

SUCCESSOR AGENCY RESOLUTION  
NO. 14-001

RESOLUTION OF THE SUCCESSOR AGENCY TO THE PASO ROBLES  
REDEVELOPMENT AGENCY APPROVING AGREEMENT FOR  
REPAYMENT OF LOAN FROM LOW- AND MODERATE-INCOME HOUSING FUND TO  
MAKE 2009-2010 SERAF PAYMENT

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WHEREAS, pursuant to Assembly Bill 1X 26, enacted on June 28, 2011, and Assembly Bill 1484, enacted on June 27, 2012, (collectively the "Dissolution Law"), the Redevelopment Agency of the City of El Paso de Robles ("Redevelopment Agency") was dissolved on February 1, 2012; and

WHEREAS, on January 17, 2012, under the authority of the Dissolution Act and by adoption of Resolution No. 2012-005, the City of El Paso de Robles ("City") elected to be the Successor Agency to the former Redevelopment Agency ("Successor Agency") upon the Redevelopment Agency's dissolution; and

WHEREAS, on January 17, 2012, under the authority of the Dissolution Act and by adoption of Resolution No. 2012-0006, the City opted to retain the housing functions and obligations of the former Redevelopment Agency as the designated housing successor ("Housing Successor");

WHEREAS, the Oversight Board to the Successor Agency was established under the Dissolution Law to direct and oversee the Successor Agency's action in winding down the affairs of the Redevelopment Agency and to perform other related functions; and

WHEREAS, pursuant to Health and Safety Code section 34176(e)(6)(B), repayment of loans made by the Low- and Moderate-Income Housing Fund are authorized after fiscal year 2013-14 if the oversight board has approved the repayment schedule; and

WHEREAS, the Low- and Moderate-Income Housing Fund loaned \$1,189,200 (the "Loan") to the former Redevelopment Agency to enable the Redevelopment Agency to make a payment to the Supplemental Educational Revenue Augmentation Fund ("SERAF") for the 2009-10 fiscal year, as required by Health and Safety Code section 33690; and

WHEREAS, no portion of the Loan has been repaid;

WHEREAS, the Oversight Board to the Successor Agency met on February 13, 2014, and adopted a resolution recommending that the Successor Agency and City Council approve an agreement for repayment of the loan from the Low- And Moderate-Income Housing Fund to Make 2009-2010 SERAF Payment;

NOW, THEREFORE BE IT RESOLVED, the Successor Agency to the Paso Robles Redevelopment Agency hereby finds and resolves as follows:

Section 1. The foregoing recitals are true and correct and incorporated herein.

Section 2. The Agreement to Repay Loan from Low and Moderate-Income Housing Fund for 2009-2010 SERAF Payment, a copy of which is attached hereto as Exhibit A and incorporated herein by reference, is hereby approved and the Successor Agency is hereby authorized to execute said agreement.

Section 3. All legal prerequisites to the adoption of this Resolution have been satisfied.

Section 4. The Executive Director of the Successor Agency or designee is hereby authorized to take such actions as are necessary and appropriate to implement this decision of the Oversight Board, including, but not limited to, listing the Agreement to Repay Loan from Low- and Moderate-Income Housing Fund for 2009-2010 SERAF Payment on the Successor Agency's ROPS as an enforceable obligation. The repayment schedule is consistent with the provisions of Health and Safety Code section 34176(e)(6)(B).

Section 5. This Resolution shall become effective in accordance with Health and Safety Code Section 34179(h), which authorizes state Department of Finance to review all actions taken by the Oversight Board.

PASSED AND ADOPTED this 18<sup>th</sup> day of February, 2014 by the following vote:

AYES: Strong, Steinbeck, Martin, Hamon, Picanco

NOES:

ABSENT:

ABSTAIN:



Duane Picanco, Chairman

ATTEST:



Caryn Jackson, Secretary

**Exhibit A**

**[Agreement Regarding SERAF Loan Repayment]**

**AGREEMENT TO REPAY LOAN FROM LOW- AND MODERATE INCOME HOUSING FUND FOR 2009-2010 SERAF PAYMENT**

THIS AGREEMENT (this "Agreement") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by and between the SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF EL PASO DE ROBLES, a public body (the "Successor Agency") and the CITY OF EL PASO DE ROBLES, in its capacity as the Housing Successor to the former Redevelopment Agency ("City").

**RECITALS**

The City and the Successor Agency (individually, a "Party" and collectively, the "Parties") enter into this Agreement with reference to the following facts and circumstances:

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.), the City Council of City activated the Redevelopment Agency of the City of El Paso de Robles (the "Redevelopment Agency") and subsequently adopted the Redevelopment Plan for the Paso Robles Redevelopment Project (the "Redevelopment Plan").

B. Pursuant to Health and Safety Code sections 33690 and 33690.5, the Redevelopment Agency was required to make payments to the Supplemental Educational Revenue Augmentation Fund ("SERAF") for fiscal years 2009-10 and 2010-11. Because the Redevelopment Agency did not have sufficient funds to make the payment in 2009-10, it borrowed the necessary funds from its Low and Moderate-Income Housing Fund, as authorized by those statutes.

C. On December 15, 2009, the City Council adopted Council Resolution No. 09-160 and the Redevelopment Agency adopted Agency Resolution No. 09-010, both of which approved a borrowing from the Low and Moderate-Income Housing Fund in the amount of \$1,189,200 to make the SERAF payment for 2009-10 (the "SERAF Loan"). True and correct copies of Council Resolution No. 09-160 and Agency Resolution No. 09-010 are attached hereto as **Exhibits A** and **B**, respectively.

D. Assembly Bill 1X 26 ("AB 26"), enacted in June 2011, and AB 1484 ("AB 1484"), enacted in June 2012 (collectively, the "Dissolution Act") required the dissolution of redevelopment agencies and established certain procedures and requirements for the wind-down of their activities.

E. The Successor Agency is the successor entity to the former Redevelopment Agency and, pursuant to the Dissolution Act, is responsible for the wind-down of the former Redevelopment Agency, including without limitation the performance and repayment of all enforceable obligations of the former Redevelopment Agency.

F. Pursuant to Health and Safety Code section 34176, the City elected to retain the housing assets and functions previously performed by the Redevelopment Agency.

G. Health and Safety Code section 34176(e)(6)(B) provides that after fiscal year 2013-14, loans of monies borrowed from the Low and Moderate Income Housing Fund may be repaid.

H. The parties desire to enter into this Agreement in repay the amounts borrowed from the Low- and Moderate-Income Housing Fund and to have the payments deposited into the newly-created Low- and Moderate-Income Housing Asset Fund to be used by the City, as the housing successor, for affordable housing purposes.

## **AGREEMENT**

**NOW, THEREFORE,** for good and valuable consideration, including the mutual promises and covenants contained herein, the Parties mutually agree as follows:

1. Recitals. All of the above recitals are true and correct and are incorporated herein.

2. Purpose. The purpose of this Agreement is to document the obligation to repay the SERAF Loan as an enforceable obligation to be listed by the Successor Agency on each successive Recognized Obligation Payment Schedule (“ROPS”), as required to be prepared under Health and Safety Code section 34177, until such time as the SERAF Loan has been fully repaid.

3. Loan Amount. It is the understanding and agreement of the parties that the total amount of the SERAF Loan was One Million One Hundred Eighty-Nine Thousand Two Hundred Dollars (\$1,189,200).

4. Schedule of Repayment. Pursuant to Health and Safety Code section 34176(e)(6)(B), repayments of SERAF loans are restricted to the formula set forth therein. Therefore the repayment of the SERAF Loan each fiscal year shall be equal to the maximum amount allowed under Health and Safety Code section 34176(e)(6)(B).

5. Deposit in Low- and Moderate-Income Housing Asset Fund. Repayments of the SERAF Loan shall be made to the City as the housing successor. City shall deposit such repayments in a Low- and Moderate-Income Housing Asset Fund, established pursuant to Health and Safety Code section 34176(d), and shall use them in accordance with the requirements for such fund.

*[Signatures on following page]*

IN WITNESS WHEREOF, the City, as housing successor, and Successor Agency have executed this Agreement as of the date first set forth above.

**CITY OF EL PASO DE ROBLES, as  
Housing Successor**

By: \_\_\_\_\_  
James L. App, City Manager

ATTEST:

By: \_\_\_\_\_  
Dennis Fansler, City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Iris P. Yang, City Attorney

**SUCCESSOR AGENCY TO THE  
FORMER REDEVELOPMENT AGENCY  
OF THE CITY OF EL PASO DE ROBLES**

By: \_\_\_\_\_  
James L. App, Executive Director

ATTEST:

By: \_\_\_\_\_  
Dennis Fansler, Agency Secretary

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Iris P. Yang, Agency Counsel

**EXHIBIT A**  
**(COUNCIL RESOLUTION NO. 09-160)**

COUNCIL RESOLUTION 09-160

RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF EL PASO DE ROBLES MAKING CERTAIN FINDINGS REGARDING  
THE INABILITY OF THE REDEVELOPMENT AGENCY OF THE CITY OF PASO  
ROBLES TO MAKE THE FULL AMOUNT OF PAYMENT  
TO THE COUNTY SUPPLEMENTAL EDUCATIONAL REVENUE AUGMENTATION  
FUND FOR FISCAL YEAR 2009-2010

WHEREAS, the California State Legislature recently enacted AB x4 26, which requires redevelopment agencies to make certain payments to its county Supplemental Educational Revenue Augmentation Fund ("SERAF") in fiscal years 2009-2010 and 2010-2011; and

WHEREAS, the Redevelopment Agency of the City of El Paso de Robles ("Agency") has been notified that its payment to SERAF for 2009-20 will be \$1,189,200, which payment would be required to be made by May 10, 2010; and

WHEREAS, Health and Safety Code section 33691 provides that, if an agency is unable to make its full SERAF payment, it must hold a noticed public hearing and adopt, prior to December 31, 2009, a resolution making certain findings regarding its existing indebtedness, as defined in Health and Safety Code section 33691; and

WHEREAS, Health and Safety Code section 33691 additional provides that the legislative body shall adopt a similar resolution making findings similar to those of the agency and

WHEREAS, a notice of a public hearing was published on December 11, 2009 in the *Tribune*;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES, AS FOLLOWS:

Section 1. The Agency has been notified by the California state Director of Finance that the Agency shall be required to remit to the county auditor, for payment to SERAF, the amount of One Million One Hundred Eighty-Nine Thousand Two Hundred Dollars (\$1,189,200) for fiscal year 2009-10 (the "Required SERAF Payment"). Based on the amount of existing indebtedness of the Agency, as that term is defined in Health and Safety Code section 33691 and as detailed in Exhibit A to this resolution and incorporated herein by reference, the Agency hereby finds that it is unable to make the full amount of the Required SERAF Payment, and instead, is only able to allocate an amount of Eight Hundred Thousand Dollars (\$800,000) to SERAF ("Agency Allocation") by borrowing from its Low- and Moderate-Income Housing Fund. The determination is made based on the following facts:

- a. The difference between the Agency Allocation and the amount of the Required SERAF Payment is necessary to make payments on existing

indebtedness that are due or required to be committed, set aside, or reserved by the Agency during the 2009-2010 fiscal year, and that are used by the Agency for that purpose, and the Agency has no other funds that can be used to pay this existing indebtedness and no other feasible method to reduce or avoid this indebtedness.

- b. Exhibit A describes the indebtedness existing prior to the effective date of AB 4x 26, the indebtedness on which a payment is required to be made during fiscal year 2009-2010, the amount and timing of each payment, and the total amount of such payments. Exhibit A was prepared and reviewed for accuracy by the Agency's chief fiscal officer.

Section 2. The finding in this resolution is based on the information currently available to the Agency and the City Council.

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this 15th day of December, 2009, by the following roll call vote:

AYES: Gilman, Hamon, Steinbeck, Strong and Picanco  
NOES:  
ABSTAIN:  
ABSENT:

  
\_\_\_\_\_  
Duane Picanco, Mayor

ATTEST:

  
\_\_\_\_\_  
Lonnie Dolan, Deputy City Clerk

Attachment A

**Redevelopment Agency - City of Paso Robles, CA  
Indebtedness - FY2010**

<u>Type of Debt</u>	<u>Date of Issuance</u>	<u>Amount of Issuance</u>	<u>Annual Debt Service</u>	<u>Annual Expense</u>	<u>Total Expense</u>	<u>Payment Date</u>
Tax Increment Bond Issue 2009	8/4/2009	\$12,115,000	\$278,667	N/A	\$278,667	July/January
Tax Increment Bond Issue 2000	10/4/2000	\$4,090,000	\$240,181	N/A	\$240,181	July/January
Administrative Costs (90% of FY06)	N/A	N/A	N/A	\$92,887	\$92,887	Dec/Apr
Housing Set-aside **	N/A	N/A	N/A	\$839,705	\$839,705	Dec/Apr
Pass-thru agreements	N/A	N/A	N/A	\$193,419	\$193,419	Dec/Apr
Hidden Creek Village set-aside	N/A	N/A	N/A	\$100,000	\$100,000	Dec/Apr
Uptown/Town Centre Plan	N/A	N/A	N/A	\$600,000	\$600,000	Dec/Apr
Sulfur Hole Repair	N/A	N/A	N/A	\$200,000	\$200,000	Dec/Apr
Chet Dotter Housing - per agreement	N/A	N/A	N/A	\$300,000	\$300,000	Dec/Apr
First Five - SLO COE - per agreement	N/A	<u>N/A</u>	<u>N/A</u>	<u>\$83,000</u>	<u>\$83,000</u>	Dec/Apr
<b>Total</b>		<u>\$16,205,000</u>	<u>\$518,848</u>	<u>\$2,409,011</u>	<u>\$2,927,859</u>	

\*\* These funds may possibly be used to make a portion of the required SERAF payment.

**EXHIBIT B**  
**(AGENCY RESOLUTION NO. 09-010)**

AGENCY RESOLUTION 09-010

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE  
CITY OF EL PASO DE ROBLES MAKING CERTAIN FINDINGS REGARDING  
IT'S INABILITY TO MAKE THE FULL AMOUNT OF PAYMENT  
TO THE COUNTY SUPPLEMENTAL EDUCATIONAL REVENUE AUGMENTATION  
FUND FOR FISCAL YEAR 2009-2010

WHEREAS, the California State Legislature recently enacted AB x4 26, which requires redevelopment agencies to make certain payments to its county Supplemental Educational Revenue Augmentation Fund ("SERAF") in fiscal years 2009-2010 and 2010-2011; and

WHEREAS, the Redevelopment Agency of the City of El Paso de Robles ("Agency") has been notified that its payment to SERAF for 2009-20 will be One Million One Hundred Eighty-Nine Thousand Two Hundred Dollars (\$1,189,200), which payment is required to be made by May 10, 2010; and

WHEREAS, Health and Safety Code section 33691 provides that, if an agency is unable to make its full SERAF payment, it must hold a noticed public hearing and adopt, prior to December 31, 2009, a resolution making certain findings regarding its existing indebtedness, as defined in Health and Safety Code section 33691; and

WHEREAS, a notice of a public hearing was published on December 11, 2009 in the *Tribune*;

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF EL PASO DE ROBLES, AS FOLLOWS:

Section 1. The Agency has been notified by the California state Director of Finance that the Agency shall be required to remit to the county auditor, for payment to SERAF, the amount of One Million One Hundred Eighty-Nine Thousand Two Hundred Dollars (\$1,189,200) for fiscal year 2009-10 (the "Required SERAF Payment"). Based on the amount of existing indebtedness of the Agency, as that term is defined in Health and Safety Code section 33691 and as detailed in Exhibit A to this resolution and incorporated herein by reference, the Agency hereby finds that it is unable to make the full amount of the Required SERAF Payment, and instead, is only able to allocate an amount of EIGHT HUNDRED THOUSAND DOLLARS (\$800,000) to SERAF ("Agency Allocation") out of its Low- and Moderate-Income Housing Fund. The determination is made based on the following facts:

- a. The difference between the Agency Allocation and the amount of the Required SERAF Payment is necessary to make payments on existing indebtedness that are due or required to be committed, set aside, or reserved by the Agency during the 2009-2010 fiscal year, and that are used by the Agency for that purpose, and the Agency has no other funds

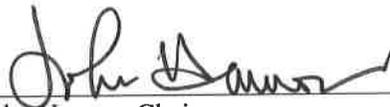
that can be used to pay this existing indebtedness and no other feasible method to reduce or avoid this indebtedness.

- b. Exhibit A describes the indebtedness existing prior to the effective date of AB 4x 26, the indebtedness on which a payment is required to be made during fiscal year 2009-2010, the amount and timing of each payment, and the total amount of such payments. Exhibit A was prepared and reviewed for accuracy by the Agency's chief fiscal officer.

Section 2. The finding in this resolution is based on the information currently available to the Agency.

PASSED AND ADOPTED by the Redevelopment Agency of the City of El Paso de Robles this 15th day of December, 2009, by the following roll call vote:

AYES: Gilman, Picanco, Steinbeck, Strong and Hamon  
NOES:  
ABSTAIN:  
ABSENT:

  
\_\_\_\_\_  
John Hamon, Chairman

ATTEST:

  
\_\_\_\_\_  
Agency Secretary

Attachment A

Redevelopment Agency - City of Paso Robles, CA  
 Indebtedness - FY2010

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<b>Total</b>		<b>\$16,205,000</b>	<b>\$518,848</b>	<b>\$2,409,011</b>	<b>\$2,927,859</b>	

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