

**SPECIAL MEETING OF THE
OVERSIGHT BOARD**

For the Successor Agency of the Former Redevelopment Agency of the City of Redlands

Members of the Board:

Paul Foster, Chairperson, appointed by the Mayor of the City of Redlands

Oscar Orci, Vice Chairperson, appointed by the Mayor, representing former redevelopment agency employees

Brad Mason, appointed by County Superintendent of Education

Cindy Saks, appointed by County Flood Control District

David Wert, appointed by County Board of Supervisors

Donna Ferracone, appointed by Chancellor of California Community Colleges

Jose Sandoval, appointed by County Board of Supervisors, representing the public

A G E N D A

The special meeting of the Oversight Board of the Successor Agency for the former Redevelopment Agency of the City of Redlands is at the date and time noted below in the City Council Chambers, Civic Center, 35 Cajon Street, Redlands, California, on:

**THURSDAY, JULY 19, 2012
3:30 P.M.**

Anyone desiring to speak at this meeting is encouraged, but not required, to turn in a "Speaker Sign-up Sheet." Forms are available prior to the meeting date in the Development Services Department, 210 E. Citrus Avenue, or in the City Council Chambers during the meeting. Speakers are limited to three (3) minutes each. Speakers may not "donate" their time to others.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Jason Montgomery of Municipal Utilities & Engineering Department, 909-798-7584 x5. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II).

NOTE: Any writings or documents distributed to a majority of the Oversight Board regarding an open session agenda item less than 72 hours before this meeting are available for public inspection at the Development Services Department.

I. CALL TO ORDER AND PUBLIC COMMENT PERIOD - 3 MINUTES

(At this time, the public has the opportunity to address the Oversight Board on any item of interest within the subject matter jurisdiction of the Oversight Board that does not appear on this agenda. The Oversight Board may not discuss or take any action on any public comment made, except that the Oversight Board members or Successor Agency staff may briefly respond to statements made or questions posed by members of the public)

II. CONSENT CALENDAR/APPROVAL OF MINUTES

- A. Resolution No OB 2012-009 Approval of Consent Calendar
(Section 34179(e) of Assembly Bill 1484 requires all actions by the Oversight Board to be taken by resolution)

III. COMMUNICATIONS

- A. Background on Assembly Bill 1484

IV. NEW BUSINESS

- A. Resolution No OB 2012-010 Approval of a Loan of \$65,607.37 Between the City of Redlands and the Successor Agency to the City of Redlands that was used Towards the Payment of a Demand for Payment from the County of San Bernardino Auditor-Controller
(Assembly Bill 1484 allows the city that authorized the creation of a redevelopment agency to loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.)
- B. Resolution No OB 2012-011 Approval of a Loan of \$3,186,125 Between the City of Redlands and the Successor Agency to the City of Redlands to Allow for the Payment of Enforceable Obligations Incurred from July to December 2012
(Assembly Bill 1484 allows the city that authorized the creation of a redevelopment agency to loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.)
- C. Resolution No. OB 2012-012 Approval of a Revised Recognized Obligation Payment Schedule for July through December 2012 and Approval of a Recognized Obligation Payment Schedule for January through June 2013
(The Recognized Obligation Payment Schedule sets forth the minimum payment amounts and due dates of payments required by enforceable obligations for the six-month fiscal period)

V. ADJOURNMENT

(Note that, in general, the above actions of the Oversight Board shall not become effective for five (5) business days, pending any request by the Department of Finance (DOF). If the DOF requests review of any of the above Board actions, the DOF will have up forty (40) days from the date of its request to approve the Board action or return the action to the Board for reconsideration. If the DOF returns the action unopposed, then any such modified action does not become effective until approved by the DOF.)



MICHAEL LENGYEL,
ECONOMIC DEVELOPMENT MANAGER
SUCCESSOR AGENCY STAFF

REGULAR MEETING OF THE
OVERSIGHT BOARD

For the Successor Agency of the Former Redevelopment Agency of the City of Redlands

Members of the Board:

Paul Foster, Chairperson, appointed by the Mayor of the City of Redlands

Oscar Orci, Vice Chairperson, appointed by the Mayor, representing former redevelopment agency employees

Brad Mason, appointed by County Superintendent of Education

Cindy Saks, appointed by County Flood Control District

David Wert, appointed by County Board of Supervisors

Donna Ferracone, appointed by Chancellor of California Community Colleges

Jose Sandoval, appointed by County Board of Supervisors, representing the public

A G E N D A

The regular meeting of the Oversight Board of the Successor Agency for the former Redevelopment Agency of the City of Redlands is at the date and time noted below in the City Council Chambers, Civic Center, 35 Cajon Street, Redlands, California, on:

**THURSDAY, JULY 19, 2012
4:00 P.M.**

Anyone desiring to speak at this meeting is encouraged, but not required, to turn in a "Speaker Sign-up Sheet." Forms are available prior to the meeting date in the Development Services Department, 210 E. Citrus Avenue, or in the City Council Chambers during the meeting. Speakers are limited to three (3) minutes each. Speakers may not "donate" their time to others.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Jason Montgomery of Municipal Utilities & Engineering Department, 909-798-7584 x5. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II).

NOTE: Any writings or documents distributed to a majority of the Oversight Board regarding an open session agenda item less than 72 hours before this meeting are available for public inspection at the Development Services Department.

I. CALL TO ORDER AND PUBLIC COMMENT PERIOD - 3 MINUTES

(At this time, the public has the opportunity to address the Oversight Board on any item of interest within the subject matter jurisdiction of the Oversight Board that does not appear on this agenda. The Oversight Board may not discuss or take any action on any public comment made, except that the Oversight Board members or Successor Agency staff may briefly respond to statements made or questions posed by members of the public)

II. CONSENT CALENDAR/APPROVAL OF MINUTES

- A. Resolution No OB 2012-009 Approval of Consent Calendar
(Section 34179(e) of Assembly Bill 1484 requires all actions by the Oversight Board to be taken by resolution)

III. COMMUNICATIONS

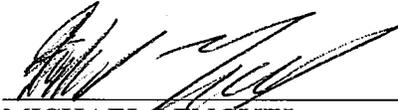
- A. Background on Assembly Bill 1484

IV. NEW BUSINESS

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- B. Resolution No OB 2012-011 Approval of a Loan of \$3,186,125 Between the City of Redlands and the Successor Agency to the City of Redlands to Allow for the Payment of Enforceable Obligations Incurred from July to December 2012
(Assembly Bill 1484 allows the city that authorized the creation of a redevelopment agency to loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, but the receipt and use of these funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget and therefore are subject to the oversight and approval of the oversight board. An enforceable obligation shall be deemed to be created for the repayment of those loans.)
- C. Resolution No. OB 2012-012 Approval of a Revised Recognized Obligation Payment Schedule for July through December 2012 and Approval of a Recognized Obligation Payment Schedule for January through June 2013
(The Recognized Obligation Payment Schedule sets forth the minimum payment amounts and due dates of payments required by enforceable obligations for the six-month fiscal period)

V. ADJOURNMENT

(Note that, in general, the above actions of the Oversight Board shall not become effective for five (5) business days, pending any request by the Department of Finance (DOF). If the DOF requests review of any of the above Board actions, the DOF will have up forty (40) days from the date of its request to approve the Board action or return the action to the Board for reconsideration. If the DOF returns the action unopposed, then any such modified action does not become effective until approved by the DOF.)



MICHAEL LENGYEL,
ECONOMIC DEVELOPMENT MANAGER
SUCCESSOR AGENCY STAFF

**OVERSITE BOARD TO THE SUCCESSOR AGENCY
CITY OF REDLANDS, CALIFORNIA**

PUBLIC DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST

Date of meeting: _____

Agenda Item: _____

The conflict involves an investment, business position, interest in real property, or the receipt of income, loans or gifts:

Investment - Name of business entity in which each affected investment is held:

Business Position - General description of the business activity in which the business entity is engaged:

Property - The address or other location of the real property, unless the real property is public official's principal residence, in which case only the fact that it is a residence needs to be disclosed:

Income/Loan/Gifts - The name of the person or entity that is a source of income, loans or gifts:

Date: _____

Signature

REQUEST FOR OVERSIGHT BOARD ACTION

**SUBJECT: CONSIDERATION OF RESOLUTION NO. OB 2012-009 APPROVING THE
CONSENT CALENDAR OF THE OVERSIGHT BOARD MEETING OF JULY
19, 2012**

MOTION:

"I move to approve Resolution No. OB 2012-009."

DISCUSSION:

Section 34179(e) of Assembly Bill No. 1484 requires all actions by the Oversight Board to be taken by resolution. The Oversight Board may adopt Resolution No. OB 2012-009 to approve the consent calendar for the regularly scheduled Oversight Board meeting of July 19, 2012.

ATTACHMENTS:

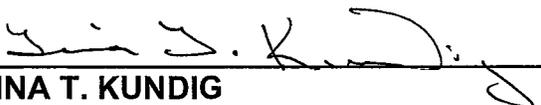
1. Resolution No. OB 2012-009
2. Minutes of Regular Oversight Board Meeting of June 21, 2012

Respectfully submitted,



T. MICHAEL LENGYEL

Economic Development Manager & Housing Manager,
Successor Agency to the Redevelopment Agency



TINA T. KUNDIG

Finance Director/City Treasurer,
Successor Agency to the Redevelopment Agency

Approved for submission by:



N. ENRIQUE MARTINEZ

Executive Director,
Successor Agency to the Redevelopment Agency



DANIEL J. McHUGH

General Counsel,
Successor Agency to the Redevelopment Agency

RESOLUTION NO. OB 2012-009

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF REDLANDS APPROVING THE CONSENT CALENDAR FOR THE JULY 19, 2012 OVERSIGHT BOARD MEETING

WHEREAS, the Oversight to the Successor Agency to the former Redevelopment Agency of the City of Redlands (the "Oversight Board") has taken up for consideration the consent calendar for the July 19, 2012 meeting of the Oversight Board; and

WHEREAS, Section 34179(e) of the Health and Safety Code requires all actions by the Oversight Board to be taken by resolution.

NOW, THEREFORE, BE IT RESOLVED, BY the Oversight Board of the Successor Agency to the former Redevelopment Agency of the City of Redlands as follows:

Section 1. The Oversight Board hereby approves the consent calendar for the July 19, 2012 meeting of the Oversight Board.

Section 2. The Secretary for the Oversight Board shall certify to the adoption of this Resolution.

Section 3. Pursuant to California Health and Safety Code section 34179, all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective for five (5) business days, pending a request for review by the State of California Department of Finance.

PASSED, APPROVED and ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the former Redevelopment Agency of the City of Redlands held this 19th day of July, 2012 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Paul Foster, Chairperson
Oversight Board of Successor Agency
To Redevelopment Agency

ATTEST:

Linda McCasland
Oversight Board Secretary

Minutes of a regular meeting of the Oversight Board for the Successor Agency of the Former Redevelopment Agency of the City of Redlands held in the Council Chambers, 35 Cajon Street, on June 21, 2012 at 4:00 P.M.

PRESENT: Paul Foster, Chairman
Oscar Orci, Vice Chairman
Donna Ferracone, Board Member
Brad Mason, Board Member
Cindy Saks, Board Member
Jose Sandoval, Board Member
David Wert, Board Member

ABSENT: None

STAFF: Dan McHugh, City Attorney
Michael Lengyel, Economic Development Manager, Successor Agency Staff

I. PUBLIC COMMENT:

Chairman Paul Foster called the meeting to order at 4:00 P.M. and offered those present the opportunity to provide Public Comment on any item of interest that did not appear on the agenda. There were no comments forthcoming and the Public Comment period was closed.

Chairman Foster stated there was a request to move item V.A. to the beginning of the agenda.

V.A. Oversight Board Members Affirmation of Oath of Office (City Clerk of the City of Redlands to administer the Oath of Office).

City Clerk Sam Irwin administered the Oath of Office to the Oversight Board Members.

II. CONSENT CALENDAR/APPROVAL OF MINUTES

A. Approval of Minutes of April 12, 2012 Special Meeting

MOTION

It was moved by Vice Chairman Oscar Orci, seconded by Board Member David Wert, and carried on a 5-0 vote (Board Member Donna Ferracone and Board Member Brad Mason abstained) that the Oversight Board approve the minutes of April 12, 2012.

III. OLD BUSINESS

A. Resolution No. OB 2012-006 Adopting a Conflict of Interest Code
(Continued from Special Oversight Board Meeting of April 12, 2012)

MOTION

It was moved by Board Member Ferracone, seconded by Board Member Mason, and carried on a 7-0 vote that the Oversight Board approve Resolution No. OB 2012-006.

IV. COMMUNICATIONS

A. Background on Successor Agency Owned Property

Economic Development Manager Lengyel gave a presentation and brief overview of the Successor Agency Owned Properties.

V. NEW BUSINESS

- B. Resolution No. OB 2012-007 Directing the Successor Agency to Transfer Ownership of Assets and Property (Pursuant to AB 26, the Oversight Board may direct the Successor Agency to transfer ownership of those assets that were constructed and used for a governmental purpose, such as roads, school buildings, parks, and fire stations, to the appropriate public jurisdiction).

MOTION

It was moved by Vice Chairman Orci, seconded by Board Member Ferracone, and carried on a 7-0 vote that the Oversight Board approve Resolution No. OB 2012-007.

- C. Resolution No. OB 2012-008 Directing the Successor Agency to Transfer Housing Responsibilities and all Rights, Powers, Duties, and Obligations to the Housing Authority of the County of San Bernardino.

It was moved by Vice Chairman Orci, seconded by Board Member Jose Sandoval, and carried on a 7-0 vote that the Oversight Board approve Resolution No. OB 2012-008.

VI. ADJOURNMENT

There being no further business to address, Chairman Foster adjourned the meeting at 4:25 P.M. to the July 19, 2012 meeting.

AB 1484 Background

Dissolution of the Former Redevelopment Agency of the City of Redlands

Assembly Bill 1484

- Redevelopment trailer bill drafted by the State Department of Finance (DOF)
- Signed into law on June 27 and went into affect immediately
- Supersedes 1585 and other trailer bills
- Makes substantial changes to the redevelopment dissolution process
- Greatly increases the role and approval authority of the DOF, State Controller, and County Auditor-Controller

Payment of 2011 Taxing Entity Property Tax

- AB 26 distributes property tax through a “waterfall”
 - Pass through payments
 - Payments to successor agencies for enforceable obligations
 - Payments to successor agencies for administrative expenses
 - Payments to taxing entities
- December 2011 property tax payment did not operate as intended due to the stay imposed by the Court in Matasantos
 - Property tax payments to some taxing entities were not made
 - AB 1484 requires auditor-controller to determine the amount each successor agency owes and send payment demand by July 9
 - Successor agencies must make payments by July 12
 - Subject to certain penalties if the payment is not made, including hold back of sales taxes (but penalties may not be constitutional)

Sweep of Redevelopment Agency Funds

- Requires a licensed accountant to conduct a review by 10/1 to determine the unobligated cash balances held by successor agencies
 - Agreed-upon procedures audit completed by auditor-controller can substitute for audit if statutory requirements are met
- The unobligated balances must be distributed to other taxing agencies
- After payments are made the Successor Agency may receive a “finding of completion” entitling “safe harbor” provisions
 - Ability to retain real property after successor agency and DOF approval of a long-range property management plan
 - Right to repayment of loans made from RDA to the city
 - Pre-2011 unencumbered bond proceeds may be expended

Submission of ROPS for Jan. – June 2013

- The January 1 – June 30, 2013 ROPS must be submitted to DOF, after approval by the Oversight Board, no later than 9/1
 - Host city subject to \$10,000 fine every day ROPS is late and successor agency administrative allowance is reduced by 25%
- DOF makes determinations within 45 days
- Within 5 days of determination, successor agency may request additional review and meet and confer
- Future ROPS must be submitted to DOF 90 days prior to property tax distribution

City Loans to Successor Agencies

- City may loan or grant funds for administrative costs, enforceable obligations or project-related expenses
- Receipt and use of these funds shall be reflected on the ROPS or in the administrative budget
 - Subject to Oversight Board approval
- An enforceable obligation is created for repayment of loans

New Oversight Board Provisions

- Section 1090 does not apply to employee representative
- Oversight board members are protected by immunities applicable to public entities and public employees
- Meetings at which oversight board will consider disposal of successor agency assets requires 10 days' public notice
- Written notice about all oversight board actions must be provided to DOF by electronic means. DOF has 40 (instead of 10) days to review and approve, reject, or modify oversight board action.
- Oversight board may direct successor agency to provide additional legal or financial advice
- Authorized to contract with the county or other public or private agencies for administrative support
- On matters within its purview, decisions made by oversight board "supersede" those made by the successor agency

New Oversight Authority

- Controller to review asset transfers after January 31, 2012 between the successor agency and the city
 - Controller to order the assets returned to the successor agency
- DOF may eliminate or modify any item on an oversight board-approved ROPS
 - Auditor-controller must distribute property tax in accordance with changes made to the ROPS by DOF
 - If successor agency disputes DOF action, disputed item may be carried on ROPS
- Auditor-controller can object to an item on the ROPS or to the funding source listed for an item on the ROPS
 - Objections are sent to DOF to resolve

Staff Contact Information

Michael Lengyel
Economic Development Manager
Successor Agency Staff

City of Redlands Development Services Department
210 E. Citrus Avenue
Redlands, CA 92373-1505
(909) 335-4755 X1



REQUEST FOR OVERSIGHT BOARD ACTION

SUBJECT: CONSIDERATION OF RESOLUTION NO. OB 2012-010 APPROVING A \$65,607.37 LOAN BETWEEN THE CITY OF REDLANDS AND THE SUCCESSOR AGENCY IN CONNECTION WITH A DEMAND FOR PAYMENT FROM THE COUNTY OF SAN BERNARDINO AUDITOR-CONTROLLER TREASURER/TAX COLLECTOR PURSUANT TO SECTION 34183.5(B)(2)(A) OF THE CALIFORNIA HEALTH AND SAFETY CODE

MOTION:

"I move to approve Resolution No. OB 2012-010."

DISCUSSION:

The Oversight Board to the Successor Agency to the Redevelopment Agency of the City of Redlands (the "Oversight Board") has been established to direct the Successor Agency to take certain actions to wind down the affairs of the former Redevelopment Agency in accordance with the California Health and Safety Code.

On February 21, 2012, the Successor Agency approved a draft Recognized Obligation Payment Scheduled (ROPS) for July through December 2012. On May 25, 2012, the State of California Department of Finance approved all of the items listed on the ROPS.

Assembly Bill No. 1484, signed into law on June 27, 2012, significantly modifies AB 1X26, the redevelopment agency dissolution bill. The bill includes a mechanism for recovering and distributing to taxing agencies property taxes that were allocated to a successor agency for the January 1, 2012 – June 30, 2012 period, but not expended during that same period.

The Successor Agency received \$3,928,752 in tax increment for the period November 2011 to January 31, 2012, but the approved ROPS for January through June 2012 only totaled \$1,061,700. Pursuant to the new legislation, on July 11, 2012 the County Auditor-Controller sent the Successor Agency a demand for payment of \$2,601,269 (netting out \$265,783 in pass-through payments), essentially disallowing expenditures that were made by the Redevelopment Agency or Successor Agency from July 2011 to January 2012. The payment to the County Auditor-Controller was made on July 12, 2012, under protest and with reservation of rights.

To make the payment, the Successor Agency used the \$2,535,662 balance held in its Redevelopment Obligation Retirement Fund and a \$65,607 loan from the City. The loan

accrues interest at the current Local Agency Investment Fund (LAIF) interest rate of 0.38% and is to be repaid from future property tax distributions from the County Auditor-Controller.

Pursuant to Section 34173(h) of Assembly Bill No. 1484, the city that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses. The receipt of the funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget of the Successor Agency and therefore subject to the oversight and approval of the Oversight Board.

ATTACHMENTS:

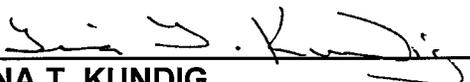
1. Resolution No. OB 2012-010
2. Promissory Note

Respectfully submitted,



T. MICHAEL LENGYEL

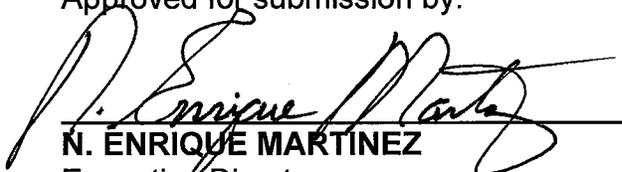
Economic Development Manager & Housing Manager,
Successor Agency to the Redevelopment Agency



TINA T. KUNDIG

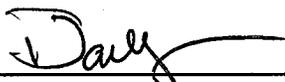
Finance Director/City Treasurer,
Successor Agency to the Redevelopment Agency

Approved for submission by:



N. ENRIQUE MARTINEZ

Executive Director,
Successor Agency to the Redevelopment Agency



DANIEL J. MCHUGH

General Counsel,
Successor Agency to the Redevelopment Agency

RESOLUTION NO. OB 2012-010

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF REDLANDS APPROVING A \$65,607,37 LOAN BETWEEN THE CITY OF REDLANDS AND THE SUCCESSOR AGENCY IN CONNECTION WITH A DEMAND FOR PAYMENT FROM THE COUNTY OF SAN BERNARDINO AUDITOR-CONTROLLER TREASURER/TAX COLLECTOR PURSUANT TO SECTION 34183.5(B)(2)(A) OF THE CALIFORNIA HEALTH AND SAFETY CODE

WHEREAS, On July 11, 2012 the Successor Agency to the former Redevelopment Agency of the City of Redlands (the "Successor Agency") received a demand for payment in the amount of \$2,601,269 (the "Payment") from the San Bernardino County Auditor-Controller/Treasurer/Tax Collector pursuant to section 34183.5(b)(2)(A) of the Health and Safety Code; and

WHEREAS, On July 12, 2012, the Successor Agency made the Payment to the County of San Bernardino Auditor-Controller/Treasurer/Tax Collector, using the \$2,535,662 balance held in its Redevelopment Obligation Retirement Fund and a \$65,607 loan from the City of Redlands; and

WHEREAS, Pursuant to section 34173(h) of the Health and Safety Code, the city that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses. The receipt of the funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget of the Successor Agency and therefore subject to the oversight and approval of the Oversight Board.

NOW, THEREFORE, BE IT RESOLVED, BY the Oversight Board of the Successor Agency to the former Redevelopment Agency of the City of Redlands as follows:

Section 1. The Oversight Board hereby approves the loan between the City of Redlands and the Successor Agency.

Section 2. The Oversight Board hereby directs the Successor Agency to reflect the receipt of the funds on the Recognized Obligation Payment Schedule.

Section 3. The Secretary for the Oversight Board shall certify to the adoption of this Resolution.

Section 4. Pursuant to California Health and Safety Code section 34179, all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective for five (5) business days, pending a request for review by the State of California Department of Finance.

PASSED, APPROVED and ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the former Redevelopment Agency of the City of Redlands held this 19th day of July, 2012 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Paul Foster, Chairperson
Oversight Board of Successor Agency
To Redevelopment Agency

ATTEST:

Linda McCasland
Oversight Board Secretary

PROMISSORY NOTE

\$65,607.37

July 11, 2012
Redlands, California

For value received, the Successor Agency to the former Redevelopment Agency of the City of Redlands (the "Borrower") promises to pay to the **CITY OF REDLANDS**, a public body, corporate and politic (the "City"), at the City's office at 35 Cajon Street, Redlands, California 92373, or such other place as the City may designate in writing, the principal sum of Sixty Five Thousand Six Hundred Seven and Thirty Seven One Hundredths Dollars (\$65,607.37) (the "Note Amount"), in currency of the United States of America, which at the time of payment is lawful for the payment of public and private debts.

1. Interest. Simple interest shall accrue upon the Note Amount at the rate of thirty-eight one hundredths of one percent (0.38%) per annum upon such obligation, fully amortized over the term (the "Term") ending as of June 30, 2017 (the "Maturity Date"); excepting that in the event of the occurrence of any Event of Default, interest shall thereupon accrue at the rate of ten percent (10%) per annum (provided that in the event such interest rate exceeds the maximum interest which may be lawfully charged, then this Note shall be deemed to instead provide for interest to be charged at the highest interest rate that may be charged pursuant to applicable laws).

2. Repayment of Note Amount. Payment shall be due in full, including accrued interest, on the Maturity Date. If the Note is not paid upon the Maturity Date, the failure to make the payment shall be an event of default by the Borrower. There shall not be a penalty if the Note is paid in full prior to the Maturity Date.

3. Waivers.

(a) The Borrower expressly agrees that this Note, or any payment hereunder, may be extended from time to time at the sole discretion of the City Manager and that the City may accept security in consideration for any such extension or release any security for this Note at its sole discretion, all without in any way affecting the liability of the Borrower.

(b) No extension of time for payment of this Note made by agreement by the City with any person now or hereafter liable for the payment of this Note shall operate to release, discharge, modify, change or affect the original liability of the Borrower under this Note, either in whole or in part.

(c) The obligations of the Borrower under this Note shall be absolute and the Borrower waives any and all rights to offset, deduct or withhold any payments or charges due under this Note for any reasons whatsoever.

(d) The Borrower waives presentment, demand, notice of protest and nonpayment, notice of default or delinquency, notice of acceleration, notice of costs, expenses or leases or interest thereon, notice of dishonor, diligence in collection or in proceeding against any of the rights of interests in or to properties securing of this Note, and the benefit of any exemption under any homestead exemption laws, if applicable.

(e) No previous waiver and no failure or delay by the City in acting with respect to the terms of this Note shall constitute a waiver of any breach, default, or failure or condition under this Note. A waiver of any term of this Note must be made in writing and shall be limited to the express written terms of such waiver.

4. Attorneys' Fees and Costs. The Borrower agrees that if any amounts due under this Note are not paid when due, to pay in addition, all costs and expenses of collection and reasonable attorneys' fees paid or incurred in connection with the collection or enforcement of this Note, whether or not suit is filed.

5. Amendments and Modifications. This Note may not be changed orally, but only by an amendment in writing signed by the Borrower and by the City.

6. City May Assign. The City may, at its option, assign its right to receive payment under this Note without necessity of obtaining the consent of the Borrower.

7. Borrower Assignment Prohibited. In no event shall the Borrower assign or transfer any portion of this Note without the prior express written consent of the City, which consent may be given or withheld in the City's sole discretion.

8. Acceleration and Other Remedies. Upon the occurrence of the event of default set forth in Section 3 hereof, the City may, at the City's option, declare the outstanding principal amount of this Note, together with the then accrued and unpaid interest thereon and other charges hereunder, to be due and payable immediately, and upon such declaration, such principal and interest and other sums shall immediately become and be due and payable without demand or notice. All costs of collection, including, but not limited to, reasonable attorneys' fees may be added to the principal hereunder, and shall accrue interest as provided herein. Any delay or omission on the part of the City in exercising any right hereunder shall not operate as a waiver of such right, or of any other right. No single or partial exercise of any right or remedy hereunder shall preclude other or further exercises thereof, or the exercise of any other right or remedy. The acceptance of payment of any sum payable hereunder, or part thereof, after the due date of such payment shall not be a waiver of the City's right to either require prompt payment when due of all other sums payable hereunder or to declare an event of default for failure to make prompt or complete payment.

9. Consents. The Borrower hereby consents to: (a) any renewal, extension or modification (whether one or more) of the terms or time of payment under this Note, (b) the granting of any other indulgences to the Borrower, and (c) the taking or releasing of other or additional parties primarily or contingently liable hereunder. Any such renewal, extension, modification, release, surrender, exchange or substitution may be made without notice to the Borrower or to any endorser, guarantor or surety hereof, and without affecting the liability of said parties hereunder.

10. Successors and Assigns. Whenever "City" is referred to in this Note, such reference shall be deemed to include the City of Redlands and its successors and assigns, including, without limitation, any subsequent assignee or holder of this Note. All covenants, provisions and agreements by or on behalf of the Borrower shall inure to the benefit of the City and the City's successors and assigns.

11. Usury. It is the intention of the Borrower and the City to conform strictly to the Interest Law, as defined below, applicable to this loan transaction. Accordingly, it is agreed that

notwithstanding any provision to the contrary in this Note the aggregate of all interest and any other charges or consideration constituting interest under the applicable Interest Law that is taken, reserved, contracted for, charged or received under this Note shall under no circumstances exceed the maximum amount of interest allowed by the Interest Law applicable to this loan transaction. If any excess of interest in such respect is provided for in this Note, then, in such event:

(a) The provisions of this paragraph shall govern and control;

(b) Neither the Borrower nor the Borrower's, legal representatives, successors or assigns shall be obligated to pay the amount of such interest to the extent that it is in excess of the maximum amount of interest allowed by the Interest Law applicable to this loan transaction;

(c) Any excess shall be deemed canceled automatically and, if theretofore paid, shall be credited on this Note by the City or, if this Note shall have been paid in full, refunded to the Borrower; and

(d) The effective rate of interest shall be automatically subject to reduction to the Maximum Legal Rate of Interest (as defined below), allowed under such Interest Law, as now or hereafter construed by courts of appropriate jurisdiction. To the extent permitted by the Interest Law applicable to this loan transaction, all sums paid or agreed to be paid to the City for the use, forbearance or detention of the indebtedness evidenced hereby shall be amortized, prorated, allocated and spread throughout the full term of this Note. For purposes of this Note, "Interest Law" shall mean any present or future law of the State of California, the United States of America, or any other jurisdiction which has application to the interest and other charges under this Note. The "Maximum Legal Rate of Interest" shall mean the maximum rate of interest that the City may from time to time charge Borrower, and under which the Borrower would have no claim or defense of usury under the Interest Law.

12. **Miscellaneous.** Time is of the essence hereof. This Note shall be governed by and construed under the laws of the State of California except to the extent Federal laws preempt the laws of the State of California. The Borrower irrevocably and unconditionally submits to the jurisdiction of the Superior Court of the State of California for the County of San Bernardino, in connection with any legal action or proceeding arising out of or relating to this Note. The Borrower also waives any objection regarding personal or *in rem* jurisdiction or venue.

BORROWER:

**SUCCESSOR AGENCY TO THE FORMER
REDEVELOPMENT AGENCY OF THE CITY
OF REDLANDS**

By: _____
Name: Pete Aguilar
Its: Chairperson

REQUEST FOR OVERSIGHT BOARD ACTION

SUBJECT: CONSIDERATION OF RESOLUTION NO. OB 2012-011 APPROVING A \$3,186,125 LOAN BETWEEN THE CITY OF REDLANDS AND THE SUCCESSOR AGENCY TO PAY FOR ENFORCEABLE OBLIGATIONS OF THE SUCCESSOR AGENCY

MOTION:

"I move to approve Resolution No. OB 2012-011."

DISCUSSION:

The Oversight Board to the Successor Agency to the Redevelopment Agency of the City of Redlands (the "Oversight Board") has been established to direct the Successor Agency to take certain actions to wind down the affairs of the former Redevelopment Agency in accordance with the California Health and Safety Code.

On February 21, 2012, the Successor Agency approved a draft Recognized Obligation Payment Scheduled (ROPS) for July through December 2012. On May 25, 2012, the State of California Department of Finance approved all of the items listed on the ROPS.

Assembly Bill No. 1484, signed into law on June 27, 2012, significantly modifies AB 1X26, the redevelopment agency dissolution bill. The bill includes a mechanism for recovering and distributing to taxing agencies property taxes that were allocated to a successor agency for the January 1, 2012 – June 30, 2012 period, but not expended during that same period.

The Successor Agency received \$3,928,752 in tax increment for the period November 2011 to January 31, 2012, but the approved Recognized Obligation Payment Schedule (ROPS) for January through June 2012 only totaled \$1,061,700. Pursuant to the new legislation, on July 11, 2012 the County Auditor-Controller sent the Successor Agency a demand for payment of \$2,601,269 (netting out \$265,783 in pass-through payments), essentially disallowing expenditures that were made by the Redevelopment Agency or Successor Agency from July 2011 to January 2012. The payment to the County Auditor-Controller was made on July 12, 2012, under protest and with reservation of rights.

To make the payment, the Successor Agency used the \$2,535,662 balance held in its Redevelopment Obligation Retirement Fund and a \$65,607 loan from the City. The balance in the retirement fund included the unexpended portion of tax increment received prior to February 1, 2012 and a distribution of \$1,958,561 received in June from the County Auditor-Controller to be used towards obligations on the July through December 2012 ROPS. The obligations on the ROPS totaled \$3,157,400, but the distribution was

significantly less as it only reflected the amount of tax increment that would have been generated from February 1 through April 30.

Because all of the funds in the Retirement Fund have been used to make the payment to the County Auditor-Controller, the Successor Agency is requesting a loan of \$3,186,125 from the City to pay for the enforceable obligations for July to December 2012. The loan would accrue interest at the current Local Agency Investment Fund (LAIF) interest rate of 0.38% and be repaid from future property tax distributions from the County Auditor-Controller.

Pursuant to Section 34173(h) of Assembly Bill No. 1484, the city that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses. The receipt of the funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget of the Successor Agency and therefore subject to the oversight and approval of the Oversight Board.

ATTACHMENT:

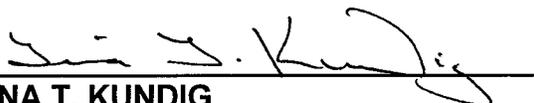
Resolution No. OB 2012-011

Respectfully submitted,



T. MICHAEL LENGYEL

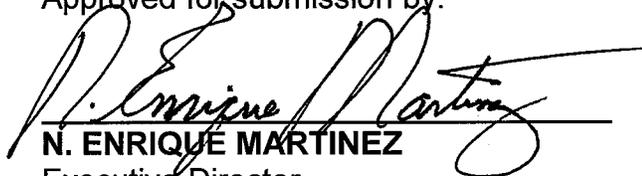
Economic Development Manager & Housing Manager,
Successor Agency to the Redevelopment Agency



TINA T. KUNDIG

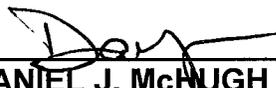
Finance Director/City Treasurer,
Successor Agency to the Redevelopment Agency

Approved for submission by:



N. ENRIQUE MARTINEZ

Executive Director,
Successor Agency to the Redevelopment Agency



DANIEL J. McHUGH

General Counsel,
Successor Agency to the Redevelopment Agency

RESOLUTION NO. OB 2012-011

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF REDLANDS APPROVING A \$3,186,125 LOAN BETWEEN THE CITY OF REDLANDS AND THE SUCCESSOR AGENCY TO PAY FOR ENFORCEABLE OBLIGATIONS OF THE SUCCESSOR AGENCY

WHEREAS, On July 11, 2012 the Successor Agency to the former Redevelopment Agency of the City of Redlands (the "Successor Agency") received a demand for payment in the amount of \$2,601,269 (the "Payment") from the County of San Bernardino Auditor-Controller/Treasurer/Tax Collector pursuant to section 34183.5(b)(2)(A) of the California Health and Safety Code; and

WHEREAS, On July 12, 2012, the Successor Agency made the Payment to the County of San Bernardino Auditor-Controller/Treasurer/Tax Collector, using the \$2,535,662 balance held in its Redevelopment Obligation Retirement Fund and a \$65,607 loan from the City of Redlands; and

WHEREAS, the Successor Agency no longer has any fund balance in its Redevelopment Obligation Retirement Fund and has enforceable obligations from July through December 2012 in the amount of Three Million One Hundred Eighty Six Thousand One Hundred Twenty Five Dollars (\$3,186,125); and

WHEREAS, Pursuant to section 34173(h) of the California Health and Safety Code, the city that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses. The receipt of the funds shall be reflected on the Recognized Obligation Payment Schedule or the administrative budget of the Successor Agency and therefore subject to the oversight and approval of the Oversight Board.

NOW, THEREFORE, BE IT RESOLVED, BY the Oversight Board of the Successor Agency to the former Redevelopment Agency of the City of Redlands as follows:

Section 1. The Oversight Board hereby approves a loan between the City of Redlands and the Successor Agency in the amount of Three Million One Hundred Eighty Six Thousand One Hundred Twenty Five Dollars (\$3,186,125)

Section 2. The Oversight Board hereby directs the Successor Agency to reflect the receipt of the funds on the Recognized Obligation Payment Schedule.

Section 3. The Secretary for the Oversight Board shall certify to the adoption of this Resolution.

Section 4. Pursuant to California Health and Safety Code section 34179, all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance,

and, therefore, this Resolution shall not be effective for five (5) business days, pending a request for review by the State of California Department of Finance.

PASSED, APPROVED and ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the former Redevelopment Agency of the City of Redlands held this 19th day of July, 2012 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Paul Foster, Chairperson
Oversight Board of Successor Agency
To Redevelopment Agency

ATTEST:

Linda McCasland
Oversight Board Secretary

REQUEST FOR OVERSIGHT BOARD ACTION

SUBJECT: CONSIDERATION OF RESOLUTION NO. OB 2012-012 APPROVING THE REVISED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY THROUGH DECEMBER 2012 AND THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JANUARY THROUGH JUNE 2013

MOTION:

"I move to approve Resolution No. OB 2012-012."

DISCUSSION:

The Oversight Board to the Successor Agency to the Redevelopment Agency of the City of Redlands (the "Oversight Board") has been established to direct the Successor Agency to take certain actions to wind down the affairs of the former Redevelopment Agency in accordance with the California Health and Safety Code.

On February 21, 2012, the Successor Agency approved a draft Recognized Obligation Payment Scheduled (ROPS) for July through December 2012. On May 25, 2012, the State of California Department of Finance approved all of the items listed on the ROPS.

Assembly Bill No. 1484, signed into law on June 27, 2012, significantly modifies AB 1X26, the redevelopment agency dissolution bill. The bill includes a mechanism for recovering and distributing to taxing agencies property taxes that were allocated to a successor agency for the January 1, 2012 – June 30, 2012 period, but not expended during that same period.

The Successor Agency received \$3,928,752 in tax increment for the period November 2011 to January 31, 2012, but the approved Recognized Obligation Payment Schedule (ROPS) for January through June 2012 only totaled \$1,061,700. Pursuant to the new legislation, on July 11, 2012 the County Auditor-Controller sent the Successor Agency a demand for payment of \$2,601,269 (netting out \$265,783 in pass-through payments), essentially disallowing expenditures that were made by the Redevelopment Agency or Successor Agency from July 2011 to January 2012. The payment to the County Auditor-Controller was made on July 12, 2012, under protest and with reservation of rights.

To make the payment, the Successor Agency used the \$2,535,662 balance held in its Redevelopment Obligation Retirement Fund and a \$65,607 loan from the City. The balance in the retirement fund included the unexpended portion of tax increment received prior to February 1, 2012 and a distribution of \$1,958,561 received in June from the County Auditor-Controller to be used towards obligations on the July through December 2012 ROPS. The obligations on the ROPS totaled \$3,157,400, but the distribution was

Oversight Board Meeting of **07/19/12**

Consideration of Approval of the Recognized Obligation Payment Schedules

Page 2 of 3

significantly less as it only reflected the amount of tax increment that would have been generated from February 1 through April 30.

Because all of the funds in the Retirement Fund have been used to make the payment to the County Auditor-Controller, the Successor Agency is requesting a loan from the City to pay for the enforceable obligations for July to December 2012 (including August 1 bond principal payments), which is permitted under AB No. 1484.

A revised July through December 2012 ROPS has been prepared with a total obligation of \$3,186,125. The source of repayment for the obligations has been changed to "OTHER" to reflect the use of the loan proceeds from the City rather than the County Auditor trust fund. A January through June 2013 ROPS has also been prepared to reflect the two City loans as obligations of the Successor Agency to be repaid through the property tax distributions received from the County Auditor-Controller. The January through June 2013 ROPS also includes a reserve for bond principal payments that are due the following August.

The ROPS are subject to ratification by the Oversight Board to the Successor Agency and review and approval by the Department of Finance.

ATTACHMENTS:

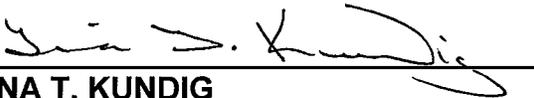
1. Resolution No. OB 2012-012
2. Revised Recognized Obligation Payment Schedule for July through December 2012
3. Recognized Obligation Payment Schedule for January through June 2013

Respectfully submitted,



T. MICHAEL LENGYEL

Economic Development Manager & Housing Manager,
Successor Agency to the Redevelopment Agency



TINA T. KUNDIG

Finance Director/City Treasurer,
Successor Agency to the Redevelopment Agency

Approved for submission by:



N. ENRIQUE MARTINEZ

Executive Director,
Successor Agency to the Redevelopment Agency



DANIEL J. McHUGH

General Counsel,
Successor Agency to the Redevelopment Agency

RESOLUTION NO. OB 2012-012

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF REDLANDS APPROVING RECOGNIZED OBLIGATION PAYMENT SCHEDULES

WHEREAS, pursuant to Health and Safety Code section 34177(1)(2)(A) the Successor Agency to the former Redevelopment Agency of the City of Redlands (the "Successor Agency") has prepared a Revised Recognized Obligation Payment Schedule for July 1, 2012 to December 31, 2012 and a Recognized Obligation Payment Schedule for January 1, 2013 to June 30, 2013 (the "ROPS"); and

WHEREAS, pursuant to Health and Safety Code section 34177(1)(2)(B) the ROPS shall be submitted to and duly approved by the Oversight Board; and

WHEREAS, pursuant to Health and Safety Code section 34177(1)(2)(B) the Successor Agency has submitted a copy of the ROPS to the county administrative officer, the county auditor-controller, and the Department of Finance at the same time that the Successor Agency submitted the ROPS to the Oversight Board for approval.

NOW, THEREFORE, BE IT RESOLVED, BY the Oversight Board of the Successor Agency to the former Redevelopment Agency of the City of Redlands as follows:

Section 1. The Oversight Board hereby approves and adopts the ROPS, in substantially the form attached to this Resolution as Exhibit "A," pursuant to Health and Safety Code section 34177.

Section 2. The Oversight Board hereby directs the Successor Agency to submit copies of the ROPS approved by the Oversight Board to the County of San Bernardino Auditor-Controller, the State of California Controller and the State of California Department of Finance and to post the ROPS on the Successor Agency's website.

Section 3. The Secretary for the Oversight Board shall certify to the adoption of this Resolution.

Section 4. Pursuant to California Health and Safety Code section 34179, all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective for five (5) business days, pending a request for review by the State of California Department of Finance.

PASSED, APPROVED and ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the former Redevelopment Agency of the City of Redlands held this 19th day of July, 2012 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Paul Foster, Chairperson
Oversight Board of Successor Agency
To Redevelopment Agency

ATTEST:

Linda McCasland
Oversight Board Secretary

ATTACHMENT "A"

Revised Recognized Obligation Payment Schedule for July 1, 2012 to December 31, 2012 and
Recognized Obligation Payment Schedule for January 1, 2013 to June 30, 2013

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE - CONSOLIDATED
FILED FOR THE JULY 1, 2012 to DECEMBER 31, 2012 PERIOD**

Name of Successor Agency

Successor Agency to the former Redevelopment Agency of the City of Redlands

	Current	
	Total Outstanding Debt or Obligation	Total Due During Fiscal Year
Outstanding Debt or Obligation	\$ 78,033,375.00	\$ 10,345,676.00
Outstanding Debt or Obligation		
	Total Due for Six Month Period	
	\$ 3,186,125.17	
Available Revenues other than anticipated funding from RPTTF	\$ 3,061,125.61	
Enforceable Obligations paid with RPTTF	\$ -	
Administrative Cost paid with RPTTF OTHER	\$ 124,999.56	
Pass-through Payments paid with RPTTF	\$ -	
Administrative Allowance (greater of 5% of anticipated Funding from RPTTF or 250,000. Note: Calculation should not include pass-through payments made with RPTTF. The RPTTF Administrative Cost figure above should not exceed this Administrative Cost Allowance figure)		
	\$ 250,000.00	

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

Paul Foster
Name

Chairperson
Title

Signature

Date

Name of Redevelopment Agency: Redevelopment Agency of the City of Redlands
 Project Area(s) RDA Project Area All

RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per AB 1484 - Section 34177

Project Name / Debt Obligation	Contract/Agreement Execution Date	Payee	Description*	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2012-2013**	Funding Source	Payable from the Redevelopment Property Tax Trust Fund (RPTTF)											
								Jul 2012	Aug 2012	Sep 2012	Oct 2012	Nov 2012	Dec 2012	Total					
1) Loan for Demand Payment	7/12/2012	City of Redlands	Loan from sponsoring city to make demand payment to county auditor		65,607.00	65,607.00	RPTTF												
2) Loan for Enforceable Obligations	7/19/2012	City of Redlands	Loan from sponsoring city to pay enforceable obligations		3,186,125.00	3,186,125.00	RPTTF												
3)																			
4)																			
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Totals - This Page (RPTTF Funding)					\$ 3,251,732.00	\$ 3,251,732.00	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Totals - Page 2 (Other Funding)					\$ 44,531,575.00	\$ 6,843,344.00	N/A	\$ 26,563.60	\$ 26,563.60	\$ 26,563.60	\$ 26,563.60	\$ 26,563.60	\$ 26,563.60	\$ 26,563.60	\$ 26,563.60	\$ 26,563.60			
Totals - Page 3 (Administrative Cost Allowance)					\$ 30,250,088.00	\$ 250,000.00	N/A	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26			
Totals - Page 4 (Pass Thru Payments)					\$ -	\$ -	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Grand total - All Pages					\$ 76,033,395.00	\$ 10,345,876.00		\$ 49,395.86	\$ 49,395.86	\$ 49,395.86	\$ 49,395.86	\$ 49,395.86	\$ 49,395.86	\$ 49,395.86	\$ 49,395.86	\$ 49,395.86			

* On July 11, 2012 the Successor Agency received a demand for payment in the amount of \$2,601,289 from the County of San Bernardino Auditor-Controller pursuant to section 34183.5(b)(2)(A) of the California Health and Safety Code. On July 12, 2012, the Successor Agency made the payment to the Auditor-Controller using the \$2,535,662 balance held in its Redevelopment Obligation Retirement Fund and a \$65,607 loan from the City of Redlands. On July 16, 2012, the Successor Agency and City of Redlands approved a loan in the amount of \$3,186,125 to pay for the enforceable obligations from July through December 2012. On July 19, 2012 the Oversight Board approved each loan and directed the Successor Agency to include them on the Recognized Obligation Payment Schedule as enforceable obligations pursuant to section 34177(h) of the California Health and Safety Code. The Funding Source on Form B and Form C is listed as OTHER to reflect the loan from the city as the funding source for the enforceable obligations and administrative cost allowance.

** All totals due during fiscal year and payment amounts are projected.

RPTTF - Redevelopment Property Tax Trust Fund
 LMHF - Low and Moderate Income Housing Fund
 Bonds - Bond proceeds
 Admin - Successor Agency Administrative Allowance
 Other - reserves, rents, interest earnings, etc

Name of Redevelopment Agency: Redevelopment Agency of the City of Redlands
 Project Area(s): RDA Project Area All

RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per AB 1484 - Section 34177

Project Name / Debt Obligation	Contract/Agreement Execution Date	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2012-2013	Funding Source	Payable from Other Revenue Sources Payments by month					Total		
								Jul 2012	Aug 2012	Sep 2012	Oct 2012	Nov 2012		Dec 2012	
1) 1996 A Tax Allocation Refunding Bd	12/17/1998	US Bank	Bond issue to fund non-housing projects		25,777,874.00	3,996,077.00	OTHER		1,748,479.00						\$ 1,748,479.00
2) 2003 A Tax Allocation Refunding Bd	11/1/2003	US Bank	Bond issue to fund housing/non-housing projects		11,096,774.00	1,710,913.00	OTHER		766,519.00						\$ 766,519.00
3) 2007 A Tax Allocation Bonds	8/1/2007	US Bank	Bond issue to fund housing projects		5,523,517.00	831,554.00	OTHER		863,796.00						\$ 863,796.00
4) Fiscal Agent Fees		US Bank	Annual fiscal agent fees for bond issues		192,500.00	17,500.00	OTHER		8,750.00						\$ 8,750.00
5) Employee/Administrative Costs		City of Redlands	Bond debt service administration		382,075.00	30,188.00	OTHER		2,515.75						\$ 2,515.75
6) City Attorney Services		City of Redlands	Bond debt service advisory services		88,000.00	8,000.00	OTHER		666.67						\$ 666.67
7) Contractor Legal Services	11/19/2008	Stradling Yocca Carlson & Raul	Bond debt service advisory services		28,400.00	2,400.00	OTHER		200.00						\$ 200.00
8) Contract for Continuing Disclosure	7/18/2008	Applied Best Practices	Annual continuing disclosure for bond issues		27,500.00	2,500.00	OTHER		200.00						\$ 200.00
9) Contract for Auditing Services	2/17/2004	H-L, Coren & Cone	Annual tax sharing calculation updates		11,000.00	1,000.00	OTHER		1,000.00						\$ 1,000.00
10) Contract for Legal Services	5/3/2011	Lance, Sol & Lunghard	Annual auditing services		110,000.00	10,000.00	OTHER		1,000.00						\$ 1,000.00
11) Contract for Legal Services	3/23/2010	Best Best & Krieger LLP	Legal advice on Agency dissolution		26,100.00	2,400.00	OTHER		200.00						\$ 200.00
12) Employee/Administrative Costs		City of Redlands	Management of the Oversight Board		205,997.00	18,727.00	OTHER		2,940.88						\$ 2,940.88
13) Lease of Office Space		Community Bank	Office space rent		773,025.00	134,012.00	OTHER		11,167.63						\$ 11,167.63
14) Lease of Office Space - Utilities	8/26/2007	City of Redlands	Water, Sewer, Disposal charges		2,200.00	400.00	OTHER		66.67						\$ 66.67
15) Lease of Office Space - Telephone		Verizon & ATT	Telephone and long distance service		85,250.00	15,500.00	OTHER		1,291.67						\$ 1,291.67
16) Lease of Office Space - Electricity		So. CA Edison	Electrical utility service		50,000.00	833.33	OTHER		833.33						\$ 833.33
17) Lease of Office Space - Gas		So. CA Gas Company	Gas utility service		4,950.00	800.00	OTHER		75.00						\$ 75.00
18) Lease of Office Space - Janitorial		Custom Services Systems	Janitorial services and supplies		17,050.00	3,100.00	OTHER		258.33						\$ 258.33
19) Office Equipment Lease		Xerox	Multi-functional printing device contract		26,400.00	4,800.00	OTHER		400.00						\$ 400.00
20) Employee/Administrative Costs		City of Redlands	Management and upkeep of real property		50,858.00	33,972.00	OTHER		2,831.00						\$ 2,831.00
21) Employee/Administrative Costs		City of Redlands	Administration of disposition of real property		30,000.00	20,000.00	OTHER		1,666.67						\$ 1,666.67
22) City Attorney Services		City of Redlands	Legal advice on disposition of real property		22,500.00	15,000.00	OTHER		1,250.00						\$ 1,250.00
23) Contract for Legal Services	3/23/2010	Best Best & Krieger LLP	Legal advice on Agency dissolution		3,800.00	2,400.00	OTHER		200.00						\$ 200.00
24) Consultant Costs		Various	Disposition of real property		30,000.00	20,000.00	OTHER		1,666.67						\$ 1,666.67
25) Contract for Consulting Services	4/27/2011	Rosmont & Associates	Real estate advisory services		12,600.00	12,600.00	OTHER		1,666.67						\$ 1,666.67
26)															\$ -
27)															\$ -
28)															\$ -
29)															\$ -
30)															\$ -
31)															\$ -
32)															\$ -
33)															\$ -
Totals - LMHFF					\$ 44,531,575.00	\$ 6,843,944.00			\$ 28,563.60						\$ 28,563.60
Totals - Other					\$ 44,531,575.00	\$ 6,843,944.00			\$ 28,563.60						\$ 28,563.60
Grand total - This Page					\$ 89,063,150.00	\$ 13,687,888.00			\$ 57,127.20						\$ 57,127.20

* All total due during fiscal year and payment amounts are projected.
 ** On July 11, 2012 the Successor Agency received a demand for payment in the amount of \$2,801,289 from the County of San Bernardino Auditor-Controller pursuant to section 34183.5(b)(2)(A) of the California Health and Safety Code. On July 12, 2012, the Successor Agency made the payment to the Auditor-Controller using the \$2,835,662 balance held in its Redevelopment Obligation Retirement Fund and a \$65,607 loan from the City of Redlands. On July 19, 2012, the Successor Agency and City of Redlands approved a loan in the amount of \$3,186,125 to pay for the enforceable obligations from July through December 2012. On July 19, 2012 the Oversight Board approved each loan and directed the Successor Agency to include them on the Recognized Obligation Payment Schedule as enforceable obligations pursuant to section 34173(h) of the California Health and Safety Code. The Funding Source on Form B and Form C is listed as OTHER to reflect the loan from the city as the funding source for the enforceable obligations and administrative cost allowance.
 RPPTF - Redevelopment Property Tax Trust Fund
 LMHFF - Low and Moderate Income Housing Fund
 Other - reserves, rents, interest earnings, etc
 Bonds - Bond proceeds
 Admin - Successor Agency Administrative Allowance

Name of Redevelopment Agency: Redevelopment Agency of the City of Redlands
 Project Area(s): Redlands Project Area All

RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per AB 1484 - Section 34177

Project Name / Debt Obligation	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2012-2013*	Funding Source**	Payable from the Administrative Allowance Allocation ***					Total	
							Jul 2012	Aug 2012	Sep 2012	Oct 2012	Nov 2012		Dec 2012
1) Staff Salaries and Benefits	City of Redlands	Successor Agency administration		21,107,724.00	174,444.00	OTHER	14,537.00	14,537.00	14,537.00	14,537.00	14,537.00	14,537.00	87,222.00
2) Staff Overhead	City of Redlands	Successor Agency administration		7,247,239.00	59,894.00	OTHER	4,991.18	4,991.18	4,991.18	4,991.18	4,991.18	4,991.18	29,947.00
3) Staff Relieve Charge	City of Redlands	Successor Agency administration		492,872.00	4,074.00	OTHER	339.45	339.45	339.45	339.45	339.45	339.45	2,037.00
4) Information Technology Charge	City of Redlands	Successor Agency administration		206,869.00	1,710.00	OTHER	142.45	142.45	142.45	142.45	142.45	142.45	855.00
5) Meetings and Professional Development	City of Redlands	Successor Agency administration		138,004.00	1,140.00	OTHER	95.00	95.00	95.00	95.00	95.00	95.00	570.00
6) Travel and Reimbursement	City of Redlands	Successor Agency administration		137,546.00	1,136.00	OTHER	94.73	94.73	94.73	94.73	94.73	94.73	566.00
7) Printing and Postage	City of Redlands	Successor Agency administration		259,136.00	2,142.00	OTHER	178.45	178.45	178.45	178.45	178.45	178.45	1,071.00
8) Advertising (Public Notices)	City of Redlands	Successor Agency administration		183,394.00	1,516.00	OTHER	126.27	126.27	126.27	126.27	126.27	126.27	756.00
9) Other Administrative/Office Costs	City of Redlands	Successor Agency administration		477,284.00	3,944.00	OTHER	328.73	328.73	328.73	328.73	328.73	328.73	1,972.00
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28)													
Totals - This Page							\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 124,999.56

* All total due during fiscal year and payment amounts are projected.
 ** On July 11, 2012 the Successor Agency received a demand for payment in the amount of \$2,601,269 from the County of San Bernardino Auditor-Controller pursuant to section 34183.5(b)(2)(A) of the California Health and Safety Code. On July 12, 2012, the Successor Agency made the payments to the Auditor-Controller using the \$2,535,662 balance held in its Redevelopment Obligation Retirement Fund and a \$65,607 loan from the City of Redlands. On July 19, 2012, the Successor Agency and City of Redlands approved a loan in the amount of \$3,166,125 to pay for the enforceable obligations from July through December 2012. On July 19, 2012 the Oversight Board approved each loan and directed the Successor Agency to include them on the Recognized Obligation Payment Schedule as enforceable obligations pursuant to section 34173(h) of the California Health and Safety Code. The Funding Source on Form B and Form C is listed as OTHER to reflect the loan from the city as the funding source for the enforceable obligations and administrative cost allowance.
 RPTTF - Redevelopment Property Tax Trust Fund
 LMHF - Low and Moderate Income Housing Fund
 *** - Administrative Cost Allowance caps are 5% of Form A 6-month totals in 2011-12 and 3% of Form A 6-month totals in 2012-13. The calculation should not factor in pass through payments paid for with RPTTF in Form D.
 Admin - Successor Agency Administrative Allowance
 Bonds - Bond proceeds
 Other - reserves, rents, interest earnings, etc

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE - CONSOLIDATED
FILED FOR THE JANUARY 1, 2013 to JUNE 30, 2013 PERIOD**

Name of Successor Agency

Successor Agency to the former Redevelopment Agency of the City of Redlands

	Current	
	Total Outstanding Debt or Obligation	Total Due During Fiscal Year
Outstanding Debt or Obligation	\$ 78,033,375.00	\$ 10,345,676.00
	Total Due for Six Month Period	
Outstanding Debt or Obligation	\$ 7,158,313.17	
Available Revenues other than anticipated funding from RPTTF	\$ -	
Enforceable Obligations paid with RPTTF	\$ 7,033,313.61	
Administrative Cost paid with RPTTF	\$ 124,999.56	
Pass-through Payments paid with RPTTF	\$ -	
Administrative Allowance (greater of 5% of anticipated Funding from RPTTF or 250,000. Note: Calculation should not include pass-through payments made with RPTTF. The RPTTF Administrative Cost figure above should not exceed this Administrative Cost Allowance figure)	\$ 250,000.00	

Certification of Oversight Board Chairman:

Pursuant to Section 34177(l) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Enforceable Payment Schedule for the above named agency.

Paul Foster
Name

Chairperson
Title

Signature

Date

RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per AB 1484 - Section 34177

Project Name / Debt Obligation	Contract/Agreement Execution Date	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year* 2012-2013*	Funding Source	Payments by month						Total				
								Jan 2013	Feb 2013	Mar 2013	Apr 2013	May 2013	Jun 2013***					
1) Loan for Demand Payment	7/12/2012	City of Redlands	Loan from sponsoring city to make demand payment to county auditor		65,607.00	65,607.00	RPTTF**	65,607.00							65,607.00			
2) Loan for Enforceable Obligations	7/19/2012	City of Redlands	Loan from sponsoring city to pay enforceable obligations		3,186,125.00	3,186,125.00	RPTTF**	3,186,125.00							3,186,125.00			
3) 1998 A Tax Allocation Refunding Bd	12/17/1998	US Bank	Bond issue to fund non-housing projects		25,777,874.00	3,986,677.00	RPTTF		406,799.00					1,778,799.00	2,187,598.00			
4) 2003 A Tax Allocation Refunding Bd	11/12/2003	US Bank	Bond issue to fund housing/housing projects		11,096,778.00	1,710,813.00	RPTTF		161,197.00					366,379.00	942,394.00			
5) 2007 A Tax Allocation Bonds	8/1/2007	US Bank	Bond issue to fund housing projects		5,623,517.00	831,554.00	RPTTF		101,379.00					366,379.00	467,758.00			
6) Fiscal Agent Fees		US Bank	Annual fiscal agent fees for bond issues		192,500.00	17,500.00	RPTTF		8,750.00					8,750.00	8,750.00			
7) Employee/Administrative Costs		City of Redlands	Bond debt service administration		332,079.00	30,189.00	RPTTF		2,515.75					2,515.75	15,094.50			
8) City Attorney Services		City of Redlands	Bond debt service advisory services		88,000.00	8,000.00	RPTTF		666.67					666.67	4,000.02			
9) Contract for Legal Services	11/19/2006	Stratford Yocca Carlson & Paul	Bond debt service advisory services		28,400.00	2,400.00	RPTTF		200.00					200.00	1,200.00			
10) Contract for Contributing Disclosure	7/18/2008	Applied First Practices	Annual continuing disclosure for bond issues		27,500.00	2,500.00	RPTTF		1,000.00					1,000.00	2,500.00			
11) Contract for Tax Sharing Calculation	2/17/2004	Hdc, Coren & Conte	Annual tax sharing calculation updates		11,000.00	1,000.00	RPTTF		1,000.00					1,000.00	1,000.00			
12) Contract for Auditing Services	9/3/2011	Lance, Sol & Lughard	Annual auditing services		26,400.00	2,400.00	RPTTF		200.00					200.00	1,200.00			
13) Contract for Legal Services	3/23/2010	Beal Best & Krieger LLP	Legal advice on Agency dissolution		205,987.00	18,727.00	RPTTF		2,340.88					2,340.88	14,045.28			
14) Employee/Administrative Costs		City of Redlands	Management of the Oversight Board		793,022.00	134,012.00	RPTTF		11,167.63					11,167.63	67,005.28			
15) Lease of Office Space	6/26/2007	Community Bank	Office space rent		2,200.00	400.00	RPTTF		66.67					66.67	200.01			
16) Lease of Office Space - Utilities		City of Redlands	Water, Sewer, Disposal charges		85,250.00	15,500.00	RPTTF		1,291.67					1,291.67	7,750.02			
17) Lease of Office Space - Telephone		Verizon & ATT	Telephone and long distance service		55,000.00	10,000.00	RPTTF		833.33					833.33	4,999.98			
18) Lease of Office Space - Electricity		So. CA Edison	Electrical utility service		4,950.00	900.00	RPTTF		75.00					75.00	450.00			
19) Lease of Office Space - Gas		So. CA Gas Company	Gas utility service		17,050.00	3,100.00	RPTTF		258.33					258.33	1,549.98			
20) Lease of Office Space - Janitorial		Custom Service Systems	Janitorial services and supplies		26,400.00	4,800.00	RPTTF		400.00					400.00	2,400.00			
21) Office Equipment Lease		Xerox	Multi-functional printing device contract		50,958.00	33,872.00	RPTTF		2,831.00					2,831.00	16,986.00			
22) Employee/Administrative Costs		City of Redlands	Management and upkeep of real property		30,000.00	20,000.00	RPTTF		1,666.67					1,666.67	10,000.02			
23) Employee/Administrative Costs		City of Redlands	Administration of disposition of real property		22,500.00	15,000.00	RPTTF		1,250.00					1,250.00	7,500.00			
24) Contract for Legal Services		City of Redlands	Legal advice on disposition of real property		3,600.00	2,400.00	RPTTF		200.00					200.00	1,200.00			
25) Contract for Legal Services	3/23/2010	Beal Best & Krieger LLP	Legal advice on Agency dissolution		30,000.00	20,000.00	RPTTF		1,666.67					1,666.67	10,000.02			
26) Consultant Costs		Various	Disposition of real property		12,800.00	12,800.00	RPTTF											
27) Contract for Consulting Services	4/27/2011	Koornot & Associates	Real estate advisory services				RPTTF											
28)																		
29)																		
30)																		
31)																		
32)																		
Totals - This Page (RPTTF Funding)								\$ 47,789,307.00	\$ 10,085,676.00	N/A	\$ 3,280,296.60	\$ 710,255.27	\$ 30,563.60	\$ 28,630.27	\$ 28,563.60	\$ 2,955,005.27	\$ 7,033,313.61	
Totals - Page 2 (Other Funding)								\$ -	\$ -	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Page 3 (Administrative Cost Allowance)								\$ 30,250,088.00	\$ 250,000.00	N/A	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 124,999.56
Totals - Page 4 (Pass Thru Payments)								\$ -	\$ -	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand total - All Pages								\$ 78,039,395.00	\$ 10,345,676.00		\$ 3,301,128.86	\$ 731,088.53	\$ 51,366.86	\$ 49,463.53	\$ 49,396.86	\$ 2,975,638.53	\$ 7,159,318.17	

* All totals due during fiscal year and payment amounts are projected.
 ** On July 11, 2012 the Successor Agency received a demand for payment in the amount of \$2,601,269 from the County of San Bernardino Auditor-Controller pursuant to section 34163.5(b)(2)(A) of the California Health and Safety Code. On July 12, 2012, the Successor Agency made the payment to the Auditor-Controller using the \$2,355,662 balance held in its Redevelopment Obligation Retirement Fund and a \$65,607 loan from the City of Redlands. On July 19, 2012, the Successor Agency and City of Redlands approved a loan in the amount of \$3,186,125 to pay for the enforceable obligations from July through December 2012. On July 19, 2012 the Oversight Board approved each loan and directed the Successor Agency to include them on the Recognized Obligation Payment Schedule as enforceable obligations pursuant to section 34173(h) of the California Health and Safety Code.
 *** June bond payments are reserves for bond payments due on August 1, 2013 pursuant to Section 34171(d)(1)(A)
 RPTTF - Redevelopment Property Tax Trust Fund
 LMHF - Low and Moderate Income Housing Fund
 Admin - reserves, rents, interest earnings, etc
 Other - reserves, rents, interest earnings, etc
 Admin - Successor Agency Administrative Allowance

FORM C - Administrative Cost Allowance Paid With Redevelopment Property Tax Trust Fund (RPTTF)

Name of Redevelopment Agency: Redevelopment Agency of the City of Redlands
 Project Area(s) Redlands Project Area All
 Per AB 1484 - Section 34177

RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Project Name / Debt Obligation	Payee	Description	Project Area	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 2012-2013*	Funding Source	Payable from the Administrative Allowance Allocation **						Total
							Payments by month						
							Jan 2013	Feb 2013	Mar 2013	Apr 2013	May 2013	Jun 2013	
1) Staff Salaries and Benefits	City of Redlands	Successor Agency administration		21,107,724.00	174,444.00	RPTTF	14,537.00	14,537.00	14,537.00	14,537.00	14,537.00	14,537.00	87,222.00
2) Staff Overhead	City of Redlands	Successor Agency administration		7,247,239.00	59,894.00	RPTTF	4,991.18	4,991.18	4,991.18	4,991.18	4,991.18	4,991.18	29,947.00
3) Staff Retiree Charge	City of Redlands	Successor Agency administration		492,872.00	4,074.00	RPTTF	339.45	339.45	339.45	339.45	339.45	339.45	2,037.00
4) Information Technology Charge	City of Redlands	Successor Agency administration		206,869.00	1,710.00	RPTTF	142.45	142.45	142.45	142.45	142.45	142.45	855.00
5) Meetings and Professional Development	City of Redlands	Successor Agency administration		138,004.00	1,140.00	RPTTF	95.00	95.00	95.00	95.00	95.00	95.00	570.00
6) Travel and Reimbursement	City of Redlands	Successor Agency administration		137,546.00	1,136.00	RPTTF	94.73	94.73	94.73	94.73	94.73	94.73	568.00
7) Printing and Postage	City of Redlands	Successor Agency administration		259,136.00	2,142.00	RPTTF	178.45	178.45	178.45	178.45	178.45	178.45	1,071.00
8) Advertising (Public Notices)	City of Redlands	Successor Agency administration		163,394.00	1,516.00	RPTTF	126.27	126.27	126.27	126.27	126.27	126.27	758.00
9) Other Administrative/Office Costs	City of Redlands	Successor Agency administration		477,284.00	3,844.00	RPTTF	328.73	328.73	328.73	328.73	328.73	328.73	1,972.00
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28)													
Totals - This Page							\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 20,833.26	\$ 124,999.56

* All total due during fiscal year and payment amounts are projected.
 RPTTF - Redevelopment Property Tax Trust Fund
 LMHF - Low and Moderate Income Housing Fund
 ** - Administrative Cost Allowance caps are 5% of Form A 6-month totals in 2011-12 and 3% of Form A 6-month totals in 2012-13. The calculation should not factor in pass through payments paid for with RPTTF in Form D.
 Other - reserves, rents, interest earnings, etc

