Blow Molding at 480 N. Spruce Street.

Boardmember Baranowski recused himself from this item.

Boardmember Baker and Ms. Lundy discussed the lease agreement with regard to the 7 months of free rent. Ms. Lundy noted that the 7 months of free rent began upon the signing of the lease.

Boardmember McNamara asked if the City had inspected the property with regard to the work needing done. Ms. Lundy noted that two companies had inspected the property, noting the City had a good baseline of what was needed for the property.

Boardmember McNamara and Ms. Lundy discussed the terms of the lease. Ms. Lundy noted that a deposit of \$18,000 would be made. Chairman Phillips noted that the tenant improvements would make the property more appealing.

**ACTION:**

Moved by Boardmember Simonson, seconded by Boardmember Baker, to approve staff's recommendation. Motion carried. Ayes: McNamara, Simonson, Baker, Phillips, and Bennett. Noes: None. Abstained: Baranowski. (5-1)

**ADJOURNMENT:**

Chairman Phillips adjourned the meeting at 10:13 am.

\_\_\_\_\_  
Clay Phillips, Chairman

\_\_\_\_\_  
Ty Paulson, Minutes Clerk



**OVERSIGHT BOARD TO THE  
SUCCESSOR AGENCY OF THE  
ESCONDIDO REDEVELOPMENT AGENCY**

Agenda Item No.: 3  
Date: September 8, 2015

**TO:** Members of the Oversight Board  
**FROM:** Joan Ryan, Finance Manager  
**SUBJECT:** Adoption of Resolution No. OB 2015-03 Approving Recognized Obligation Payment Schedule (ROPS 15-16B) for January 2016 thru June 2016

**RECOMMENDATION:**

It is requested that the Oversight Board approve Resolution No. OB 2015-03 to adopt the Recognized Obligation Payment Schedule (ROPS 15-16B) so that the Successor Agency may continue to make payments due for enforceable obligations.

**FISCAL ANALYSIS:**

The Oversight Board is responsible for approving the Successor Agency payment schedule for obligations of the Redevelopment Agency and forwarding this schedule to the State for additional approval. Once approved by the State, the County of San Diego will fund the payments from the County Redevelopment Property Tax Trust Fund (RPTTF).

**BACKGROUND:**

As part of the State of California's Dissolution of Redevelopment, the City as Successor Agency is required to adopt a Recognized Obligation Payment schedule and have it approved by the Oversight Board. This Obligation schedule lists payments to be made in the January 2016 thru June 2016 period. These payments are for the following: 2007A and B Lease Revenue Bonds (\$520,502), the loan repayment to the Traffic Impact Fund (\$50,000), Educational Revenue Augmentation Fund Payments (\$1,371,088), CalHFA loans (\$1,625,000), Successor Agency property utilities (\$14,000), and administrative costs (\$106,998) of the City.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Joan Ryan".

Joan Ryan,  
Assistant Finance Director

RESOLUTION NO. OB 2015-03

A RESOLUTION OF THE REDEVELOPMENT  
OVERSIGHT BOARD APPROVING A  
RECOGNIZED OBLIGATION PAYMENT  
SCHEDULE FOR JANUARY 2016 THRU JUNE  
2016 PURSUANT TO HEALTH AND SAFETY  
CODE SECTION 34177

WHEREAS, pursuant to authorizing Resolution No. 2012-16, the City Council of the City of Escondido elected to serve as the Successor Agency and Successor Housing Agency to the Escondido Redevelopment Agency; and

WHEREAS, pursuant to Health and Safety Code Section 34177, successor agencies are required to make payments due for enforceable obligations and adopt a Recognized Obligation Payment Schedule ("ROPS") and submit this schedule to an Oversight Board; and

WHEREAS, the Oversight Board is to approve the ROPS and forward to the State Department of Finance

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE CITY OF ESCONDIDO, CALIFORNIA, RESOLVES AS FOLLOWS:

1. That the above recitations are true.
2. That the Oversight Board to the Escondido Redevelopment Successor Agency, hereby approves the ROPS for the period of January 2016 to June 2016, which is attached hereto as Exhibit "A" and incorporated by this reference.

**Recognized Obligation Payment Schedule (ROPS 15-16B) - Summary**  
 Filed for the January 1, 2016 through June 30, 2016 Period

Name of Successor Agency: Escondido  
 Name of County: San Diego

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
<b>Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding</b>		
<b>A</b>	<b>Sources (B+C+D):</b>	<b>\$ 14,000</b>
B	Bond Proceeds Funding (ROPS Detail)	-
C	Reserve Balance Funding (ROPS Detail)	-
D	Other Funding (ROPS Detail)	14,000
<b>E</b>	<b>Enforceable Obligations Funded with RPTTF Funding (F+G):</b>	<b>\$ 3,673,588</b>
F	Non-Administrative Costs (ROPS Detail)	3,566,590
G	Administrative Costs (ROPS Detail)	106,998
<b>H</b>	<b>Total Current Period Enforceable Obligations (A+E):</b>	<b>\$ 3,687,588</b>

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
<b>I</b>	Enforceable Obligations funded with RPTTF (E):	3,673,588
<b>J</b>	Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(64,100)
<b>K</b>	Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 3,609,488

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
<b>L</b>	Enforceable Obligations funded with RPTTF (E):	3,673,588
<b>M</b>	Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
<b>N</b>	Adjusted Current Period RPTTF Requested Funding (L-M)	3,673,588

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177 (m) 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 agency.

Clay Phillips Chairman  
 Name Title  
 /s/ \_\_\_\_\_  
 Signature Date

Escondido Recognized Obligation Payment Schedule (ROPS 15-16B) - ROPS Detail  
 January 1, 2016 through June 30, 2016  
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K					P	
										Funding Source						Six-Month Total
Item #	Name / Debt Obl	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Section	Project Area	Total Outstanding Debt or Obligation	Refunded	Bond Proceeds	Trust Fund (Non-RPTTF)	Reserve Balance	Other Funds	Non-Admin	Admin	
2	2007A Lease	Revenue Bonds	1/25/2007	9/1/2018	Bank of New York	Bond Payment	Esc.	15,809,000	N	-	-	-	14,000	3,566,590	106,998	3,687,588
3	2007B Lease Revenue Bonds	Revenue Bonds Issued On or Before 12/31/10	1/25/2007	9/1/2018	Bank of New York	Bond Payment	Esc. Redev.	6,507,517	N	-	-	-	14,000	3,566,590	106,998	3,687,588
4	Bond Expense	Fees		9/1/2018	Bank of New York	Bond Trustee Admin. Fees	Esc. Redev.	9,500	N	-	-	-	-	-	-	-
5	Bond Debt Obligation	Reserves		9/1/2018	Bank of New York	Payment per AB 1484, Section	Esc. Redev.	-	N	-	-	-	-	-	-	-
6	Loan Repayment to General Fund	City/County Loans On or Before 6/27/11	8/5/1994	12/31/2035	City of Escondido	Program Administration-10	Esc. Redev.	964,775	N	-	-	-	-	50,000	-	50,000
7	Loan Repayment to Traffic Impact Fund	Loans On or Before 6/27/11	8/15/1994	12/31/2035	City of Escondido	Improvement-Nordahl bridge Improvements	Esc. Redev.	2,704,314	N	-	-	-	-	1,371,088	-	1,371,088
8	Loan Repayment to Housing Set Aside Fund	SERAF/ERAF	8/15/1994	4/30/2016	City of Escondido	ERAF(Education at Revenue Augmentation Fund) Payments	Esc. Redev.	2,705,000	N	-	-	-	-	1,625,000	-	1,625,000
9	CalHFA Loans	OPA/DDA/Const. function	10/31/2003	6/30/2018	CalHFA	Affordable Housing Projects	Esc. Redev.	2,705,000	N	-	-	-	-	1,625,000	-	1,625,000
10	Employee Costs-Admin. Fee	Admin Costs	7/1/2011	9/30/2018	Employees of City of Escondido	Administration	Esc. Redev.	-	N	-	-	-	-	-	106,998	106,998
24	Utilities	Property Maintenance	5/3/12/2012	6/30/2015	SDG&E	Successor Agency Property-Gas & Electric costs	Esc. Redev.	6,000	N	-	-	-	6,000	-	-	6,000
25	Property Management	Property Maintenance	1/25/2013	6/30/2015	Various	Successor Agency Property	Esc. Redev.	-	N	-	-	-	-	-	-	-
26	Loan Repayment to General Fund	Miscellaneous	8/15/1994	12/31/2035	City of Escondido	Program Administration	Esc. Redev.	5,000	N	-	-	-	5,000	-	-	5,000
27	Utilities	Property Maintenance	7/1/2013	6/30/2015	City of Escondido	Successor Agency Property-Water Costs	Esc. Redev.	3,000	N	-	-	-	3,000	-	-	3,000
28	Utilities	Property Maintenance	7/1/2013	6/30/2015	Steven Smith Landscape Inc.	Successor Agency Property-Landscaping maintenance	Esc. Redev.	3,000	N	-	-	-	3,000	-	-	3,000
29									N	-	-	-	-	-	-	-

**Escondido Recognized Obligation Payment Schedule (ROPS 15-16B) - Report of Cash Balances**  
 (Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (i), Redevelopment Property Tax Trust Fund (RP'TTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [INSERT URL LINK TO CASH BALANCE TIPS SHEET]

A	B	C	D	E		F	G	H	I
				Bond Proceeds	Reserve Balance				
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR RP'TTF balances retained	Prior ROPS RP'TTF distributed as reserve for future period(s)	Rent, Grants, Interest, Etc.	Non-Admin and Admin	Comments	
<b>ROPS 14-15B Actuals (01/01/15 - 06/30/15)</b>									
1	Beginning Available Cash Balance (Actual 01/01/15)					985,938		110,164	
2	Revenue/Income (Actual 06/30/15) RP'TTF amounts should tie to the ROPS 14-15B distribution from the County Auditor-Controller during January 2015					548,534		1,670,242	
3	Expenditures for ROPS 14-15B Enforceable Obligations (Actual 06/30/15) RP'TTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q					903,458		1,712,233	
4	Retention of Available Cash Balance (Actual 06/30/15) RP'TTF amount retained should only include the amounts distributed as reserve for future period(s)								
5	ROPS 14-15B RP'TTF Prior Period Adjustment RP'TTF amount should tie to the self-reported ROPS 14-15B PPA in the Report of PPA, Column S			No entry required				64,100	
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 631,014	\$ 631,014	\$ 4,073	
<b>ROPS 15-16A Estimate (07/01/15 - 12/31/15)</b>									
7	Beginning Available Cash Balance (Actual 07/01/15) (C, D, E, G = 4 + 6, F = H4 + F4 + F9, and H = 5 + 6)	\$ -	\$ -	\$ -	\$ -	\$ 631,014	\$ 631,014	\$ 68,173	
8	Revenue/Income (Estimate 12/31/15) RP'TTF amounts should tie to the ROPS 14-15B distribution from the County Auditor-Controller during June 2015							6,731,175	
9	Expenditures for ROPS 14-15B Enforceable Obligations (Estimate 12/31/15)							89,492	6,827,300
10	Retention of Available Cash Balance (Estimate 12/31/15) RP'TTF amount retained should only include the amounts distributed as reserve for future period(s)								
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ -	\$ -	\$ -	\$ -	\$ 541,522	\$ 541,522	\$ (27,952)	



Escondido Recognized Obligation Payment Schedule (ROPS 15-16B) - Report of Prior Period Adjustments  
 Reported for the ROPS 14-15B (January 1, 2015 through June 30, 2015) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)  
 (Report Amounts in Whole Dollars)

ROPS 14-15B Successor Agency (SA) Self-reported Prior Period Adjustments (PPA). Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 14-15B (January through June 2015) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 15-16B (January through June 2016) period will be offset by the SAs self-reported ROPS 14-15B prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.

Item #	Project Name / Debt Obligation	Non-RPTTF Expenditure		RPTTF Expenditures		Net SA Non-Admin and Admin PPA		SA Comments
		Authorized	Actual	Authorized	Actual	Admin	Non-Admin	
2	2007A Lease Revenue Bonds	910,446	903,458	1,610,346	1,546,246	165,987	64,100	
3	2007B Lease Revenue Bonds	-	-	210,417	210,417	-	-	
4	Bond Expense	-	-	9,500	-	9,500	-	
5	Bond Debt Obligation Reserve	-	-	-	-	-	-	
6	Loan Repayment to General Fund	-	-	-	-	-	-	
7	Loan Repayment to Traffic Impact Fund	-	-	-	-	-	-	
8	Loan Repayment to Housing Set Aside Fund	-	-	-	-	-	-	
9	CalHFA Loans	896,446	896,446	923,554	868,954	54,600	54,600	
10	Employee Costs Admin. Fee	-	-	-	-	-	-	
24	Utilities	6,000	6,107	-	-	-	-	
25	Property Management Expenses	-	-	-	-	-	-	
26	Loan Repayment to General Fund	-	-	-	-	-	-	
27	Utilities	5,000	905	-	-	-	-	
28	Utilities	3,000	-	-	-	-	-	



**OVERSIGHT BOARD TO THE  
SUCCESSOR AGENCY OF THE  
ESCONDIDO REDEVELOPMENT AGENCY**

Agenda Item No.: 4  
Date: September 8, 2015

**TO:** Members of the Oversight Board  
**FROM:** Debra Lundy, Real Property Manager  
**SUBJECT:** Update on the Long Range Property Management Plan for the City of Escondido as the Successor Agency for the Escondido Redevelopment Agency

RECOMMENDATION:

It is requested that the Oversight Board receive and file this update on the Long Range Property Management Plan for the City of Escondido as the Successor Agency for the Escondido Redevelopment Agency.

FISCAL ANALYSIS:

As part of the City's implementation of the approved Long Range Property Management Plan, interim lease revenue at 480 N. Spruce Street will be generated in the amount of \$224,242/year, commencing in February 2016 once the tenant improvement credit has been achieved. Thereafter, rent will increase annually by 3%. Rent revenue will be reported to the Department of Finance on the Recognized Obligation Payment Schedule as "other income" and will be utilized to pay for property management of Successor Agency properties and other financial obligations of the Successor Agency.

BACKGROUND:

The City of Escondido, as the Successor Agency to the Escondido Redevelopment Agency, received a Finding of Completion from the State on May 24, 2013. Thereafter, a Long Range Property Management Plan was submitted to the Department of Finance on November 18, 2013, having first been approved by the Escondido City Council acting as the Successor Agency on October 2, 2013 and the Oversight Board on October 8, 2013. Following input from the State, the Plan was subsequently revised and approved by the Council and Board for resubmittal on June 11, 2014.

The Long Range Property Management Plan ("Plan") was prepared in accordance with Health & Safety Code section 34191.5, setting forth a strategy for disposition and use of the real property assets of the former redevelopment agency. The Plan originally identified five Successor Agency properties. A title search by the State showed that three additional sites (for a total of 8 parcels) were still vested with the City's former Redevelopment Agency. However, City staff undertook more thorough title research and were able to demonstrate to the satisfaction of the State that four of the eight parcels included in the Revised LRPMP were actually improperly included due to a recording error at the County Recorder's Office. Our research revealed that sites 5 (CCAЕ), 5a (Grape Day

Park), 5b (City Hall) and 6 (Downtown Parking Lot No. 1) had been quitclaimed back to the City of Escondido several years prior to the dissolution of redevelopment but had not been property recorded. The County Recorder's Office corrected its mistake and cleared the title confusion.

Accordingly, the Plan was revised to exclude these four parcels, leaving four parcels subject to the Plan as follows:

<b><u>Parcel/Address</u></b>	<b><u>Size/Zoning</u></b>	<b><u>Designation</u></b>	<b><u>Current Use</u></b>
Site 1: 480 N. Spruce Street	3.79 Acres; M-2	<b>Hold</b> for Future Development	Interim Leased to Custom Blow Molding (\$18,686.80/month commencing February 2016); 3 year term.
Sites 2-4: 304, 314 & 316 E. Grand	21,000 sf; Downtown SP	<b>Governmental Use-</b> City to retain	Heritage Park

On June 26, 2015, the State issued its formal approval of the Long Range Property Management Plan. As such, in accordance with the Health & Safety Code, the City has begun implementation of the Plan.

Respectfully submitted,



Debra Lundy  
Real Property Manager