



## **CITY OF ESCONDIDO**

201 North Broadway  
Escondido, CA 92025

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

**Tuesday  
February 11, 2014**

**10:00 AM**

**Mitchell Room**

**1. Approval of Minutes:** October 8, 2013

**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. Results of Department of Finance Meet and Confer concerning ROPS 13-14B held on November 13, 2013**

**4. Approval of Recognized Obligation Payment Schedule (ROPS 14-15A) for June 2014 thru December 2014**

Resolution No. OB 2014-01

**5. Financial Update as of December 31, 2013 and Projections through June 30, 2014**

**6. Approval of Settlement Agreement between Palomar Community College District and the Successor Agency to the dissolved Escondido Redevelopment Agency and the City of Escondido**

Resolution No. OB 2014-02

**7. Adjournment**

**CITY OF ESCONDIDO**

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

**October 8, 2013**

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, Vice-Chairman Rojas, Boardmember Yerxa, Boardmember Baker, Boardmember McNamara, Boardmember Baranowski and Boardmember Simonson.

**Staff present:** Jeffrey Epp, City Attorney; Joan Ryan, Finance Manager; Jodi Coco-Cleveland, City Accountant; Christina Holmes, City Accountant; and Diane Halverson, City Clerk.

**1. Approval of Minutes**

Moved by Boardmember McNamara, seconded by Boardmember Baranowski to approve the minutes of the September 17, 2013 meeting. Motion carried unanimously. (7-0)

**2. Approval of Long Range Property Management Plan for the City of Escondido as the Successor Agency for the Escondido Redevelopment Agency**

Debra Lundy, City Real Property Manager, referenced the staff report and indicated that the Long Range Property Management Plan was approved by the Escondido City Council, acting as the Successor Agency, on October 2, 2013 and after approval by the Oversight Board would be submitted for approval to the State Department of Finance on or before November 24, 2013. Permissible uses for the former redevelopment properties are: 1) Governmental use, 2) Hold for future development, 3) Sale of property and distribute the earnings among the taxing entities, and 4) Use of the property to fulfill enforceable obligations.

Ms. Lundy referenced the property profiles: Site #1, 480 N. Spruce; M1 Zone to be used as future economic development; Sites 2,3 & 4, currently developed as Parks, which the City is requesting to retain for continued governmental/public purposes; Site #5, Portion of Center for the Arts, Escondido facility, which provides security to

bond issues, which come up in 2018.

Boardmember Simonson questioned if the Spruce property was still being held for a future ballpark. Chairman Phillips answered in the negative.

**ACTION:**

Moved by Boardmember Baranowski, seconded by Boardmember Simonson, to approve the Long Range Property Management Plan for the City of Escondido as the Successor Agency for the Escondido Redevelopment Agency. Motion carried unanimously. (7-0)

**ADJOURNMENT:**

Chairman Phillips adjourned the meeting at 10:10 a.m.

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

\_\_\_\_\_  
Diane Halverson, City Clerk

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

Agenda Item No.: 4  
Date: February 11, 2014

**TO:** Members of the Oversight Board  
**FROM:** Joan Ryan, Assistant Finance Director  
**SUBJECT:** Adoption of Resolution No. OB 2014-01 Approving Recognized Obligation Payment Schedule (ROPS 14-15A) for July 2014 thru December 2014

RECOMMENDATION:

It is requested that the Oversight Board approve Resolution No. OB 2014-01 to adopt the Recognized Obligation Payment Schedule (ROPS 14-15A) 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 July 2014 to December 2014 period. These payments are for the following: 2007A and B Lease Revenue Bonds (\$6,611,382), Bond Trustee Administrative Fees (\$9,500), Educational Revenue Augmentation Fund Payments (\$694,978), Successor Agency property utilities (\$14,000), and administrative costs (\$219,475).

Respectfully submitted,

  
Joan Ryan,  
Assistant Finance Director

RESOLUTION NO. OB 2014-01

A RESOLUTION OF THE REDEVELOPMENT  
OVERSIGHT BOARD APPROVING A  
RECOGNIZED OBLIGATION PAYMENT  
SCHEDULE FOR JULY 2014 THRU  
DECEMBER 2014 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 July 2014 to December 2014, which is attached hereto as Exhibit "A" and incorporated by this reference.

**Recognized Obligation Payment Schedule (ROPS 14-15A) - Summary**

Filed for the July 1, 2014 through December 31, 2014 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 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 Enforceable Obligations Funded with RPTTF Funding (F+G):</b>		<b>\$ 7,535,335</b>
F Non-Administrative Costs (ROPS Detail)	7,315,860	
G Administrative Costs (ROPS Detail)	219,475	
<b>H Current Period Enforceable Obligations (A+E):</b>		<b>\$ 7,549,335</b>

<b>Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding</b>		
I Enforceable Obligations funded with RPTTF (E):	7,535,335	
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(638,326)	
<b>K Adjusted Current Period RPTTF Requested Funding (I-J)</b>		<b>\$ 6,897,009</b>

<b>County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding</b>		
L Enforceable Obligations funded with RPTTF (E):	7,535,335	
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-	
<b>N Adjusted Current Period RPTTF Requested Funding (L-M)</b>		<b>7,535,335</b>

Certification of Oversight Board Chairman:  
Pursuant to Section 34-177(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.

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

**Recognized Obligation Payment Schedule (ROPS) 14-15A - Report of Cash Balances**

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I						
									Fund Sources					
									Bond Proceeds		Reserve Balance		Other	
Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS balances and DDR balances retained	Prior ROPS RPTTF distributed as reserve for next bond payment	Rent, Grants, Interest, Etc.	RPTTF	Non-Admin and Admin	Comments							
<b>Cash Balance Information by ROPS Period</b>														
<b>ROPS 13-14A Actuals (07/01/13 - 12/31/13)</b>														
1	<b>Beginning Available Cash Balance (Actual 07/01/13)</b> Note that for the RPTTF, 1 + 2 should tie to columns J and O in the Report of Prior Period Adjustments (PPAs)			1,212,300	907,200	18,796								
2	<b>Revenue/Income (Actual 12/31/13)</b> Note that the RPTTF amounts should tie to the ROPS 13-14A distribution from the County Auditor-Controller during June 2013													
3	<b>Expenditures for ROPS 13-14A Enforceable Obligations (Actual 12/31/13)</b> Note that for the RPTTF, 3 + 4 should tie to columns L and Q in the Report of PPAs					380,528	7,324,604							
4	<b>Retention of Available Cash Balance (Actual 12/31/13)</b> Note that the RPTTF amount should only include the retention of reserves for debt service approved in ROPS 13-14A			1,212,300	907,200	371,332	6,671,950							
5	<b>ROPS 13-14A RPTTF Prior Period Adjustment</b> Note that the RPTTF amount should tie to column S in the Report of PPAs.													
6	<b>Ending Actual Available Cash Balance</b> <b>C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)</b>	\$ -	\$ -	\$ -	\$ -	\$ 27,992	\$ 638,326	\$ 14,328						
<b>ROPS 13-14B Estimate (01/01/14 - 06/30/14)</b>														
7	<b>Beginning Available Cash Balance (Actual 01/01/14)</b> <b>(C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)</b>	\$ -	\$ -	\$ -	\$ -	\$ 27,992	\$ 652,654							
8	<b>Revenue/Income (Estimate 06/30/14)</b> Note that the RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014						1,611,445							
9	<b>Expenditures for 13-14B Enforceable Obligations (Estimate 06/30/14)</b>						1,611,445							
10	<b>Retention of Available Cash Balance (Estimate 06/30/14)</b> Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14B													
11	<b>Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)</b>	\$ -	\$ -	\$ -	\$ -	\$ 27,992	\$ 652,654							

**Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail**  
**July 1, 2014 through December 31, 2014**  
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M			N	O	P
												Funding Source					
												Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)	Reserve Balance	Other Funds			
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	Six-Month Total		
2	2007A 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.	\$ 38,891,202	N	\$ -	\$ -	\$ 14,000	\$ 7,315,860	\$ 219,475	\$ 7,549,335		
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.	8,688,350	N	\$ -	\$ -	\$ -	1,942,007	\$ -	\$ 1,942,007		
4	Bond Expense	Fees	1/10/1992	9/1/2018	Bank of New York	Bond Trustee Admin Fees	Esc. Redev.	9,500	N	\$ -	\$ -	\$ -	9,500	\$ -	\$ 9,500		
5	Bond Debt Obligation Reserve	Reserves	1/25/2007	9/1/2018	Bank of New York	Payment per AB 1484, Section 34171(d)(1)(A)	Esc. Redev.	-	N	\$ -	\$ -	\$ -	-	\$ -	\$ -		
6	Loan Repayment to General Fund	City/County Loans On or Before 6/27/11	8/15/1994	12/31/2035	City of Escondido	Program Administration to assist in the implementation of the Redevelopment Plan	Esc. Redev.	967,835	N	\$ -	\$ -	\$ -	-	\$ -	\$ -		
7	Loan Repayment to Traffic Impact Fund	City/County Loans On or Before 6/27/11	8/15/1994	12/31/2035	City of Escondido	Capital Improvement-Nordair bridge improvements	Esc. Redev.	3,399,202	N	\$ -	\$ -	\$ -	-	\$ -	\$ -		
8	Loan Repayment to Housing Set Aside Fund	SERAF/ERAF	8/15/1994	4/30/2016	City of Escondido	ERAF(Educational Revenue Augmentation Fund) Payments	Esc. Redev.	4,525,000	N	\$ -	\$ -	\$ -	694,978	\$ -	\$ 694,978		
9	CallHFA Loans	OPA/DDA/Construction	10/31/2003	6/30/2018	CallHFA	Affordable Housing Projects	Esc. Redev.	-	N	\$ -	\$ -	\$ -	-	\$ -	\$ -		
10	Employee Costs-Admin. Fee	Admin Costs	7/1/2011	9/30/2018	Employees of City of Escondido	Administration	Esc. Redev.	219,475	N	\$ -	\$ -	\$ -	219,475	\$ -	\$ 219,475		
14	Pass Through Agreement	Miscellaneous	12/12/1984	12/12/2035	Palomar Community College	Payment per Settlement Agreement, PP O/S Amount	Esc. Redev.	-	N	\$ -	\$ -	\$ -	-	\$ -	\$ -		
19	Pass Through Agreement	Miscellaneous	7/1/2005	12/12/2035	City of Escondido	Payment per 33607, PP O/S Amount	Esc. Redev.	-	N	\$ -	\$ -	\$ -	-	\$ -	\$ -		
20	Pass Through Agreement	Miscellaneous	7/1/2005	12/12/2035	Resource Cons. Dist of Greater SD	Payment per 33607, PP O/S Amount	Esc. Redev.	-	N	\$ -	\$ -	\$ -	-	\$ -	\$ -		
21	Pass Through Agreement	Miscellaneous	7/1/2005	12/12/2035	Vallecitos Water District	Payment per 33607, PP O/S Amount	Esc. Redev.	-	N	\$ -	\$ -	\$ -	-	\$ -	\$ -		
22	Pass Through Agreement	Miscellaneous	7/1/2005	12/12/2035	SD County Water Authority	Payment per 33607, PP O/S Amount	Esc. Redev.	-	N	\$ -	\$ -	\$ -	-	\$ -	\$ -		
23	Pass Through Agreement	Miscellaneous	7/1/2005	12/12/2035	Metropolitan Water District	Payment per 33607, PP O/S Amount	Esc. Redev.	-	N	\$ -	\$ -	\$ -	-	\$ -	\$ -		
24	Utilities	Property Maintenance	5/31/2012	12/31/2014	SD&E	Successor Agency Property-Gas & Electric costs	Esc. Redev.	6,000	N	\$ -	\$ -	6,000	-	\$ -	\$ 6,000		
25	Property Management Expenses	Property Maintenance	1/25/2013	12/31/2014	Various	Successor Agency Property Management costs	Esc. Redev.	-	N	\$ -	\$ -	\$ -	-	\$ -	\$ -		
26	Loan Repayment to General Fund	Miscellaneous	8/15/1994	12/31/2035	City of Escondido	Program Administration	Esc. Redev.	-	N	\$ -	\$ -	\$ -	-	\$ -	\$ -		
27	Utilities	Property Maintenance	7/1/2013	12/31/2014	City of Escondido	Successor Agency Property-Water Costs	Esc. Redev.	5,000	N	\$ -	\$ -	5,000	-	\$ -	\$ 5,000		
28	Utilities	Property Maintenance	7/1/2013	12/31/2014	Steven Smith Landscape Inc.	Successor Agency Property-Landscaping maintenance	Esc. Redev.	3,000	N	\$ -	\$ -	3,000	-	\$ -	\$ 3,000		



**Recognized Obligation Payment Schedule (ROPS) 14-15A - Report of Prior Period Adjustments**  
(Report Amounts in Whole Dollars)

Reported for the ROPS 13-14A (July 1, 2013 through December 31, 2013) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)  
 ROPS 13-14A 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 expenditures for the ROPS 13-14A (July through December 2013) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 14-15A (July through December 2014) period will be offset by the SA's self-reported ROPS 13-14A 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.

A Item #	B Project Name / Debt Obligation	Non-RPTTF Expenditures										RPTTF Expenditures				Net SA Non-Admin and Admin PPA																							
		C		D		E		F		G		H		I			J		K		L		M		N		O		P		Q		R		S				
		Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized		Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	
		Reserve Balance		Other Funds		Non-Admin		Admin		Difference (If K is less than L, the difference is zero)		Difference (If total actual exceeds total authorized, the total difference is zero)																											
		Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 13-14A distributed + all other available as of 07/1/13)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 13-14A distributed + all other available as of 07/1/13)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Actual	Authorized																							
1	1997 Revenue & Cap	\$ -	\$ 2,119,500	\$ 2,119,500	\$ 433,482	\$ 8,687,891	\$ 7,310,276	\$ 6,871,950	\$ 638,326	\$ 280,940	\$ 14,328	\$ 14,328	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2	2007A Lease Revenue	-	2,000,000	2,000,000	347,762	1,892,518	1,892,518	1,892,518	199	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	2007B Lease Revenue	-	-	-	-	3,060,525	1,702,410	1,980,625	621,785	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Bonds	-	-	-	-	1,310,348	1,310,348	1,310,348	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Bond Expense	-	-	-	-	9,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Bond Debt Obligation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	Loan Repayment to General Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
8	Loan Repayment to Traffic Impact Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9	Loan Repayment to Housing Set Aside Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	CalHEAL Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Employee Costs-Admin Fee	-	119,500	119,500	-	-	2,405,000	2,388,658	16,342	280,940	14,328	14,328	16,342	280,940	14,328	14,328	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Pass Through Agreement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Pass Through Agreement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Pass Through Agreement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Pass Through Agreement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Pass Through Agreement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Pass Through Agreement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Pass Through Agreement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Pass Through Agreement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Pass Through Agreement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Pass Through Agreement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Pass Through Agreement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Pass Through Agreement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Utilities	-	-	-	6,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
25	Property Management Expenses	-	-	-	80,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
26	Loan Repayment to General Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

<b>Recognized Obligation Payment Schedule 14-15A - Notes</b> July 1, 2014 through December 31, 2014	
Item #	Notes/Comments
2,3	These bonds refunded the 1995 Lease Revenue Bonds that refunded the 1992 B Lease Revenue Bonds. The 1992 Lease Revenue bond proceeds were used to construct the conference facility, a lyric theatre and a visual arts center. The 2007 bonds will be paid in full on 9/1/2018.
7	The interest rate on this loan is the average annual municipal GO bond rate for a 20 year bond plus 1 percent. Total obligation is estimated using the prior year's interest rate calculation.
9	The Housing Set Aside Fund received loans from CA Housing Finance Agency. The proceeds of these loans were used to finance the property acquisitions for the projects of Washington, Plaza Apartments, Trinity Apartments, Brotherton, Los Ventanas and SoCal Housing.
24,27,28	Termination date will be the date the property is sold. Property: 480 N. Spruce. Tenant vacated on 5/31/13. Amounts due are estimated.



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

Agenda Item No.: 5  
Date: February 11, 2014

**TO:** Members of the Oversight Board  
**FROM:** Joan Ryan, Assistant Finance Director  
**SUBJECT:** Financial Update as of December 31, 2013 and Projections as of June 30, 2014

RECOMMENDATION:

It is requested that the Oversight Board receive and file the Financial Update

BACKGROUND:

The Redevelopment Successor Agency Fund was established to account for the dissolution of the redevelopment agency. Fund activity includes distributions received from the County of San Diego Auditor & Controller's Redevelopment Property Tax Trust Fund (RPTTF) used to retire eligible enforceable obligations during the dissolution of the redevelopment agency and also accounts for the administrative costs incurred during the dissolution.

Exhibit A attached summarizes the Successor Agency's cash inflows and outflows from July 1, 2013 to December 31, 2013 as well as the projected cash balance at June 30, 2014.

Respectfully submitted,

  
Joan Ryan,  
Assistant Finance Director

**Redevelopment Successor Agency Fund ~ FY2013/2014**  
**Second Quarter Ending December 31, 2013**

*Prepared by the City of Escondido Finance Department*

This report summarizes the Agency's overall financial position for the period of July 1, 2013 through December 31, 2013 as well as projected cash flows through June 30, 2014. This report is for internal use only. The figures presented here are unaudited and have not been prepared in accordance with Generally Accepted Accounting Principles.

The Redevelopment Successor Agency Fund was established to account for the dissolution of the redevelopment agency. Fund activity includes distributions received from the County of San Diego Auditor & Controller's Redevelopment Property Tax Trust Fund (RPTTF) used to retire eligible enforceable obligations during the dissolution of the redevelopment agency and also accounts for the administrative costs incurred during the dissolution.

**CASH FLOW SUMMARY**

The following table summarizes the Successor Agency's actual cash inflows and outflows from July 1, 2013 to December 31, 2013 to reach the ending cash balance on December 31, 2013 of \$680,646.

<b>REDEVELOPMENT SUCCESSOR AGENCY FUND</b>	
<b>CASH INFLOWS &amp; OUTFLOWS AS OF DECEMBER 31, 2013</b>	
	<b>July 2013 to Dec 2013</b>
<b>BEGINNING CASH BALANCE 7/1/2013</b>	<b>\$9,467,710</b>
<b>CASH INFLOWS</b>	
Income from Investments and Property	28,037
Transfer from Cash with Fiscal Agent	347,681
<b>TOTAL CASH INFLOWS</b>	<b>375,718</b>
<b>CASH OUTFLOWS</b>	
Debt Service Payments	6,630,973
CalHFA Loan Repayment	2,388,658
Administrative Fees	133,828
Rental Property Expense	9,323
<b>TOTAL CASH OUTFLOWS</b>	<b>9,162,782</b>
<b>NET CASH (OUTFLOWS) INFLOWS</b>	<b>(8,787,064)</b>
<b>ENDING CASH BALANCE 12/31/2013</b>	<b>\$680,646</b>

**Redevelopment Successor Agency Fund ~ FY2013/2014**  
**Second Quarter Ending December 31, 2013**

CASH FLOW SUMMARY (continued)

The following table summarizes the Successor Agency's projected cash inflows and outflows from January 1, 2014 to June 30, 2014 to reach the projected ending cash balance on June 30, 2014 of \$690,646.

<b>REDEVELOPMENT SUCCESSOR AGENCY FUND</b>	
<b>PROJECTED CASH BALANCE AS OF JUNE 30, 2014</b>	
	<b>Jan 2014 to June 2014</b>
<b>BEGINNING CASH BALANCE 1/1/2014</b>	\$680,646
<b>CASH INFLOWS</b>	
Payments from Redevelopment Property Tax Trust Fund	1,611,445
Income from Investments and Property	10,000
<b>TOTAL CASH INFLOWS</b>	<b>1,621,445</b>
<b>CASH OUTFLOWS</b>	
Debt Service Payments	826,382
Loan Repayment to Traffic Impact Fund	50,000
Administrative Fees	148,828
Rental Property Expense	11,000
Pass Through Agreement Payments	575,235
<b>TOTAL CASH OUTFLOWS</b>	<b>1,611,445</b>
<b>NET PROJECTED CASH (OUTFLOWS) INFLOWS</b>	10,000
<b>PROJECTED CASH BALANCE 6/30/14</b>	<b>\$690,646</b>

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

Agenda Item No.: 6  
Date: February 11, 2014

**TO:** Members of the Oversight Board

**FROM:** Joan Ryan, Assistant Finance Director

**SUBJECT:** Settlement and Release Agreement between the Successor Agency of the Escondido Redevelopment Agency, the City of Escondido and the Palomar Community College District

RECOMMENDATION:

It is requested that the Oversight Board of the Escondido Redevelopment Agency adopt Resolution OB 2014-02 approving a Settlement and Release Agreement reached during a mediation session between the City of Escondido ("City"), the Successor Agency to the Escondido Redevelopment Agency ("Successor Agency") and Palomar Community College District ("District")

BACKGROUND:

The Escondido Redevelopment Agency was established in December 1984 in connection with the adoption of the Escondido Redevelopment Plan and the Escondido Redevelopment Project Area. The Redevelopment Agency's main goal was to eliminate blight from an established project area. This was accomplished by assembling land for development in the project area and leveraging tax increment financing to invest in needed infrastructure to attract development to the blighted area. Tax increment revenue was generated through a process that began with the County Assessor. When a Redevelopment Agency established a project area, the County assessor would freeze the property values in that project area creating what is known as the base year value. Any growth in property values above this base year value was considered incremental assessed value and any increased property taxes above this base generated tax increment revenue for the redevelopment agency. This tax increment revenue belonged to the Agency and could be used to finance debt for a redevelopment project.

In 1984, the City and the Escondido Redevelopment Agency entered into eight separate Tax Sharing Agreements with each of the taxing entities within the City limits. One of these Tax Sharing Agreements was with Palomar Community College District. The purpose of these agreements was to allow the taxing entities to share in a portion of the tax increment revenue that was generated in the Redevelopment Project Area.

On January 21, 1992, the Escondido Redevelopment Agency entered into an agreement with Palomar College to issue bonds to be used by the District to pay for the construction of a parking lot at the Palomar College Campus in Escondido. The bonds had maturity dates of September 1, 2012

and September 1, 2013 and each had a maturity value of \$2.24 million. The District was obligated to pay for the bonds once they matured and allocated their future tax increment revenues to the Agency to make the bond payments.

On October 1, 2011, Governor Brown signed ABx1 26 into law which suspended all new redevelopment activities and dissolved all redevelopment agencies. In order to facilitate the winding down of redevelopment agencies, successor agencies were established to manage existing projects, make payments on enforceable obligations and dispose of assets and properties of the former redevelopment agencies. All litigation involving a former redevelopment agency is automatically transferred to the successor agency.

On February 1, 2012, the Escondido Redevelopment Agency was dissolved and all the assets and liabilities of the former Agency were transferred to the Successor Agency. Included in those liabilities were the bonds of \$4.48 million which were issued on behalf of Palomar Community College District. On September 1, 2012, the first bond payment was due and the Successor Agency made the payment using Redevelopment Property Tax Trust Funds (RPTTF) received from the County. On September 1, 2013, the second bond obligation came due and the Successor Agency used bond reserve funds of \$347,680 to pay the bonds with the remaining balance covered by RPTTF. The Successor Agency did not receive any reimbursement from the District to cover either of these debt obligations.

On January 24, 2013, Palomar Community College District sued the City of Escondido and the Successor Agency arguing that Escondido Redevelopment Agency did not properly administer and pay the District's tax sharing revenues under the 1984 tax sharing agreement. On May 23, 2013 the Successor Agency sued the District seeking reimbursement of \$4.48 million from the District for these bond obligations. Both parties agreed to attend a mediation session on November 20, 2013. The result of that mediation was an agreement that provided for payment of the bonds primarily by the District, with certain concessions on the part of the Successor Agency.

Following are key financial terms and conditions agreed to in this Settlement Agreement:

- Palomar Community College District is obligated to pay \$4.48 million to the Successor Agency for the repayment of the capital appreciation bonds that matured on September 1, 2012 and September 1, 2013.
- The City and Successor Agency have agreed to forgive \$1 million of the District's bond debt obligation.
- The Successor Agency will apply \$359,130 of past tax increment monies that are currently being held in trust for the District to reduce the District's bond debt obligation.
- The Successor Agency will apply \$347,680 of bond reserve funds that the Successor Agency used when it made the final bond payment to reduce the District's bond debt obligation.

Settlement and Release Agreement

February 11, 2014

Page 3

- The District will make payments to the Successor Agency to repay the balance of its bond obligation of \$2,773,190 according to the payment schedule included in the agreement with the final payment made on February 1, 2019.

Based on the mediation, the District and the Successor Agency entered into a Settlement and Release Agreement, which was conditioned on approval by the Escondido City Council, the Palomar Community College Board, and this Oversight Board. The Escondido City Council and Palomar Community College Board have already approved this agreement. If the Oversight Board approves this agreement today, it will be sent to the California State Department of Finance.

Respectfully submitted,



Joan Ryan,  
Assistant Finance Director



RESOLUTION NO. OB 2014-02

A RESOLUTION OF THE REDEVELOPMENT  
OVERSIGHT BOARD APPROVING A  
PAYMENT AND REIMBURSEMENT  
ARRANGEMENT BETWEEN THE  
SUCCESSOR AGENCY AND THE PALOMAR  
COMMUNITY COLLEGE DISTRICT

WHEREAS, the California Legislature determined to dissolve redevelopment agencies throughout the state, including the Escondido Redevelopment Agency, and adopted legislation providing for a dissolution process and distribution of assets of a former redevelopment agency; and

WHEREAS, in 1984, the City, the Escondido Redevelopment Agency and the Palomar Community College District ("District") entered into a Tax Sharing Agreement which provided that the District was to receive 2/3 of its share of revenues in excess of those required for the Redevelopment Agency to meet its housing set-aside requirement and debt service for bonds issued to finance the construction of a Civic/Cultural Center. At the District's request, the City held the District's tax revenues in a trust account, which has a current balance of \$15,514; and

WHEREAS, in 1990, three of the largest taxing entities, Escondido Union School District, Escondido Union High School District, and the San Diego County Superintendent of Schools, sued the City and the Escondido Redevelopment Agency alleging that the tax revenues were not being made according to the terms of the Tax Sharing Agreements. In 1991, a Settlement Agreement was entered into by and between the parties to the 1990 lawsuit. The Settlement Agreement contained as Exhibit 4 a distribution matrix that contemplated the future tax revenue distributions for all of the taxing entities; and

WHEREAS, thereafter, the Escondido Redevelopment Agency filed a Complaint for Validation against All Persons Interested in the Matter, San Diego Superior Court Case No. N51077. On July 2, 1991, Judgment was entered in favor of the Escondido Redevelopment Agency on its Validation Complaint. Thereafter, the Escondido

Redevelopment Agency began distributing tax revenue to all taxing entities pursuant to the distribution matrix; and

WHEREAS, on January 21, 1992, the District and the Community Development Commission of the City of Escondido executed a Lease Agreement, and a Ground Lease Agreement. Under the terms of the Ground Lease Agreement, the District leased to the Commission unimproved property. Under the terms of the Lease Agreement, the Commission agreed to finance the construction of a parking lot and related facilities on the property and then lease the property back to the District. The Commission issued two Capital Appreciation Bonds to pay for the construction. The two bonds had maturity dates of September 1, 2012, and September 1, 2013, and each had a maturity amount of \$2.24 million; and

WHEREAS, as part of the 2011 Budget Act, the California Legislature dissolved all redevelopment agencies in the State. In order to facilitate the winding down of redevelopment agencies, successor agencies have been established to manage existing projects, make payments on enforceable obligations, and dispose of assets and properties. Pursuant to California Health and Safety Code § 34173(g), none of the former redevelopment agency's liabilities or assets are transferred to the sponsoring entity, and all litigation involving the former redevelopment agency is automatically transferred to the successor agency; and

WHEREAS, at the time that the two Capital Appreciation Bonds matured, the Community Development Commission who issued the bonds had dissolved as part of redevelopment dissolution; and

WHEREAS, the District, being held by Defendants to cover the two bond payments, failed to pay the two Capital Appreciation Bonds when they matured on September 1, 2012, and September 1, 2013. Therefore, the bond payments were made by the Successor Agency. The Successor Agency applied \$347,680 of bond reserve funds to the bond payments when the bond payments were made; and

WHEREAS, on January 24, 2013, the District filed a Complaint in San Diego County Superior Court against Defendants alleging breach of contract, breach of the covenant of good faith and fair dealing, and declaratory relief. District alleged that Defendants breached the 1984 Tax Sharing Agreement, and sought its share of tax revenues dating back to 1984; and

WHEREAS, on May 28, 2013, the Successor Agency filed a Cross-Complaint against the District for breach of contract, breach of covenant of good faith and fair dealing, unjust enrichment, express indemnity, specific performance, and declaratory relief. The Successor Agency sought the reimbursement of \$4.48 million from the District for its bond obligations; and

WHEREAS, the parties participated in a mediation session on November 20, 2013, with the Honorable Steven R. Denton (Ret.) as the mediator. The mediation culminated in that certain Settlement Agreement ("Settlement Agreement") between the City of Escondido as Successor Agency to the Escondido Redevelopment Agency and the Palomar Community College District dated December 12, 2013, a copy of which is attached and incorporated by this reference; and

WHEREAS, there are substantial benefits to the taxing entities, including avoiding the uncertainty of litigation, the further expenditure of attorney's fees, the recognition of significant improvements conducted by the District at its Escondido facilities, and avoiding further burden on these public agencies and the courts, and furtherance of the purposes of the redevelopment dissolution legislation; and

WHEREAS, because of the redevelopment dissolution legislation, further payments, receipts, and other transactions contemplated by the Settlement Agreement require review and certain types of approval of other entities, including but not limited to the Oversight Board for the Escondido Redevelopment Agency.

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 Settlement Agreement attached hereto as Exhibit "A."

**SETTLEMENT AND RELEASE AGREEMENT**

*Palomar Community College District v. City of Escondido, et al.*  
San Diego Superior Court Case No. 37-2013-00031457-CU-BC-NC

This Settlement and Release Agreement is made by and between Plaintiff and Cross-Defendant PALOMAR COMMUNITY COLLEGE DISTRICT (“District”) and Defendants and Cross-Complainants CITY OF ESCONDIDO (“City”), SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF ESCONDIDO (“Successor Agency”), and CITY COUNCIL OF THE CITY OF ESCONDIDO (collectively referred to as “Defendants”) sometimes collectively referred to herein as the “Parties.”

**INTRODUCTION AND RECITALS**

1. In 1984, the City, the Escondido Redevelopment Agency and the District entered into a Tax Sharing Agreement. That year, the City and the Escondido Redevelopment Agency entered into eight (8) separate Tax Sharing Agreements with each of its taxing entities, including the Tax Sharing Agreement with the District, that is the subject of the District’s Complaint.

2. The Tax Sharing Agreement between the City, the Escondido Redevelopment Agency and the District provided that the District was to receive 2/3 of its share of revenues in excess of those required for the Redevelopment Agency to meet its housing set-aside requirement and debt service for bonds issued to finance the construction of the Civic/Cultural Center. At the District’s request, the City held the District’s tax revenues in a trust account, which has a current balance of \$15,514.

3. In 1990, three of the largest taxing entities, Escondido Union School District, Escondido Union High School District, and the San Diego County Superintendent of Schools, sued the City and the Escondido Redevelopment Agency alleging that the tax revenues were not being made according to the terms of the Tax Sharing Agreements. In 1991, a Settlement

Agreement was entered into by and between the parties to the 1990 lawsuit. The Settlement Agreement contained as Exhibit 4 a distribution matrix that contemplated the future tax revenue distributions for all of the taxing entities.

4. Thereafter, the Escondido Redevelopment Agency filed a Complaint for Validation against All Persons Interested in the Matter, San Diego Superior Court Case No. N51077. On July 2, 1991, Judgment was entered in favor of the Escondido Redevelopment Agency on its Validation Complaint.

5. Believing that the Validation Judgment bound all taxing entities to the distribution matrix contained as Exhibit 4 to the 1991 Settlement Agreement, the Escondido Redevelopment Agency began distributing tax revenue to all taxing entities pursuant to the distribution matrix. The District received zero tax revenues from FY 1991/92 through FY 2009/10. In FY 2010/11 the District was allocated \$343,616 in tax revenues. The Successor Agency held the District's tax allocation of \$343,616 intending to apply it toward the District's bond obligation, described in detail below.

6. On January 21, 1992, the District and the Community Development Commission of the City of Escondido executed two agreements: (1) the Lease Agreement, and (2) the Ground Lease Agreement. Under the terms of the Ground Lease Agreement, the District leased to the Commission unimproved property. Under the terms of the Lease Agreement, the Commission agreed to finance the construction of a parking lot and related facilities on the property and then lease the property back to the District. The Commission issued two Capital Appreciation Bonds to pay for the construction. The two bonds had maturity dates of September 1, 2012, and September 1, 2013, and each had a maturity amount of \$2.24 million.

The District was obligated to pay the two bonds once they matured and allocated its future tax revenues to the Commission to make the bond payments.

7. As part of the 2011 Budget Act, the California Legislature dissolved all redevelopment agencies in the State. In order to facilitate the winding down of redevelopment agencies, successor agencies have been established to manage existing projects, make payments on enforceable obligations, and dispose of assets and properties. Pursuant to California Health and Safety Code § 34173(g), none of the former redevelopment agency's liabilities or assets are transferred to the sponsoring entity, and all litigation involving the former redevelopment agency is automatically transferred to the successor agency.

8. At the time that the two Capital Appreciation Bonds matured, the Community Development Commission who issued the bonds had dissolved as part of redevelopment dissolution.

9. The District, believing that there was sufficient tax increment monies being held by Defendants to cover the two bond payments, failed to pay the two Capital Appreciation Bonds when they matured on September 1, 2012, and September 1, 2013.

10. The bond payments were made by the Successor Agency. The Successor Agency applied \$347,680 of bond reserve funds to the bond payments when the bond payments were made.

11. On January 24, 2013, the District filed a Complaint in San Diego County Superior Court against Defendants alleging breach of contract, breach of the covenant of good faith and fair dealing, and declaratory relief. In the Complaint, the District alleges that Defendants breached the 1984 Tax Sharing Agreement, and seeks its share of tax revenues dating back to 1984. The District contends that the Validation Judgment does not bind them to the terms of the

1991 Settlement Agreement or the distribution matrix contained therein, and argues that its tax revenues should be calculated pursuant to the formula contained in the 1984 Tax Sharing Agreement.

12. On May 28, 2013, the Successor Agency filed a Cross-Complaint against the District for breach of contract, breach of covenant of good faith and fair dealing, unjust enrichment, express indemnity, specific performance, and declaratory relief. The Successor Agency sought the reimbursement of \$4.48 million from the District for its bond obligations.

13. Realizing that there were risks associated with litigating the Complaint and Cross-Complaint, the parties agreed to attend a mediation session on November 20, 2013, with the Honorable Steven R. Denton (Ret.) as the mediator.

14. At the conclusion of the mediation session, the parties agreed on the following terms and conditions:

#### **TERMS AND CONDITIONS**

15. District is obligated to pay \$4,480,000 to the Successor Agency for the repayment of two Capital Appreciation Bonds that matured on September 1, 2012, and September 1, 2013, respectively.

16. For the purpose of avoiding the uncertainty of litigation, the further expenditure of attorney's fees, the recognition of significant improvements conducted by the District on its Escondido facilities, and to avoid further burden on these public agencies and the courts, Defendants will forgive \$1,000,000 of the District's bond debt obligation.

17. Defendants will apply \$359,130 of the District's past tax increment monies (\$15,514 + \$343,616) being held by Defendants toward the District's bond debt obligation.



18. Defendants will apply \$347,680 of bond reserve funds that the Successor Agency used when it made the Bond payments toward the District's bond debt obligation.

19. District will make payments to the Successor Agency to repay the balance of its bond debt obligation of \$2,773,190 according to the following schedule:

- a. \$460,690 within 30 days of final approval of this Settlement Agreement;
- b. \$462,500 on February 1, 2015;
- c. \$462,500 on February 1, 2016;
- d. \$462,500 on February 1, 2017;
- e. \$462,500 on February 1, 2018;
- f. \$462,500 on February 1, 2019.

20. No interest or fees shall accrue on the District's bond debt obligation.

21. All parties will bear their own costs and attorney fees related to this litigation.

22. The District will dismiss its Complaint with prejudice within 15 business days of final approval of this Settlement Agreement.

23. The Successor Agency will dismiss its Cross-Complaint with prejudice within 15 business days of final approval of this Settlement Agreement.

24. In the event that the final approval of this Settlement Agreement does not occur on or before February 1, 2015, District will hold bond debt obligation payments in a trust account pending the final approval of this Settlement Agreement.

25. All parties agree that the Lease Agreement and Ground Lease Agreement, discussed in paragraph 6 above, are deemed terminated as of the date of the execution of this Settlement Agreement, and that title to any and all improvements made under the Lease Agreement and/or Ground Lease Agreement vest in the District

26. The Parties agree that Defendants have not allocated tax revenues since FY 2010/11. Nothing in this Settlement Agreement shall preclude the District from challenging, in any manner, its allocated tax revenues from FY 2011/12 to present and any future years.

27. This Settlement Agreement constitutes the entire agreement among Plaintiff and Defendants and supersedes any prior agreements, representations, statements, promises, or undertaking, whether oral or written, express or implied, with respect to this Settlement Agreement.

28. This Settlement Agreement is an integrated agreement and may not be altered or modified except by a writing signed by Plaintiff and Defendants.


29. This Agreement shall be binding on the Parties' successors, assignees, employees, agents, and any other persons working for or on behalf of the Parties.

30. Counsel for all Parties warrant that they are fully authorized to execute this document on behalf of the Parties.

31. All Parties warrant that this Settlement Agreement was entered into in good faith to resolve all claims and disputes between the Parties, and to avoid the risk, time and expense of further litigation.

32. All Parties agree that because of the redevelopment dissolution legislation, the further payments, receipts, and other transactions contemplated by this Settlement Agreement will require review and approval of other entities, including but not limited to the Oversight Board for the Escondido Redevelopment Agency and the California State Department of Finance. In the event any such action is not duly approved, this Settlement Agreement shall be of no further force and effect.

Dated: December 12, 2013

By:   
JOAN RYAN  
City of Escondido, Finance Manager

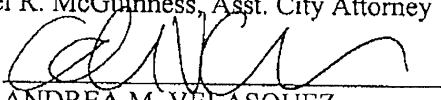
Dated: December \_\_, 2013

By: \_\_\_\_\_  
ROBERT DEEGAN  
Palomar Community College District, President

**APPROVED AS TO FORM AND CONTENT**

Dated: December 12, 2013

OFFICE OF THE CITY ATTORNEY  
Jeffrey R. Epp, City Attorney  
Michael R. McGuinness, Asst. City Attorney

By:   
ANDREA M. VELASQUEZ  
Deputy City Attorney  
Attorneys for City of Escondido; Successor Agency  
to the Dissolved Redevelopment Agency of the City of  
Escondido; and City Council of the City of Escondido

Dated: December \_\_, 2013

ATKINSON, ANDELSON, LOYA, RUUD & ROMO  
By: \_\_\_\_\_  
MARTIN A. HOM  
Attorneys for Palomar Community College District

Dated: December \_\_, 2013

By: \_\_\_\_\_  
JOAN RYAN  
City of Escondido, Finance Manager

Dated: December 11, 2013

By:  \_\_\_\_\_  
ROBERT DEEGAN  
Palomar Community College District, President

**APPROVED AS TO FORM AND CONTENT**

Dated: December \_\_, 2013

OFFICE OF THE CITY ATTORNEY  
Jeffrey R. Epp, City Attorney  
Michael R. McGuinness, Asst. City Attorney

By: \_\_\_\_\_  
ANDREA M. VELASQUEZ  
Deputy City Attorney  
Attorneys for City of Escondido; Successor Agency  
to the Dissolved Redevelopment Agency of the City of  
Escondido; and City Council of the City of Escondido

Dated: December \_\_, 2013

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

By: \_\_\_\_\_  
MARTIN A. HOM  
Attorneys for Palomar Community College District

Dated: December \_\_, 2013

By: \_\_\_\_\_  
JOAN RYAN  
City of Escondido, Finance Manager

Dated: December \_\_, 2013

By: \_\_\_\_\_  
ROBERT DEEGAN  
Palomar Community College District, President

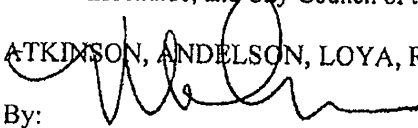
**APPROVED AS TO FORM AND CONTENT**

Dated: December \_\_, 2013

OFFICE OF THE CITY ATTORNEY  
Jeffrey R. Epp, City Attorney  
Michael R. McGuinness, Asst. City Attorney

By: \_\_\_\_\_  
ANDREA M. VELASQUEZ  
Deputy City Attorney  
Attorneys for City of Escondido; Successor Agency  
to the Dissolved Redevelopment Agency of the City of  
Escondido; and City Council of the City of Escondido

Dated: December 11, 2013

ATKINSON, ANDELSON, LOYA, RUUD & ROMO  
By:  \_\_\_\_\_  
MARTIN A. HOM  
Attorneys for Palomar Community College District