

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY
OF THE WEST COVINA
REDEVELOPMENT AGENCY**

A G E N D A

West Covina City Hall
City Hall Council Chambers
1444 West Garvey Avenue, West Covina, CA 91790

**THURSDAY, JANUARY 21, 2016
4:00 p.m.**

Carrie A. Sutkin, Chairperson
Luzmaria Chavez, Board Member
Robert R. Coghlan, Board Member
Mike Gregoryk, Board Member
Kelly McDonald, Board Member
David Stewart, Board Member

AMERICANS WITH DISABILITIES ACT

The Board complies with the Americans with Disabilities Act (ADA). If you will need special assistance at Board Meetings, please call (626) 939-8433 (voice) or (626) 960-4422 (TTY) from 8 to 5 Monday through Thursday, at least 48 hours prior to the meeting to make arrangements.

AGENDA MATERIAL

Agenda material is available for review at the West Covina City Clerk's Office, Room 317 in City Hall, 1444 W. Garvey Avenue South and at www.westcovina.org. Any writings or documents regarding any item on this agenda not exempt from public disclosure, provided to a majority of the Oversight Board that is distributed less than 72 hours, before the meeting, will be made available for public inspection in the City Clerk's Office, Room 317 of City Hall during normal business hours.

PUBLIC COMMENT

Any member of the public may address the Board on items within the Board's subject matter jurisdiction during Public Comments. The Board may not take action on matters not listed on the posted agenda. If you would like to address the Board, please complete a Speaker Card and submit to the Board Secretary. All comments are limited to five (5) minutes per speaker. All speakers shall observe decorum and order as specified in the *Rules of Procedure of the Oversight Board to the Successor Agency of the West Covina Redevelopment Agency*.

REGULAR MEETING
AGENDA
Thursday, January 21, 2016
4:00 p.m.

I. CALL TO ORDER

A. Roll Call

Carrie A. Sutkin, Chairperson
Luzmaria Chavez, Board member
Robert R. Coghlan, Board Member
Mike Gregoryk, Board member
Kelly McDonald, Board Member
David Stewart, Board Member

B. Pledge of Allegiance

II. CHANGES TO THE AGENDA

III. PUBLIC COMMENT

This is the time set aside for public comments. Please step forward to the podium and state your name and city of residence for the record when recognized by the Chairperson. Comments are limited to five (5) minutes per speaker.

IV. CONSENT CALENDAR

All matters listed on the CONSENT CALENDAR are considered to be routine and can be acted on by one roll call vote. There will be no separate discussion of these items unless members of the Oversight Board request a specific item to be removed from the Consent Calendar for separate discussion or action.

A. Approval and Transmittal of an Administrative Budget for the Successor Agency to the Former West Covina Redevelopment Agency and Recognized Obligation Payment Schedule “ROPS” Pursuant to Health and Safety Code Section 34179.7(O)(1), for the Period of July 1, 2016 through June 30, 2017

Recommendation

It is recommended that the Oversight Board to the Successor Agency of the Former West Covina Redevelopment Agency adopt the following resolutions:

RESOLUTION NO. OB-0045 – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER WEST COVINA REDEVELOPMENT AGENCY APPROVING THE REINSTATEMENT OF CERTAIN LOAN AGREEMENTS BETWEEN THE CITY OF WEST COVINA

AND THE FORMER WEST COVINA REDEVELOPMENT AGENCY AS ENFORCEABLE OBLIGATIONS

RESOLUTION NO. OB-0046 – A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER WEST COVINA REDEVELOPMENT AGENCY APPROVING AND AUTHORIZING THE TRANSMITTAL OF AN ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY TO THE FORMER WEST COVINA REDEVELOPMENT AGENCY AND A RECOGNIZED OBLIGATION PAYMENT SCHEDULE “ROPS” FOR THE PERIOD JULY 1, 2016 THROUGH JUNE 30, 2017

V. BOARD MEMBERS’ COMMENTS

VI. ADJOURNMENT

Copies of staff reports or other written documentation, *if any*, relating to each item of business described above are on file in the West Covina City Hall, City Clerk’s Office, 1444 West Garvey Avenue, West Covina CA 91790, and are available for public inspection upon request during regular business hours of 8:00 a.m. to 5:30 p.m., Monday through Thursday.

Should any person have a question concerning any of the above agenda items prior to the meeting described herein, he or she may contact Paulina Morales, Senior Project Manager, either in person in the Community Development Commission Office at West Covina City Hall, 1444 West Garvey Avenue, West Covina, CA 91790, or by calling via telephone at (626) 939-8417 during regular business hours.

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY
OF THE WEST COVINA REDEVELOPMENT AGENCY**

AGENDA REPORT
Item No. IVA
Date: January 21, 2016

TO: Chairperson and Board Members of the Oversight Board to the Successor Agency of the West Covina Redevelopment Agency

FROM: Chris Freeland, Executive Director

BY: Christa Buhagiar, Finance Director

SUBJECT: APPROVAL AND TRANSMITTAL OF AN ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY TO THE FORMER WEST COVINA REDEVELOPMENT AGENCY AND RECOGNIZED OBLIGATION PAYMENT SCHEDULE "ROPS" PURSUANT TO HEALTH AND SAFETY CODE SECTION 34179.7(O)(1), FOR THE PERIOD OF JULY 1, 2016 THROUGH JUNE 30, 2017

RECOMMENDED ACTION:

It is recommended that the Oversight Board to the Successor Agency of the Former West Covina Redevelopment Agency adopt the following resolutions:

- **RESOLUTION NO. OB-0045 - A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER WEST COVINA REDEVELOPMENT AGENCY APPROVING THE REINSTATMENT OF CERTAIN LOAN AGREEMENTS BETWEEN THE CITY OF WEST COVINA AND THE FORMER WEST COVINA REDEVELOPMENT AGENCY AS ENFORCEABLE OBLIGATIONS**
- **RESOLUTION NO. OB-0046 - A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER WEST COVINA REDEVELOPMENT AGENCY APPROVING AND AUTHORIZING THE TRANSMITTAL OF AN ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY TO THE FORMER WEST COVINA REDEVELOPMENT AGENCY AND A RECOGNIZED OBLIGATION PAYMENT SCHEDULE "ROPS" FOR THE PERIOD JULY 1, 2016 THROUGH JUNE 30, 2017**

DISCUSSION:

AGENCY LOANS

SB 107 made several substantive changes to existing law relevant to the Successor Agency to the former West Covina Redevelopment Agency.

First, SB 107 requires cities with outstanding Due Diligence Review (DDR) demands to repay, or enter into an installment plan with DOF to repay, such amounts before December 31, 2015. Cities failing to meet this standard forever forfeit their ability to obtain a Finding of Completion (FOC), which would prevent approval of a Long Range Property Management Plan (LRPMP) and reinstatement/repayment of city loans.

Second, SB 107 revised the criteria for loans between cities and their Redevelopment Agency (RDA) that qualify for reinstatement/repayment. As relevant to the City, the following two (2) categories of loans qualify for reinstatement:

- **Category 1** – Loans of money entered into between the former RDA and the City under which the City transferred money to the RDA for a lawful purpose, and where the RDA was obligated to repay the money it received pursuant to a required repayment schedule.
- **Category 2** – An agreement between the former RDA and the City under which the City contracted with a third party on behalf of the RDA for the development of infrastructure in connection with a redevelopment project as identified in a redevelopment project plan, and the RDA was obligated to reimburse the City for the payments made by the City to the third party. Loans in this category are capped at \$5 million.

Third, SB 107 requires balances on reinstated city loans to be recalculated from the date of loan origination at 3% simple interest.

The Successor Agency has listed the Funding Agreement and the Sales Tax Loan Agreements on the ROPS since its dissolution, however, due to an outstanding DDR, the loans have not been reinstated nor have the obligations been funded. As a result of the Agency receiving the FOC on December 16, 2015, the 16-17 ROPS includes reinstating these loans and the corresponding funding for repayment.

The specific loans sought to be reinstated and added to the ROPS are as follows:

- **Funding Agreement (Items #23-25)** – This loan originated in 1971 and is comprised of amounts advanced over time to the RDA's "administrative fund" and "revolving fund." Under the loan, the City made cash advances to the RDA for its use in defraying administrative, overhead, and capital improvement expenses. Under the original terms of the agreement, the RDA was required to repay advanced amounts as monies became available, with interest.
- **Sales Tax Loan (Item #26)** – This arrangement originated in 1989, and shifted a portion of the sales tax revenues generated in the Community Facilities District (CFD) from the City to the RDA, for purposes of securing and making payments on the RDA's CFD Bonds; the proceeds of which funded the mall expansion that occurred in or around 1990. In 2005, the

RDA agreed to reimburse the City for all sales tax revenues that it had received under this arrangement with interest.

- **Cash Flow Loan (New ROPS Item #105)** – This was a cash loan in the amount of \$2.5 million made during the 2010-2011 fiscal year. The purpose of the loan was to satisfy the RDA's short-term cash flow needs until it received property tax revenues later in the fiscal year, and the RDA was required to repay the loan before June 30, 2011.
- **Financing Agreement (New ROPS Item #106)** – This was a line of credit in the amount of \$5.6 million from the proceeds of the City's sale of its water system. The purpose was to bridge shortfalls in RDA revenues necessary to achieve the project goals of the RDA's implementation plan. The RDA was required to make interest only payments as amounts were drawn down, and the balance was required to be repaid before December 21, 2021.
- **City Cooperative Agreement (Item #13)** – This was a Cooperative agreement between the City of West Covina and the former Redevelopment Agency entered into on February 15, 2011. The agreement is to reimburse the City for performing eligible activities on behalf of the CDC including capital improvement, public improvements, and creation and preservation of affordable housing.
- **Golf Course Agreement (Item #27)** – The former Redevelopment agency entered into various agreements for the development of the golf course. The most recent agreement dated June 21, 2011 is between the City and former Redevelopment Agency for the completion of the golf course development on former redevelopment agency land.

ROPS

In accordance with Health and Safety Code Section 34179.7(O)(1), the Successor Agency is required to file a ROPS annually in order to receive a distribution of property tax increment dollars with which to fund the obligations of the former Redevelopment Agency. These obligations include bond debt service payments, amounts due under existing agreements with commercial property owners, repayment of amounts borrowed from the Housing Fund to fund property tax shifts mandated by the State, cost of litigation to protect assets of the former Redevelopment Agency, repayment of loans to the City, and administrative costs of the Successor Agency to wind down the affairs of the former Redevelopment Agency. While many of these listed items are not necessarily debt, they are considered obligations for purposes of this mandated report and must be listed on this report if they are to be funded with distributions of future tax increment dollars. These items are not debt obligations of the City of West Covina.

The ROPS schedule (Attachment No. 2 – Exhibit A) lists all amounts that will be paid in the period July 1, 2016 through June 30, 2017. Once the ROPS is approved by the Oversight Board, it then must be forwarded to the State Department of Finance (DOF) by February 1, 2016. DOF holds final approval authority of the items listed on the ROPS and directs the Los Angeles County Auditor-Controller to distribute tax increment funds to the Successor Agency. Many of the obligations listed on the ROPS are estimates, i.e. variable rate debt service payments, litigation, etc.

The Oversight Board is also required to adopt an administrative budget for each annual period. Attachment No. 2 – Exhibit B to this report is the administrative budget for the Successor

Agency for the period of July 1, 2016 through June 30, 2017. This budget is to be funded by the administrative allowance, which is equal to an amount that is the greater of 3% of the enforceable obligations or \$250,000 annually. The City will absorb any administrative costs above this administrative allowance.

The total amount of funding requested for enforceable obligations from the Redevelopment Property Tax Trust Fund (RPTTF) on ROPS 16-17 is \$39,384,504 and includes many of the same items that have been previously approved by DOF.

The Successor Agency Administrative Budget is also attached for approval. This budget contains the specific items that are included in the administrative budget on line 12 of the ROPS.

Other new items added to the Recognized Obligation Payment Schedule include:

Items #107-112 – SERAF 2010/2011 Housing Loan – \$746,262 collectively. These items pertain to amounts that were not previously paid and must be listed again along with revised numbers for the ROPS 15-16B. The payments requested in the original ROPS 15-16B were not calculated to reflect the full rate of payment governed by statute. The payments are capped at ½ of the increase in the “residual” Redevelopment Property Tax Trust Fund (RPTTF) remittance in the payment year when compared to the “residual” remittance in the 2012-2013 base year. (H&S Code § 34176(e)(6)(B).) The payments included in the 16-17 ROPS are consistent with the statute’s schedule.

Items #113-114 – HdL Coren & Cone \$11,550. This item pertains to bond disclosure services provided relative to the former Redevelopment Agency’s bond issuances.

Items #115-116 – Norton, Rose, Fullbright \$6,448. This item pertains to bond letter of credit fees for the 1998 – 2006 bonds.

Items #117-128 – Various vendors \$496,355. These items pertain to reimbursement for costs incurred relative to litigation, bond letter of credit fees, bond disclosure, prior incurred contract expenses, special assessments on RDA parcels, the Long Range Property Management Plan (LRPMP) and 2006 Lease Revenue Bonds.

Items #129-133 – Project Administrative Costs – City of West Covina \$25,805. These items pertain to the reimbursement of staff costs related to various litigation cases, the LRPMP and Plaza CFD.

LEGAL REVIEW:

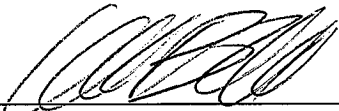
The Successor Agency Counsel has reviewed and approved this report, the resolutions and the Recognized Obligation Payment Schedule.

FISCAL IMPACT:

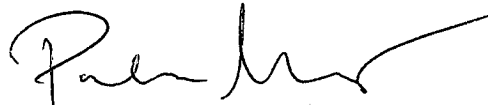
The City, as Successor Agency, cannot receive or spend any funds unless the amounts are listed on a Recognized Obligation Payment Schedule. This schedule identifies all outstanding obligations that must be satisfied before the Agency can be dissolved. The obligations listed on this schedule will receive property tax allocations distributed by the County as their funding source.

If the City's administrative costs exceed the administrative allowance, the excess expenditures will be absorbed by the City.

Prepared by:



Christa Buhagiar
Finance Director



Paulina Morales
Sr. Project Manager

Attachment No. 1 – Resolution No. OB-0045

- Exhibit A – Funding Agreement
- Exhibit B – Sales and Use Tax Reimbursement Agreement
- Exhibit C – Financing Agreement
- Exhibit D – Cash Flow Loan
- Exhibit E – Cooperative Agreement
- Exhibit F – Golf Course Implementation Agreement

Attachment No. 2 – Resolution No. OB-0046

- Exhibit A – Recognized Obligation Payment Schedule (ROPS 16-17)
- Exhibit B – Successor Agency Administrative Budget for July 1, 2016 through June 30, 2017

RESOLUTION NO. OB-0045

RESOLUTION NO. OB-0045 - A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER WEST COVINA REDEVELOPMENT AGENCY APPROVING THE REINSTATMENT OF CERTAIN LOAN AGREEMENTS BETWEEN THE CITY OF WEST COVINA AND THE FORMER WEST COVINA REDEVELOPMENT AGENCY AS ENFORCEABLE OBLIGATIONS

WHEREAS, the former West Covina Redevelopment Agency ("Agency") was a community redevelopment agency organized and existing under the California Redevelopment Law; and

WHEREAS, during the Agency's existence, the Agency and the City of West Covina ("City") entered into, *inter alia*, four (4) agreements pursuant to which the City made cash loans to the Agency for purposes of assisting the Agency in carrying out various projects and actions under the Community Redevelopment Law; and

WHEREAS, in February 1972, the Agency and City entered into a "Funding Agreement," as attached hereto as Exhibit "A", pursuant to which the City made cash advances to the Agency's administrative fund and revolving fund for the Agency's use in defraying administrative, overhead, and capital improvement expenses, and the Agency agreed to repay such amounts in accordance with various repayment schedules that were revised over the years; and

WHEREAS, in or about 1989, the City and Agency took a series of actions that resulted in the shift of a portion of the City's sales tax revenues generated in the Community Facilities District ("CFD") from the City to the Agency for the Agency's use as security and for making payments on the 1989 Community Facilities District Bonds (the "Bonds"), the proceeds of which were used to fund the expansion of a shopping mall located in the Central Business District Redevelopment Project area; and

WHEREAS, in June 2005, the Agency and City entered into a Sales Tax Reimbursement Agreement ("Sales Tax Loan"), as attached hereto as Exhibit "B", pursuant to which the Agency agreed to reimburse the City for the sales tax revenues shifted to the Agency to secure and make payments on the Bonds in accordance with an approved repayment schedule; and

WHEREAS, in May 2000, the Agency and City entered into a "Financing Agreement," as attached hereto as Exhibit "C," pursuant to which the City made a cash loan to the Agency for purposes of bridging a shortfall in Agency revenues necessary to carry out the goals and objectives of the Agency's five year implementation plan, and the Agency was required to repay such loan in accordance with an approved repayment schedule; and

WHEREAS, in June 2010, the Agency and City entered into a short-term "Cash Flow Loan," as attached hereto as Exhibit "D", pursuant to which the City made a cash loan to the Agency for purposes of supporting the Agency's cash flow needs during the fiscal year as it awaited receipt of tax increment revenues later in the fiscal year, and the Agency was required to repay such loan before June 30, 2011; and

WHEREAS, on February 15, 2011, the Agency and City entered into a Cooperative Agreement, as attached hereto as Exhibit "E", to reimburse the City for performing eligible activities on behalf of the CDC including capital improvement, public improvements, and creation and preservation of affordable housing. The agreement provides that the City is to be reimbursed by the Agency as expenditures are made; and

WHEREAS, on June 21, 2011, the Agency and City entered into an Implementation Agreement, as attached hereto as Exhibit "F", for development of a Golf Course on former redevelopment agency land. The agreement provides that the City is to be reimbursed by the Agency as expenditures are made; and

WHEREAS, the Funding Agreement, Sales Tax Loan, Financing Agreement, and Cash Flow Loan, Cooperative Agreement, and Implementation Agreement (cumulatively the "Loans") were all entered into for legitimate redevelopment purposes and in accordance with the California Redevelopment Law; and

WHEREAS, the Agency was dissolved effective February 1, 2012, by way of Assembly Bill ("AB") 1x26 (as subsequently amended from time to time, the "Dissolution Law") and the California Supreme Court's decision in *California Redevelopment Association v. Matosantos* (2011) 53 Cal.4th 231; and

WHEREAS, the Dissolution Act created a "successor agency" for each dissolved redevelopment agency, and charged them with completing various tasks and obligations geared towards "winding down" the affairs of their respective redevelopment agency; and

WHEREAS, the Dissolution Act created an "Oversight Board" for each successor agency, and charged them with overseeing, reviewing, and approving enumerated successor agency actions; and

WHEREAS, by resolution of the City Council, the City of West Covina serves as the successor agency to the dissolved Agency ("Successor Agency"), and the West Covina Oversight Board is the statutorily created oversight board of the Successor Agency ("Oversight Board"); and

WHEREAS, the Dissolution Law provides that the Successor Agency is only authorized to pay "enforceable obligations" that are listed on a Recognized Obligation Payment Schedule ("ROPS") that has been approved by the Oversight Board and the California Department of Finance ("DOF"); and

WHEREAS, upon dissolution of the Agency, with limited exceptions, all loan agreements between the City and the Agency were invalidated and did not qualify as an "enforceable obligation"; and

WHEREAS, DOF has indicated that the Loans do not qualify under any of the exceptions for loan agreements between the City and Agency that are except from invalidation, and though the City and Successor Agency dispute this determination, the Loans have not been approved as "enforceable obligations" on the Successor Agency's ROPS; and

WHEREAS, the Successor Agency has consistently maintained that the Loans were "enforceable obligations" and should have been allowed by the Department of Finance on the

Successor Agency's ROPS, and nothing herein is intended to change or undermine the Successor Agency's prior position; and

WHEREAS, the Dissolution Law provides that, notwithstanding the general invalidation of loan agreements between cities and their redevelopment agencies, upon application by a successor agency and approval by the oversight board, loan agreements between a city and its redevelopment agency shall be deemed "enforceable obligations," provided that the oversight board makes a finding that the loan was for legitimate redevelopment purposes; and

WHEREAS, loan agreements that qualify for reinstatement include, as relevant here: (1) loans for money entered into between the former redevelopment agency and the city that created it, under which the city transferred money to the redevelopment agency for its use for a lawful purpose, and where the redevelopment agency was obligated to repay the money it received pursuant to a required repayment schedule; and (2) an agreement between the former redevelopment agency and the city that created it under which the city contracted with a third party on behalf of the former redevelopment agency for the development of infrastructure in connection with a redevelopment project as identified in a redevelopment project plan and the former redevelopment agency was obligated to reimburse the city for the payments made by the city to the third party; and

WHEREAS, the Loans qualify for reinstatement under the criteria set forth in the Dissolution Law; and

WHEREAS, cities may only receive payments on reinstated loan agreements once the applicable successor agency has obtained a "finding of completion" ("FOC"); and

WHEREAS, the Successor Agency received the FOC in December 2015, in accordance with the statutory deadline imposed by Senate Bill 107; and

WHEREAS, in light of the fact that the Loans were entered into for valid redevelopment purposes and in accordance with the California Redevelopment Law, and in accordance with the Successor Agency's receipt of FOC, on January 19, 2016 the Successor Agency did approve the reinstatement and repayment of the Loans and has applied to the Oversight Board to have the Loans reinstated as "enforceable obligations" so such can be repaid on the Successor Agency's ROPS; and

WHEREAS, the Oversight Board binds and declares that the loans were entered into for valid redevelopment purposes and in accordance with the California Redevelopment Law, and in accordance with the Successor Agency's receipt of a FOC, the Oversight Board hereby approves the reinstatement of the loans as "enforceable obligations" so such can be repaid on the Successor Agency's ROPS.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board to the Successor Agency to the former West Covina Redevelopment Agency, as follows:

SECTION 1. The Recitals set forth above are true and correct and are incorporated herein by this reference.

SECTION 2. Based upon the staff presentations and reports, and such other evidence considered by the Oversight Board concerning this matter, the Oversight Board finds and declares that the Loans were entered into for valid redevelopment purposes and in accordance

with the California Redevelopment Law, and that, with the Successor Agency's receipt of a FOC, the Loans are approved for reinstatement and qualify as "enforceable obligations" for repayment on the Successor Agency's ROPS; provided that nothing herein shall be construed as the City or Successor Agency agreeing with DOF's determination that the Loans do not presently qualify as "enforceable obligations" under the exceptions set forth in the Dissolution Law.

SECTION 3. The Oversight Board authorizes and directs staff to transmit a copy of this Resolution to the Department of Finance for its consideration, and to submit such other documents and evidence to the Department of Finance as necessary to have the Loans approved as "enforceable obligations" for payment on the Successor Agency's ROPS, and for the Department of Finance to find that the Loans were entered into for valid redevelopment purposes.

SECTION 4. The Executive Director is further authorized and directed to take all actions necessary and appropriate in carrying out this Resolution pursuant to Dissolution Law.

SECTION 5. The Secretary shall certify to the adoption of this Resolution, and it shall become effective immediately upon approval.

APPROVED AND ADOPTED at a regular meeting held on this 21st day of January, 2016.

Carrie A. Sutkin, Chairperson
Oversight Board to the Successor Agency to
the former West Covina Redevelopment
Agency

ATTEST:

Rosalia Conde, Secretary
Oversight Board to the Successor Agency to
the former West Covina Redevelopment
Agency

*Edwin Co
cc: CV
WR*

FUNDING AGREEMENT

THIS FUNDING AGREEMENT is made and entered into as of the 28th day of February, 1972, by and between the CITY OF WEST COVINA (hereinafter referred to as "City"), and the COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF WEST COVINA (hereinafter referred to as "Agency");

RECITALS

WHEREAS, in furtherance of the objectives of the Community Redevelopment Law of the State of California, the Agency has undertaken a program for the rehabilitation and redevelopment of the West Covina Central Business District, and

WHEREAS, City desires to assist and encourage the Agency in the accomplishment of the redevelopment project, and

WHEREAS, Section 33610 of the Health and Safety Code authorizes the lending of City funds to the Agency, the loan to be repaid upon such terms and conditions as the City Council of City shall prescribe;

NOW, THEREFORE, the parties hereto do agree as follows:

1. To the extent that funds are available in appropriations in the City budget and when authorized by the City Council, the City Finance Officer may transfer funds to the Agency for deposit in the Community Redevelopment Agency Administrative Fund for use in defraying the administrative expenses and overhead of the Agency.

2. The parties hereto agree that any City funds transferred to the Administrative Fund of the Agency shall constitute a loan from the City to the Agency and not a grant. Agency agrees that any City funds loaned to the Agency shall be repaid to the City upon demand out of the first funds accruing to it which are available for use in the payment of administrative expenses and overhead.

IN WITNESS WHEREOF, City and Agency have executed this agreement as of the day, month and year set forth herein.

*790 Feb 72 to Sept 74
890 thereon*

CITY OF WEST COVINA

BY Harold D. Chapel
MAYOR

ATTEST:

Lela W. Preston
City Clerk

REDEVELOPMENT AGENCY OF THE
CITY OF WEST COVINA

BY Harold D. Chapel
CHAIRMAN

ATTEST:

Lela W. Preston
Secretary

APPROVED AS TO FORM:

George Walbridge
City Attorney

SALES AND USE TAX REIMBURSEMENT AGREEMENT

This Sales and Use Tax Reimbursement Agreement, dated as of July 1, 2005 (the "Agreement"), by and between the West Covina Community Development Commission, a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State of California (the "Commission") (formerly the Redevelopment Agency of the City of West Covina, the "Agency"), and the City of West Covina, a public body, corporate and politic (the "City");

WITNESSETH:

WHEREAS, pursuant to its Ordinance No. 1818, adopted July 10, 1989, the City Council of the City amended Article II of chapter 21 of the West Covina Municipal Code to add Sections 21-32 thereto, providing, among other things, for a credit against the payment of sales and use taxes due under such Chapter in the amount of sales and use taxes due to the Agency under Section 7202.6 of the California Revenue and Taxation Code;

WHEREAS, the City adopted its Ordinance No. 1818 in connection with the Agency's adoption of Agency Ordinance No. 1, which provides for the levy by the Agency of sales and use tax (the "Agency Sales and Use Tax") within that portion of the Agency's redevelopment project areas (collectively, the "Project Area") commonly known as the West Covina Fashion Plaza, a regional shopping center of approximately one and one half million square feet of building area;

WHEREAS, the Agency and the City entered into their respective sales tax ordinances for the purpose of providing the Agency with a source of revenue necessary for the Agency to undertake the financing of public infrastructure improvements (the "Shopping Center Improvements") essential to the success of the West Covina Fashion Plaza;

WHEREAS, the Agency undertook the financing of the Shopping Center Improvements by means of its pledge of Agency Sales and Use Tax to the repayment of the \$51,220,000 Redevelopment Agency of the City of West Covina Community Facilities District No. 1989-1 (Fashion Plaza) 1996 Special Tax Refunding Bonds (the "Agency Bonds");

WHEREAS, the Agency and the City have entered into an Agreement Regarding Reimbursement of Sales and Use Taxes and Transfer of Appropriations Limit, dated as of June 1, 1989 (the "1989 Sales and Use Tax Agreement"), pursuant to which the Agency agreed to reimburse to the City that portion of the Agency Sales and Use Tax that is not pledged to the payment of the obligations

WHEREAS, the West Covina Fashion Plaza has generated Agency Sales and Use Tax payable to the Agency and pledged to the Agency's obligations and not otherwise reimbursable to the City pursuant to the 1989 Sales and Use Tax Agreement (the "Reimbursable Sales and Use Tax") in the amount of approximately \$9.6 million from its inception through June 30, 2005, and continues to generate Reimbursable Sales and Use Tax in excess of \$1 million per year;

WHEREAS, the Commission and the City recognize that the Reimbursable Sales and Use Tax constitutes a contribution of sales and use tax by the City for the payment of the costs of

construction and acquisition of the Shopping Center Improvements, in that the City has foregone the receipt of that sales tax by adopting its Ordinance No. 1818;

WHEREAS, the Commission, under Section 33445 of the California Health and Safety Code ("Section 33445"), is authorized to reimburse the City for the cost of the installation and construction of public capital improvements initially paid for by the City (such as the Shopping Center Improvements) with the consent of and upon the making of certain determinations by the legislative body of the Commission;

WHEREAS, the City and the Commission have made the findings required by Section 33445 in order for the Agency to make the reimbursements contemplated by this Agreement;

WHEREAS, the Agency and the Commission desire that the Commission shall reimburse to the City the cost of the Shopping Center Improvements borne by the City in the form of the Reimbursable Sales and Use Tax;

NOW, THEREFORE, for and in consideration of the premises and the material covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows:

SECTION 1. Reimbursement of the Cost of the Shopping Center Improvements; Interest. The Commission shall reimburse to the City the amount of all of the Reimbursable Sales and Use Tax received by the Commission from and after the adoption of its Ordinance No. 1 (whether received by the Commission before or after the effective date of this Agreement), together with interest thereon from the date of this Agreement at the rate of four percent (4%) per annum.

SECTION 2. Timing and Source of Commission Payments. The payments to be made by the Commission under Section 1 hereof shall be made by the Commission as soon as practicable after the end of each fiscal year. Payments shall be from any source of money legally available therefor and remaining at the end of such fiscal year after payment or provision for payment by the Commission of all Commission indebtedness, whether now existing or hereinafter incurred that is secured by and payable from Commission revenues, and after payment or provision of payment by the Commission of its operating costs. Each such payment shall be in an amount equal to the portion of the Reimbursable Sales and Use Tax shown in SCHEDULE A hereto and scheduled to be paid with respect to such fiscal year, plus any additional Reimbursable Sales and Use Tax received by the Commission during such fiscal year. Each such payment shall be credited first to the reimbursement of Reimbursable Sales and Use Tax received by the Commission during such fiscal year, and second to the reimbursement of the amount shown on SCHEDULE A. The Commission shall not be required to make any payments hereunder except from the amounts specified in this Section 2. In the event the Commission does not have sufficient revenues available to make the payments in the amounts specified in this Section 2, the unpaid amounts will continue to accrue interest as set forth herein. Any failure on the part of the Commission to pay the amounts specified in this Section 2 due to insufficient revenues being available therefor shall not constitute a default under this Agreement.

SECTION 3. Existing Unpaid Amounts. The amount of Reimbursable Sales and Use Tax that has accrued but has not been paid under this Agreement, from the date of the Agency Sales Tax Ordinance to the date of this Agreement, is estimated to be \$9.6 Million, as set forth in SCHEDULE A hereto. The estimated amount will be reconciled to the actual amounts received when known.

SECTION 4. Effective Date. This Agreement shall become effective as of the date first set forth above.

SECTION 5. Further Assurances. The Commission and the City agree to adopt, make, execute and deliver any and all such further resolutions, instruments, and agreements as may be necessary or desirable to carry out the intention or to facilitate the performance of this Agreement.

SECTION 6. Amendment. This Agreement may be amended only by means of a written amendment duly executed by the Commission and the City. The Commission and the City hereby agree not to amend this Agreement in any manner that would adversely affect the interests of holders or owners of any Commission obligations secured by and payable from Tax Increment Revenues.

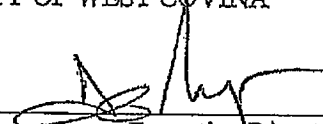
SECTION 7. Partial Invalidity. If any part of this Agreement shall for any reason be held to be illegal, invalid, or unenforceable, such holding shall not affect the validity of the remaining portions of this Agreement. The Commission and the City hereby declare that they would have adopted this Agreement and each part hereof irrespective of whether any one or more parts of this Agreement may be held illegal, invalid or unenforceable.

SECTION 8. Execution. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the Commission and the City have caused this Sales and Use Tax Reimbursement Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.


REDEVELOPMENT AGENCY OF THE
CITY OF WEST COVINA

By


Executive Director

CITY OF WEST COVINA

By


City Manager

Schedule A
Reimbursable Sales and Use Tax Generated Through June 30, 2005

		Beginning Balance	Interest Payment	Principal Payment	Fiscal Year Total	Ending Balance
		9,612,000				
1	2006	9,612,000	384,480	100,000	484,480	9,512,000
2	2007	9,512,000	380,480	100,000	480,480	9,412,000
3	2008	9,412,000	376,480	100,000	476,480	9,312,000
4	2009	9,312,000	372,480	100,000	472,480	9,212,000
5	2010	9,212,000	368,480	100,000	468,480	9,112,000
6	2011	9,112,000	364,480	100,000	464,480	9,012,000
7	2012	9,012,000	360,480	100,000	460,480	8,912,000
8	2013	8,912,000	356,480	200,000	556,480	8,712,000
9	2014	8,712,000	348,480	220,000	568,480	8,492,000
10	2015	8,492,000	339,680	240,000	579,680	8,252,000
11	2016	8,252,000	330,080	260,000	590,080	7,992,000
12	2017	7,992,000	319,680	280,000	599,680	7,712,000
13	2018	7,712,000	308,480	800,000	1,108,480	6,912,000
14	2019	6,912,000	276,480	820,000	1,096,480	6,092,000
15	2020	6,092,000	243,680	840,000	1,083,680	5,252,000
16	2021	5,252,000	210,080	860,000	1,070,080	4,392,000
17	2022	4,392,000	175,680	880,000	1,055,680	3,512,000
18	2023	3,512,000	140,480	1,125,000	1,265,480	2,387,000
19	2024	2,387,000	95,480	1,200,000	1,295,480	1,187,000
20	2025	1,187,000	<u>47,480</u>	<u>1,187,000</u>	<u>1,234,480</u>	
Total			<u>5,799,600</u>	<u>9,612,000</u>	<u>15,411,600</u>	

**SALES TAX CONTRIBUTIONS
THE PLAZA AT WEST COVINA**

Attachment 2

YEAR	TO CITY			TO CFD *	TOTAL
	BASE	EXCESS	TOTAL		
1990	1,031,395.00	11,827.00	1,043,222.00	67,019.00	\$ 1,110,241.00
1991	1,305,614.00	-	1,305,614.00	7,907.00	\$ 1,313,521.00
1992	1,154,403.00	-	1,154,403.00	-	\$ 1,154,403.00
1993	1,370,138.00	2,541.00	1,372,679.00	14,402.00	\$ 1,387,081.00
1994	1,500,000.00	30,975.00	1,530,975.00	175,526.00	\$ 1,706,501.00
1995	1,500,000.00	19,997.00	1,519,997.00	113,317.00	\$ 1,633,314.00
1996	1,500,000.00	65,975.00	1,565,975.00	373,859.00	\$ 1,939,834.00
1997	1,500,000.00	137,571.00	1,637,571.00	779,567.00	\$ 2,417,138.00
1998	1,500,000.00	153,861.00	1,653,861.00	871,878.00	\$ 2,525,739.00
1999	1,500,000.00	169,817.00	1,669,817.00	982,298.00	\$ 2,632,115.00
2000	1,500,000.00	195,572.00	1,695,572.00	1,108,242.00	\$ 2,803,814.00
2001	1,500,000.00	192,879.00	1,692,879.00	1,092,979.00	\$ 2,785,858.00
2002	1,500,000.00	194,193.00	1,694,193.00	1,100,428.00	\$ 2,794,621.00
2003	1,500,000.00	199,535.00	1,699,535.00	1,130,700.00	\$ 2,830,235.00
2004 **	660,000.00	104,058.00	764,058.00	589,664.00	\$ 1,353,722.00
2004-05				1,225,000.00	Estimate
2005-06					
2006-07					\$ -
2007-08					\$ -
2008-09					\$ -
2009-10					\$ -
2010-11					\$ -
2011-12					\$ -
2012-13					\$ -
2013-14					\$ -
2014-15					\$ -
2015-16					\$ -
2016-17					\$ -
2017-18					\$ -
2018-19					\$ -
2019-20					\$ -
Total	20,521,550.00	1,478,801.00	22,000,351.00	9,612,786.00	\$ 30,388,137.00

* 85% of excess over base year thru FY 2004-05
70% of excess over base year from FY 2005-006 thru FY 2019-20

** 2 quarters only

REIMBURSEMENT OF SALES AND USE TAX REPAYMENT SCHEDULE

Fiscal Year	Prior Fiscal Year Interest	Prior Fiscal year Principal	Prior Fiscal year Total	Estimated Current Fiscal year Total	Fiscal year Total
2006	384,480	100,000	484,480	1,000,000	1,484,480
2007	380,480	100,000	480,480	1,040,000	1,520,480
2008	376,480	100,000	476,480	1,081,600	1,558,080
2009	372,480	100,000	472,480	1,124,864	1,597,344
2010	368,480	100,000	468,480	1,169,859	1,638,339
2011	364,480	100,000	464,480	1,216,653	1,681,133
2012	360,480	100,000	460,480	1,265,319	1,725,799
2013	356,480	200,000	556,480	1,315,932	1,872,412
2014	348,480	220,000	568,480	1,368,569	1,937,049
2015	339,680	240,000	579,680	1,423,312	2,002,992
2016	330,080	260,000	590,080	1,480,244	2,070,324
2017	319,680	280,000	599,680	1,539,454	2,139,134
2018	308,480	800,000	1,108,480	1,601,032	2,709,512
2019	276,480	820,000	1,096,480	1,665,074	2,761,554
2020	243,680	840,000	1,083,680	1,731,676	2,815,356
2021	210,080	860,000	1,070,080	1,800,944	2,871,024
2022	175,680	880,000	1,055,680	1,872,981	2,928,661
2023	140,480	1,125,000	1,265,480	486,975	1,752,455
2024	95,480	1,200,000	1,295,480	-	1,295,480
2025	47,480	1,187,000	1,234,480	-	1,234,480
Total	5,799,600	9,612,000	15,411,600	24,184,488	39,596,088

2000 FINANCING AGREEMENT BETWEEN
THE REDEVELOPMENT AGENCY OF THE CITY OF WEST COVINA
AND THE CITY OF WEST COVINA
PERTAINING TO THE PROVISION OF FINANCIAL ASSISTANCE

This 2000 FINANCING AGREEMENT (this "Agreement") is made and entered into on May 2, 2000, by and between the Redevelopment Agency of the City of West Covina ("Agency") and the City of West Covina ("City").

Recitals

A. On June 30, 1992, the parties entered into a "Cooperation and Financing Agreement" (the "1992 Agreement"), which remains in full force and effect except as specifically set forth herein.

B. The parties desire to enter into this Agreement to provide for loans from City to Agency, to occur on or after July 1, 2000, derived from the proceeds of the sale of City's water system, and to provide for the repayment of such loans.

C. The parties further desire to modify the 1992 Agreement to cap Agency's repayment obligation thereunder at \$2,400,000.00 in each of the next three fiscal years.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth below, the parties agree as follows:

1. The terms set forth herein shall apply to all funds loaned by City to Agency on or after July 1, 2000, up to the maximum aggregate principal amount set forth herein, until or unless the parties agree to modify such terms.

2. Nothing contained herein shall be construed to modify any agreements between the parties as to any funds previously loaned by City to Agency, except that the parties agree hereby that Agency shall not be required to pay to City more than \$2,400,000.00 per year, in each fiscal year from 2000-2001 through 2002-2003, inclusive, pursuant to the 1992 Agreement.

3. The provisions of this Agreement shall not obligate City to make any funds available to Agency in any future fiscal years.

5. Commencing on July 1, 2000, City shall make available for loans to Agency the amount of Five million six hundred thousand dollars (\$5,600,000.00). Agency shall treat such funds as a line of credit, in that Agency may draw funds as needed, for any legal redevelopment expenditure, and interest will accrue only on funds drawn, from the date of such draws.

6. On or before July 1, 2000, Agency shall provide City with an executed Promissory Note in the form attached hereto, pertaining to the anticipated loan of funds pursuant to this Agreement.

7. Funds loaned pursuant to this Agreement shall bear interest at variable rates equal to two percent (2%) greater than the rates paid by the State's Local Agency Investment Fund. Interest shall not accrue on the Advance prior to July 1, 2000. Interest shall be compounded quarterly, on the last days of March, June, September and December, of each year.

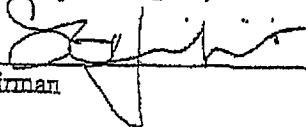
8. Agency shall pay to City all accrued interest on a quarterly basis, on the last days of March, June, September and December, of each year, with the first such payment to occur on September 30, 2000.

9. By approximately June 30, 2002, Agency expects to have created a long-term financing plan to provide for the repayment of the principal amounts loaned pursuant to this Agreement. Subject to any modification as part of such plan, or any other modification to which the parties agree, Agency shall repay to City all principal amounts loaned pursuant to this Agreement no later than December 31, 2021. Agency may repay any principal amounts, at any earlier times, with no penalty.

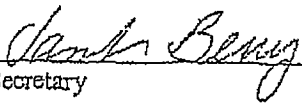
10. Agency, in its sole discretion, shall direct that each individual draw of funds pursuant to this Agreement shall be made by one of Agency's distinct Redevelopment Project Areas, and each such draw shall constitute a debt of the Project Area which receives such funds.

Intending to be legally bound, the parties have executed this Agreement, below, as of the date first written, above.


Redevelopment Agency of the City of West Covina


Chairman

Attest:


Secretary

Approved as to form:


Special Agency Counsel
City of West Covina



[Handwritten Signature]
Mayor

Attest:

[Handwritten Signature]
City Clerk

Approved as to form:

[Handwritten Signature]
Interim City Attorney



PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, THE REDEVELOPMENT AGENCY OF THE CITY OF WEST COVINA, a public body corporate and politic, organized under California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.), located at 1444 West Garvey Avenue South, West Covina, California 91790 (hereinafter called "Maker"), does hereby promise to pay to the order of THE CITY OF WEST COVINA, a municipal corporation, located at 1444 West Garvey Avenue South, West Covina, California 91790 (hereinafter called "Lender"), in lawful money of the United States of America, the principal sum of \$5,600,000, together with interest thereon, at the rates hereinafter calculated.

1. Maker and Lender. This Note has been approved by Lender by Resolution No. 2000-36, and by Maker by Resolution No. 551.
2. Principal Amount. Maker hereby agrees to repay the principal sum of \$5,600,000, together with interest as provided in Section 3 below.
3. Interest. All payments of principal and interest hereunder shall accrue interest at the rate equal to LAIF plus two percent adjusted quarterly in arrears.
4. Repayment Terms. Maker shall pay interest only on the principal it draws down from the point at which the funds are drawn down. The Maker shall repay all principal amounts no later than December 31, 2021.
5. No Prepayment Penalty. Maker shall have the right to prepay this Note in whole or in part, without penalty, at any time and from time to time, prior to the maturity date hereof.
6. Default. If Maker shall be in default in the performance of any of the terms, agreement, covenants, or conditions contained in this Note, then, or at any time thereafter, Maker may, at the election of Lender hereof, with notice to Maker, pursue any and all remedies available to Maker.
7. Attorney's Fees. Maker agrees to pay all costs of collection, including reasonable attorney's fees and all costs of suit, in the event of any litigation because of the existence of the indebtedness of this Note, whether or not suit is brought, and including all litigation, suits, claims, and actions, whether brought by Lender or a third party.
8. Governing Law: Compliance With Usury Laws: Reformation. This Note has been executed under, and shall be construed and enforced in accordance with the laws of the State of California. In the event this Note shall require the payment of interest in excess of the maximum amount permissible under applicable law, then the Maker's obligations hereunder shall, automatically and retroactively, be deemed reduced to the higher maximum amount permissible under applicable law. In the event Lender received as interest an amount which would exceed

such maximum applicable rate, the amount of any excess interest shall not exceed such applicable maximum rate, the amount of any excess interest shall be applied to the reduction of the unpaid principal balance due hereunder. In the event and to the extent such excess amount of interest exceeds the outstanding unpaid principal balance hereunder, any such excess amount shall be immediately returned to Maker.

9. No Waiver. No delay or omission on the part of Lender hereof in exercising any right hereunder shall operate as a waiver of such right or of any other right under this note.

10. Notices. Any notice required by law or this Note shall be directed to Maker and Lender at the addresses set forth in the preamble to this Note, with a copy of such notice(s) sent to the West Covina City Attorney. Notices shall be effective upon the earlier of (i) receipt, or (ii) twenty-four hours after deposit.

11. Successors and Assigns. Whenever used herein, the words "Maker" and "Lender" shall be deemed to include their respective heirs, personal representatives, successors, and assigns.

12. Amendments in Writing. This Note may not be amended, modified, or changed, nor shall any waiver of any provision hereof be effective, except by an instrument in writing signed by the party against whom enforcement of any waiver, amendment, modification, or discharge is sought.

13. Indebtedness of Maker. This Note, including the loan principal and accrued interest thereon, shall constitute an indebtedness of Maker.

14. Subordination. The payment of the loan principal and accrued interest thereon by maker shall be only to (i) all existing or future tax allocation bonds or other direct long-term indebtedness of Maker, (ii) all existing or future pledges by maker of tax increments for tax allocation bonds or other direct long-term indebtedness of Maker, (iii) Maker's financial agreements and other contractual obligations of Maker.

15. Non-Recourse Obligation. No officer, official, employee, agent, or representative of Maker shall be liable for any amounts due hereunder, and no judgment or execution thereon entered in any action hereon shall be personally enforced against any such officer, official, employee, agent or representative.

Executed this 2nd day of May, 2000, at West Covina, California.

"MAKER"
THE REDEVELOPMENT AGENCY OF
THE CITY OF WEST COVINA

By: [Signature]
Chairman

ATTEST BY:

[Signature]
Secretary

"LENDER"
CITY OF WEST COVINA

By: [Signature]
Mayor

ATTEST BY:

[Signature]
City Clerk

RESOLUTION NO. 2009-37

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST COVINA, CALIFORNIA, APPROVING A LOAN TO THE WEST COVINA COMMUNITY DEVELOPMENT COMMISSION FOR THE PAYMENT OF PROJECT AND ADMINISTRATIVE EXPENSES FOR THE WEST COVINA MERGED REDEVELOPMENT PROJECT AREA

WHEREAS, the City of West Covina Community Development Commission (Agency) has heretofore undertaken and is continuing to undertake certain action pursuant to the Community Redevelopment Law of the State of California; and

WHEREAS, the Agency has incurred and will continue to incur obligations for project and administrative expenses and overhead; and

WHEREAS, said Agency has requested a loan from the City of West Covina in the sum of \$2 million to assist it in defraying expenses heretofore incurred and expenses which will be incurred hereinafter in carrying out the budgeted projects of said Agency; and

WHEREAS, the City of West Covina is authorized, pursuant to said Community Redevelopment Law, to make a loan to the Agency for the purpose of defraying said expenses and overhead:

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of West Covina that:

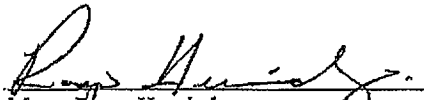
Section 1. Pursuant to the provisions of said Community Redevelopment Law, of the State of California, the City of West Covina shall lend to the Agency the sum of \$2.5 million for the purpose of defraying project and administrative expenses and overhead of the Agency in the West Covina Redevelopment Project Area.

Section 2. The Agency pledges to accept and administer the funds loaned to it in accordance with the provisions of said Community Redevelopment Law.

Section 3. The Treasurer of the City of West Covina is authorized and directed to immediately credit the Agency in the amount of \$2.5 million at 5% interest.

Section 4. The Agency will repay said loan plus accrued interest, to the City by June 30, 2010 from any available funds of the Agency, including the portion of taxes mentioned in Subdivision (b) of Sanction 33670 of the Health and Safety Code of the State of California, which may legally be utilized for such repayment. This loan will be subordinate to any outstanding bonds issued by the Agency.

APPROVED AND ADOPTED on this 16th day of June 2009.

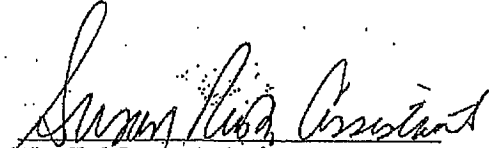

Mayor Roger Hernández

ATTEST:

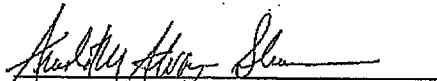

City Clerk Laurie Curcio

I, LAURIE CARRICO, CITY CLERK of the City of West Covina, California, do hereby certify that the foregoing resolution was duly adopted by the City Council of the City of West Covina, California, at a regular meeting held thereof on the 16th day of June, 2009 by the following vote of the City Council:

AYES: Herfert, Lane, Sanderson, Touhey, Hernández
NOES: None
ABSENT: None
ABSTAIN: None


City Clerk Laurie Carrico

APPROVED AS TO FORM:


City Attorney Arnold Alvarez-Glasman

RESOLUTION NO. 602

A RESOLUTION OF THE CITY OF WEST COVINA COMMUNITY DEVELOPMENT COMMISSION REQUESTING A LOAN FROM THE CITY OF WEST COVINA FOR PAYMENT OF PROJECT EXPENSES FOR THE WEST COVINA MERGED REDEVELOPMENT PROJECT AREA

WHEREAS, the City of West Covina Community Development Commission (Agency) has undertaken certain actions pursuant to the Community Redevelopment Law of the State of California; and

WHEREAS, the Agency has incurred and will continue to incur obligations for project and administrative expenses and overhead as allowed under the Community Redevelopment Law of the State of California; and

WHEREAS, the City of West Covina is authorized, pursuant to said Community Redevelopment Law to make a loan to the Agency for the purpose of defraying said expenses and overhead; and

NOW THEREFORE, BE IT RESOLVED by the members of the West Covina Community Development Commission that:

Section 1. Pursuant to the provisions of said Community Redevelopment Law, the Agency hereby requests of the City of West Covina a loan in the amount of \$2.5 million at 5% interest for the purpose of defraying project and administrative expenses and overhead in the West Covina Redevelopment Project Area.

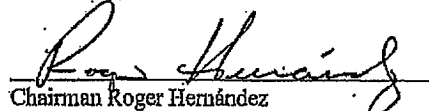
Section 2. The Agency pledges to accept and administer any funds loaned to it pursuant to this request in accordance with the provisions of said Community Redevelopment Law.

Section 3. The Agency requests that the City Council of the City of West Covina require that such loan be repaid by June 30, 2010 from any available funds of the Agency, including the portion of taxes mentioned in Subdivision (b) of Section 33670 of the Health and Safety Code, which may legally be utilized for such repayment. This loan will be subordinate to any outstanding bonds issued by the Agency.

APPROVED AND ADOPTED on this 16th day of June, 2009.


ATTEST:


Commission Secretary Laurie Carrico

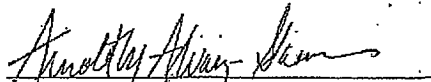

Chairman Roger Hernández

I, LAURIE CARRICO, CITY CLERK of the City of West Covina, California, do hereby certify that the foregoing resolution was duly adopted by the Community Development Commission of the City of West Covina, California, at a regular meeting held thereof on the 16th day of June, 2009 by the following vote of the City Council:

AYES: Herfert, Lane, Sanderson, Touhey, Hernández
NOES: None
ABSENT: None
ABSTAIN: None


Commission Secretary Laurie Carrico

APPROVED AS TO FORM:


General Counsel Arnold Alvarez-Glasman

COOPERATION AGREEMENT FOR PAYMENT OF COSTS
ASSOCIATED WITH CERTAIN RDA FUNDED CAPITAL
IMPROVEMENT AND AFFORDABLE HOUSING PROJECTS

15th THIS COOPERATION AGREEMENT (the "Agreement") is entered into this day of February 2011, by and between the CITY OF WEST COVINA (the "City") and the WEST COVINA COMMUNITY DEVELOPMENT COMMISSION (the "Commission"), with reference to the following facts:

A. The Commission has prepared Redevelopment Plans for the City Wide Redevelopment Project Area ("City Wide Project Area") and the West Covina Redevelopment Project Area ("West Covina Project Area") (collectively the "Project Areas"), which results in the allocation of taxes from the Project Areas to the Commission for purposes of redevelopment.

B. The intent of the Redevelopment Plans is, in part, (i) provide for the construction and installation of necessary public infrastructure and facilities and to facilitate the repair, restoration, and/or replacement of existing public facilities; (ii) promote specific actions necessary to promote the redevelopment and the economic revitalization of the Project Areas, (iii) preserve and create new jobs within the Project Areas; (iv) increase, improve and preserve the community's supply of low and moderate income housing, some of which may be located or implemented outside the Redevelopment Project Areas; and (v) as to all of the afore-mentioned redevelopment projects, to implement the redevelopment plans for the respective redevelopment projects and to expend tax increment to accomplish the goals and objectives of the respective redevelopment projects.

C. The Commission has adopted its Five-Year Implementation Plans for the Project Areas (the "Plans") with established goals to support affordable housing, economic development, community revitalization, and institutional revitalization. To implement the programs and activities associated with each goal, the Commission has made redevelopment fund commitments based on estimated available tax increment revenue and debt financing structures.

D. Pursuant to California Redevelopment law, section 33220(e), certain public bodies, including the City, may aid and cooperate in the planning, undertaking, construction, or operation of redevelopment projects. Collectively, the projects associated with this Agreement are listed in the attached adopted resolutions, Exhibit 1, which is incorporated herein by this reference (the "Projects"). The programs and activities associated with the Projects include acquisition, development of design criteria, design, planning, preparation of construction bid documents, financial analysis, new construction or rehabilitation. To carry out the Projects in accordance with the objectives and purposes of the Redevelopment Plans for the Project Areas and the Plans, the Commission desires assistance and cooperation in the implementation and completion of the Projects. The City agrees to aid the Commission and cooperate with the Commission to expeditiously implement the Projects in accordance with the redevelopment plans for the Project Areas

and the Plans and undertake and complete all actions necessary or appropriate to ensure that the objectives of the redevelopment plans for the Project Areas and the Plans are fulfilled within the time effectiveness of the Project Areas.

E. In considering the Commission's desire to ensure timely implementation and completion of the Projects, the Commission wishes to enter into this Agreement with the City for the pledge of net available tax increment to finance the Projects. The purpose of this Agreement is to facilitate the implementation of the Projects and to provide funding necessary to effectuate the completion of the Projects with net available tax increment in this current fiscal year and forthcoming fiscal years until the expiration of the Project Areas, and until the last date for receipt of tax increments by the Commission for each of the respective redevelopment projects areas.

F. Net available tax increment is defined as any available tax increment and income thereon, net of statutory pass-through payments, set-asides for affordable housing, debt service payments, and existing contractual obligations. The pledge of net available tax increment will constitute legal obligations to make payments authorized and incurred pursuant to Section 33445. The obligations set forth in this Agreement will be contractual obligations that, if breached, will subject the parties to this Agreement to damages and other liabilities or remedies.

G. The City Council (the "Council") and the Commission by resolution have each found that the use of Commission redevelopment funding for the Projects is in accordance with Section 33445 of the California Community Redevelopment Law (Health & Safety Code Section 33000 *et seq.*) ("CRL") and other applicable law. The said Council and Council resolutions are each based on the authority of the Commission, with the consent of the Council, to pay all or part of the cost of the installation and construction of any building, facility, structure, or other improvements which is publicly owned either within or outside a project area.

H. By approving and entering into this Agreement, the Commission has approved the pledge of net available tax increment from the Project Areas to pay for the Projects.

I. The obligations of the Commission under this Agreement shall constitute an indebtedness of the Commission for the purpose of carrying out the Redevelopment Plan for the Project Areas.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. INTRODUCTORY PROVISIONS

The recitals above are an integral part of this Agreement and set forth the intentions of the parties and the premises on which the parties have decided to enter into this Agreement.

2. COMMISSION'S OBLIGATIONS

A. The Projects are those projects which are listed on the attached Exhibit 1, which is incorporated herein by this reference. The Commission agrees to pay the City an amount equal to the cost to the City to carry out the Projects to completion, including without limitation all costs incurred by the City for the planning, financing, development, permitting, design, site testing, site remediation, bidding, construction and construction management of the Projects. The Commission's obligations under this Agreement include without limitation, the Commission's obligation to make the payments to the City required by this Agreement, shall constitute an indebtedness of the Commission for the purpose of carrying out the redevelopment of the Project Areas and are obligations to make payments authorized and incurred pursuant to Section 33445 and other applicable statutes. The obligations of the Commission set forth in this Agreement are contractual obligations that, if breached, will subject the Commission to damages and other liabilities or remedies.

B. The obligations of Commission under this Agreement shall be payable out of net available tax increments, as defined in the above recitals, levied by or for the benefit of taxing agencies in the Redevelopment Project Areas, and allocated to the Commission pursuant to Section 33670 *et seq.*, of the California Community Redevelopment Law. Tax increment shall mean and include tax increment as defined or provided for in any applicable constitutional provision, statute or other provision of law now existing or adopted in the future, and allocated to (i) the Commission and/or (ii) any lawful successor entity of the Commission and/or (iii) any entity established by law to carry out any of the redevelopment plans for the Commission project areas and/or (iv) any entity established by law to expend tax increment and/or (v) any entity established by law to pay indebtedness of the Commission to be repaid in whole or in part with tax increment, pursuant to Section 33670 *et seq.* of the California Health & Safety or any applicable constitutional provision, statute or other provision of law now existing or adopted in the future.

C. The indebtedness of Commission under this Agreement shall be subordinate to the rights of the holder or holders of any existing or future bonds, notes or other instruments of indebtedness (all referred to herein as "Indebtedness") of Commission incurred or issued to finance the Redevelopment Project Areas, including without limitation any pledge of tax increment revenues from the Redevelopment Project Areas to pay any portion of the principal (and otherwise comply with the obligations and covenants) of any bond or bonds issued or sold by Commission with respect to the Redevelopment Project Areas.

D. Payments to be made by the Commission to the City under the Cooperation Agreement shall be made by the Commission as they are incurred by the City or as demanded by the City when necessary to perform its obligations and duties hereunder. City shall provide Commission with a quarterly report accompanied by evidence reasonably satisfactory to the Commission's Executive Director that the City has progressed in the development and construction of the Project or Projects for which

payment is made by the Commission commensurate with such payments and has incurred costs or obligations to make payments equal to or greater than such amount.

3. CITY'S OBLIGATIONS

A. The City shall accept any funds offered by the Commission pursuant to this Agreement and shall devote those funds to completion of the Projects by (i) reimbursing the City or using such funds to make City expenditures to perform the work required to carry out and complete the Projects; (ii) utilize such funds to pay debt service on bonds or other indebtedness or obligations that the City has or will incur for such purposes; and/or (iii) paying such funds into a special fund of the City to be held and expended only for the purposes of satisfying the obligations of the City hereunder.

B. It is the responsibility of City to pay all development and construction costs in connection with the Projects from funds paid to the City by the Commission under this Agreement.

C. The City shall perform its obligations hereunder in accordance with the applicable provisions of federal, state and local laws, including the obligation to comply with environmental laws such as CEQA.

D. The City's performance of its obligations and duties under this Agreement shall be performed by the Community Development Commission Director, with support from the Community Development Commission's management team and staff who shall report to the City Manager. Commission management team and staff shall mean the Assistant Director, Redevelopment Manager, Project Manager, Management Analyst II, Senior Administrative Assistant, Administrative Assistant I, Project Coordinator, Housing Coordinator, and Interns, or such City department or entity as designated by the City Manager.

4. LIABILITY AND INDEMNIFICATION

In contemplation of the provisions of California Government Code Section 895.2 imposing certain tort liability jointly upon public entities solely by reason of such entities being parties to an agreement as defined by Government Code Section 895, the parties hereto, as between themselves, pursuant to the authorization contained in Government Code Sections 895.4 and 895.6, shall each assume the full liability imposed upon it, or any of its officers, agents or employees, by law for injury caused by negligent or wrongful acts or omissions occurring in the performance of this Agreement to the same extent that such liability would be imposed in the absence of Government Code Section 895.2. To achieve the above-stated purpose, each party indemnifies, defends and holds harmless the other party for any liability, losses, cost or expenses that may be incurred by such other party solely by reason of Government Code Section 895.2.

5. ENTIRE AGREEMENT: WAIVERS AND AMENDMENTS

A. This Agreement shall be executed in triplicate originals, each of which is deemed to be an original.

B. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to the subject matter of this Agreement.

C. This Agreement is intended solely for the benefit of the City and the Commission. Notwithstanding any reference in this Agreement to persons or entities other than the City and the Commission, there shall be no third party beneficiaries under this Agreement.

D. All waivers of the provisions of this Agreement, and all amendments to this Agreement must be in writing and signed by the authorized representatives of the parties.

6. SEVERABILITY

If any term, provisions, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

7. DEFAULT

If either party fails to perform or adequately perform an obligation required by this Agreement within thirty (30) calendar days of receiving written notice from the non-defaulting party, the party failing to perform shall be in default hereunder. In the event of default, the non-defaulting party will have all the rights and remedies available to it at law or in equity to enforce the provisions of this contract, including without limitation the right to sue for damages for breach of contract. The rights and remedies of the non-defaulting party enumerated in this paragraph are cumulative and shall not limit the non-defaulting party's rights under any either provision of this Agreement, or otherwise waive or deny any right or remedy, at law or in equity, existing as of the date of. The Agreement or hereinafter enacted or established, that may be available to the non-defaulting party against the defaulting party. All notices of defaults shall clearly indicate a notice of default under this Agreement.

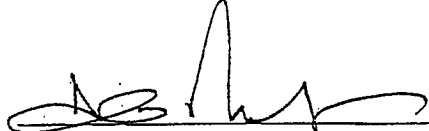
8. BINDING ON SUCCESSORS

This Agreement shall be binding on and shall inure to the benefit of all successors and assigns of the parties, whether by agreement or operation of law.

[Signatures on the following page]


IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

THE CITY OF WEST COVINA (the
"City")



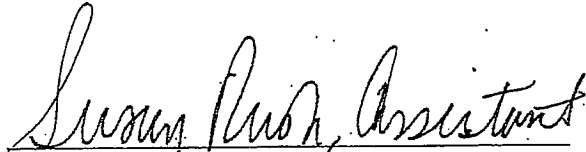
Andrew Pasmant, City Manager

THE WEST COVINA COMMUNITY
DEVELOPMENT COMMISSION (the
"Commission")



Andrew Pasmant, Executive Director

ATTESTED:



Susan Rubin, Assistant
City Clerk/Commission Secretary

APPROVED AS TO FORM:



Anthony Alonzo
City Attorney/Commission Counsel

EXHIBIT 1

FUTURE REDEVELOPMENT/ECONOMIC DEVELOPMENT PROJECTS

Projects	Project Cost	Project Area	Description
Amar/Azusa (Island Plaza shopping Center)	\$1,000,000	Citywide RPA	Re-tenanting of vacancies at shopping center located on southeast corner of Amar/Azusa.
Auto Dealership Retention and Expansion	\$20,000,000	West Covina RPA	Renovation and development of new dealerships on Auto Row.
Auto Center Sign	\$1,500,000	West Covina RPA	Replacement of existing Auto Center Sign.
Azusa/Aroma (South Hills Plaza)	\$1,500,000	Citywide RPA	Facade/building/site improvement and re-tenanting at South Hills Plaza.
Citrus/Workman (Citrus Grove)	\$1,500,000	West Covina RPA	Facade/building/site improvement and tenanting assistance at Citrus Grove.
Civic Center Development	\$5,000,000	West Covina RPA	Development of a commercial project on City-owned civic center property.
Civic Center (County Library Parking)	\$1,000,000	West Covina RPA	Relocation of library parking from City property to Los Angeles County property.
Country Club Center (McIntyre Square)	\$2,000,000	West Covina RPA	Facade/building/site improvement and tenant assistance of blighted shopping center.
Eastland Shopping Center	\$2,000,000	West Covina RPA	Facade/building/site improvement and re-tenanting at Eastland Shopping Center.
Economic Development and Job Creation	\$9,420,000	Entire City	Promotion and marketing of West Covina to attract businesses and jobs.
Former Crazyhorse	\$1,000,000	West Covina RPA	Re-tenanting of Former Crazyhorse site.
Glendora Downtown (mixed used development)	\$40,000,000	West Covina RPA	Redevelopment of downtown for a potential mix-used development along Glendora Avenue.
Glendora Downtown branding program	\$500,000	West Covina RPA	Development of a comprehensive branding and signage program for downtown area.
Glendora Downtown (Lakes Entertainment Center)	\$2,500,000	West Covina RPA	Re-tenanting of vacancies at the Lakes Entertainment Center.
Glendora Downtown (Edward's Theater)	\$5,000,000	West Covina RPA	Facade improvement and remodeling of the theater.
Glendora Downtown (Former Wickes site)	\$20,000,000	West Covina RPA	Redevelopment of former Wickes site for a mixed use (housing and commercial) development.
Image Enhancement	\$2,000,000	Entire City	Improve image of project areas through banner programs, theme signage, and marketing.
K-Mart Site	\$20,000,000	West Covina RPA	Redevelopment of K-Mart center.
K-Mart Site (Credit Union property)	\$1,500,000	West Covina RPA	Redevelopment of vacant Credit Union property for a commercial use.
Nogales/La Puente (Qualtride Shopping Center)	\$2,000,000	Citywide RPA	Re-tenanting of vacancies at shopping center located on Nogales/La Puente.
Public Infrastructure	\$3,000,000	Entire City	Streetscape design, pedestrian walkways and provide for general infrastructure and utility improvements.
Public Infrastructure (Freeway enhancement)	\$3,000,000	Entire City	Landscaping and beautification of freeway entrances.
Public Infrastructure (Azusa/Amar improvements)	\$500,000	Citywide RPA	Intersection improvements on Azusa/Amar Road.
Public Infrastructure (Azusa Avenue Street Rehabilitation)	\$1,700,000	Entire City	Street rehabilitation from Giambi Way to North City Limits.
Public Infrastructure (Mass Transit Center)	\$2,000,000	West Covina RPA	Development of a mass transit center in conjunction with Foothill Transit.
Public Infrastructure (High Speed Rail Transit Station)	\$30,000,000	West Covina RPA	Development of a high speed rail station and parking structure at the Westfield Mall.
Public Infrastructure (Fire station)	\$10,000,000	Entire City	Construction of a new fire station and related infrastructure improvements.
Restaurant Row	\$2,000,000	West Covina RPA	Facade, sign, and parking lot improvement of restaurant row.
Shopping Center Renovation	\$10,000,000	Entire City	Facade improvements and marketing programs to promote struggling shopping centers.
Strategic Development (West Covina Parkway Plaza)	\$1,000,000	West Covina RPA	Re-tenanting of vacancies at shopping center located on West Covina Parkway Plaza.
Strategic Development (Marketplace II)	\$5,000,000	West Covina RPA	Re-tenanting of vacancies at shopping center located on Lakes Drive.
West Covina Sportsplex (Golf Course)	\$45,000,000	West Covina RPA	Development of a 18 hole golf course on the former BKK landfill.
West Covina Sportsplex (waterline)	\$5,000,000	West Covina RPA	Development of waterline system to support golf course and future development on remainder of Sportsplex site.
West Covina Sportsplex (Dog Park)	\$100,000	West Covina RPA	Development of a dog park on vacant parcels on Sportsplex site.
West Covina Sportsplex (hockey/ice rink)	\$5,500,000	West Covina RPA	Development of a ice rink on 880 pad of Sportsplex site. May include site development, land and potential for financial assistance.
West Covina Sportsplex (Helipad)	\$2,000,000	West Covina RPA	Development of a Helipad on surplus property for public safety helicopters.
West Covina Sportsplex (Signage)	\$1,000,000	West Covina RPA	Development of a new signage for the entire Sportsplex site.
North/West College Expansion	\$2,000,000	West Covina RPA	Facade/building renovation of Northwest College.
West Covina Mall Expansion	\$5,000,000	West Covina RPA	Re-tenanting and development of additional retail space at the Westfield Mall.
Additional Development Opportunities (Pioneer School Site)	\$2,000,000	na	Public infrastructure need to convert school properties to residential/commercial/industrial development.
Additional Development Opportunities (Vincent Adult Center)	\$2,000,000	West Covina RPA	Public infrastructure need to convert school properties to residential/commercial/industrial development.

Administrative and Personnel Cost for development and monitoring.	\$57,800,000	Entire City	Administrative, personnel, supplies and service cost for administering redevelopment/economic development projects and related infrastructure improvements.
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FUTURE HOUSING PROJECTS AND PROGRAMS

Projects	Project Cost	Project Area	Description
Home Improvement Loan Program	\$17,000,000	Entire City	Continuation of Home Improvement Loan Program
Housing Preservation Program	\$1,020,000	Entire City	Continuation of Housing Preservation Loan Program for moderate/income family.
Affordable Housing Projects	\$50,000,000	Entire City	Development of future affordable housing projects.
Administrative and Personnel Cost for development and monitoring.	\$57,800,000	Entire City	Administrative, personnel, supplies and service cost for administering housing projects and related infrastructure improvements.

Total

\$460,840,000

**IMPLEMENTATION AGREEMENT TO THE
COOPERATION AGREEMENT DATED FEBRUARY 15,
2011 FOR PAYMENT OF COSTS TO THE CITY OF WEST
COVINA ASSOCIATED WITH THE DEVELOPMENT OF
A GOLF COURSE**

THIS IMPLEMENTION AGREEMENT (the "Agreement") is entered into this 21st day of June, 2011, by and between the **CITY OF WEST COVINA**, a municipal corporation ("City") and the **WEST COVINA COMMUNITY DEVELOPMENT COMMISSION**, a public body, corporate, and politic ("Commission"), with reference to the following facts:

WHEREAS, on February 15, 2011, the City and Commission entered into that certain Cooperation Agreement for Payment of Costs Associated With Certain RDA Funded Capital Improvement and Affordable Housing Projects ("Cooperation Agreement") wherein the Commission committed to pledge and otherwise provide net available tax increment to develop and constructed various redevelopment projects listed in the Cooperation Agreement, and the City, in consideration for Commission's financial assistance, agreed to provide for and facilitate the cooperative planning, undertaking, construction, or operation of redevelopment projects in accordance with the Commission's Redevelopment Plans and to aid and cooperate with the Commission to expeditiously implement the listed projects listed in the Cooperation Agreement. The Cooperation Agreement and all exhibits thereto are hereby incorporated herein by this reference.

WHEREAS, the City and Commission desire to cooperate with one another by entering into this Agreement for the planning, development, and construction of a public championship golf course to be located on Commission owned and Commission leased property, consisting of approximately 180 acres of land ("Project"), which is more specifically shown in Exhibit A attached hereto (collectively the "Site").

WHEREAS, a portion of the Site was formerly a Class III landfill used for the disposal of municipal solid waste.

WHEREAS, the City and Commission desire to enter into this Agreement to continue the long term goals of rehabilitating the Site into a remediated productive use, and further eliminate blighted conditions on the Site which continue to be an impediment to development of the Site.

WHEREAS, the City and Commission desire to supplement the provisions of the Cooperation Agreement to additionally provide for the orderly implementation of the Cooperation Agreement.

WHEREAS, the obligations of the Commission under the Cooperation Agreement and this Agreement shall constitute the indebtedness of the Commission for the purpose of carrying out the Redevelopment Plan for the Project Area and the obligations set forth under this

Agreement are contractual obligations of the City and Commission that, if breached, will subject the City and Agency to damages and other liabilities or remedies.

WHEREAS, pursuant to the Cooperation Agreement, the Commission previously made the requisite findings pursuant to Health and Safety Code Section 33445 in connection with the payment of value for land, cost of installation, and construction of any building, facility, structure, or other improvement which is publicly owned within or without the Project Area, which are incorporated herein by this reference.

NOW, THEREFORE, parties hereto do mutually agree as follows:

I. COMMISSION'S OBLIGATIONS

A. Consistent with the Commission funding pledge under the Cooperation Agreement, the Commission agrees to provide funds to the City under this Agreement in the amount of Forty-Five Million Dollars (\$45,000,000) for the Project. The obligation of the Commission under this Agreement shall be payable out of net available tax increment, as defined herein. Whenever used in this agreement, the term "net available tax increment" shall mean and include tax increment as defined or provided for in any applicable constitutional provision, statute or other provision of law now existing or adopted in the future, and allocated to (i) the Commission and/or (ii) any lawful successor entity of the Commission and/or (iii) any entity established by law to carry expend tax increment and/or (iv) any entity established by law to expend tax increment and/or (v) any entity established by law to pay indebtedness of the Commission to be repaid in whole or in part with tax increment pursuant to Section 33670 *et seq.* of the California Community Development Law or any applicable constitutional provision, statute or other provision of law now existing or adopted in the future.

B. Payments to be made by the Commission to the City under this Agreement shall be made by the Commission as they are incurred by the City or as demanded by the City when necessary to perform its obligations and duties hereunder. City shall provide Commission with a quarterly report accompanied by evidence reasonably satisfactory to the Commission's Executive Director that the City has progressed in the development and construction of the Project and that the City has incurred costs or obligations to make payments equal to or greater than such amount.

C. The indebtedness of Commission under this Agreement shall be subordinate to the rights of the holder or holders of any existing or future bonds, notes or other instruments of indebtedness (all referred to herein as "Indebtedness") of Commission incurred or issued to finance the Project or other Redevelopment Project Areas, including without limitation any pledge of tax increment revenues from the Redevelopment Project Areas to pay any portion of the principal (and otherwise comply with the obligations and covenants) of any bond or bonds issued or sold by Commission with respect to the Redevelopment Project Areas.

II. CITY'S OBLIGATIONS

A. In consideration of Commission's obligations set forth in Section I above, City agrees to undertake the design, planning, and development of the Project on behalf of the Commission and to effectuate the purpose and intent of the California Redevelopment Law and Project Area Plan in a manner consistent with California Redevelopment Law. The City may develop the Project independently or in partnership with a private developer in a manner consistent with this Agreement.

B. The City shall accept any funds offered by the Commission pursuant to this Agreement and shall devote those funds to the completion of the Project by (i) reimbursing the City or using such funds to make City expenditures to perform the work required to carry out and complete the Project and/or; (ii) utilize such funds to pay debt service on bonds or other indebtedness or obligations that the City has or will incur for such purposes; and/or (iii) paying such funds into a special fund of the City to be held and expended only for the purposes of satisfying the obligations of the City hereunder.

C. It shall be the responsibility of City to pay all development and construction costs in connection with the Project from funds paid to the City by the Commission under this Agreement.

D. The City shall perform its obligations hereunder in accordance with the applicable provisions of federal, state and local laws, including the obligation to comply with environmental laws such as CEQA.

III. SCOPE OF DEVELOPMENT

The Project shall consist of a public championship golf course consisting of a minimum of 18-hole course and club house to be located on a site consisting of approximately 180 total acres, of which, 130 acres is owned by the Commission and an additional 50 acres is leased by the Commission pursuant to a long term ground lease.

IV. LIABILITY AND INDEMNIFICATION

In contemplation of the provisions of California Government Code Section 895.2 imposing certain tort liability jointly upon public entities solely by reason of such entities being parties to an agreement as defined by Government Code Section 895, the parties hereto, as between themselves, pursuant to the authorization contained in Government Code Sections 895.4 and 895.6, shall each assume the full liability imposed upon it, or any of its officers, agents or employees, by law for injury caused by negligent or wrongful acts or omissions occurring in the performance of this Agreement to the same extent that such liability would be imposed in the absence of Government Code Section 895.2. To achieve the above-stated purpose, each party indemnifies, defends and holds harmless the other party for any liability, losses, cost or expenses that may be incurred by such other party solely by reason of Government Code Section 895.2.

V. ENTIRE AGREEMENT: WAIVERS AND AMENDMENTS

A. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to the subject matter of this Agreement.

B. This Agreement is intended solely for the benefit of the City and the Commission. Notwithstanding any reference in this Agreement to persons or entities other than the City and the Commission, there shall be no third party beneficiaries under this Agreement.

C. All waivers of the provisions of this Agreement, and all amendments to this Agreement must be in writing and signed by the authorized representatives of the parties.

VI. SEVERABILITY

If any term, provisions, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

VII. DEFAULT

If either party fails to perform or adequately perform an obligation required by this Agreement within thirty (30) calendar days of receiving written notice from the non-defaulting party, the party failing to perform shall be in default hereunder. In the event of default, the non-defaulting party will have all the rights and remedies available to it at law or in equity to enforce the provisions of this contract, including without limitation the right to sue for damages for breach of contract. The rights and remedies of the non-defaulting party enumerated in this paragraph are cumulative and shall not limit the non-defaulting party's rights under any other provision of this Agreement, or otherwise waive or deny any right or remedy, at law or in equity, existing as of the date of. The Agreement or hereinafter enacted or established, that may be available to the non-defaulting party against the defaulting party. All notices of defaults shall clearly indicate a notice of default under this Agreement.

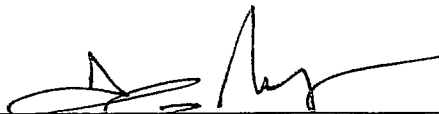
VIII. BINDING ON SUCCESSORS

This Agreement shall be binding on and shall inure to the benefit of all successors and assigns of the parties, whether by agreement or operation of law.

[Signature on the following page]

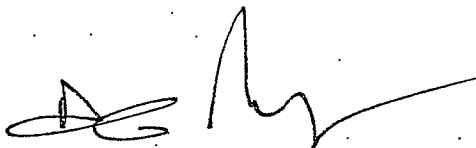
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

THE CITY OF WEST COVINA (the "City")




Andrew Pasmant, City Manager

**THE WEST COVINA COMMUNITY
DEVELOPMENT COMMISSION
(the "Commission")**




Andrew Pasmant, Executive Director

ATTESTED:


City Clerk/Commission Secretary

APPROVED AS TO FORM:


City Attorney/Commission Counsel

RESOLUTION NO. OB-0046

RESOLUTION NO. OB-0046 - A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE FORMER WEST COVINA REDEVELOPMENT AGENCY APPROVING AND AUTHORIZING THE TRANSMITTAL OF AN ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY TO THE FORMER WEST COVINA REDEVELOPMENT AGENCY AND A RECOGNIZED OBLIGATION PAYMENT SCHEDULE "ROPS" FOR THE PERIOD JULY 1, 2016 THROUGH JUNE 30, 2017

WHEREAS, as part of the 2011-12 State budget bill, the California Legislature has enacted and the Governor has signed, companion bills AB1X 26 and AB1X 27, requiring that each redevelopment agency be dissolved unless the community that created it enacts a resolution committing it to making certain payments; and

WHEREAS, on December 29, 2011, the California Supreme Court upheld AB1X 26, which dissolved all of the redevelopment agencies in the State of California as of February 1, 2012, and struck down AB1X 27; and

WHEREAS, at a meeting of January 10, 2012, the City of West Covina took action to designate itself as the Successor Agency to the former West Covina Redevelopment Agency; and

WHEREAS, Pursuant to Health and Safety Code Section 34179.7 (o) (1), commencing with the ROPS covering the period from July 1, 2016 to June 30, 2017 and thereafter, agencies shall submit an oversight board approved annual ROPS to Finance and the County Auditor-Controller by February 1, 2016 and each February 1 thereafter; and

WHEREAS, the West Covina City Council, acting as Successor Agency to the former West Covina Redevelopment Agency, reserves the right to appeal any determination of the California Director of Finance or other entity regarding the propriety of this resolution as well as any future determinations; and

WHEREAS, the West Covina City Council, acting as Successor Agency to the former West Covina Redevelopment Agency, intends to comply with the state-mandated obligations established hereunder; and

WHEREAS, on January 19, 2016 the West Covina City Council, acting as Successor Agency to the former West Covina Redevelopment Agency, approved ROPS 16-17; and

WHEREAS, the Successor Agency has consistently maintained that the Loans were “enforceable obligations” and should have been allowed by the Department of Finance on the Successor Agency’s ROPS, and nothing herein is intended to change or undermine the Successor Agency’s prior position; and

WHEREAS, all other legal prerequisites to the adoption of this resolution have occurred.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board to the Successor Agency to the former West Covina Redevelopment Agency, as follows:

SECTION 1. The foregoing Recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

SECTION 2. The Recognized Obligation Payment Schedule “ROPS” attached hereto as Exhibit “A” is approved and the Executive Director is authorized to transmit the same to the Los Angeles County Auditor-Controller, the State Controller and the State Department of Finance in accordance with Health and Safety Code Section 34177 subject to all reservations of rights and contingencies set forth above.

SECTION 3. The Administrative Budget for the Successor Agency for annual period July 1, 2016 – June 30, 2017, attached hereto as Exhibit “B” is approved and the Executive Director is authorized to transmit the same to the Los Angeles County Auditor-Controller, the State Controller and the State Department of Finance in accordance with Health and Safety Code Section 34177 subject to all reservations of rights and contingencies set forth above.

SECTION 4. The Executive Director or designee is authorized to take all actions necessary to implement this Resolution, including without limitation, the posting of this Resolution and the Recognized Obligation Payment Schedule on the City’s website, and the provision of notice of adoption of this Resolution and such Schedule to the County Auditor-Controller, the State Controller and the State Department of Finance.

SECTION 5. The Secretary shall certify as to the passage and adoption of this Resolution, and it shall thereupon take effect and be in full force.

APPROVED AND ADOPTED at regularly scheduled meeting held on this 21st day of January, 2016.

Carrie A. Sutkin, Chairperson
Oversight Board to the Successor Agency to
the former West Covina Redevelopment
Agency

ATTEST:

Rosalia Conde, Secretary
Oversight Board to the Successor Agency to
the former West Covina Redevelopment
Agency

Recognized Obligation Payment Schedule (ROPS 16-17) - Summary

Filed for the July 1, 2016 through June 30, 2017 Period

Successor Agency: West Covina
 County: Los Angeles

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	16-17A Total	16-17B Total	ROPS 16-17 Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding			
A Sources (B+C+D):	\$ 3,558,300	\$ 684,600	\$ 4,242,900
B Bond Proceeds Funding	-	-	-
C Reserve Balance Funding	-	-	-
D Other Funding	3,558,300	684,600	4,242,900
E Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 22,344,874	\$ 17,039,630	\$ 39,384,504
F Non-Administrative Costs	21,709,524	16,404,280	38,113,804
G Administrative Costs	635,350	635,350	1,270,700
H Current Period Enforceable Obligations (A+E):	\$ 25,903,174	\$ 17,724,230	\$ 43,627,404

Certification of Oversight Board Chairman:
 Pursuant to Section 34177 (o) 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

West Covina Recognized Obligation Payment Schedule (ROPS 16-17) - ROPS Detail

July 1, 2016 through June 30, 2017

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L				Q	R					W		
											16-17A					16-17B							
											Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)					Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)							
																RPTTF							
Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 16-17 Total	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	16-17A Total	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	16-17B Total	
50	Unfunded Pension Liabilities	Unfunded Liabilities	7/1/1966	6/30/2017	CalPERS	Payment for unfunded pension obligations			N	\$ 89,464						\$ 44,732							\$ 44,732
51	Retirement Benefits	Unfunded Liabilities	9/19/2001	6/30/2017	Former employees	Payment for retirement obligations			N	\$ 28,194				14,097		\$ 14,097					14,097		\$ 14,097
52	ROPS 1 RORF Reserve	Reserves	01/01/2014	06/30/2017	City of West Covina	Adjustment to Redevelopment Obligation Retirement Fund			Y														
54	Contractual Services ROPS/Property Plan	Professional Services	3/6/2013	6/30/2017	Gonsalves and Sons	Consultant for ROPS and property management plan			N	\$ 30,000				15,000		\$ 15,000					15,000		\$ 15,000
55	BKK Landfill Closure Agreements	Remediation	4/17/2001	6/30/2017	Various	Landfill closure mitigation to approved recreation use			N	\$ 500,000				250,000		\$ 250,000					250,000		\$ 250,000
57	Public Notices	Property Dispositions	7/1/2016	6/30/2017	SGV Newspaper	Notices of Proposed Property Transfer			N	\$ 30,000				15,000		\$ 15,000					15,000		\$ 15,000
58	Special Assessments on RDA-owned parcels	Project Management Costs	1/1/2014	6/30/2017	City of West Covina	Citywide Lighting & Landscape Maintenance District #2 (Jan 2014 - June 2014)			N	\$ 5,334				5,334		\$ 5,334							\$ -
59	Retirement Benefits	Unfunded Liabilities	9/19/2001	6/30/2017	Former employee	Payment for retirement obligations Feb 2012-Jun 2013			Y	\$ -						\$ -							\$ -
60	Special Assessments on RDA-owned parcels	Project Management Costs	1/1/2014	6/30/2017	City of West Covina	Citywide Lighting & Landscape Maint District #2			N	\$ 12,000				6,000		\$ 6,000					6,000		\$ 6,000
61	AB 1484 Auditing Fees	Dissolution Audits	9/10/2012	6/30/2017	White Nelson Diehl Evans	AB 1484 Auditing Fees Jul-Dec 2012			Y	\$ -						\$ -							\$ -
62	Anticipated/Existing Litigation	Litigation	6/1/2013	6/30/2017	Blank Rome LLP	Enforcement of judgments/obligations (assisting Squire Sanders)			Y	\$ -						\$ -							\$ -
63	Anticipated/Existing Litigation	Litigation	6/1/2013	6/30/2017	Blank Rome LLP	Enforcement of judgments/obligations Jan-Jun 2013			Y	\$ -						\$ -							\$ -
64	Anticipated/Existing Litigation	Litigation	6/1/2013	6/30/2017	Blank Rome LLP	Enforcement of judgments/obligations Jul-Dec 2012			Y	\$ -						\$ -							\$ -
65	DDA - The Lakes	OPA/DDA/Construction	06/26/1987	06/30/2038	Gateway Crescent, LLC	Allocated bond costs & maintenance for park structure Jan-Jun 2013			Y														
66	Anticipated/Existing Litigation	Litigation	03/16/2006	06/30/2017	Squire Sanders & Dempsey	Enforcement of judgments/obligations Jan-Jun 2013			Y														
67	Project Administrative Costs	Project Management Costs	9/27/2011	6/30/2017	Rincon Environmental LLC	Project specific related costs for environmental land use consulting for BKK Landfill			N	\$ 30,000				15,000		\$ 15,000					15,000		\$ 15,000
68	City of West Covina vs. State of California	Litigation	2/1/2011	6/30/2017	Alvarez-Glasman Colvin	Enforcement of judgments/obligations			Y	\$ -						\$ -							\$ -
69	Caltrans Eminent Domain	Litigation	2/1/2014	6/30/2017	Alvarez-Glasman Colvin	Enforcement of judgments/obligations			Y	\$ -						\$ -							\$ -
70	Hasson Imports Partners	Litigation	02/01/2014	06/30/2017	Jones & Mayer	Enforcement of judgments/obligations			Y	\$ 5,000				5,000		\$ 5,000							\$ 5,000
71	City of West Covina vs. State of California	Litigation	2/1/2014	6/30/2017	Jones & Mayer	Enforcement of judgments/obligations			N	\$ -						\$ -							\$ -
72	Caltrans Eminent Domain	Litigation	2/1/2014	6/30/2017	Jones & Mayer	Enforcement of judgments/obligations			N	\$ 35,000				30,000		\$ 30,000					5,000		\$ 5,000
73	Loan Agreement	Unfunded Liabilities	09/16/2014	06/30/2017	City of West Covina	Reimbursement of advanced SA expenses		821,965	N	\$ 821,965				821,965		\$ 821,965							\$ 821,965
74	Cooperative Agreement	Unfunded Liabilities	09/16/2014	06/30/2017	City of West Covina	Reimbursement of advanced SA expenses			N														
75	Anticipated/Existing Litigation	Litigation	07/18/2000	06/30/2017	Alvarez-Glasman Colvin	Enforcement of judgments/obligations - January - June 2014		49,000	N	\$ 49,000				49,000		\$ 49,000							\$ 49,000
76	Loan Agreement	Unfunded Liabilities	09/16/2014	06/30/2017	City of West Covina	Reimbursement of advanced SA expenses (legal expenses)		48,413	N	\$ 48,413				48,413		\$ 48,413							\$ 48,413
77	Housing Successor Admin	Housing Entity Admin Cost	07/01/2015	06/30/2017	Housing Successor Agency	AB 471 - Housing Admin			N	\$ 150,000				150,000		\$ 150,000							\$ 150,000
78	Anticipated/Existing Litigation	Litigation	08/30/2014	06/30/2017	Jones & Mayer	Eastland Land use matters			N	\$ 1,000				500		\$ 500					500		\$ 500
79	Anticipated/Existing Litigation	Litigation	04/17/2001	06/30/2017	Jones & Mayer	BKK Litigation			N	\$ 1,000				500		\$ 500					500		\$ 500
80	Anticipated/Existing Litigation	Litigation	10/22/2012	06/30/2017	California Eminent Domain Law Group	Anticipated/Existing litigation			N	\$ 50,000				45,000		\$ 45,000					5,000		\$ 5,000
81	Anticipated/Existing Litigation	Litigation	2/1/2011	6/30/2017	Alvarez-Glasman Colvin	Matasantos - redevelopment dissolution.			Y	\$ -						\$ -							\$ -
82	Property Management Plan (Appraisals)	Professional Services	1/1/2016	6/30/2017	Appraisal firm	Long-Range Property Management Plan per AB 1484 - Appraisals			N	\$ 10,000				10,000		\$ 10,000							\$ -
83	Anticipated/Existing Litigation	Litigation	01/01/2016	06/30/2017	Jones & Mayer	Anticipated litigation for property disposition RE: Plaza			N														
84	Anticipated/Existing Litigation	Litigation	01/01/2016	06/30/2017	Jones & Mayer	Anticipated litigation for property disposition RE: Eastland			N														
85	Anticipated/Existing Litigation	Litigation	01/01/2016	06/30/2017	Jones & Mayer	Anticipated litigation for property disposition RE: Lakes			N														
86	Anticipated/Existing Litigation	Litigation	01/01/2016	06/30/2017	Jones & Mayer	Anticipated litigation for property disposition RE: BKK			N														
87	Project Administrative Costs	Project Management Costs	1/1/2016	6/30/2017	City of West Covina	Project management costs related to the disposition of Plaza Properties			N	\$ 14,900				7,450		\$ 7,450					7,450		\$ 7,450
88	Project Administrative Costs	Project Management Costs	1/1/2016	6/30/2017	City of West Covina	Project management costs related to the disposition of Eastland Properties			N	\$ 6,070				3,035		\$ 3,035					3,035		\$ 3,035
89	Project Administrative Costs	Project Management Costs	1/1/2016	6/30/2017	City of West Covina	Project management costs related to the disposition of BKK Properties			N	\$ 193,830				96,915		\$ 96,915					96,915		\$ 96,915
90	Project Administrative Costs	Project Management Costs	1/1/2016	6/30/2017	City of West Covina	Project management costs related to the disposition of Lakes Properties			N	\$ 28,490				14,245		\$ 14,245					14,245		\$ 14,245
91	ROPS Preparation	Admin Costs	1/1/2016	6/30/2017	Willdan	Preparation of ROPS for SA			N	\$ 7,000					7,000	\$ 7,000							\$ -
92	Contractual Services Property Tax Analysis	Professional Services	11/16/1993	6/30/2016	HDL Coren & Cone	Property Tax Contract Services: HDL Coren & Cone (Feb-June 2012)			Y	\$ -						\$ -							\$ -
93	Contractual Services Property Tax Analysis	Professional Services	11/16/1993	6/30/2016	HDL Coren & Cone	Property Tax Contract Services: HDL Coren & Cone (July - Dec 2012)			Y	\$ -						\$ -							\$ -

West Covina Recognized Obligation Payment Schedule (ROPS 16-17) - ROPS Detail

July 1, 2016 through June 30, 2017

(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L				Q	R					W		
											16-17A					16-17B							
											Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)					Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)							
																RPTTF							
Item #	Project Name/Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	ROPS 16-17 Total	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	16-17A Total	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	16-17B Total	
94	Contractual Services Property Tax Analysis	Professional Services	11/16/1993	6/30/2016	HDL Coren & Cone	Property Tax Contract Services: HDL Coren & Cone (Jan - June 2013)			Y	\$ -						\$ -							\$ -
95	Contractual Services Property Tax Analysis	Professional Services	11/16/1993	6/30/2016	HDL Coren & Cone	Property Tax Contract Services: HDL Coren & Cone (July - Dec 2013)			Y	\$ -						\$ -							\$ -
96	Contractual Services Property Tax Analysis	Professional Services	11/16/1993	6/30/2016	HDL Coren & Cone	Property Tax Contract Services: HDL Coren & Cone (Jan - June 2014)			Y	\$ -						\$ -							\$ -
97	Contractual Services Property Tax Analysis	Professional Services	11/16/1993	6/30/2016	HDL Coren & Cone	Property Tax Contract Services: HDL Coren & Cone (July - Dec 2014)			Y	\$ -						\$ -							\$ -
98	Contractual Services Property Tax Analysis	Professional Services	11/16/1993	6/30/2016	HDL Coren & Cone	Property Tax Contract Services: HDL Coren & Cone (Jan - June 2015)			Y	\$ -						\$ -							\$ -
99	Contractual Services Property Tax Analysis	Professional Services	11/16/1993	6/30/2016	HDL Coren & Cone	Property Tax Contract Services: HDL Coren & Cone (July - Dec 2015)			Y	\$ -						\$ -							\$ -
100	Contractual Services Property Tax Analysis	Professional Services	11/16/1993	6/30/2016	HDL Coren & Cone	Property Tax Contract Services: HDL Coren & Cone			Y	\$ -						\$ -							\$ -
101	Loan Agreement	Unfunded Liabilities	02/01/2012	06/30/2017	City of West Covina	Loan Agreement for the repayment of ROPS approved items that exceeded budgeted amounts			N														
102	CFD Tax Increment Pledge	OPA/DDA/Construction	1/1/2014	6/30/2014	Fashion Plaza CFD	Tax Increment pledged to CFD - payments for specific period that was unpaid			Y	\$ -						\$ -							\$ -
103	CFD Tax Increment Pledge	OPA/DDA/Construction	7/1/2014	12/31/2014	Fashion Plaza CFD	Tax Increment pledged to CFD - payments for specific period that was unpaid			Y	\$ -						\$ -							\$ -
104	CFD Tax Increment Pledge	OPA/DDA/Construction	1/1/2015	6/30/2015	Fashion Plaza CFD	Tax Increment pledged to CFD - payments for specific period that was unpaid			Y	\$ -						\$ -							\$ -
105	Cash Flow Loan	City/County Loan (Prior 06/28/11), Other		7/1/2026	City of West Covina	Cash loan in the amount of \$2.5 million made during the 2010-2011 fiscal year. The purpose of the loan was to satisfy the RDA's short-term cash flow needs		3,458,341	N	\$ 345,834					172,917	\$ 172,917					172,917		\$ 172,917
106	Financing Agreement	City/County Loan (Prior 06/28/11), Other		12/31/2021	City of West Covina	line of credit in the amount of \$5.6 million . The purpose was to bridge shortfalls in RDA revenues.		9,703,740	N	\$ 970,374					485,187	\$ 485,187					485,187		\$ 485,187
107	SERAF 2010 Housing Loan	SERAF/ERAF	7/1/2014	12/31/2014	Housing Authority	Repay SERAF to the Housing Fund (Jul-Dec 2014)			N	\$ 233,595				233,595		\$ 233,595							\$ -
108	SERAF 2011 Housing Loan	SERAF/ERAF	7/1/2014	12/31/2014	Housing Authority	Repay SERAF to the Housing Fund (Jul-Dec 2014)			N	\$ 54,058				54,058		\$ 54,058							\$ -
109	SERAF 2010 Housing Loan	SERAF/ERAF	1/1/2015	6/30/2015	Housing Authority	Repay SERAF to the Housing Fund (Jan-June 2015)			N	\$ 233,595				233,595		\$ 233,595							\$ -
110	SERAF 2011 Housing Loan	SERAF/ERAF	1/1/2015	6/30/2015	Housing Authority	Repay SERAF to the Housing Fund (Jan-Jun 2015)			N	\$ 54,058				54,058		\$ 54,058							\$ -
111	SERAF 2010 Housing Loan	SERAF/ERAF	1/1/2015	6/30/2016	Housing Authority	Repay SERAF to the Housing Fund (Jan-June 2016)			N	\$ 132,672				132,672		\$ 132,672							\$ -
112	SERAF 2011 Housing Loan	SERAF/ERAF	1/1/2015	6/30/2016	Housing Authority	Repay SERAF to the Housing Fund (Jan-June 2016)			N	\$ 38,284				38,284		\$ 38,284							\$ -
113	Bond Disclosure	Fees	7/1/2016	6/30/2017	HDL Coren & Cone	Bond Disclosure costs (Jan-June 2015)			N	\$ 5,550				5,550		\$ 5,550							\$ -
114	Bond Disclosure	Fees	7/1/2016	6/30/2017	HDL Coren & Cone	Bond Disclosure costs (Jan-June 2016)			N	\$ 6,000				6,000		\$ 6,000							\$ -
115	1998 - 2006 Bonds	Fees	7/1/2016	6/30/2017	Norton, Rose, Fullbright	Bond Letter of Credit Fees - Norton, Rose, Fullbright (July-Dec 2015)			N	\$ 1,488				1,488		\$ 1,488							\$ -
116	1998 - 2006 Bonds	Fees	7/1/2016	6/30/2017	Norton, Rose, Fullbright	Bond Letter of Credit Fees - Norton, Rose, Fullbright (Jan-June 2016)			N	\$ 5,000				5,000		\$ 5,000							\$ -
117	Bond Disclosure	Fees	7/1/2016	6/30/2017	Various	Bond Disclosure costs			N	\$ 6,000				6,000		\$ 6,000							\$ -
118	1998 - 2006 Bonds	Fees	7/1/2016	6/30/2017	Various	Bond Letter of Credit Fees			N	\$ 10,000				5,000		\$ 5,000					5,000		\$ 5,000
119	Interim Arbitrage Report	Fees	7/1/2015	6/30/2016	Various	Interim Arbitrage Report			N	\$ 2,000				1,000		\$ 1,000					1,000		\$ 1,000
120	Contractual Services (Gonsalves & Son's) (Jan-June 2016)	Professional Services	1/1/2016	6/30/2016	Gonsalves and Sons	Consultant for ROPS and property management plan			N	\$ 15,000				15,000		\$ 15,000							\$ -
121	Project Administrative Costs (RINCON)	Project Management Costs	1/1/2016	6/30/2016	Rincon Environmental LLC	Project specific related costs for environmental land use consulting for BKK Landfill			N	\$ 25,600				25,600		\$ 25,600							\$ -
122	Property Management Plan	Property Dispositions	1/1/2016	6/30/2016	plan	Long-Range Property Management Plan per AB 1484			N	\$ 15,645				15,645		\$ 15,645							\$ -
123	AB 1484 Auditing Fees	Dissolution Audits	1/1/2016	6/30/2016	White Nelson Diehl Evans	AB 1484 Auditing Fees			N	\$ 5,294				5,294		\$ 5,294							\$ -
124	Special Assessments on RDA-owned parcels	Project Management Costs	1/1/2014	6/30/2017	City of West Covina	Citywide Lighting & Landscape Maintenance District #2 (Jan 2014 - June 2014)			N	\$ 5,334				5,334		\$ 5,334							\$ -
125	2006 Lease Revenues Bonds	Bond Reimbursement Agreements	9/19/2006	6/1/2036	City of West Covina	Reimburse City for BLD Debt Service (Jan 2016-June 2016)			N	\$ 368,682				368,682		\$ 368,682							\$ -
126	Anticipated/Existing Litigation	Litigation	4/25/2007	6/30/2017	Hunsucker Goldstien	RDA property litigation			N	\$ 5,000				5,000		\$ 5,000							\$ -
127	Hassen Imports Partners	Litigation	2/1/2014	6/30/2017	Jones & Mayer	Enforcement of judgments/obligations			N	\$ 38,800				38,800		\$ 38,800							\$ -
128	Anticipated/Existing Litigation	Litigation	10/22/2012	6/30/2017	California Eminent Domain Law Group	Anticipated/Existing litigation			N	\$ 5,000				5,000		\$ 5,000							\$ -
129	Project Administrative Costs (HIP Litigation)	Project Management Costs	7/1/2015	12/31/2015	City of West Covina	Reimburse City for staff costs associated with litigation (July 2015-Dec2015)			N	\$ 5,760				5,760		\$ 5,760							\$ -

SUCCESSOR AGENCY TO THE WEST COVINA REDEVELOPMENT AGENCY
 AMENDED ADMINISTRATIVE BUDGET
 July, 2016 to June 30, 2017

	<u>Annual Amount</u>	<u>July - Dec 2016</u>	<u>Jan - June 2017</u>
Salaries & Benefits	\$ 986,000	\$ 493,000	\$ 493,000
Maintenance & Operations			
Consultants	134,400	67,200	67,200
Legal Fees	100,000	50,000	50,000
Phone	2,000	1,000	1,000
Cell Phone	1,000	500	500
Supplies	7,300	3,650	3,650
Meetings	5,000	2,500	2,500
Overhead	30,000	15,000	15,000
Liability Insurance	5,000	2,500	2,500
	<hr/>	<hr/>	<hr/>
Subtotal			
Total Budget	<u>\$ 1,270,700</u>	<u>\$ 635,350</u>	<u>\$ 635,350</u>