

## **HUNTINGTON BEACH OVERSIGHT BOARD**

*of the Successor Agency of the former  
City of Huntington Beach Redevelopment Agency*

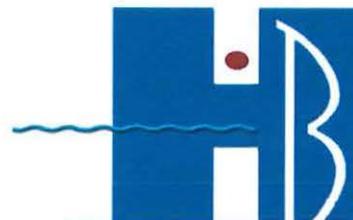
### **Special Meeting Agenda**

**January 25, 2017**

**3:00 P.M.**

City Hall, 2000 Main Street, Civic Center Lower Level,  
Room B-8, Huntington Beach, CA 92648

**Teleconferencing Location:  
2 Park Plaza, Suite 100, Irvine, CA 92614**



Huntington Beach  
Oversight Board

#### **WEB ACCESS:**

Meeting audio archives can be accessed  
at <http://huntingtonbeach.granicus.com>

#### **\*\*REMINDER\*\***

As a courtesy to those in attendance, please  
silence your cell phones and pagers

#### **MEETING ASSISTANCE NOTICE - AMERICANS WITH DISABILITIES ACT**

In accordance with the Americans with Disabilities Act the following services are available to members of our community who require special assistance to participate in Oversight Committee meetings. If you require special assistance, 48-hour prior notification will enable the city to make reasonable arrangements. To make arrangements for an assisted listening device (ALD) for the hearing impaired, American Sign Language interpreters, a reader during the meeting and/or large print agendas, please contact the Oversight Board Secretary's Office at (714) 536-5227.

#### **OVERSIGHT COMMITTEE AGENDA**

The Oversight Committee agenda and supporting documentation is made available for public review during normal business hours in the Office of the Oversight Board Secretary, 2000 Main Street immediately following distribution of the agenda packet to a majority of the Board Members. Questions on agenda items may be directed to the Oversight Board Secretary's Office at (714) 536-5227. The agenda packet is posted on the city's website at <http://www.huntingtonbeachca.gov/Government/agendas/>.

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#### **SUPPLEMENTAL COMMUNICATION**

Staff and members of the public have the opportunity to submit information related to an agenda item following distribution of the agenda packet to the Board Members. This information is identified as "Supplemental Communication" and is assembled into a packet by the Oversight Board Secretary on the day of the meeting. The Brown (Open Meetings) Act requires that copies of Supplemental Communication be made available to the public immediately upon distribution of material to a majority of the Board Members. Communication received by any individual at the meeting will be made available to the public in the Oversight Board Secretary's Office the following morning.

#### **PUBLIC COMMENTS**

This is the time of the meeting for the Board Members to receive comments from the public regarding items of interest or agenda items. Pursuant to the Brown (Open Meeting) Act, the Board Members may not enter into discussion regarding items not on the Oversight Committee agenda. The Board Members strive to treat members of the public with respect. Comments or concerns provided by the public shall be done in a civil and respectful manner.

To participate in Public Comments, **yellow Request to Speak** forms are available at the entrance table and are collected by the Oversight Board Secretary. Each speaker is allowed 3 minutes, and time may not be donated to another speaker.

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This agenda contains a brief general description of each item the Oversight Board will consider. The City Clerk has on file copies of written documentation relating to each item of business on this Agenda available for public inspection. Contact the City Clerk's Office at (714) 536-5227 or view the Agenda and related materials on the City's website at <http://www.huntingtonbeachca.gov>. Materials related to an item on this Agenda submitted to the Oversight Board after distribution of the Agenda Packet are available for public inspection in the City Clerk's Office at 2000 Main Street, Huntington Beach, California during normal business hours. Such documents may also be available on the City's website subject to staff's ability to post documents before the meeting.

#### **Special Accommodations**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (714) 536-5227. Notification 48 hours prior to the meeting will enable City staff to make reasonable arrangements to ensure accessibility.  
(28 CFR 35.102.35.104 ADA Title II)

# **HUNTINGTON BEACH OVERSIGHT BOARD**

**of the Successor Agency of the former  
City of Huntington Beach Redevelopment Agency**

## **Special Meeting Agenda**

**January 25, 2017**

**3:00 P.M.**

City Hall, 2000 Main Street, Civic Center Lower Level, Room B-8,  
Huntington Beach, CA 92648

**Teleconferencing Location:  
2 Park Plaza, Suite 100, Irvine, CA 92614**

**3:00 PM – ROOM B-8  
CIVIC CENTER, 2000 MAIN STREET  
HUNTINGTON BEACH, CA 92648**

**TELECONFERENCING LOCATION: (BOARD MEMBER LUCY DUNN)  
2 PARK PLAZA, SUITE 100  
IRVINE, CA 92614**

**BOARD MEMBERS:** City of Huntington Beach appointee **Councilmember Jill Hardy**; County Board of Supervisors appointees **Lucy Dunn** and **Steve Bone**; Community Colleges Districts appointee **W. Andrew “Andy” Dunn**; Orange County Office of Education appointee **Carrie Delgado**; Former Huntington Beach Redevelopment Agency employee representative **Kellee Fritzal**; Special District – Orange County Sanitation District appointee **Mayor Barbara Delgleize**

### **CALL TO ORDER**

**ROLL CALL:** Bone, Delgado, Delgleize, A. Dunn, L. Dunn, Fritzal, Hardy

**PLEDGE OF ALLEGIANCE:** To be led by Mayor Delgleize

**SUPPLEMENTAL COMMUNICATIONS:** Announced by Board Secretary.

**PUBLIC COMMENTS:** *This is the portion of the meeting for any member of the public to address the Oversight Board on any matter that is within the subject matter jurisdiction of the board. The Brown Act, with limited exception, does not allow the board or staff to discuss unagendized issues brought forth under Public Comments. Comments should be limited to 3 minutes per person.*

### **BUSINESS:**

#### **1. Introductions and Administration of the Oath of Office**

**Recommended Board Action:**

Introduction of appointees Councilmember Jill Hardy, and Mayor Barbara Delgleize representative of the Orange County Sanitation District to Oversight Board Members and administration of the Oath of Office by the Board Secretary.

**2. Election of a Chair and Vice Chair for the Oversight Board**

**Recommended Board Action:**

Elect one member to serve as ("Board") Chair, and Vice Chair of the Oversight Board to the Successor Agency to the dissolved Huntington Beach Redevelopment Agency for the 2017 calendar year.

**3. Adopt Oversight Board Resolution Nos. 2017-03 through 2017-14 finding that the Loans made by the former Redevelopment Agency were for Legitimate Purposes and approving the Loans as Enforceable Obligations for Repayment**

**Recommended Board Action:**

A) Adopt Resolution No. 2017-03, "A Resolution Of The Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan Made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding Acquisition Associated with The Strand Project was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of Said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B)"; and,

B) Adopt Resolution No. 2017-04, "A Resolution Of The Oversight Board Of The Successor Agency To The Redevelopment Agency Of The City Of Huntington Beach Finding That The Loan Made By The City Of Huntington Beach To The Former Redevelopment Agency Of The City Of Huntington Beach Regarding The Relocation And Demolition Of Driftwood And Pacific Mobile Home Parks Related To The Waterfront Master Site Plan Was For Legitimate Redevelopment Purposes, And Approving The Loan As An Enforceable Obligation And The Schedule For Repayment Of Said Loan By The Successor Agency To The City Of Huntington Beach, In Accordance With Health And Safety Code Section 34191.4(B)"; and,

C) Adopt Resolution No. 2017-05, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan Made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding Relocation Costs paid to Terry's Coffee Shop and First Interstate Bank was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of Said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B);" and,

D) Adopt Resolution No. 2017-06, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan Made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding Relocation costs paid to Wind and Sea Surf Shop was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of said Loan by the Successor Agency to the City of Huntington Beach, in Accordance With Health And Safety Code Section 34191.4(B); and,

E) Adopt Resolution No. 2017-07, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan Made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach

Regarding Acquisition Costs associated with the Second Block Alley and Street Improvement Project was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B);” and,

F) Adopt Resolution No. 2017-08, “A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding Relocation, Property Acquisition, and Other Project Costs associated with the Third Block West Condominium/Retail/Office Project in the Main-Pier Redevelopment Project Area was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B);” and,

G) Adopt Resolution No. 2017-09, “A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan Made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding Acquisition of Land Within the Main-Pier Project Area to Implement the Construction of Parking Facilities within the Downtown Main-Pier Area was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B);” and,

H) Adopt Resolution No. 2017-10, “A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding Acquisition of Land within the Main-Pier Project Area for Phase II Development Projects was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of Said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B);” and,

I) Adopt Resolution No. 2017-11, “A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan Made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding Land and Right-Of-Way Acquisition Costs connected with the Gothard-Hoover Extension Project and Development of a Public Storage Facility in the Huntington Beach Redevelopment Project was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B);” and,

J) Adopt Resolution No. 2017-12, “A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan Made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding FY 2004-05 Capital Projects was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of Said Loan by the Successor Agency to the City Of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B);” and,

K) Adopt Resolution No. 2017-13, “A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan Made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding the Emerald Cove Property Transfer was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of said Loan by

the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B);" and,

L) Adopt Resolution No. 2017-14, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding the Emerald Cove Bonds was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of Said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B)."

4. **Adopt Oversight Board Resolution Nos. 2017-01 and 2017-02 approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Huntington Beach Successor Agency for the period of July 1, 2017 through June 30, 2018, in accordance with Health and Safety Code Section 34177 and related action**

**Recommended Board Action:**

A) Adopt Resolution No. 2017-01, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Approving the Recognized Obligation Payment Schedule for the Period July 1, 2017 Through June 30, 2018 ("ROPS 17-18");" and,

B) Adopt Resolution No. 2017-02, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Approving the Successor Agency Administrative Budget for the Period July 1, 2017 Through June 30, 2018."

5. **Approve and adopt the minutes of the Oversight Board Special Meeting of January 27, 2016**

**Recommended Board Action:**

Approve and adopt the minutes of the Oversight Board Special Meeting of January 27, 2016, as written and on file in the office of the Secretary of the Board.

## **MEMBER REPORTS/ANNOUNCEMENTS**

## **ADJOURNMENT**

The next Regular Meeting is scheduled for Monday, April 10, 2017, 4:30 PM at City Hall, 2000 Main Street, Civic Center Lower Level, Room B-8.

**Oversight Board of the Huntington  
Beach Successor Agency  
to the Redevelopment Agency**

**Agenda Item #1**

**HUNTINGTON BEACH OVERSIGHT BOARD**  
*of the Successor Agency of the former  
City of Huntington Redevelopment Agency*



**There is no staff report for this agenda item**

**Oversight Board of the Huntington  
Beach Successor Agency  
to the Redevelopment Agency**

**Agenda Item #2**

# AGENDA REPORT

## Oversight Board of the Huntington Beach Successor Agency to the former Redevelopment Agency

**MEETING DATE:** January 25, 2017

**SUBJECT/ACTION:** Election of a Chair and Vice Chair for the Oversight Board

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**RECOMMENDED ACTION:** Motion to:

Elect one member to serve as (“Board”) Chair, and Vice Chair of the Oversight Board of the Successor Agency to the dissolved Huntington Beach Redevelopment Agency.

**BACKGROUND/DISCUSSION:**

AB 1x26, AB 1484 and SB 107, the Redevelopment Dissolution Act, requires each successor agency to have an Oversight Board composed of seven members. It should be noted that SB 107 extended terms for individual Successor Agency Oversight Boards through June 30, 2018, upon which time one County-wide Oversight Board will be formed. The Oversight Board must elect one of its members as Chair to preside over the board meetings. It is also recommended that a Vice Chair be elected to preside over meetings in the absence of the Chair.

It is recommended that Oversight Board officers serve through December 2018.

**Oversight Board of the Huntington  
Beach Successor Agency  
to the Redevelopment Agency**

**Agenda Item #3**

# AGENDA REPORT

## Oversight Board of the Huntington Beach Successor Agency to the former Redevelopment Agency

**MEETING DATE:** January 25, 2017

**SUBJECT/ACTION:** Adopt Oversight Board Resolution Nos. 2017-03 through 2017-14 finding that the Loans made by the former Redevelopment Agency were for Legitimate Purposes and Approving the Loans as Enforceable Obligations for Repayment

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### **STATEMENT OF ISSUE:**

In accordance with the Redevelopment Dissolution, AB X1 26, AB 1484, and SB 107, the Oversight Board to the former Huntington Beach Redevelopment Agency is asked to approve the repayment of loans from the City (General Fund and other Funds) by re-confirming that the loans were made for eligible redevelopment projects and the loans are an enforceable obligation.

### **RECOMMENDED ACTION:** Motion to:

A) Adopt Resolution No. 2017-03, "A Resolution Of The Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan Made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding Acquisition Associated with The Strand Project was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of Said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B)"; and,

B) Adopt Resolution No. 2017-04, "A Resolution Of The Oversight Board Of The Successor Agency To The Redevelopment Agency Of The City Of Huntington Beach Finding That The Loan Made By The City Of Huntington Beach To The Former Redevelopment Agency Of The City Of Huntington Beach Regarding The Relocation And Demolition Of Driftwood And Pacific Mobile Home Parks Related To The Waterfront Master Site Plan Was For Legitimate Redevelopment Purposes, And Approving The Loan As An Enforceable Obligation And The Schedule For Repayment Of Said Loan By The Successor Agency To The City Of Huntington Beach, In Accordance With Health And Safety Code Section 34191.4(B)"; and,

C) Adopt Resolution No. 2017-05, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan Made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding Relocation Costs paid to Terry's Coffee Shop and First Interstate Bank was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of Said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B);" and,

D) Adopt Resolution No. 2017-06, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan Made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding Relocation costs paid to Wind and Sea Surf Shop was for

Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of said Loan by the Successor Agency to the City of Huntington Beach, in Accordance With Health And Safety Code Section 34191.4(B); and,

E) Adopt Resolution No. 2017-07, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan Made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding Acquisition Costs associated with the Second Block Alley and Street Improvement Project was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B);" and,

F) Adopt Resolution No. 2017-08, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding Relocation, Property Acquisition, and Other Project Costs associated with the Third Block West Condominium/Retail/Office Project in the Main-Pier Redevelopment Project Area was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B);" and,

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H) Adopt Resolution No. 2017-10, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding Acquisition of Land within the Main-Pier Project Area for Phase II Development Projects was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of Said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B);"

I) Adopt Resolution No. 2017-11, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan Made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding Land and Right-Of-Way Acquisition Costs connected with the Gothard-Hoover Extension Project and Development of a Public Storage Facility in the Huntington Beach Redevelopment Project was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B);" and,

J) Adopt Resolution No. 2017-12, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan

Made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding FY 2004-05 Capital Projects was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of Said Loan by the Successor Agency to the City Of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B);” and,

K) Adopt Resolution No. 2017-13, “A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan Made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding the Emerald Cove Property Transfer was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B);” and,

L) Adopt Resolution No. 2017-14, “A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Finding that the Loan made by the City of Huntington Beach to the Former Redevelopment Agency of the City of Huntington Beach Regarding the Emerald Cove Bonds was for Legitimate Redevelopment Purposes, and Approving the Loan as an Enforceable Obligation and the Schedule for Repayment of Said Loan by the Successor Agency to the City of Huntington Beach, in Accordance with Health and Safety Code Section 34191.4(B).”

### **BACKGROUND/DISCUSSION:**

The City’s Redevelopment Agency was created in 1969. At first, the Redevelopment Agency consisted of several sub-areas. In 1996, the areas were combined into the Merged Project Area including; Main Pier, Huntington Center, Talbert-Beach, Oakview, and Yorktown-Lake. In 2002, the Southeast Coastal Redevelopment Project Area was formed. Redevelopment areas were required to incur debt, prior to being able to collect the increased tax increment. The City’s General Fund and other Funds loaned money to the Agency for various redevelopment projects. Due to recent legislation, the City’s Funds can now begin to be repaid.

Under Assembly Bill No. X1 26 and the California Supreme Court’s decision in California Redevelopment Association v. Matosantos, the Redevelopment Agency of the City of Huntington Beach, together with all other redevelopment agencies in the State of California, were dissolved in February 2012. Consistent with AB X1 26, the City became the Successor Agency of the Huntington Beach Redevelopment Agency, and acquired its assets, funds, and enforceable obligations.

In addition to AB X1 26, two clean-up redevelopment dissolution bills have been adopted to clarify provisions of the law. Those two bills AB 1484 (2012) and SB 107 (2015) mandated that the Successor Agency and Oversight Board take certain actions to wind-down the activities of the former Redevelopment Agency. These activities have included review of housing assets, Long Range Property Management Plan and the receipt of a Finding of Completion. The Huntington Beach Successor Agency received a Finding of Completion on May 13, 2014.

The Successor Agency has completed all aspects of the redevelopment dissolution to be able to request loan repayments to the City. Prior to being authorized to commence repayments of the former loans, the Successor Agency must approve the loans as “eligible loans” under the dissolution law. In addition, SB 107 has mandated that the interest rate on the loans be recalculated from the date of the origination of the loan on a quarterly basis at a simple interest rate of 3%.

Eligible loans are defined in three areas: loans where money was transferred from the City to the former redevelopment agency for an eligible purpose; agreements where the City transferred real property to the former redevelopment agency for an eligible purpose and the redevelopment agency is obligated repay; and third party contracts for infrastructure. The City's former redevelopment agency has twelve such eligible loans and is asking the Successor Agency to reconfirm these loans were for an eligible purpose and recommend approval by the Oversight Board and placement on the Recognized Obligation Repayment Schedule for repayment to the City. The loans are as follows:

1. Capital Improvement Projects in FY 2004/5 in the Southeast Coastal Redevelopment Project area for the Magnolia Street and Sidewalk and Lighting project.
2. Loans by the Redevelopment Agency for the purchase of the Emerald Cove Senior Housing Project.
3. Repayment of the Emerald Cove bonds (Certificates of Participation (COPS)) for the construction of Emerald Cove Senior Housing Project.
4. Loan for the purchase of the Gothard/Hoover land (where Vans Skate Park is located).
5. Loans to purchase land for The Strand project.
6. Loans to purchase land for the Main Promenade Parking Structure and property on first block.
7. Loans for land purchase, relocation and other project costs for Plaza Almeria.
8. Loans for alley and sidewalk improvements in the Downtown area.
9. Loans for relocation for the Strand project.
10. Loans for relocation for the Pierside Pavilion project.
11. Loans for the acquisition and relocation of mobile homes in the Waterfront commercial Master Plan site.
12. Loans for land assemblage for the Strand Project

**ATTACHMENT(S):**

Oversight Board Resolution No. 2017 – 03  
Oversight Board Resolution No. 2017 – 04  
Oversight Board Resolution No. 2017 – 05  
Oversight Board Resolution No. 2017 – 06  
Oversight Board Resolution No. 2017 – 07  
Oversight Board Resolution No. 2017 – 08  
Oversight Board Resolution No. 2017 – 09  
Oversight Board Resolution No. 2017 – 10  
Oversight Board Resolution No. 2017 – 11  
Oversight Board Resolution No. 2017 – 12  
Oversight Board Resolution No. 2017 – 13  
Oversight Board Resolution No. 2017 – 14

## RESOLUTION NO. 2017-03

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH FINDING THAT THE LOAN MADE BY THE CITY OF HUNTINGTON BEACH TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH REGARDING ACQUISITION ASSOCIATED WITH THE STRAND PROJECT WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES, AND APPROVING THE LOAN AS AN ENFORCEABLE OBLIGATION AND THE SCHEDULE FOR REPAYMENT OF SAID LOAN BY THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON BEACH, IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34191.4(b)**

WHEREAS, the Redevelopment Agency of the City of Huntington Beach (“Redevelopment Agency”) was a redevelopment agency in the City of Huntington Beach (“City”), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (“Redevelopment Law”); and

Assembly Bill No.X1 26 (2011-2012 1st Ex. Sess.) (“AB 26”) was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code (“H&S Code”), including adding Part 1.8 (commencing with Section 34161) (“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”) to Division 24 of the H&S Code; and

Pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

The City Council of the City elected for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 (“Successor Agency”); and

H&S Code Section 34179 of AB 26 establishes a seven (7) member local entity with respect to each successor agency with fiduciary responsibilities to holders of enforceable obligations and taxing entities that benefit from distributions of property taxes, and such entity is titled the “oversight board.” The oversight board has been established for the Successor Agency (hereinafter referred to as the “Oversight Board”) and all seven (7) members have been

appointed to the Oversight Board pursuant to H&S Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in H&S Code Sections 34179 through 34181 of AB 26; and

As part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 (“AB 1484”), which amended certain provisions of AB 26. AB 26 and AB 1484, as further amended, are collectively referred to herein as the “Dissolution Act”; and

On May 13, 2014, the Department of Finance (“DOF”) issued a Finding of Completion to the Successor Agency pursuant to H&S Code Section 34179.7 of the Dissolution Act; and

Pursuant to the Dissolution Act, “ROPS” means a “Recognized Obligation Payment Schedule”, as set forth in the Dissolution Act; and

Pursuant to H&S Code Section 34191.4(b)(1) of the Dissolution Act, after the Successor Agency receives its Finding of Completion and upon application by the Successor Agency and approval of the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City shall be deemed to be enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes. Upon the Oversight Board’s approval and making of the required finding, the loan is deemed an enforceable obligation and may be listed on a ROPS for repayment, subject to the repayment terms and conditions specified in H&S Code Section 34191.4(b)(2); and

The City Council of the City adopted Ordinance Nos. 2576, 2577, 2578, 2582, and 2743 approving and adopting the Redevelopment Plan for the Yorktown-Lake Redevelopment Project, the Redevelopment Plan for the Talbert-Beach Redevelopment Project, the Redevelopment Plan for the Main-Pier Redevelopment Project, the Redevelopment Plan for the Oakview Redevelopment Project, and the Redevelopment Plan for the Huntington Center Commercial District Redevelopment Project, respectively; and

The former Redevelopment Agency and the City entered into a Cooperative Agreement, dated June 20, 1983 (“1983 Cooperative Agreement”), by which the City agreed to provide to the former Redevelopment Agency certain assistance and to otherwise cooperate with the former Redevelopment Agency in carrying out redevelopment projects; and

Pursuant to the Cooperative Agreement, the former Redevelopment Agency and the City entered into various Operative Agreements for the Yorktown-Lake, Talbert-Beach, Main-Pier, Oakview and Huntington Center Redevelopment Projects (collectively, the “Constituent Projects”), by which the City provided the former Redevelopment Agency with both administrative and/or technical services, constructed required public improvements and facilities as appropriate and necessary, and provided funds to carry out the Constituent Projects; and

The Operative Agreements also identified the terms under which the former Redevelopment Agency would reimburse the City for the associated costs of such services, improvements, facilities and funds. The Operative Agreements were amended from time to time; and

The City Council adopted Ordinance No. 3343 on December 16, 1996 amending and merging the Constituent Projects into the Redevelopment Plan for the Huntington Beach Redevelopment Project (“HBRP”); and

The City Council adopted Ordinance No. 3561 on June 17, 2002, approving and adopting the Redevelopment Plan for the Southeast Coastal Redevelopment Project (“SCRP”) (The Redevelopment Plans for the Constituent Projects and the SCRP may be collectively referred to herein as the “Redevelopment Plans”.); and

The former Redevelopment Agency and the City entered into a Cooperation Agreement, dated September 2, 2003 (“SCRP Cooperation Agreement”) regarding redevelopment projects and capital improvements to be carried out in the SCRPA Area (the 1983 Cooperative Agreement, the SCRPA Cooperation Agreement and the various Operative Agreements (as amended) may collectively be referred to herein as the “Cooperative Agreements”); and

Pursuant to the Cooperative Agreements, the City made a loan (“City Loan”) to the former Redevelopment Agency to fund acquisition associated with the Strand Project. This City Loan pertains to the purchase of land for assemblage of a 4-acre site for a mixed-use project called The Strand. The land was purchased by the former Redevelopment Agency, with money advanced from the City, and conveyed to CIM Group pursuant to a Disposition and Development Agreement; and

The Successor Agency has recalculated the current outstanding balance of the City Loan in accordance with H&S Code Section 34191.4(b)(3), which provides that any interest on the remaining principal amount of the City Loan shall be recalculated from the date of origination of the City Loan, at a simple interest rate of 3 percent (3%). The years of origination of the City Loan were 1989, 1990, 1991 and 1994. The current outstanding balance of the City Loan (recalculated as of September 30, 2016 in accordance with H&S Code Section 34191.4(b)(3)) is \$10,208,846; and

On January 17, 2017, the Successor Agency found, and recommended that the Oversight Board find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

On January 17, 2017, the Successor Agency found and approved the City Loan as an enforceable obligation of the Successor Agency and approved the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum

repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The Oversight Board desires to find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

The Oversight Board further desires to approve the City Loan as an enforceable obligation of the Successor Agency and to approve the schedule for repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines; and

The activity proposed for approval by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity proposed by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.
2. The Oversight Board hereby finds, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan described in the Recitals above was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes in connection with the preparation and implementation of the Redevelopment Plans.
3. The Oversight Board hereby finds and approves the City Loan as an enforceable obligation of the Successor Agency and approves the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b),

with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b).

4. The Executive Director, or designee, of the Successor Agency is hereby authorized and directed (i) to include the repayment of the City Loan on ROPS 17-18 and on successive ROPS until repaid in full consistent and in accordance with H&S Code Section 34191.4(b), and to comply with all other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); (ii) provide such notifications as required by the Dissolution Act; and (iii) take such other actions and execute such other documents as are necessary or desirable to effectuate the intent of this Resolution on behalf of the Successor Agency and/or Oversight Board.

5. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

6. The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency or the Oversight Board of any constitutional, legal or equitable rights that the Successor Agency or Oversight Board may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of the Dissolution Act, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of the Dissolution Act, and any and all related legal and factual issues, and the Oversight Board expressly reserves any and all rights, privileges, and defenses available under law and equity. The Oversight Board does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Oversight Board, the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Oversight Board, the Successor Agency and the City of Huntington Beach under law and/or in equity.

7. The Oversight Board determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

8. This Resolution shall take effect upon the date of its adoption and is subject to review by DOF as may be set forth in the Dissolution Act.

PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a meeting thereof held on the \_\_\_\_\_ day of January, 2017.

\_\_\_\_\_  
Chairperson

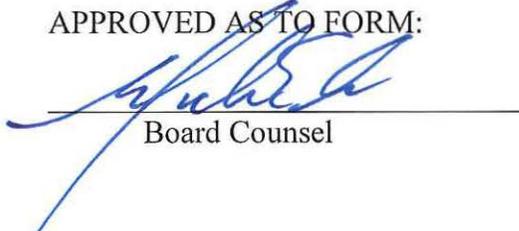
REVIEWED AND APPROVED:

INITIATED AND APPROVED:

\_\_\_\_\_  
Executive Director

  
\_\_\_\_\_  
Deputy Executive Director

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Board Counsel

## RESOLUTION NO. 2017-04

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH FINDING THAT THE LOAN MADE BY THE CITY OF HUNTINGTON BEACH TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH REGARDING THE RELOCATION AND DEMOLITION OF DRIFTWOOD AND PACIFIC MOBILE HOME PARKS RELATED TO THE WATERFRONT MASTER SITE PLAN WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES, AND APPROVING THE LOAN AS AN ENFORCEABLE OBLIGATION AND THE SCHEDULE FOR REPAYMENT OF SAID LOAN BY THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON BEACH, IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34191.4(b)**

WHEREAS, the Redevelopment Agency of the City of Huntington Beach (“Redevelopment Agency”) was a redevelopment agency in the City of Huntington Beach (“City”), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (“Redevelopment Law”); and

Assembly Bill No.X1 26 (2011-2012 1st Ex. Sess.) (“AB 26”) was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code (“H&S Code”), including adding Part 1.8 (commencing with Section 34161) (“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”) to Division 24 of the H&S Code; and

Pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

The City Council of the City elected for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 (“Successor Agency”); and

H&S Code Section 34179 of AB 26 establishes a seven (7) member local entity with respect to each successor agency with fiduciary responsibilities to holders of enforceable obligations and taxing entities that benefit from distributions of property taxes, and such entity is titled the “oversight board.” The oversight board has been established for the Successor Agency

(hereinafter referred to as the “Oversight Board”) and all seven (7) members have been appointed to the Oversight Board pursuant to H&S Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in H&S Code Sections 34179 through 34181 of AB 26; and

As part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 (“AB 1484”), which amended certain provisions of AB 26. AB 26 and AB 1484, as further amended, are collectively referred to herein as the “Dissolution Act”; and

On May 13, 2014, the Department of Finance (“DOF”) issued a Finding of Completion to the Successor Agency pursuant to H&S Code Section 34179.7 of the Dissolution Act; and

Pursuant to the Dissolution Act, “ROPS” means a “Recognized Obligation Payment Schedule”, as set forth in the Dissolution Act; and

Pursuant to H&S Code Section 34191.4(b)(1) of the Dissolution Act, after the Successor Agency receives its Finding of Completion and upon application by the Successor Agency and approval of the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City shall be deemed to be enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes. Upon the Oversight Board’s approval and making of the required finding, the loan is deemed an enforceable obligation and may be listed on a ROPS for repayment, subject to the repayment terms and conditions specified in H&S Code Section 34191.4(b)(2); and

The City Council of the City adopted Ordinance Nos. 2576, 2577, 2578, 2582, and 2743 approving and adopting the Redevelopment Plan for the Yorktown-Lake Redevelopment Project, the Redevelopment Plan for the Talbert-Beach Redevelopment Project, the Redevelopment Plan for the Main-Pier Redevelopment Project, the Redevelopment Plan for the Oakview Redevelopment Project, and the Redevelopment Plan for the Huntington Center Commercial District Redevelopment Project, respectively; and

The former Redevelopment Agency and the City entered into a Cooperative Agreement, dated June 20, 1983 (“1983 Cooperative Agreement”), by which the City agreed to provide to the former Redevelopment Agency certain assistance and to otherwise cooperate with the former Redevelopment Agency in carrying out redevelopment projects; and

Pursuant to the Cooperative Agreement, the former Redevelopment Agency and the City entered into various Operative Agreements for the Yorktown-Lake, Talbert-Beach, Main-Pier, Oakview and Huntington Center Redevelopment Projects (collectively, the “Constituent Projects”), by which the City provided the former Redevelopment Agency with both administrative and/or technical services, constructed required public improvements and facilities as appropriate and necessary, and provided funds to carry out the Constituent Projects; and

The Operative Agreements also identified the terms under which the former Redevelopment Agency would reimburse the City for the associated costs of such services, improvements, facilities and funds. The Operative Agreements were amended from time to time; and

The City Council adopted Ordinance No. 3343 on December 16, 1996 amending and merging the Constituent Projects into the Redevelopment Plan for the Huntington Beach Redevelopment Project (“HBRP”); and

The City Council adopted Ordinance No. 3561 on June 17, 2002, approving and adopting the Redevelopment Plan for the Southeast Coastal Redevelopment Project (“SCRP”) (The Redevelopment Plans for the Constituent Projects and the SCRP may be collectively referred to herein as the “Redevelopment Plans”.); and

The former Redevelopment Agency and the City entered into a Cooperation Agreement, dated September 2, 2003 (“SCRP Cooperation Agreement”) regarding redevelopment projects and capital improvements to be carried out in the SCRP Area (the 1983 Cooperative Agreement, the SCRP Cooperation Agreement and the various Operative Agreements (as amended) may collectively be referred to herein as the “Cooperative Agreements”); and

Pursuant to the Cooperative Agreements, the City made a loan (“City Loan”) to the former Redevelopment Agency to fund the relocation and demolition of Driftwood and Pacific Mobile Home Parks related to the Waterfront Master Site Plan. This City Loan pertains to the purchase of land, Driftwood Mobile Home Park, and relocation of the mobile home tenants, pursuant to State law for development of the Waterfront project, as well as demolition costs. This was a requirement and part of the overall financing that included a Section 108 Loan from Housing and Urban Development (HUD) as well as the creation of a Community Facilities District (CFD); and

The Successor Agency has recalculated the current outstanding balance of the City Loan in accordance with H&S Code Section 34191.4(b)(3), which provides that any interest on the remaining principal amount of the City Loan shall be recalculated from the date of origination of the City Loan, at a simple interest rate of 3 percent (3%). The years of origination of the City Loan were 1989 and 2001. The current outstanding balance of the City Loan (recalculated as of September 30, 2016 in accordance with H&S Code Section 34191.4(b)(3)) is \$14,398,411; and

On January 17, 2017, the Successor Agency found, and recommended that the Oversight Board find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

On January 17, 2017, the Successor Agency found and approved the City Loan as an enforceable obligation of the Successor Agency and approved the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b),

with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The Oversight Board desires to find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

The Oversight Board further desires to approve the City Loan as an enforceable obligation of the Successor Agency and to approve the schedule for repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act (“CEQA”), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq.*, hereafter the “Guidelines”), and the City’s environmental guidelines; and

The activity proposed for approval by this Resolution is not a “project” for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity proposed by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.

2. The Oversight Board hereby finds, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan described in the Recitals above was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes in connection with the preparation and implementation of the Redevelopment Plans.

3. The Oversight Board hereby finds and approves the City Loan as an enforceable obligation of the Successor Agency and approves the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in

accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b).

4. The Executive Director, or designee, of the Successor Agency is hereby authorized and directed (i) to include the repayment of the City Loan on ROPS 17-18 and on successive ROPS until repaid in full consistent and in accordance with H&S Code Section 34191.4(b), and to comply with all other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); (ii) provide such notifications as required by the Dissolution Act; and (iii) take such other actions and execute such other documents as are necessary or desirable to effectuate the intent of this Resolution on behalf of the Successor Agency and/or Oversight Board.

5. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

6. The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency or the Oversight Board of any constitutional, legal or equitable rights that the Successor Agency or Oversight Board may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of the Dissolution Act, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of the Dissolution Act, and any and all related legal and factual issues, and the Oversight Board expressly reserves any and all rights, privileges, and defenses available under law and equity. The Oversight Board does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Oversight Board, the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Oversight Board, the Successor Agency and the City of Huntington Beach under law and/or in equity.

7. The Oversight Board determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

8. This Resolution shall take effect upon the date of its adoption and is subject to review by DOF as may be set forth in the Dissolution Act.

PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a meeting thereof held on the \_\_\_\_\_ day of January, 2017.

\_\_\_\_\_  
Chairperson

REVIEWED AND APPROVED:

INITIATED AND APPROVED:

\_\_\_\_\_  
Executive Director

  
\_\_\_\_\_  
Deputy Executive Director

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Board Counsel

## RESOLUTION NO. 2017-05

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH FINDING THAT THE LOAN MADE BY THE CITY OF HUNTINGTON BEACH TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH REGARDING RELOCATION COSTS PAID TO TERRY'S COFFEE SHOP AND FIRST INTERSTATE BANK WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES, AND APPROVING THE LOAN AS AN ENFORCEABLE OBLIGATION AND THE SCHEDULE FOR REPAYMENT OF SAID LOAN BY THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON BEACH, IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34191.4(b)**

WHEREAS, the Redevelopment Agency of the City of Huntington Beach ("Redevelopment Agency") was a redevelopment agency in the City of Huntington Beach ("City"), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) ("Redevelopment Law"); and

Assembly Bill No.X1 26 (2011-2012 1st Ex. Sess.) ("AB 26") was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code ("H&S Code"), including adding Part 1.8 (commencing with Section 34161) ("Part 1.8") and Part 1.85 (commencing with Section 34170) ("Part 1.85") to Division 24 of the H&S Code; and

Pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

The City Council of the City elected for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 ("Successor Agency"); and

H&S Code Section 34179 of AB 26 establishes a seven (7) member local entity with respect to each successor agency with fiduciary responsibilities to holders of enforceable obligations and taxing entities that benefit from distributions of property taxes, and such entity is titled the "oversight board." The oversight board has been established for the Successor Agency (hereinafter referred to as the "Oversight Board") and all seven (7) members have been

appointed to the Oversight Board pursuant to H&S Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in H&S Code Sections 34179 through 34181 of AB 26; and

As part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 (“AB 1484”), which amended certain provisions of AB 26. AB 26 and AB 1484, as further amended, are collectively referred to herein as the “Dissolution Act”; and

On May 13, 2014, the Department of Finance (“DOF”) issued a Finding of Completion to the Successor Agency pursuant to H&S Code Section 34179.7 of the Dissolution Act; and

Pursuant to the Dissolution Act, “ROPS” means a “Recognized Obligation Payment Schedule”, as set forth in the Dissolution Act; and

Pursuant to H&S Code Section 34191.4(b)(1) of the Dissolution Act, after the Successor Agency receives its Finding of Completion and upon application by the Successor Agency and approval of the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City shall be deemed to be enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes. Upon the Oversight Board’s approval and making of the required finding, the loan is deemed an enforceable obligation and may be listed on a ROPS for repayment, subject to the repayment terms and conditions specified in H&S Code Section 34191.4(b)(2); and

The City Council of the City adopted Ordinance Nos. 2576, 2577, 2578, 2582, and 2743 approving and adopting the Redevelopment Plan for the Yorktown-Lake Redevelopment Project, the Redevelopment Plan for the Talbert-Beach Redevelopment Project, the Redevelopment Plan for the Main-Pier Redevelopment Project, the Redevelopment Plan for the Oakview Redevelopment Project, and the Redevelopment Plan for the Huntington Center Commercial District Redevelopment Project, respectively; and

The former Redevelopment Agency and the City entered into a Cooperative Agreement, dated June 20, 1983 (“1983 Cooperative Agreement”), by which the City agreed to provide to the former Redevelopment Agency certain assistance and to otherwise cooperate with the former Redevelopment Agency in carrying out redevelopment projects; and

Pursuant to the Cooperative Agreement, the former Redevelopment Agency and the City entered into various Operative Agreements for the Yorktown-Lake, Talbert-Beach, Main-Pier, Oakview and Huntington Center Redevelopment Projects (collectively, the “Constituent Projects”), by which the City provided the former Redevelopment Agency with both administrative and/or technical services, constructed required public improvements and facilities as appropriate and necessary, and provided funds to carry out the Constituent Projects; and

The Operative Agreements also identified the terms under which the former Redevelopment Agency would reimburse the City for the associated costs of such services, improvements, facilities and funds. The Operative Agreements were amended from time to time; and

The City Council adopted Ordinance No. 3343 on December 16, 1996 amending and merging the Constituent Projects into the Redevelopment Plan for the Huntington Beach Redevelopment Project (“HBRP”); and

The City Council adopted Ordinance No. 3561 on June 17, 2002, approving and adopting the Redevelopment Plan for the Southeast Coastal Redevelopment Project (“SCRP”) (The Redevelopment Plans for the Constituent Projects and the SCRP may be collectively referred to herein as the “Redevelopment Plans”.); and

The former Redevelopment Agency and the City entered into a Cooperation Agreement, dated September 2, 2003 (“SCRP Cooperation Agreement”) regarding redevelopment projects and capital improvements to be carried out in the SCRPA Area (the 1983 Cooperative Agreement, the SCRPA Cooperation Agreement and the various Operative Agreements (as amended) may collectively be referred to herein as the “Cooperative Agreements”); and

Pursuant to the Cooperative Agreements, the City made a loan (“City Loan”) to the former Redevelopment Agency to fund relocation costs paid to Terry’s Coffee Shop and First Interstate Bank. This City Loan pertains to relocation expenses incurred to relocate tenants occupying Terry’s Coffee Shop and First Interstate Bank pursuant to State law. The relocation was required as part of the land purchase for Pierside Pavilion Disposition and Development Agreement and later Owner Participation Agreement; and

The Successor Agency has recalculated the current outstanding balance of the City Loan in accordance with H&S Code Section 34191.4(b)(3), which provides that any interest on the remaining principal amount of the City Loan shall be recalculated from the date of origination of the City Loan, at a simple interest rate of 3 percent (3%). The year of origination of the City Loan was 1992. The current outstanding balance of the City Loan (recalculated as of September 30, 2016 in accordance with H&S Code Section 34191.4(b)(3)) is \$296,379; and

On January 17, 2017, the Successor Agency found, and recommended that the Oversight Board find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

On January 17, 2017, the Successor Agency found and approved the City Loan as an enforceable obligation of the Successor Agency and approved the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the

City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The Oversight Board desires to find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

The Oversight Board further desires to approve the City Loan as an enforceable obligation of the Successor Agency and to approve the schedule for repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act (“CEQA”), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq.*, hereafter the “Guidelines”), and the City’s environmental guidelines; and

The activity proposed for approval by this Resolution is not a “project” for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity proposed by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.
2. The Oversight Board hereby finds, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan described in the Recitals above was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes in connection with the preparation and implementation of the Redevelopment Plans.
3. The Oversight Board hereby finds and approves the City Loan as an enforceable obligation of the Successor Agency and approves the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum

repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b).

4. The Executive Director, or designee, of the Successor Agency is hereby authorized and directed (i) to include the repayment of the City Loan on ROPS 17-18 and on successive ROPS until repaid in full consistent and in accordance with H&S Code Section 34191.4(b), and to comply with all other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); (ii) provide such notifications as required by the Dissolution Act; and (iii) take such other actions and execute such other documents as are necessary or desirable to effectuate the intent of this Resolution on behalf of the Successor Agency and/or Oversight Board.

5. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

6. The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency or the Oversight Board of any constitutional, legal or equitable rights that the Successor Agency or Oversight Board may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of the Dissolution Act, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of the Dissolution Act, and any and all related legal and factual issues, and the Oversight Board expressly reserves any and all rights, privileges, and defenses available under law and equity. The Oversight Board does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Oversight Board, the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Oversight Board, the Successor Agency and the City of Huntington Beach under law and/or in equity.

7. The Oversight Board determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

8. This Resolution shall take effect upon the date of its adoption and is subject to review by DOF as may be set forth in the Dissolution Act.

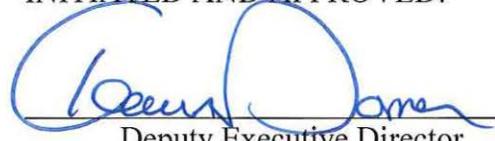
PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a meeting thereof held on the \_\_\_\_\_ day of January, 2017.

\_\_\_\_\_  
Chairperson

REVIEWED AND APPROVED:

INITIATED AND APPROVED:

\_\_\_\_\_  
Executive Director

  
Deputy Executive Director

APPROVED AS TO FORM:

  
Board Counsel

**RESOLUTION NO. 2017-06**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH FINDING THAT THE LOAN MADE BY THE CITY OF HUNTINGTON BEACH TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH REGARDING RELOCATION COSTS PAID TO WIND AND SEA SURF SHOP WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES, AND APPROVING THE LOAN AS AN ENFORCEABLE OBLIGATION AND THE SCHEDULE FOR REPAYMENT OF SAID LOAN BY THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON BEACH, IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34191.4(b)**

WHEREAS, the Redevelopment Agency of the City of Huntington Beach (“Redevelopment Agency”) was a redevelopment agency in the City of Huntington Beach (“City”), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (“Redevelopment Law”); and

Assembly Bill No.X1 26 (2011-2012 1st Ex. Sess.) (“AB 26”) was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code (“H&S Code”), including adding Part 1.8 (commencing with Section 34161) (“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”) to Division 24 of the H&S Code; and

Pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

The City Council of the City elected for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 (“Successor Agency”); and

H&S Code Section 34179 of AB 26 establishes a seven (7) member local entity with respect to each successor agency with fiduciary responsibilities to holders of enforceable obligations and taxing entities that benefit from distributions of property taxes, and such entity is titled the “oversight board.” The oversight board has been established for the Successor Agency (hereinafter referred to as the “Oversight Board”) and all seven (7) members have been

appointed to the Oversight Board pursuant to H&S Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in H&S Code Sections 34179 through 34181 of AB 26; and

As part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 (“AB 1484”), which amended certain provisions of AB 26. AB 26 and AB 1484, as further amended, are collectively referred to herein as the “Dissolution Act”; and

On May 13, 2014, the Department of Finance (“DOF”) issued a Finding of Completion to the Successor Agency pursuant to H&S Code Section 34179.7 of the Dissolution Act; and

Pursuant to the Dissolution Act, “ROPS” means a “Recognized Obligation Payment Schedule”, as set forth in the Dissolution Act; and

Pursuant to H&S Code Section 34191.4(b)(1) of the Dissolution Act, after the Successor Agency receives its Finding of Completion and upon application by the Successor Agency and approval of the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City shall be deemed to be enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes. Upon the Oversight Board’s approval and making of the required finding, the loan is deemed an enforceable obligation and may be listed on a ROPS for repayment, subject to the repayment terms and conditions specified in H&S Code Section 34191.4(b)(2); and

The City Council of the City adopted Ordinance Nos. 2576, 2577, 2578, 2582, and 2743 approving and adopting the Redevelopment Plan for the Yorktown-Lake Redevelopment Project, the Redevelopment Plan for the Talbert-Beach Redevelopment Project, the Redevelopment Plan for the Main-Pier Redevelopment Project, the Redevelopment Plan for the Oakview Redevelopment Project, and the Redevelopment Plan for the Huntington Center Commercial District Redevelopment Project, respectively; and

The former Redevelopment Agency and the City entered into a Cooperative Agreement, dated June 20, 1983 (“1983 Cooperative Agreement”), by which the City agreed to provide to the former Redevelopment Agency certain assistance and to otherwise cooperate with the former Redevelopment Agency in carrying out redevelopment projects; and

Pursuant to the Cooperative Agreement, the former Redevelopment Agency and the City entered into various Operative Agreements for the Yorktown-Lake, Talbert-Beach, Main-Pier, Oakview and Huntington Center Redevelopment Projects (collectively, the “Constituent Projects”), by which the City provided the former Redevelopment Agency with both administrative and/or technical services, constructed required public improvements and facilities as appropriate and necessary, and provided funds to carry out the Constituent Projects; and

The Operative Agreements also identified the terms under which the former Redevelopment Agency would reimburse the City for the associated costs of such services, improvements, facilities and funds. The Operative Agreements were amended from time to time; and

The City Council adopted Ordinance No. 3343 on December 16, 1996 amending and merging the Constituent Projects into the Redevelopment Plan for the Huntington Beach Redevelopment Project (“HBRP”); and

The City Council adopted Ordinance No. 3561 on June 17, 2002, approving and adopting the Redevelopment Plan for the Southeast Coastal Redevelopment Project (“SCRP”) (The Redevelopment Plans for the Constituent Projects and the SCRP may be collectively referred to herein as the “Redevelopment Plans”.); and

The former Redevelopment Agency and the City entered into a Cooperation Agreement, dated September 2, 2003 (“SCRP Cooperation Agreement”) regarding redevelopment projects and capital improvements to be carried out in the SCRPA Area (the 1983 Cooperative Agreement, the SCRPA Cooperation Agreement and the various Operative Agreements (as amended) may collectively be referred to herein as the “Cooperative Agreements”); and

Pursuant to the Cooperative Agreements, the City made a loan (“City Loan”) to the former Redevelopment Agency to fund relocation of the Wind and Sea Surf Shop. This City Loan pertains to relocation expenses incurred to relocate tenants occupying the Wind and Sea Surf Shop pursuant to State law. This was required as part of the land purchase for The Strand mixed-use development; and

The Successor Agency has recalculated the current outstanding balance of the City Loan in accordance with H&S Code Section 34191.4(b)(3), which provides that any interest on the remaining principal amount of the City Loan shall be recalculated from the date of origination of the City Loan, at a simple interest rate of 3 percent (3%). The year of origination of the City Loan was 1996. The current outstanding balance of the City Loan (recalculated as of September 30, 2016 in accordance with H&S Code Section 34191.4(b)(3)) is \$68,800; and

On January 17, 2017, the Successor Agency found, and recommended that the Oversight Board find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

On January 17, 2017, the Successor Agency found and approved the City Loan as an enforceable obligation of the Successor Agency and approved the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the

City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The Oversight Board desires to find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

The Oversight Board further desires to approve the City Loan as an enforceable obligation of the Successor Agency and to approve the schedule for repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines; and

The activity proposed for approval by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity proposed by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.
2. The Oversight Board hereby finds, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan described in the Recitals above was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes in connection with the preparation and implementation of the Redevelopment Plans.
3. The Oversight Board hereby finds and approves the City Loan as an enforceable obligation of the Successor Agency and approves the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum

repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b).

4. The Executive Director, or designee, of the Successor Agency is hereby authorized and directed (i) to include the repayment of the City Loan on ROPS 17-18 and on successive ROPS until repaid in full consistent and in accordance with H&S Code Section 34191.4(b), and to comply with all other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); (ii) provide such notifications as required by the Dissolution Act; and (iii) take such other actions and execute such other documents as are necessary or desirable to effectuate the intent of this Resolution on behalf of the Successor Agency and/or Oversight Board.

5. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

6. The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency or the Oversight Board of any constitutional, legal or equitable rights that the Successor Agency or Oversight Board may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of the Dissolution Act, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of the Dissolution Act, and any and all related legal and factual issues, and the Oversight Board expressly reserves any and all rights, privileges, and defenses available under law and equity. The Oversight Board does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Oversight Board, the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Oversight Board, the Successor Agency and the City of Huntington Beach under law and/or in equity.

7. The Oversight Board determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

8. This Resolution shall take effect upon the date of its adoption and is subject to review by DOF as may be set forth in the Dissolution Act.

PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a meeting thereof held on the \_\_\_\_\_ day of January, 2017.

\_\_\_\_\_  
Chairperson

REVIEWED AND APPROVED:

INITIATED AND APPROVED:

\_\_\_\_\_  
Executive Director

  
\_\_\_\_\_  
Deputy Executive Director

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Board Counsel

**RESOLUTION NO. 2017-07**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH FINDING THAT THE LOAN MADE BY THE CITY OF HUNTINGTON BEACH TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH REGARDING ACQUISITION COSTS ASSOCIATED WITH THE SECOND BLOCK ALLEY AND STREET IMPROVEMENT PROJECT WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES, AND APPROVING THE LOAN AS AN ENFORCEABLE OBLIGATION AND THE SCHEDULE FOR REPAYMENT OF SAID LOAN BY THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON BEACH, IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34191.4(b)**

WHEREAS, the Redevelopment Agency of the City of Huntington Beach (“Redevelopment Agency”) was a redevelopment agency in the City of Huntington Beach (“City”), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (“Redevelopment Law”); and

Assembly Bill No.X1 26 (2011-2012 1st Ex. Sess.) (“AB 26”) was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code (“H&S Code”), including adding Part 1.8 (commencing with Section 34161) (“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”) to Division 24 of the H&S Code; and

Pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

The City Council of the City elected for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 (“Successor Agency”); and

H&S Code Section 34179 of AB 26 establishes a seven (7) member local entity with respect to each successor agency with fiduciary responsibilities to holders of enforceable obligations and taxing entities that benefit from distributions of property taxes, and such entity is titled the “oversight board.” The oversight board has been established for the Successor Agency (hereinafter referred to as the “Oversight Board”) and all seven (7) members have been

appointed to the Oversight Board pursuant to H&S Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in H&S Code Sections 34179 through 34181 of AB 26; and

As part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 (“AB 1484”), which amended certain provisions of AB 26. AB 26 and AB 1484, as further amended, are collectively referred to herein as the “Dissolution Act”; and

On May 13, 2014, the Department of Finance (“DOF”) issued a Finding of Completion to the Successor Agency pursuant to H&S Code Section 34179.7 of the Dissolution Act; and

Pursuant to the Dissolution Act, “ROPS” means a “Recognized Obligation Payment Schedule”, as set forth in the Dissolution Act; and

Pursuant to H&S Code Section 34191.4(b)(1) of the Dissolution Act, after the Successor Agency receives its Finding of Completion and upon application by the Successor Agency and approval of the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City shall be deemed to be enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes. Upon the Oversight Board’s approval and making of the required finding, the loan is deemed an enforceable obligation and may be listed on a ROPS for repayment, subject to the repayment terms and conditions specified in H&S Code Section 34191.4(b)(2); and

The City Council of the City adopted Ordinance Nos. 2576, 2577, 2578, 2582, and 2743 approving and adopting the Redevelopment Plan for the Yorktown-Lake Redevelopment Project, the Redevelopment Plan for the Talbert-Beach Redevelopment Project, the Redevelopment Plan for the Main-Pier Redevelopment Project, the Redevelopment Plan for the Oakview Redevelopment Project, and the Redevelopment Plan for the Huntington Center Commercial District Redevelopment Project, respectively; and

The former Redevelopment Agency and the City entered into a Cooperative Agreement, dated June 20, 1983 (“1983 Cooperative Agreement”), by which the City agreed to provide to the former Redevelopment Agency certain assistance and to otherwise cooperate with the former Redevelopment Agency in carrying out redevelopment projects; and

Pursuant to the Cooperative Agreement, the former Redevelopment Agency and the City entered into various Operative Agreements for the Yorktown-Lake, Talbert-Beach, Main-Pier, Oakview and Huntington Center Redevelopment Projects (collectively, the “Constituent Projects”), by which the City provided the former Redevelopment Agency with both administrative and/or technical services, constructed required public improvements and facilities as appropriate and necessary, and provided funds to carry out the Constituent Projects; and

The Operative Agreements also identified the terms under which the former

Redevelopment Agency would reimburse the City for the associated costs of such services, improvements, facilities and funds. The Operative Agreements were amended from time to time; and

The City Council adopted Ordinance No. 3343 on December 16, 1996 amending and merging the Constituent Projects into the Redevelopment Plan for the Huntington Beach Redevelopment Project (“HBRP”); and

The City Council adopted Ordinance No. 3561 on June 17, 2002, approving and adopting the Redevelopment Plan for the Southeast Coastal Redevelopment Project (“SCRP”) (The Redevelopment Plans for the Constituent Projects and the SCRP may be collectively referred to herein as the “Redevelopment Plans”.); and

The former Redevelopment Agency and the City entered into a Cooperation Agreement, dated September 2, 2003 (“SCRP Cooperation Agreement”) regarding redevelopment projects and capital improvements to be carried out in the SCRP Area (the 1983 Cooperative Agreement, the SCRP Cooperation Agreement and the various Operative Agreements (as amended) may collectively be referred to herein as the “Cooperative Agreements”); and

Pursuant to the Cooperative Agreements, the City made a loan (“City Loan”) to the former Redevelopment Agency to fund property acquisition costs associated with the Second Block alley and street improvement project. This City Loan pertains to the purchase by the former Redevelopment Agency of a strip of land, ten feet wide, between two buildings for pedestrian access between Main Street and 5th Street. The “alley” way developed was part of an Owner Participation Agreement with Abdelmudi. As part of the Owner Participation Agreement, Abdelmudi had to develop and maintain this strip of land, but the land is owned by the Successor Agency. The land was purchased with City-advanced funds; and

The Successor Agency has recalculated the current outstanding balance of the City Loan in accordance with H&S Code Section 34191.4(b)(3), which provides that any interest on the remaining principal amount of the City Loan shall be recalculated from the date of origination of the City Loan, at a simple interest rate of 3 percent (3%). The year of origination of the City Loan was 1988. The current outstanding balance of the City Loan (recalculated as of September 30, 2016 in accordance with H&S Code Section 34191.4(b)(3)) is \$231,441; and

On January 17, 2017, the Successor Agency found, and recommended that the Oversight Board find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

On January 17, 2017, the Successor Agency found and approved the City Loan as an enforceable obligation of the Successor Agency and approved the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum

repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The Oversight Board desires to find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

The Oversight Board further desires to approve the City Loan as an enforceable obligation of the Successor Agency and to approve the schedule for repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines; and

The activity proposed for approval by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity proposed by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.
2. The Oversight Board hereby finds, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan described in the Recitals above was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes in connection with the preparation and implementation of the Redevelopment Plans.
3. The Oversight Board hereby finds and approves the City Loan as an enforceable obligation of the Successor Agency and approves the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b),

with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b).

4. The Executive Director, or designee, of the Successor Agency is hereby authorized and directed (i) to include the repayment of the City Loan on ROPS 17-18 and on successive ROPS until repaid in full consistent and in accordance with H&S Code Section 34191.4(b), and to comply with all other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); (ii) provide such notifications as required by the Dissolution Act; and (iii) take such other actions and execute such other documents as are necessary or desirable to effectuate the intent of this Resolution on behalf of the Successor Agency and/or Oversight Board.

5. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

6. The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency or the Oversight Board of any constitutional, legal or equitable rights that the Successor Agency or Oversight Board may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of the Dissolution Act, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of the Dissolution Act, and any and all related legal and factual issues, and the Oversight Board expressly reserves any and all rights, privileges, and defenses available under law and equity. The Oversight Board does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Oversight Board, the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Oversight Board, the Successor Agency and the City of Huntington Beach under law and/or in equity.

7. The Oversight Board determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

8. This Resolution shall take effect upon the date of its adoption and is subject to review by DOF as may be set forth in the Dissolution Act.

PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a meeting thereof held on the \_\_\_\_\_ day of January, 2017.

\_\_\_\_\_  
Chairperson

REVIEWED AND APPROVED:

INITIATED AND APPROVED:

\_\_\_\_\_  
Executive Director

  
Deputy Executive Director

APPROVED AS TO FORM:

  
Board Counsel

**RESOLUTION NO. 2017-08**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH FINDING THAT THE LOAN MADE BY THE CITY OF HUNTINGTON BEACH TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH REGARDING RELOCATION, PROPERTY ACQUISITION, AND OTHER PROJECT COSTS ASSOCIATED WITH THE THIRD BLOCK WEST CONDOMINIUM/RETAIL/OFFICE PROJECT IN THE MAIN-PIER REDEVELOPMENT PROJECT AREA WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES, AND APPROVING THE LOAN AS AN ENFORCEABLE OBLIGATION AND THE SCHEDULE FOR REPAYMENT OF SAID LOAN BY THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON BEACH, IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34191.4(b)**

WHEREAS, the Redevelopment Agency of the City of Huntington Beach (“Redevelopment Agency”) was a redevelopment agency in the City of Huntington Beach (“City”), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (“Redevelopment Law”); and

Assembly Bill No.X1 26 (2011-2012 1st Ex. Sess.) (“AB 26”) was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code (“H&S Code”), including adding Part 1.8 (commencing with Section 34161) (“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”) to Division 24 of the H&S Code; and

Pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

The City Council of the City elected for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 (“Successor Agency”); and

H&S Code Section 34179 of AB 26 establishes a seven (7) member local entity with respect to each successor agency with fiduciary responsibilities to holders of enforceable obligations and taxing entities that benefit from distributions of property taxes, and such entity is

titled the “oversight board.” The oversight board has been established for the Successor Agency (hereinafter referred to as the “Oversight Board”) and all seven (7) members have been appointed to the Oversight Board pursuant to H&S Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in H&S Code Sections 34179 through 34181 of AB 26; and

As part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 (“AB 1484”), which amended certain provisions of AB 26. AB 26 and AB 1484, as further amended, are collectively referred to herein as the “Dissolution Act”; and

On May 13, 2014, the Department of Finance (“DOF”) issued a Finding of Completion to the Successor Agency pursuant to H&S Code Section 34179.7 of the Dissolution Act; and

Pursuant to the Dissolution Act, “ROPS” means a “Recognized Obligation Payment Schedule”, as set forth in the Dissolution Act; and

Pursuant to H&S Code Section 34191.4(b)(1) of the Dissolution Act, after the Successor Agency receives its Finding of Completion and upon application by the Successor Agency and approval of the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City shall be deemed to be enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes. Upon the Oversight Board’s approval and making of the required finding, the loan is deemed an enforceable obligation and may be listed on a ROPS for repayment, subject to the repayment terms and conditions specified in H&S Code Section 34191.4(b)(2); and

The City Council of the City adopted Ordinance Nos. 2576, 2577, 2578, 2582, and 2743 approving and adopting the Redevelopment Plan for the Yorktown-Lake Redevelopment Project, the Redevelopment Plan for the Talbert-Beach Redevelopment Project, the Redevelopment Plan for the Main-Pier Redevelopment Project, the Redevelopment Plan for the Oakview Redevelopment Project, and the Redevelopment Plan for the Huntington Center Commercial District Redevelopment Project, respectively; and

The former Redevelopment Agency and the City entered into a Cooperative Agreement, dated June 20, 1983 (“1983 Cooperative Agreement”), by which the City agreed to provide to the former Redevelopment Agency certain assistance and to otherwise cooperate with the former Redevelopment Agency in carrying out redevelopment projects; and

Pursuant to the Cooperative Agreement, the former Redevelopment Agency and the City entered into various Operative Agreements for the Yorktown-Lake, Talbert-Beach, Main-Pier, Oakview and Huntington Center Redevelopment Projects (collectively, the “Constituent Projects”), by which the City provided the former Redevelopment Agency with both administrative and/or technical services, constructed required public improvements and facilities as appropriate and necessary, and provided funds to carry out the Constituent Projects; and

The Operative Agreements also identified the terms under which the former Redevelopment Agency would reimburse the City for the associated costs of such services, improvements, facilities and funds. The Operative Agreements were amended from time to time; and

The City Council adopted Ordinance No. 3343 on December 16, 1996 amending and merging the Constituent Projects into the Redevelopment Plan for the Huntington Beach Redevelopment Project (“HBRP”); and

The City Council adopted Ordinance No. 3561 on June 17, 2002, approving and adopting the Redevelopment Plan for the Southeast Coastal Redevelopment Project (“SCRP”) (The Redevelopment Plans for the Constituent Projects and the SCRPs may be collectively referred to herein as the “Redevelopment Plans”.); and

The former Redevelopment Agency and the City entered into a Cooperation Agreement, dated September 2, 2003 (“SCRP Cooperation Agreement”) regarding redevelopment projects and capital improvements to be carried out in the SCRPs Area (the 1983 Cooperative Agreement, the SCRPs Cooperation Agreement and the various Operative Agreements (as amended) may collectively be referred to herein as the “Cooperative Agreements”); and

Pursuant to the Cooperative Agreements, the City made a loan (“City Loan”) to the former Redevelopment Agency to fund relocation, property acquisition, and other project costs associated with the Third Block West Condominium/Retail/Office project in the Main-Pier Project Area. This City Loan pertains to the purchase of land and expenses to relocate tenants occupying the acquired property pursuant to State law. The former Redevelopment Agency, utilizing City-advanced funds, assembled land for a mixed-use development – Plaza Almaria; and

The Successor Agency has recalculated the current outstanding balance of the City Loan in accordance with H&S Code Section 34191.4(b)(3), which provides that any interest on the remaining principal amount of the City Loan shall be recalculated from the date of origination of the City Loan, at a simple interest rate of 3 percent (3%). The year of origination of the City Loan was 1996. The current outstanding balance of the City Loan (recalculated as of September 30, 2016 in accordance with H&S Code Section 34191.4(b)(3)) is \$11,771,703; and

On January 17, 2017, the Successor Agency found, and recommended that the Oversight Board find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

On January 17, 2017, the Successor Agency found and approved the City Loan as an enforceable obligation of the Successor Agency and approved the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b),

with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The Oversight Board desires to find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

The Oversight Board further desires to approve the City Loan as an enforceable obligation of the Successor Agency and to approve the schedule for repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines; and

The activity proposed for approval by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity proposed by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.
2. The Oversight Board hereby finds, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan described in the Recitals above was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes in connection with the preparation and implementation of the Redevelopment Plans.
3. The Oversight Board hereby finds and approves the City Loan as an enforceable obligation of the Successor Agency and approves the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in

accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b).

4. The Executive Director, or designee, of the Successor Agency is hereby authorized and directed (i) to include the repayment of the City Loan on ROPS 17-18 and on successive ROPS until repaid in full consistent and in accordance with H&S Code Section 34191.4(b), and to comply with all other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); (ii) provide such notifications as required by the Dissolution Act; and (iii) take such other actions and execute such other documents as are necessary or desirable to effectuate the intent of this Resolution on behalf of the Successor Agency and/or Oversight Board.

5. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

6. The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency or the Oversight Board of any constitutional, legal or equitable rights that the Successor Agency or Oversight Board may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of the Dissolution Act, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of the Dissolution Act, and any and all related legal and factual issues, and the Oversight Board expressly reserves any and all rights, privileges, and defenses available under law and equity. The Oversight Board does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Oversight Board, the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Oversight Board, the Successor Agency and the City of Huntington Beach under law and/or in equity.

7. The Oversight Board determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

8. This Resolution shall take effect upon the date of its adoption and is subject to review by DOF as may be set forth in the Dissolution Act.

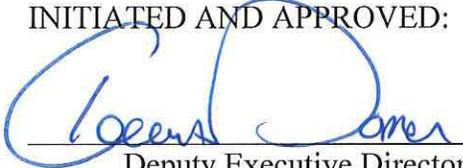
PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a meeting thereof held on the \_\_\_\_\_ day of January, 2017.

\_\_\_\_\_  
Chairperson

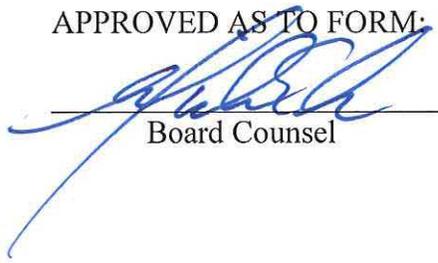
REVIEWED AND APPROVED:

INITIATED AND APPROVED:

\_\_\_\_\_  
Executive Director

  
\_\_\_\_\_  
Deputy Executive Director

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Board Counsel

**RESOLUTION NO. 2017-09**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH FINDING THAT THE LOAN MADE BY THE CITY OF HUNTINGTON BEACH TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH REGARDING ACQUISITION OF LAND WITHIN THE MAIN-PIER PROJECT AREA TO IMPLEMENT THE CONSTRUCTION OF PARKING FACILITIES WITHIN THE DOWNTOWN MAIN-PIER AREA WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES, AND APPROVING THE LOAN AS AN ENFORCEABLE OBLIGATION AND THE SCHEDULE FOR REPAYMENT OF SAID LOAN BY THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON BEACH, IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34191.4(b)**

WHEREAS, the Redevelopment Agency of the City of Huntington Beach (“Redevelopment Agency”) was a redevelopment agency in the City of Huntington Beach (“City”), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (“Redevelopment Law”); and

Assembly Bill No.X1 26 (2011-2012 1st Ex. Sess.) (“AB 26”) was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code (“H&S Code”), including adding Part 1.8 (commencing with Section 34161) (“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”) to Division 24 of the H&S Code; and

Pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

The City Council of the City elected for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 (“Successor Agency”); and

H&S Code Section 34179 of AB 26 establishes a seven (7) member local entity with respect to each successor agency with fiduciary responsibilities to holders of enforceable obligations and taxing entities that benefit from distributions of property taxes, and such entity is

titled the “oversight board.” The oversight board has been established for the Successor Agency (hereinafter referred to as the “Oversight Board”) and all seven (7) members have been appointed to the Oversight Board pursuant to H&S Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in H&S Code Sections 34179 through 34181 of AB 26; and

As part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 (“AB 1484”), which amended certain provisions of AB 26. AB 26 and AB 1484, as further amended, are collectively referred to herein as the “Dissolution Act”; and

On May 13, 2014, the Department of Finance (“DOF”) issued a Finding of Completion to the Successor Agency pursuant to H&S Code Section 34179.7 of the Dissolution Act; and

Pursuant to the Dissolution Act, “ROPS” means a “Recognized Obligation Payment Schedule”, as set forth in the Dissolution Act; and

Pursuant to H&S Code Section 34191.4(b)(1) of the Dissolution Act, after the Successor Agency receives its Finding of Completion and upon application by the Successor Agency and approval of the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City shall be deemed to be enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes. Upon the Oversight Board’s approval and making of the required finding, the loan is deemed an enforceable obligation and may be listed on a ROPS for repayment, subject to the repayment terms and conditions specified in H&S Code Section 34191.4(b)(2); and

The City Council of the City adopted Ordinance Nos. 2576, 2577, 2578, 2582, and 2743 approving and adopting the Redevelopment Plan for the Yorktown-Lake Redevelopment Project, the Redevelopment Plan for the Talbert-Beach Redevelopment Project, the Redevelopment Plan for the Main-Pier Redevelopment Project, the Redevelopment Plan for the Oakview Redevelopment Project, and the Redevelopment Plan for the Huntington Center Commercial District Redevelopment Project, respectively; and

The former Redevelopment Agency and the City entered into a Cooperative Agreement, dated June 20, 1983 (“1983 Cooperative Agreement”), by which the City agreed to provide to the former Redevelopment Agency certain assistance and to otherwise cooperate with the former Redevelopment Agency in carrying out redevelopment projects; and

Pursuant to the Cooperative Agreement, the former Redevelopment Agency and the City entered into various Operative Agreements for the Yorktown-Lake, Talbert-Beach, Main-Pier, Oakview and Huntington Center Redevelopment Projects (collectively, the “Constituent Projects”), by which the City provided the former Redevelopment Agency with both administrative and/or technical services, constructed required public improvements and facilities as appropriate and necessary, and provided funds to carry out the Constituent Projects; and

The Operative Agreements also identified the terms under which the former Redevelopment Agency would reimburse the City for the associated costs of such services, improvements, facilities and funds. The Operative Agreements were amended from time to time; and

The City Council adopted Ordinance No. 3343 on December 16, 1996 amending and merging the Constituent Projects into the Redevelopment Plan for the Huntington Beach Redevelopment Project (“HBRP”); and

The City Council adopted Ordinance No. 3561 on June 17, 2002, approving and adopting the Redevelopment Plan for the Southeast Coastal Redevelopment Project (“SCRP”) (The Redevelopment Plans for the Constituent Projects and the SCRP may be collectively referred to herein as the “Redevelopment Plans”.); and

The former Redevelopment Agency and the City entered into a Cooperation Agreement, dated September 2, 2003 (“SCRP Cooperation Agreement”) regarding redevelopment projects and capital improvements to be carried out in the SCRP Area (the 1983 Cooperative Agreement, the SCRP Cooperation Agreement and the various Operative Agreements (as amended) may collectively be referred to herein as the “Cooperative Agreements”); and

Pursuant to the Cooperative Agreements, the City made a loan (“City Loan”) to the former Redevelopment Agency to fund the acquisition of land within the Main-Pier Project Area to implement the construction of parking facilities within the Downtown Main-Pier area. This City Loan pertains to the purchase of land for construction of a public parking structure. The parking structure was built with 1989 Certificates of Participation. The former Redevelopment Agency was required to purchase the land with money advanced from the City, and the Certificates of Participation paid for construction expenses; and

The Successor Agency has recalculated the current outstanding balance of the City Loan in accordance with H&S Code Section 34191.4(b)(3), which provides that any interest on the remaining principal amount of the City Loan shall be recalculated from the date of origination of the City Loan, at a simple interest rate of 3 percent (3%). The years of origination of the City Loan were 1988 and 1990. The current outstanding balance of the City Loan (recalculated as of September 30, 2016 in accordance with H&S Code Section 34191.4(b)(3)) is \$2,458,700; and

On January 17, 2017, the Successor Agency found, and recommended that the Oversight Board find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

On January 17, 2017, the Successor Agency found and approved the City Loan as an enforceable obligation of the Successor Agency and approved the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b),

with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The Oversight Board desires to find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

The Oversight Board further desires to approve the City Loan as an enforceable obligation of the Successor Agency and to approve the schedule for repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act (“CEQA”), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq.*, hereafter the “Guidelines”), and the City’s environmental guidelines; and

The activity proposed for approval by this Resolution is not a “project” for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity proposed by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.
2. The Oversight Board hereby finds, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan described in the Recitals above was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes in connection with the preparation and implementation of the Redevelopment Plans.
3. The Oversight Board hereby finds and approves the City Loan as an enforceable obligation of the Successor Agency and approves the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in

accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b).

4. The Executive Director, or designee, of the Successor Agency is hereby authorized and directed (i) to include the repayment of the City Loan on ROPS 17-18 and on successive ROPS until repaid in full consistent and in accordance with H&S Code Section 34191.4(b), and to comply with all other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); (ii) provide such notifications as required by the Dissolution Act; and (iii) take such other actions and execute such other documents as are necessary or desirable to effectuate the intent of this Resolution on behalf of the Successor Agency and/or Oversight Board.

5. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

6. The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency or the Oversight Board of any constitutional, legal or equitable rights that the Successor Agency or Oversight Board may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of the Dissolution Act, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of the Dissolution Act, and any and all related legal and factual issues, and the Oversight Board expressly reserves any and all rights, privileges, and defenses available under law and equity. The Oversight Board does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Oversight Board, the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Oversight Board, the Successor Agency and the City of Huntington Beach under law and/or in equity.

7. The Oversight Board determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

8. This Resolution shall take effect upon the date of its adoption and is subject to review by DOF as may be set forth in the Dissolution Act.

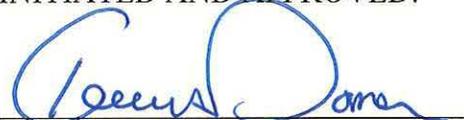
PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a meeting thereof held on the \_\_\_\_\_ day of January, 2017.

\_\_\_\_\_  
Chairperson

REVIEWED AND APPROVED:

INITIATED AND APPROVED:

\_\_\_\_\_  
Executive Director

  
\_\_\_\_\_  
Deputy Executive Director

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Board Counsel

## RESOLUTION NO. 2017-10

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH FINDING THAT THE LOAN MADE BY THE CITY OF HUNTINGTON BEACH TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH REGARDING ACQUISITION OF LAND WITHIN THE MAIN-PIER PROJECT AREA FOR PHASE II DEVELOPMENT PROJECTS WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES, AND APPROVING THE LOAN AS AN ENFORCEABLE OBLIGATION AND THE SCHEDULE FOR REPAYMENT OF SAID LOAN BY THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON BEACH, IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34191.4(b)**

WHEREAS, the Redevelopment Agency of the City of Huntington Beach (“Redevelopment Agency”) was a redevelopment agency in the City of Huntington Beach (“City”), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (“Redevelopment Law”); and

Assembly Bill No.X1 26 (2011-2012 1st Ex. Sess.) (“AB 26”) was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code (“H&S Code”), including adding Part 1.8 (commencing with Section 34161) (“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”) to Division 24 of the H&S Code; and

Pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

The City Council of the City elected for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 (“Successor Agency”); and

H&S Code Section 34179 of AB 26 establishes a seven (7) member local entity with respect to each successor agency with fiduciary responsibilities to holders of enforceable obligations and taxing entities that benefit from distributions of property taxes, and such entity is titled the “oversight board.” The oversight board has been established for the Successor Agency

(hereinafter referred to as the “Oversight Board”) and all seven (7) members have been appointed to the Oversight Board pursuant to H&S Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in H&S Code Sections 34179 through 34181 of AB 26; and

As part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 (“AB 1484”), which amended certain provisions of AB 26. AB 26 and AB 1484, as further amended, are collectively referred to herein as the “Dissolution Act”; and

On May 13, 2014, the Department of Finance (“DOF”) issued a Finding of Completion to the Successor Agency pursuant to H&S Code Section 34179.7 of the Dissolution Act; and

Pursuant to the Dissolution Act, “ROPS” means a “Recognized Obligation Payment Schedule”, as set forth in the Dissolution Act; and

Pursuant to H&S Code Section 34191.4(b)(1) of the Dissolution Act, after the Successor Agency receives its Finding of Completion and upon application by the Successor Agency and approval of the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City shall be deemed to be enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes. Upon the Oversight Board’s approval and making of the required finding, the loan is deemed an enforceable obligation and may be listed on a ROPS for repayment, subject to the repayment terms and conditions specified in H&S Code Section 34191.4(b)(2); and

The City Council of the City adopted Ordinance Nos. 2576, 2577, 2578, 2582, and 2743 approving and adopting the Redevelopment Plan for the Yorktown-Lake Redevelopment Project, the Redevelopment Plan for the Talbert-Beach Redevelopment Project, the Redevelopment Plan for the Main-Pier Redevelopment Project, the Redevelopment Plan for the Oakview Redevelopment Project, and the Redevelopment Plan for the Huntington Center Commercial District Redevelopment Project, respectively; and

The former Redevelopment Agency and the City entered into a Cooperative Agreement, dated June 20, 1983 (“1983 Cooperative Agreement”), by which the City agreed to provide to the former Redevelopment Agency certain assistance and to otherwise cooperate with the former Redevelopment Agency in carrying out redevelopment projects; and

Pursuant to the Cooperative Agreement, the former Redevelopment Agency and the City entered into various Operative Agreements for the Yorktown-Lake, Talbert-Beach, Main-Pier, Oakview and Huntington Center Redevelopment Projects (collectively, the “Constituent Projects”), by which the City provided the former Redevelopment Agency with both administrative and/or technical services, constructed required public improvements and facilities as appropriate and necessary, and provided funds to carry out the Constituent Projects; and

The Operative Agreements also identified the terms under which the former Redevelopment Agency would reimburse the City for the associated costs of such services, improvements, facilities and funds. The Operative Agreements were amended from time to time; and

The City Council adopted Ordinance No. 3343 on December 16, 1996 amending and merging the Constituent Projects into the Redevelopment Plan for the Huntington Beach Redevelopment Project (“HBRP”); and

The City Council adopted Ordinance No. 3561 on June 17, 2002, approving and adopting the Redevelopment Plan for the Southeast Coastal Redevelopment Project (“SCRP”) (The Redevelopment Plans for the Constituent Projects and the SCRCP may be collectively referred to herein as the “Redevelopment Plans”.); and

The former Redevelopment Agency and the City entered into a Cooperation Agreement, dated September 2, 2003 (“SCRP Cooperation Agreement”) regarding redevelopment projects and capital improvements to be carried out in the SCRCP Area (the 1983 Cooperative Agreement, the SCRCP Cooperation Agreement and the various Operative Agreements (as amended) may collectively be referred to herein as the “Cooperative Agreements”); and

Pursuant to the Cooperative Agreements, the City made a loan (“City Loan”) to the former Redevelopment Agency to fund the acquisition of land within the Main-Pier Project Area for Phase II development projects. This City Loan pertains to the purchase of land for assemblage of a 4-acre site for a mixed-use project called The Strand. The land was purchased by the former Redevelopment Agency with money advanced by the City, and conveyed to CIM Group pursuant to a Disposition and Development Agreement. The Strand has been completed as required under the Disposition and Development Agreement; and

The Successor Agency has recalculated the current outstanding balance of the City Loan in accordance with H&S Code Section 34191.4(b)(3), which provides that any interest on the remaining principal amount of the City Loan shall be recalculated from the date of origination of the City Loan, at a simple interest rate of 3 percent (3%). The year of origination of the City Loan was 1988. The current outstanding balance of the City Loan (recalculated as of September 30, 2016 in accordance with H&S Code Section 34191.4(b)(3)) is \$3,453,128; and

On January 17, 2017, the Successor Agency found, and recommended that the Oversight Board find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

On January 17, 2017, the Successor Agency found and approved the City Loan as an enforceable obligation of the Successor Agency and approved the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum

repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The Oversight Board desires to find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

The Oversight Board further desires to approve the City Loan as an enforceable obligation of the Successor Agency and to approve the schedule for repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines; and

The activity proposed for approval by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity proposed by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.
2. The Oversight Board hereby finds, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan described in the Recitals above was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes in connection with the preparation and implementation of the Redevelopment Plans.
3. The Oversight Board hereby finds and approves the City Loan as an enforceable obligation of the Successor Agency and approves the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b),

with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b).

4. The Executive Director, or designee, of the Successor Agency is hereby authorized and directed (i) to include the repayment of the City Loan on ROPS 17-18 and on successive ROPS until repaid in full consistent and in accordance with H&S Code Section 34191.4(b), and to comply with all other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); (ii) provide such notifications as required by the Dissolution Act; and (iii) take such other actions and execute such other documents as are necessary or desirable to effectuate the intent of this Resolution on behalf of the Successor Agency and/or Oversight Board.

5. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

6. The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency or the Oversight Board of any constitutional, legal or equitable rights that the Successor Agency or Oversight Board may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of the Dissolution Act, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of the Dissolution Act, and any and all related legal and factual issues, and the Oversight Board expressly reserves any and all rights, privileges, and defenses available under law and equity. The Oversight Board does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Oversight Board, the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Oversight Board, the Successor Agency and the City of Huntington Beach under law and/or in equity.

7. The Oversight Board determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

8. This Resolution shall take effect upon the date of its adoption and is subject to review by DOF as may be set forth in the Dissolution Act.

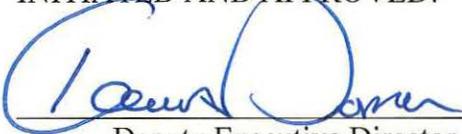
PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a meeting thereof held on the \_\_\_\_\_ day of January, 2017.

\_\_\_\_\_  
Chairperson

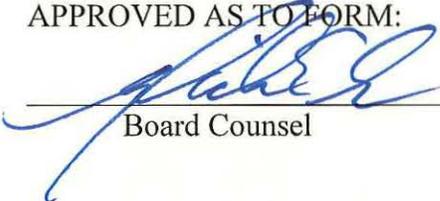
REVIEWED AND APPROVED:

INITIATED AND APPROVED:

\_\_\_\_\_  
Executive Director

  
Deputy Executive Director

APPROVED AS TO FORM:

  
Board Counsel

## RESOLUTION NO. 2017-11

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH FINDING THAT THE LOAN MADE BY THE CITY OF HUNTINGTON BEACH TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH REGARDING LAND AND RIGHT-OF-WAY ACQUISITION COSTS CONNECTED WITH THE GOTHARD-HOOVER EXTENSION PROJECT AND DEVELOPMENT OF A PUBLIC STORAGE FACILITY IN THE HUNTINGTON BEACH REDEVELOPMENT PROJECT WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES, AND APPROVING THE LOAN AS AN ENFORCEABLE OBLIGATION AND THE SCHEDULE FOR REPAYMENT OF SAID LOAN BY THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON BEACH, IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34191.4(b)**

WHEREAS, the Redevelopment Agency of the City of Huntington Beach (“Redevelopment Agency”) was a redevelopment agency in the City of Huntington Beach (“City”), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (“Redevelopment Law”); and

Assembly Bill No.X1 26 (2011-2012 1st Ex. Sess.) (“AB 26”) was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code (“H&S Code”), including adding Part 1.8 (commencing with Section 34161) (“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”) to Division 24 of the H&S Code; and

Pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

The City Council of the City elected for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 (“Successor Agency”); and

H&S Code Section 34179 of AB 26 establishes a seven (7) member local entity with respect to each successor agency with fiduciary responsibilities to holders of enforceable

obligations and taxing entities that benefit from distributions of property taxes, and such entity is titled the “oversight board.” The oversight board has been established for the Successor Agency (hereinafter referred to as the “Oversight Board”) and all seven (7) members have been appointed to the Oversight Board pursuant to H&S Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in H&S Code Sections 34179 through 34181 of AB 26; and

As part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 (“AB 1484”), which amended certain provisions of AB 26. AB 26 and AB 1484, as further amended, are collectively referred to herein as the “Dissolution Act”; and

On May 13, 2014, the Department of Finance (“DOF”) issued a Finding of Completion to the Successor Agency pursuant to H&S Code Section 34179.7 of the Dissolution Act; and

Pursuant to the Dissolution Act, “ROPS” means a “Recognized Obligation Payment Schedule”, as set forth in the Dissolution Act; and

Pursuant to H&S Code Section 34191.4(b)(1) of the Dissolution Act, after the Successor Agency receives its Finding of Completion and upon application by the Successor Agency and approval of the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City shall be deemed to be enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes. Upon the Oversight Board’s approval and making of the required finding, the loan is deemed an enforceable obligation and may be listed on a ROPS for repayment, subject to the repayment terms and conditions specified in H&S Code Section 34191.4(b)(2); and

The City Council of the City adopted Ordinance Nos. 2576, 2577, 2578, 2582, and 2743 approving and adopting the Redevelopment Plan for the Yorktown-Lake Redevelopment Project, the Redevelopment Plan for the Talbert-Beach Redevelopment Project, the Redevelopment Plan for the Main-Pier Redevelopment Project, the Redevelopment Plan for the Oakview Redevelopment Project, and the Redevelopment Plan for the Huntington Center Commercial District Redevelopment Project, respectively; and

The former Redevelopment Agency and the City entered into a Cooperative Agreement, dated June 20, 1983 (“1983 Cooperative Agreement”), by which the City agreed to provide to the former Redevelopment Agency certain assistance and to otherwise cooperate with the former Redevelopment Agency in carrying out redevelopment projects; and

Pursuant to the Cooperative Agreement, the former Redevelopment Agency and the City entered into various Operative Agreements for the Yorktown-Lake, Talbert-Beach, Main-Pier, Oakview and Huntington Center Redevelopment Projects (collectively, the “Constituent Projects”), by which the City provided the former Redevelopment Agency with both administrative and/or technical services, constructed required public improvements and facilities

as appropriate and necessary, and provided funds to carry out the Constituent Projects; and

The Operative Agreements also identified the terms under which the former Redevelopment Agency would reimburse the City for the associated costs of such services, improvements, facilities and funds. The Operative Agreements were amended from time to time; and

The City Council adopted Ordinance No. 3343 on December 16, 1996 amending and merging the Constituent Projects into the Redevelopment Plan for the Huntington Beach Redevelopment Project (“HBRP”); and

The City Council adopted Ordinance No. 3561 on June 17, 2002, approving and adopting the Redevelopment Plan for the Southeast Coastal Redevelopment Project (“SCRP”) (The Redevelopment Plans for the Constituent Projects and the SCRP may be collectively referred to herein as the “Redevelopment Plans”.); and

The former Redevelopment Agency and the City entered into a Cooperation Agreement, dated September 2, 2003 (“SCRP Cooperation Agreement”) regarding redevelopment projects and capital improvements to be carried out in the SCRP Area (the 1983 Cooperative Agreement, the SCRP Cooperation Agreement and the various Operative Agreements (as amended) may collectively be referred to herein as the “Cooperative Agreements”); and

Pursuant to the Cooperative Agreements, the City made a loan (“City Loan”) to the former Redevelopment Agency to fund land and right-of-way acquisition costs connected with the Gothard-Hoover Extension project and development of a public storage facility in the Huntington Beach Redevelopment Project. This City Loan pertains to the purchase of land by the former Redevelopment Agency with money advanced by the City for three parcels of property. The former Redevelopment Agency entered into a Disposition and Development Agreement for development of the site; and

The Successor Agency has recalculated the current outstanding balance of the City Loan in accordance with H&S Code Section 34191.4(b)(3), which provides that any interest on the remaining principal amount of the City Loan shall be recalculated from the date of origination of the City Loan, at a simple interest rate of 3 percent (3%). The year of origination of the City Loan was 1987. The current outstanding balance of the City Loan (recalculated as of September 30, 2016 in accordance with H&S Code Section 34191.4(b)(3)) is \$2,898,752; and

On January 17, 2017, the Successor Agency found, and recommended that the Oversight Board find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

On January 17, 2017, the Successor Agency found and approved the City Loan as an enforceable obligation of the Successor Agency and approved the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in

accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The Oversight Board desires to find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

The Oversight Board further desires to approve the City Loan as an enforceable obligation of the Successor Agency and to approve the schedule for repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines; and

The activity proposed for approval by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity proposed by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.
2. The Oversight Board hereby finds, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan described in the Recitals above was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes in connection with the preparation and implementation of the Redevelopment Plans.
3. The Oversight Board hereby finds and approves the City Loan as an enforceable obligation of the Successor Agency and approves the repayment of the City Loan as an

enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b).

4. The Executive Director, or designee, of the Successor Agency is hereby authorized and directed (i) to include the repayment of the City Loan on ROPS 17-18 and on successive ROPS until repaid in full consistent and in accordance with H&S Code Section 34191.4(b), and to comply with all other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); (ii) provide such notifications as required by the Dissolution Act; and (iii) take such other actions and execute such other documents as are necessary or desirable to effectuate the intent of this Resolution on behalf of the Successor Agency and/or Oversight Board.

5. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

6. The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency or the Oversight Board of any constitutional, legal or equitable rights that the Successor Agency or Oversight Board may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of the Dissolution Act, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of the Dissolution Act, and any and all related legal and factual issues, and the Oversight Board expressly reserves any and all rights, privileges, and defenses available under law and equity. The Oversight Board does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Oversight Board, the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Oversight Board, the Successor Agency and the City of Huntington Beach under law and/or in equity.

7. The Oversight Board determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

8. This Resolution shall take effect upon the date of its adoption and is subject to review by DOF as may be set forth in the Dissolution Act.

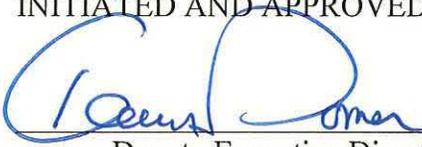
PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a meeting thereof held on the \_\_\_\_\_ day of January, 2017.

\_\_\_\_\_  
Chairperson

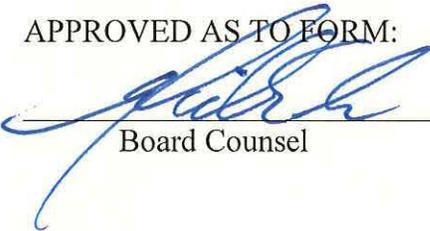
REVIEWED AND APPROVED:

INITIATED AND APPROVED:

\_\_\_\_\_  
Executive Director

  
\_\_\_\_\_  
Deputy Executive Director

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Board Counsel

## RESOLUTION NO. 2017-12

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH FINDING THAT THE LOAN MADE BY THE CITY OF HUNTINGTON BEACH TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH REGARDING FY 2004-05 CAPITAL PROJECTS WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES, AND APPROVING THE LOAN AS AN ENFORCEABLE OBLIGATION AND THE SCHEDULE FOR REPAYMENT OF SAID LOAN BY THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON BEACH, IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34191.4(b)**

WHEREAS, the Redevelopment Agency of the City of Huntington Beach (“Redevelopment Agency”) was a redevelopment agency in the City of Huntington Beach (“City”), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (“Redevelopment Law”); and

Assembly Bill No.X1 26 (2011-2012 1st Ex. Sess.) (“AB 26”) was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code (“H&S Code”), including adding Part 1.8 (commencing with Section 34161) (“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”) to Division 24 of the H&S Code; and

Pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

The City Council of the City elected for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 (“Successor Agency”); and

H&S Code Section 34179 of AB 26 establishes a seven (7) member local entity with respect to each successor agency with fiduciary responsibilities to holders of enforceable obligations and taxing entities that benefit from distributions of property taxes, and such entity is titled the “oversight board.” The oversight board has been established for the Successor Agency (hereinafter referred to as the “Oversight Board”) and all seven (7) members have been

appointed to the Oversight Board pursuant to H&S Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in H&S Code Sections 34179 through 34181 of AB 26; and

As part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 (“AB 1484”), which amended certain provisions of AB 26. AB 26 and AB 1484, as further amended, are collectively referred to herein as the “Dissolution Act”; and

On May 13, 2014, the Department of Finance (“DOF”) issued a Finding of Completion to the Successor Agency pursuant to H&S Code Section 34179.7 of the Dissolution Act; and

Pursuant to the Dissolution Act, “ROPS” means a “Recognized Obligation Payment Schedule”, as set forth in the Dissolution Act; and

Pursuant to H&S Code Section 34191.4(b)(1) of the Dissolution Act, after the Successor Agency receives its Finding of Completion and upon application by the Successor Agency and approval of the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City shall be deemed to be enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes. Upon the Oversight Board’s approval and making of the required finding, the loan is deemed an enforceable obligation and may be listed on a ROPS for repayment, subject to the repayment terms and conditions specified in H&S Code Section 34191.4(b)(2); and

The City Council of the City adopted Ordinance Nos. 2576, 2577, 2578, 2582, and 2743 approving and adopting the Redevelopment Plan for the Yorktown-Lake Redevelopment Project, the Redevelopment Plan for the Talbert-Beach Redevelopment Project, the Redevelopment Plan for the Main-Pier Redevelopment Project, the Redevelopment Plan for the Oakview Redevelopment Project, and the Redevelopment Plan for the Huntington Center Commercial District Redevelopment Project, respectively; and

The former Redevelopment Agency and the City entered into a Cooperative Agreement, dated June 20, 1983 (“1983 Cooperative Agreement”), by which the City agreed to provide to the former Redevelopment Agency certain assistance and to otherwise cooperate with the former Redevelopment Agency in carrying out redevelopment projects; and

Pursuant to the Cooperative Agreement, the former Redevelopment Agency and the City entered into various Operative Agreements for the Yorktown-Lake, Talbert-Beach, Main-Pier, Oakview and Huntington Center Redevelopment Projects (collectively, the “Constituent Projects”), by which the City provided the former Redevelopment Agency with both administrative and/or technical services, constructed required public improvements and facilities as appropriate and necessary, and provided funds to carry out the Constituent Projects; and

The Operative Agreements also identified the terms under which the former Redevelopment Agency would reimburse the City for the associated costs of such services, improvements, facilities and funds. The Operative Agreements were amended from time to time; and

The City Council adopted Ordinance No. 3343 on December 16, 1996 amending and merging the Constituent Projects into the Redevelopment Plan for the Huntington Beach Redevelopment Project (“HBRP”); and

The City Council adopted Ordinance No. 3561 on June 17, 2002, approving and adopting the Redevelopment Plan for the Southeast Coastal Redevelopment Project (“SCRP”) (The Redevelopment Plans for the Constituent Projects and the SCRCP may be collectively referred to herein as the “Redevelopment Plans”.); and

The former Redevelopment Agency and the City entered into a Cooperation Agreement, dated September 2, 2003 (“SCRCP Cooperation Agreement”) regarding redevelopment projects and capital improvements to be carried out in the SCRCP Area (the 1983 Cooperative Agreement, the SCRCP Cooperation Agreement and the various Operative Agreements (as amended) may collectively be referred to herein as the “Cooperative Agreements”); and

Pursuant to the Cooperative Agreements, the City made a loan (“City Loan”) to the former Redevelopment Agency for the funding of various capital projects in FY 2004/05 in the SCRCP Area; and

The Successor Agency has recalculated the current outstanding balance of the City Loan in accordance with H&S Code Section 34191.4(b)(3), which provides that any interest on the remaining principal amount of the City Loan shall be recalculated from the date of origination of the City Loan, at a simple interest rate of 3 percent (3%). The year of origination of the City Loan was 2005. The current outstanding balance of the City Loan (recalculated as of September 30, 2016 in accordance with H&S Code Section 34191.4(b)(3)) is \$283,211; and

On January 17, 2017, the Successor Agency found, and recommended that the Oversight Board find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

On January 17, 2017, the Successor Agency found and approved the City Loan as an enforceable obligation of the Successor Agency and approved the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The Oversight Board desires to find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

The Oversight Board further desires to approve the City Loan as an enforceable obligation of the Successor Agency and to approve the schedule for repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act (“CEQA”), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq.*, hereafter the “Guidelines”), and the City’s environmental guidelines; and

The activity proposed for approval by this Resolution is not a “project” for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity proposed by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.
2. The Oversight Board hereby finds, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan described in the Recitals above was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes in connection with the preparation and implementation of the Redevelopment Plans.
3. The Oversight Board hereby finds and approves the City Loan as an enforceable obligation of the Successor Agency and approves the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the

City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b).

4. The Executive Director, or designee, of the Successor Agency is hereby authorized and directed (i) to include the repayment of the City Loan on ROPS 17-18 and on successive ROPS until repaid in full consistent and in accordance with H&S Code Section 34191.4(b), and to comply with all other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); (ii) provide such notifications as required by the Dissolution Act; and (iii) take such other actions and execute such other documents as are necessary or desirable to effectuate the intent of this Resolution on behalf of the Successor Agency and/or Oversight Board.

5. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

6. The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency or the Oversight Board of any constitutional, legal or equitable rights that the Successor Agency or Oversight Board may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of the Dissolution Act, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of the Dissolution Act, and any and all related legal and factual issues, and the Oversight Board expressly reserves any and all rights, privileges, and defenses available under law and equity. The Oversight Board does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Oversight Board, the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Oversight Board, the Successor Agency and the City of Huntington Beach under law and/or in equity.

7. The Oversight Board determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

8. This Resolution shall take effect upon the date of its adoption and is subject to review by DOF as may be set forth in the Dissolution Act.

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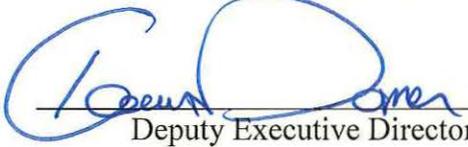
PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a meeting thereof held on the \_\_\_\_\_ day of January, 2017.

\_\_\_\_\_  
Chairperson

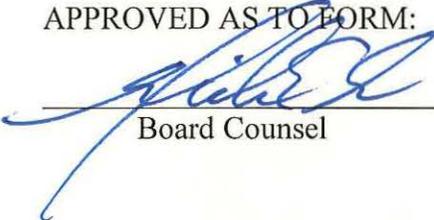
REVIEWED AND APPROVED:

INITIATED AND APPROVED:

\_\_\_\_\_  
Executive Director

  
\_\_\_\_\_  
Deputy Executive Director

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Board Counsel

## RESOLUTION NO. 2017-13

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH FINDING THAT THE LOAN MADE BY THE CITY OF HUNTINGTON BEACH TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH REGARDING THE EMERALD COVE PROPERTY TRANSFER WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES, AND APPROVING THE LOAN AS AN ENFORCEABLE OBLIGATION AND THE SCHEDULE FOR REPAYMENT OF SAID LOAN BY THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON BEACH, IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34191.4(b)**

WHEREAS, the Redevelopment Agency of the City of Huntington Beach (“Redevelopment Agency”) was a redevelopment agency in the City of Huntington Beach (“City”), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (“Redevelopment Law”); and

Assembly Bill No.X1 26 (2011-2012 1st Ex. Sess.) (“AB 26”) was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code (“H&S Code”), including adding Part 1.8 (commencing with Section 34161) (“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”) to Division 24 of the H&S Code; and

Pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

The City Council of the City elected for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 (“Successor Agency”); and

H&S Code Section 34179 of AB 26 establishes a seven (7) member local entity with respect to each successor agency with fiduciary responsibilities to holders of enforceable obligations and taxing entities that benefit from distributions of property taxes, and such entity is titled the “oversight board.” The oversight board has been established for the Successor Agency (hereinafter referred to as the “Oversight Board”) and all seven (7) members have been appointed to the Oversight Board pursuant to H&S Code Section 34179. The duties and

responsibilities of the Oversight Board are primarily set forth in H&S Code Sections 34179 through 34181 of AB 26; and

As part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 (“AB 1484”), which amended certain provisions of AB 26. AB 26 and AB 1484, as further amended, are collectively referred to herein as the “Dissolution Act”; and

On May 13, 2014, the Department of Finance (“DOF”) issued a Finding of Completion to the Successor Agency pursuant to H&S Code Section 34179.7 of the Dissolution Act; and

Pursuant to the Dissolution Act, “ROPS” means a “Recognized Obligation Payment Schedule”, as set forth in the Dissolution Act; and

Pursuant to H&S Code Section 34191.4(b)(1) of the Dissolution Act, after the Successor Agency receives its Finding of Completion and upon application by the Successor Agency and approval of the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City shall be deemed to be enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes. Upon the Oversight Board’s approval and making of the required finding, the loan is deemed an enforceable obligation and may be listed on a ROPS for repayment, subject to the repayment terms and conditions specified in H&S Code Section 34191.4(b)(2); and

The City Council of the City adopted Ordinance Nos. 2576, 2577, 2578, 2582, and 2743 approving and adopting the Redevelopment Plan for the Yorktown-Lake Redevelopment Project, the Redevelopment Plan for the Talbert-Beach Redevelopment Project, the Redevelopment Plan for the Main-Pier Redevelopment Project, the Redevelopment Plan for the Oakview Redevelopment Project, and the Redevelopment Plan for the Huntington Center Commercial District Redevelopment Project, respectively; and

The former Redevelopment Agency and the City entered into a Cooperative Agreement, dated June 20, 1983 (“1983 Cooperative Agreement”), by which the City agreed to provide to the former Redevelopment Agency certain assistance and to otherwise cooperate with the former Redevelopment Agency in carrying out redevelopment projects; and

Pursuant to the Cooperative Agreement, the former Redevelopment Agency and the City entered into various Operative Agreements for the Yorktown-Lake, Talbert-Beach, Main-Pier, Oakview and Huntington Center Redevelopment Projects (collectively, the “Constituent Projects”), by which the City provided the former Redevelopment Agency with both administrative and/or technical services, constructed required public improvements and facilities as appropriate and necessary, and provided funds to carry out the Constituent Projects; and

The Operative Agreements also identified the terms under which the former Redevelopment Agency would reimburse the City for the associated costs of such services,

improvements, facilities and funds. The Operative Agreements were amended from time to time; and

The City Council adopted Ordinance No. 3343 on December 16, 1996 amending and merging the Constituent Projects into the Redevelopment Plan for the Huntington Beach Redevelopment Project (“HBRP”); and

The City Council adopted Ordinance No. 3561 on June 17, 2002, approving and adopting the Redevelopment Plan for the Southeast Coastal Redevelopment Project (“SCRP”) (The Redevelopment Plans for the Constituent Projects and the SCRCP may be collectively referred to herein as the “Redevelopment Plans”.); and

The former Redevelopment Agency and the City entered into a Cooperation Agreement, dated September 2, 2003 (“SCRP Cooperation Agreement”) regarding redevelopment projects and capital improvements to be carried out in the SCRCP Area (the 1983 Cooperative Agreement, the SCRCP Cooperation Agreement and the various Operative Agreements (as amended) may collectively be referred to herein as the “Cooperative Agreements”); and

Pursuant to the Cooperative Agreements, in 1984, the City of Huntington Beach’s Park & Acquisition Fund advanced \$1,740,834 (“City Loan”) to the former Redevelopment Agency to acquire certain real property in the City upon which the Emerald Cove Senior Housing Project is built (“Emerald Cove Property”). The City Loan is evidenced by a Promissory Note between the City and the former Redevelopment Agency. In that same year, the former Redevelopment Agency sold \$4.6 million of Certificates of Participation (“COPS”) to finance the construction of the Emerald Cove Senior Housing Project, which COPS were defeased in 2000 with the issuance of COPS by the City’s Public Financing Authority. As a result of the defeasance, the City retained possession of Emerald Cove Property. The defeasance of the former Redevelopment Agency’s COPS did not discharge the former Redevelopment Agency’s obligation to repay the City for the acquisition of the Emerald Cove Property. Subsequent to the bond defeasance, the City transferred fee title to the former Redevelopment Agency of the Emerald Cove Property. The transfer of and use by the former Redevelopment Agency of the Emerald Cove Property was for a lawful purpose; and

The Successor Agency has recalculated the current outstanding balance of the City Loan in accordance with H&S Code Section 34191.4(b)(3), which provides that any interest on the remaining principal amount of the City Loan shall be recalculated from the date of origination of the City Loan, at a simple interest rate of 3 percent (3%). The year of origination of the City Loan was 2009. The current outstanding balance of the City Loan (recalculated as of September 30, 2016 in accordance with H&S Code Section 34191.4(b)(3)) is \$5,676,433; and

On January 17, 2017, the Successor Agency found, and recommended that the Oversight Board find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

On January 17, 2017, the Successor Agency found and approved the City Loan as an enforceable obligation of the Successor Agency and approved the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The Oversight Board desires to find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

The Oversight Board further desires to approve the City Loan as an enforceable obligation of the Successor Agency and to approve the schedule for repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines; and

The activity proposed for approval by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity proposed by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.
2. The Oversight Board hereby finds, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan described in the Recitals above was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes in connection with the preparation and implementation of the Redevelopment Plans.

3. The Oversight Board hereby finds and approves the City Loan as an enforceable obligation of the Successor Agency and approves the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b).

4. The Executive Director, or designee, of the Successor Agency is hereby authorized and directed (i) to include the repayment of the City Loan on ROPS 17-18 and on successive ROPS until repaid in full consistent and in accordance with H&S Code Section 34191.4(b), and to comply with all other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); (ii) provide such notifications as required by the Dissolution Act; and (iii) take such other actions and execute such other documents as are necessary or desirable to effectuate the intent of this Resolution on behalf of the Successor Agency and/or Oversight Board.

5. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

6. The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency or the Oversight Board of any constitutional, legal or equitable rights that the Successor Agency or Oversight Board may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of the Dissolution Act, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of the Dissolution Act, and any and all related legal and factual issues, and the Oversight Board expressly reserves any and all rights, privileges, and defenses available under law and equity. The Oversight Board does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Oversight Board, the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Oversight Board, the Successor Agency and the City of Huntington Beach under law and/or in equity.

7. The Oversight Board determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

8. This Resolution shall take effect upon the date of its adoption and is subject to review by DOF as may be set forth in the Dissolution Act.

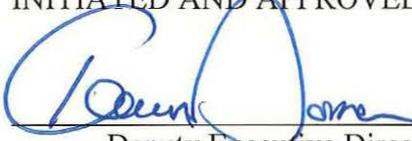
PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a meeting thereof held on the \_\_\_\_\_ day of January, 2017.

\_\_\_\_\_  
Chairperson

REVIEWED AND APPROVED:

INITIATED AND APPROVED:

\_\_\_\_\_  
Executive Director

  
\_\_\_\_\_  
Deputy Executive Director

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Board Counsel

**RESOLUTION NO. 2017-14**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH FINDING THAT THE LOAN MADE BY THE CITY OF HUNTINGTON BEACH TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH REGARDING THE EMERALD COVE BONDS WAS FOR LEGITIMATE REDEVELOPMENT PURPOSES, AND APPROVING THE LOAN AS AN ENFORCEABLE OBLIGATION AND THE SCHEDULE FOR REPAYMENT OF SAID LOAN BY THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON BEACH, IN ACCORDANCE WITH HEALTH AND SAFETY CODE SECTION 34191.4(b)**

WHEREAS, the Redevelopment Agency of the City of Huntington Beach (“Redevelopment Agency”) was a redevelopment agency in the City of Huntington Beach (“City”), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (“Redevelopment Law”); and

Assembly Bill No.X1 26 (2011-2012 1st Ex. Sess.) (“AB 26”) was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code (“H&S Code”), including adding Part 1.8 (commencing with Section 34161) (“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”) to Division 24 of the H&S Code; and

Pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

The City Council of the City elected for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 (“Successor Agency”); and

H&S Code Section 34179 of AB 26 establishes a seven (7) member local entity with respect to each successor agency with fiduciary responsibilities to holders of enforceable obligations and taxing entities that benefit from distributions of property taxes, and such entity is titled the “oversight board.” The oversight board has been established for the Successor Agency (hereinafter referred to as the “Oversight Board”) and all seven (7) members have been

appointed to the Oversight Board pursuant to H&S Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in H&S Code Sections 34179 through 34181 of AB 26; and

As part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 ("AB 1484"), which amended certain provisions of AB 26. AB 26 and AB 1484, as further amended, are collectively referred to herein as the "Dissolution Act"; and

On May 13, 2014, the Department of Finance ("DOF") issued a Finding of Completion to the Successor Agency pursuant to H&S Code Section 34179.7 of the Dissolution Act; and

Pursuant to the Dissolution Act, "ROPS" means a "Recognized Obligation Payment Schedule", as set forth in the Dissolution Act; and

Pursuant to H&S Code Section 34191.4(b)(1) of the Dissolution Act, after the Successor Agency receives its Finding of Completion and upon application by the Successor Agency and approval of the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City shall be deemed to be enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes. Upon the Oversight Board's approval and making of the required finding, the loan is deemed an enforceable obligation and may be listed on a ROPS for repayment, subject to the repayment terms and conditions specified in H&S Code Section 34191.4(b)(2); and

The City Council of the City adopted Ordinance Nos. 2576, 2577, 2578, 2582, and 2743 approving and adopting the Redevelopment Plan for the Yorktown-Lake Redevelopment Project, the Redevelopment Plan for the Talbert-Beach Redevelopment Project, the Redevelopment Plan for the Main-Pier Redevelopment Project, the Redevelopment Plan for the Oakview Redevelopment Project, and the Redevelopment Plan for the Huntington Center Commercial District Redevelopment Project, respectively; and

The former Redevelopment Agency and the City entered into a Cooperative Agreement, dated June 20, 1983 ("1983 Cooperative Agreement"), by which the City agreed to provide to the former Redevelopment Agency certain assistance and to otherwise cooperate with the former Redevelopment Agency in carrying out redevelopment projects; and

Pursuant to the Cooperative Agreement, the former Redevelopment Agency and the City entered into various Operative Agreements for the Yorktown-Lake, Talbert-Beach, Main-Pier, Oakview and Huntington Center Redevelopment Projects (collectively, the "Constituent Projects"), by which the City provided the former Redevelopment Agency with both administrative and/or technical services, constructed required public improvements and facilities as appropriate and necessary, and provided funds to carry out the Constituent Projects; and

The Operative Agreements also identified the terms under which the former

Redevelopment Agency would reimburse the City for the associated costs of such services, improvements, facilities and funds. The Operative Agreements were amended from time to time; and

The City Council adopted Ordinance No. 3343 on December 16, 1996 amending and merging the Constituent Projects into the Redevelopment Plan for the Huntington Beach Redevelopment Project (“HBRP”); and

The City Council adopted Ordinance No. 3561 on June 17, 2002, approving and adopting the Redevelopment Plan for the Southeast Coastal Redevelopment Project (“SCRP”) (The Redevelopment Plans for the Constituent Projects and the SCRP may be collectively referred to herein as the “Redevelopment Plans”.); and

The former Redevelopment Agency and the City entered into a Cooperation Agreement, dated September 2, 2003 (“SCRP Cooperation Agreement”) regarding redevelopment projects and capital improvements to be carried out in the SCRP Area (the 1983 Cooperative Agreement, the SCRP Cooperation Agreement and the various Operative Agreements (as amended) may collectively be referred to herein as the “Cooperative Agreements”); and

Pursuant to the Cooperative Agreements, the City made a loan (“City Loan”) to the former Redevelopment Agency regarding the Emerald Cove 2010 Series A Lease Revenue Refunding Bond. In 1984, the City’s Park Acquisition & Development Fund advanced \$1,740,834 to the former Redevelopment Agency to purchase the Emerald Cove Property. In that same year, the former Redevelopment Agency sold \$4.6 million of Certificates of Participation (“COPS”) to finance the construction of the Emerald Cove Senior Housing Project, which COPS were defeased in 2000 with the issuance of COPS by the City’s Public Financing Authority. As a result of the issuance of COPS by the City’s Public Financing Authority, the City retained possession of the Emerald Cove Property. In May 2009, the former Redevelopment Agency purchased the Emerald Cove Senior Apartments for the sum of \$8,483,931, which included a pledge of tax increment to the City related to the debt service on the outstanding bonded indebtedness of the City-issued COPS in the amount \$5,170,931. A Promissory Note from the former Redevelopment Agency to the City for the amount of the outstanding bonded debt was issued on May 18, 2009, with annual payments matching those of the outstanding debt service due on the City-issued COPS. Tax increment was pledged as security for the payments due under the Promissory Note per Section 203 of the Cooperation Agreement. The sale of Emerald Cove to Jamboree Housing Corporation-Acquisitions, LLC was approved in September 2009 with the approval of an Affordable Housing Agreement between the former Redevelopment Agency and the developer. In June 2010, the former Redevelopment Agency approved an \$8 million loan to the developer evidenced by a Residual Receipts Promissory Note; and

The Successor Agency has recalculated the current outstanding balance of the City Loan in accordance with H&S Code Section 34191.4(b)(3), which provides that any interest on the remaining principal amount of the City Loan shall be recalculated from the date of origination of

the City Loan, at a simple interest rate of 3 percent (3%). The year of origination of the City Loan was 2010. The current outstanding balance of the City Loan (recalculated as of September 30, 2016 in accordance with H&S Code Section 34191.4(b)(3)) is \$3,649,834; and

On January 17, 2017, the Successor Agency found, and recommended that the Oversight Board find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

On January 17, 2017, the Successor Agency found and approved the City Loan as an enforceable obligation of the Successor Agency and approved the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The Oversight Board desires to find, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes; and

The Oversight Board further desires to approve the City Loan as an enforceable obligation of the Successor Agency and to approve the schedule for repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); and

The activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines; and

The activity proposed for approval by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity proposed by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.

2. The Oversight Board hereby finds, pursuant to H&S Code Section 34191.4(b)(1), that the City Loan described in the Recitals above was made by the City to the former Redevelopment Agency for legitimate redevelopment purposes in connection with the preparation and implementation of the Redevelopment Plans.

3. The Oversight Board hereby finds and approves the City Loan as an enforceable obligation of the Successor Agency and approves the repayment of the City Loan as an enforceable obligation listed on a ROPS beginning with ROPS 17-18 consistent and in accordance with the maximum repayment amounts specified in H&S Code Section 34191.4(b), with the remaining balance of the City Loan to be paid on successive ROPS in the maximum repayment amounts consistent and in accordance with H&S Code Section 34191.4(b) until the City Loan is repaid in full, subject to other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b).

4. The Executive Director, or designee, of the Successor Agency is hereby authorized and directed (i) to include the repayment of the City Loan on ROPS 17-18 and on successive ROPS until repaid in full consistent and in accordance with H&S Code Section 34191.4(b), and to comply with all other applicable loan repayment terms and conditions set forth in H&S Code Section 34191.4(b); (ii) provide such notifications as required by the Dissolution Act; and (iii) take such other actions and execute such other documents as are necessary or desirable to effectuate the intent of this Resolution on behalf of the Successor Agency and/or Oversight Board.

5. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

6. The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency or the Oversight Board of any constitutional, legal or equitable rights that the Successor Agency or Oversight Board may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of the Dissolution Act, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of the Dissolution Act, and any and all related legal and factual issues, and the Oversight Board expressly reserves any and all rights, privileges, and defenses available under law and equity. The Oversight Board does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Oversight Board, the Successor Agency or the City of Huntington Beach under law and/or

in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Oversight Board, the Successor Agency and the City of Huntington Beach under law and/or in equity.

7. The Oversight Board determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

8. This Resolution shall take effect upon the date of its adoption and is subject to review by DOF as may be set forth in the Dissolution Act.

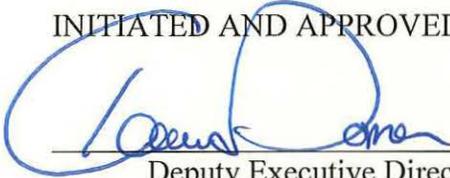
PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a meeting thereof held on the \_\_\_\_\_ day of January, 2017.

\_\_\_\_\_  
Chairperson

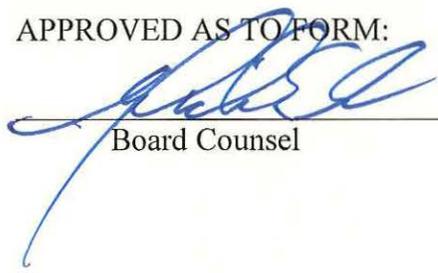
REVIEWED AND APPROVED:

INITIATED AND APPROVED:

\_\_\_\_\_  
Executive Director

  
\_\_\_\_\_  
Deputy Executive Director

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Board Counsel

**Oversight Board of the Huntington  
Beach Successor Agency  
to the Redevelopment Agency**

**Agenda Item #4**

# **AGENDA REPORT**

## **Oversight Board of the Huntington Beach Successor Agency to the former Redevelopment Agency**

**MEETING DATE:** January 25, 2017

**SUBJECT/ACTION:** Adopt Oversight Board Resolution Nos. 2017-01 and 2017-02 approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Huntington Beach Successor Agency for the period of July 1, 2017 through June 30, 2018, in accordance with Health and Safety Code Section 34177 and related actions

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### **STATEMENT OF ISSUE:**

The Oversight Board is requested to approve the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the period of July 1, 2017, through June 30, 2018. An approved ROPS must be submitted to the Department of Finance (DOF) by February 1, 2017. Due to recent changes in legislation, the Successor Agency is submitting an annual ROPS in lieu of the previous six-month ROPS period.

### **RECOMMENDED ACTION:** Motion to:

- A) Adopt Resolution No. 2017-01 "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Approving the Recognized Obligation Payment Schedule for the Period July 1, 2017 - June 30, 2018 ("ROPS 17-18");" and,
- B) Adopt Resolution No. 2017 -02 "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Approving the Successor Agency Administrative Budget for the Period of July 1, 2017 through June 30, 2018."

### **BACKGROUND:**

As a result of the California Supreme Court's ruling on the Dissolution Act, all redevelopment agencies in California were dissolved effective February 1, 2012. The Dissolution Act and AB 1484 describe the procedures to wind-down the affairs of the former redevelopment agencies. These provisions include the continued payment of recognized enforceable obligations as defined in the law. The Recognized Obligation Payment Schedule for July 1, 2017, through June 30, 2018, requests payment for enforceable obligations associated with the former Redevelopment Agency's Tax Allocation bonds, development agreements, legal services, administrative, and other miscellaneous costs. The DOF has the authority to review the ROPS and return it to the Successor Agency for reconsideration and modification.

Recently, the Governor signed Senate Bill 107 which provided additional "clean-up" to the dissolution of the former redevelopment agencies. Some of the items within the legislation include the retention of the City's Oversight Board through 2017 and changing the bi-annual

**ATTACHMENT #1**

RESOLUTION NO. 2017-01

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JULY 1, 2017 THROUGH JUNE 30, 2018 (“ROPS 17-18”)

WHEREAS, pursuant to AB x1 26 (as amended by AB 1484, the “Dissolution Act”), the separate legal entity known as Successor Agency to the Redevelopment Agency of the City of Huntington Beach (“Successor Agency”) must prepare “Recognized Obligation Payment Schedules” (“ROPS”) that enumerate the enforceable obligations and expenses of the Successor Agency for each successive fiscal year until the wind down and disposition of assets of the former Redevelopment Agency of the City of Huntington Beach; and

The Successor Agency staff has prepared a ROPS for the fiscal year commencing on July 1, 2017 and continuing through June 30, 2018 (“ROPS 17-18”) which is attached hereto as Exhibit A; and

Under the Dissolution Act, ROPS 17-18 must be approved by the Successor Agency’s oversight board (“Oversight Board”); and

After reviewing ROPS 17-18 presented to and recommended for approval to the Oversight Board by Successor Agency staff, and after reviewing any written and oral comments from the public relating thereto, the Oversight Board desires to approve the ROPS 17-18; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.
2. The Oversight Board hereby approves ROPS 17-18 in the form presented to the Oversight Board and attached hereto as Exhibit A, and hereby determines that such agreements and obligations constitute “enforceable obligations” and “recognized obligations” for all purposes under the Dissolution Act.
3. The Oversight Board authorizes and directs the Successor Agency staff to: (i) take all actions necessary under the Dissolution Act to post 17-18 on the Successor Agency website; (ii) transmit ROPS 17-18 to the Auditor-Controller and the County Administrator of the County of Orange and to the State Controller and the State Department of Finance (“DOF”); and (iii) to do any and all things and to execute and deliver any and all documents which may be necessary or advisable in order to effectuate the purposes of this Resolution. In addition, the Oversight Board authorizes and directs the Successor Agency staff to make such non-substantive revisions

OVERSIGHT BOARD RESOLUTION 2017-01

to ROPS 17-18 as may be necessary to submit ROPS 17-18 in any modified form required by DOF, and ROPS 17-18 as so modified shall thereupon constitute ROPS 17-18 as approved by the Oversight Board pursuant to this Resolution.

4. The Oversight Board does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Oversight Board, the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Oversight Board, the Successor Agency and the City of Huntington Beach under law and/or in equity.

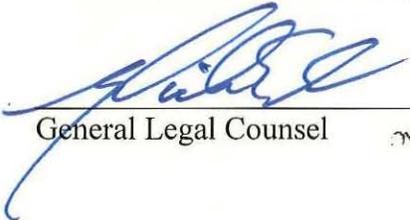
PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach at a special meeting thereof held on the \_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Chairperson

REVIEWED AND APPROVED:

\_\_\_\_\_  
Executive Director

APPROVED AS TO FORM:

  
\_\_\_\_\_  
General Legal Counsel

mv

EXHIBIT A

RECOGNIZED OBLIGATION PAYMENT SCHEDULE  
FOR THE PERIOD JULY 1, 2017 THROUGH JUNE 30, 2018  
("ROPS 17-18")

[behind this page]

**Recognized Obligation Payment Schedule (ROPS 17-18) - Summary**  
 Filed for the July 1, 2017 through June 30, 2018 Period

Successor Agency: Huntington Beach  
 County: Orange

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	17-18A Total (July - December)	17-18B Total (January - June)	ROPS 17-18 Total
A Enforceable Obligations Funded as Follows (B+C+D):	\$ 363,877	\$ -	\$ 363,877
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	363,877	-	363,877
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 6,872,018	\$ 6,091,359	\$ 11,963,377
F RPTTF	5,747,018	5,966,359	11,713,377
G Administrative RPTTF	125,000	125,000	250,000
H Current Period Enforceable Obligations (A+E):	\$ 6,235,895	\$ 6,091,359	\$ 12,327,254

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

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

Huntington Beach Recognized Obligation Payment Schedule (ROPS 17-18) - ROPS Detail

July 1, 2017 through June 30, 2018

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	17-18A (July - December)					17-18B (January - June)					W													
											L	M	N	O	P	Q	R	S	T	U		V	Fund Sources											
																							Bond Proceeds	Revenue Balance	Other Funds	SIF/TFE	SIF/TFE	17-18A Total	Bond Proceeds	Revenue Balance	Other Funds	SIF/TFE	SIF/TFE	17-18B Total
Row #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt at Obligation	Revised	ROPS 17-18 Total	Debt Proceeds	Revenue Balance	Other Funds	SIF/TFE	SIF/TFE	17-18A Total	Bond Proceeds	Revenue Balance	Other Funds	SIF/TFE	SIF/TFE	17-18B Total												
1	High-Rise Energy Huntington Beach Project	OPAQ/CA/Construction	8/14/2013	8/30/2013	CH2M Hill A.S.D. Fund	Energy Services Operation Agreement	Merged	2,711,260	N	2,711,260						2,711,260							2,711,260											
2	2002 Tax Allocation Refunding Bonds	Bonds Issued On or Before 12/31/10	5/19/2002	5/19/2024	Bank of New York Trust Co.	Tax Allocation Bonds Debt Service Payments	Merged	9,771,250	N	1,609,870			1,431,375			1,431,375						172,000	1,601,375											
3	1999 Tax Allocation Refunding Bonds	Bonds Issued On or Before 12/31/10	1/12/1999	5/19/2024	Bank of New York Trust Co.	Tax Allocation Bonds Debt Service Payments	Merged	4,481,654	N	730,327			657,350			657,350						78,577	735,927											
4	2002 Tax Allocation Refunding Bonds	Fees	1/17/2010	1/17/2016	Arledge Compliance Specialist	Arledge Compliance Specialist	Merged	500	N	500			500			500							500											
5	1999 Tax Allocation Refunding Bonds	Fees	1/17/2010	1/17/2016	Arledge Compliance Specialist	Arledge Compliance Specialist	Merged	500	N	500			500			500							500											
6	2002 Tax Allocation Refunding Bonds	Fees	6/15/2002	6/15/2024	Bank of New York Mellon	Tax Allocation Bonds - Payment to Fiscal Agent	Merged	1,600	N	1,600						1,600							1,600											
7	1999 Tax Allocation Refunding Bonds	Fees	1/12/1999	5/19/2024	Bank of New York Mellon	Tax Allocation Bonds - Payment to Fiscal Agent	Merged	1,600	N	1,600						1,600							1,600											
8	2002 Tax Allocation Refunding Bonds	Fees	10/22/01	6/15/2016	Harris & Company Advisors, LLC	Preparation and filing of Continuing Disclosure Annual Reports and Material Event Notices	Merged	750	N	750			750			750							750											
9	1999 Tax Allocation Refunding Bonds	Fees	10/22/01	6/15/2016	Harris & Company Advisors, LLC	Preparation and filing of Continuing Disclosure Annual Reports and Material Event Notices	Merged	2,850	N	2,850			2,850			2,850								2,850										
10	General Obligation Series A Revenue Refunding Bonds	Bonds Issued On or Before 12/31/10	6/15/2010	6/15/2027	JP Bank	General Obligation Series A Revenue Refunding Bonds Debt Service Payments	Merged	1,000,000	N	482,917						482,917						10,224	493,141											
11	Low Section 501 Infrastructure Loan for Multifamily Properties	Bonds Issued On or Before 12/31/10	10/22/10	6/15/2017	Bank of New York Mellon	Low Section 501 Infrastructure Loan agreement with the U.S. Department of Housing and Urban Development for multifamily properties	Merged	1,000,000	N	482,917						482,917						10,224	493,141											
12	Strand Hotel and Warehouse Project, Parking & Infrastructure	OPAQ/CA/Construction	6/11/1988	9/30/2023	CH2M Hill A.S.D. Fund	Property Tax Sharing Agreement under the Disposition and Development Agreement (DDA) for development of hotel, retail restaurant, and public parking structure. The implementation of the DDA and the Disposition and Development Agreement were entered into from June 1990 to November 2008.	Merged	6,222,579	N	677,964			677,964			677,964								677,964										
13	Strand Project Accessory Parking	OPAQ/CA/Construction	1/28/2009	9/30/2023	CH2M Hill A.S.D. Fund	Property Tax Sharing Agreement under the Disposition and Development Agreement (DDA) and the Implementation Agreement for the Strand project parking structure authorized on January 22, 2009.	Merged	397,377	N	48,316			48,316			48,316								48,316										
14	Pacific City	OPAQ/CA/Construction	10/15/2008	10/15/2028	Blair Properties & Home	Owner Participation Agreement approved on October 16, 2008 for future development of a 27-acre site located at Pacific Coast Highway and First Street and bounded by property tax allocations.	Merged	5,500,000	N	-						-								-										
15	Pacific City - Very Low Income Units	OPAQ/CA/Construction	6/15/2008	11/30/2024	Blair Properties	10% affordable housing requirement pursuant to Attachment 3 of the Owner Participation Agreement approved on October 16, 2008. 20% of the 10% affordable housing obligation (the affordable housing obligation) is to be developed by the Housing Authority. The Developer is required to provide the remaining 10% in-kind.	Merged	10,000,000	N	-						-								-										
16	Alzheimer's Center Participation Agreement/Deed Conveyance Agreement	OPAQ/CA/Construction	5/28/1993	1/20/2017	Northwood Development Company	Owner Participation Agreement/Deed Conveyance Agreement approved on May 28, 1993 for the development of the three-story building of the Oceanview Promenade. The third implementation Amendment took effect on November 21, 1994.	Merged	10,000,000	N	10,000			10,000			10,000						5,000	15,000											
17	Unfunded CalPERS Pension Liabilities	Unfunded Liabilities	9/30/2011	11/30/2028	CalPERS	Unfunded CalPERS pension liability as per CalPERS actuarial valuation as of June 30, 2012.	Merged	2,918,577	N	307,424			307,424			307,424						152,710	460,134											
18	Unfunded Supplemental Retirement Liabilities	Unfunded Liabilities	9/30/2011	11/30/2028	US Bank	Unfunded supplemental liability as of September 30, 2013 as per actuarial valuation by Belfry Associates, LLC.	Merged	511,677	N	149,896			149,896			149,896						71,848	221,744											
19	Unfunded OP99 Liabilities	Unfunded Liabilities	8/30/2011	11/30/2024	CalPERS/CLERB	Unfunded actuarial accrued liability as of June 30, 2013 as per Belfry Associates, LLC.	Merged	222,810	N	62,904			62,904			62,904						42,904	105,808											
20	Obligation for unfunded employee General Leave earned and vested	Unfunded Liabilities	9/30/2011	11/30/2024	City employees directly involved in housing and redevelopment projects and administration.	Obligation for unfunded employee General Leave earned and vested in per MCL and AB 1X29	Merged	82,246	N	32,438			32,438			32,438						11,313	43,751											





**Huntington Beach Recognized Obligation Payment Schedule (ROPS 17-18) - Report of Cash Balances**  
**(Report Amounts in Whole Dollars)**

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see [Cash Balance Tips Sheet](#).

A	B	C	D	E	F	G	H	I	
		<b>Fund Sources</b>							
		<b>Bond Proceeds</b>		<b>Reserve Balance</b>		<b>Other</b>	<b>RPTTF</b>		
	<b>Cash Balance Information by ROPS Period</b>	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	<b>Comments</b>	
<b>ROPS 15-16B Actuals (01/01/16 - 06/30/16)</b>									
1	Beginning Available Cash Balance (Actual 01/01/16)	-	-	-	1,578,008	429,628	37,581		
2	Revenue/Income (Actual 06/30/16) RPTTF amounts should tie to the ROPS 15-16B distribution from the County Auditor-Controller during June 2016	-	-			489,144	3,961,952		
3	Expenditures for ROPS 15-16B Enforceable Obligations (Actual 06/30/16)				1,578,008	200,000	3,962,828		
4	Retention of Available Cash Balance (Actual 06/30/16) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)								
5	ROPS 15-16B RPTTF Balances Remaining	No entry required							
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 718,772	\$ 36,705		

**ATTACHMENT #2**

RESOLUTION NO. 2017-02

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HUNTINGTON BEACH APPROVING THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2017 THROUGH JUNE 30, 2018

WHEREAS, California Health and Safety Code section 34177(j) requires that the Successor Agency to the Redevelopment Agency of the City of Huntington Beach (“Successor Agency”) prepare an administrative budget for the fiscal year; and

A draft administrative budget for the fiscal period of July 1, 2017 through June 30, 2018 (“Administrative Budget”) is attached hereto as Exhibit A; and

California Health and Safety Code section 34177(k) requires the Successor Agency to provide to the County Auditor-Controller administrative cost estimates for expenses from the administrative budget that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund for the fiscal year; and

All of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach does hereby resolve as follows:

1. The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.
2. The Administrative Budget attached hereto as Exhibit A is hereby approved.
3. The Successor Agency staff is directed to: (i) provide the required cost estimates for expenses to the County Auditor-Controller; and (ii) to do any and all things and to execute and deliver any and all documents which may be necessary or advisable in order to effectuate the purposes of this Resolution.
4. The Oversight Board does not intend, by adoption of this Resolution, to waive any constitutional, legal and/or equitable rights of the Oversight Board, the Successor Agency or the City of Huntington Beach under law and/or in equity by virtue of the adoption of this Resolution and actions approved and taken pursuant to this Resolution and, therefore, reserves all such rights of the Oversight Board, the Successor Agency and the City of Huntington Beach under law and/or in equity.

PASSED AND ADOPTED by the Oversight Board of the Successor Agency to the  
Redevelopment Agency of the City of Huntington Beach at a special meeting thereof held on the  
\_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Chairperson

REVIEWED AND APPROVED:

\_\_\_\_\_  
Executive Director

APPROVED AS TO FORM:

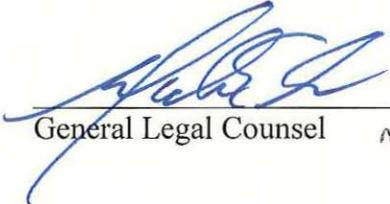
  
\_\_\_\_\_  
General Legal Counsel *mw*

EXHIBIT A

ADMINISTRATIVE BUDGET FOR THE PERIOD  
JULY 1, 2017 THROUGH JUNE 30, 2018

[behind this page]

**Successor Agency  
Administrative Budget  
Department Budget Summary  
Other Funds by Object Account**

**OTHER FUNDS**

<b>Expenditure Object Account</b>	<b>ROPS 17-18 Budget</b>
<b>RORF Administration (350)</b>	
<b>PERSONAL SERVICES</b>	
Salaries/Benefits - Permanent	250,000
<b>PERSONAL SERVICES</b>	<b>250,000</b>
<b>OPERATING EXPENSES</b>	
Legal Services	-
Other Professional Services/Operating	-
<b>OPERATING EXPENSES</b>	<b>-</b>
<b>Total</b>	<b>250,000</b>
<b>Revenue Summary</b>	<b>ROPS 17-18 Budget</b>
Administrative Allowance	250,000
Other Funds	-
<b>Total</b>	<b>250,000</b>

**Significant Changes**

Pursuant to AB x126 and AB 1484, the Successor Agency receives RPTTF funding from the County Auditor-Controller to pay Enforceable Obligations. The Successor Agency also receives a 3% of actual distributed RPTTF in the preceding fiscal year, or a minimum of \$250,000 for administration of the winding down of the former Redevelopment Agency per fiscal year. Administrative costs associated with the "wind down" and dissolution of the Redevelopment Agency that exceed the administrative cost allowance will be funded by Other Funds, pursuant to State rules. Administrative expenses include: personnel costs, legal, and other professional services expenses associated with the dissolution and administration of the Successor Agency.

**Oversight Board of the Huntington  
Beach Successor Agency  
to the Redevelopment Agency**

**Agenda Item #5**

**Special Meeting Minutes**  
**City of Huntington Beach Oversight Board of the Successor Agency**  
**of the Former City of Huntington Beach Redevelopment Agency**

Wednesday, January 27, 2016  
4:00 PM - Room B-8  
Civic Center, 2000 Main Street  
Huntington Beach, California 92648

**4:00 PM – ROOM B-8**  
**CIVIC CENTER, 2000 MAIN STREET**  
**HUNTINGTON BEACH, CA 92648**

**BOARD MEMBERS:** City of Huntington Beach appointee **Jill Hardy**; County Board of Supervisors appointees **Lucy Dunn** and **Steve Bone**; Community Colleges Districts appointee **W. Andrew “Andy” Dunn**; Orange County Office of Education appointee **Carrie Delgado**; Former Huntington Beach Redevelopment Agency employee representative **Kellee Fritzal**; Special District – Orange County Sanitation District appointee **Jim Katapodis**

**CALLED TO ORDER – 4:03 PM**

**ROLL CALL**

**PRESENT:** Bone, Fritzal, Hardy, Katapodis  
**ABSENT:** A. Dunn, L. Dunn, Delgado

**PLEDGE OF ALLEGIANCE:** Led by Mayor Katapodis

**SUPPLEMENTAL COMMUNICATIONS:** None

**PUBLIC COMMENTS:** *This is the portion of the meeting for any member of the public to address the Oversight Board on any matter that is within the subject matter jurisdiction of the board. The Brown Act, with limited exception, does not allow the board or staff to discuss unagendized issues brought forth under Public Comments. Comments should be limited to 3 minutes per person. None.*

**BUSINESS:**

- 1. Adopted Oversight Board Resolution Nos. 2016-01 and 2016-02 approving the Recognized Obligation Payment Schedule (ROPS) and Administrative Budget for the Huntington Beach Successor Agency for the period of July 1, 2016 through June 30, 2017, in accordance with Health and Safety Code Section 34177 and related action**

City of Huntington Beach Finance Director Lori Ann Farrell Harrison provided a brief report.

Boardmember Bone and Director Farrell discussed debt carryover from the previous fiscal year.

Member Bone announced that the record should reflect his recusal from action on Resolution No. 2016-01 Exhibit “A” line items 2, 13, 75, 76, 77, and 78 due to a financial conflict of interest.

A motion was made by Hardy, second Katapodis to adopt Resolution No. 2016-01, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Approving the Recognized Obligation Payment Schedule for the Period July 1, 2016 Through June 30, 2017 ("ROPS 16-17") **as amended to exclude Exhibit “A” line item nos. 2, 13, 75, 76, 77 and 78;**" and, adopt Resolution No. 2016-02, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Approving the Successor Agency Administrative Budget for the Period July 1, 2016 Through June 30, 2017."

The motion carried by the following vote:

AYES: Bone, Fritzal, Hardy, Katapodis  
NOES: None  
ABSENT: Delgado, A. Dunn, L. Dunn

A motion was made by Hardy, second Katapodis to adopt Resolution No. 2016-01, "A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Huntington Beach Approving the Recognized Obligation Payment Schedule for the Period July 1, 2016 Through June 30, 2017 ("ROPS 16-17") **as amended to include Exhibit "A" line item nos. 2, 13, 75, 76, 77 and 78.**"

The motion carried by the following vote:

AYES: Fritzal, Hardy, Katapodis  
NOES: None  
RECUSE: Bone  
ABSENT: Delgado, A. Dunn, L. Dunn

**2. Chief Assistant Attorney Mike Vigliotta identified a correction to a page in the City/Hilton Purchase and Sale Agreement**

No action taken.

**3. Approved and adopted the minutes of the Oversight Board Special Meeting of December 22, 2015**

A motion was made by Fritzal, second Hardy to receive and file correct to a page in the City/Hilton Purchase and Sale Agreement. The motion carried by the following vote:

AYES: Bone, Fritzal, Hardy, Katapodis  
NOES: None  
RECUSE: None  
ABSENT: Delgado, A. Dunn, L. Dunn

**MEMBER REPORTS/ANNOUNCEMENTS:** None.

**ADJOURNMENT: 4:11 PM**

The next Regular Meeting is scheduled for Monday, April 11, 2016, 4:30 PM at City Hall, 2000 Main Street, Civic Center Lower Level, Room B-8.

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Joan L. Flynn  
Secretary of the Huntington Beach  
Oversight Board of the Successor  
Agency of the Former City of  
Huntington Beach, California  
Redevelopment Agency

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Jim Katapodis  
Chair of the Huntington Beach  
Oversight Board of the Successor  
Agency of the Former City of  
Huntington Beach, California  
Redevelopment Agency