

OVERSIGHT BOARD RESOLUTION NUMBER OB-2014-86

A RESOLUTION OF THE OVERSIGHT BOARD FOR CITY OF  
SAN DIEGO REDEVELOPMENT SUCCESSOR AGENCY  
APPROVING THE TERMINATION OF THE SAN DIEGO  
REDEVELOPMENT FINANCING AUTHORITY AND  
RELATED TERMINATION OF A JOINT EXERCISE OF  
POWERS AGREEMENT.

WHEREAS, pursuant to Articles 1, 2, 3, and 4 of Chapter 5 of Title 1, Division 7 of the Government Code of the State of California (Act), the City of San Diego (City) and the former Redevelopment Agency of the City of San Diego (Former RDA) formed the San Diego Redevelopment Financing Authority (Authority) by entering into an agreement dated as of April 18, 1995 (JPA Agreement) for the purpose of providing financing for Public Capital Improvements (as defined in the Act) and working capital requirements of the City and the Former RDA; and

WHEREAS, the Former RDA administered the implementation of various redevelopment projects, programs, and activities within designated redevelopment project areas throughout the City; and

WHEREAS, in accordance with Assembly Bill x1 26 (AB 26), the Former RDA dissolved as of February 1, 2012, at which time the City of San Diego, solely in its capacity as the designated successor agency to the Former RDA (Successor Agency), assumed the Former RDA's assets and obligations; and

WHEREAS, the Successor Agency is winding down the Former RDA's affairs in accordance with AB 26, enacted on June 28, 2011, Assembly Bill 1484, enacted on June 27, 2012, and subsequent legislation (collectively, the Dissolution Laws); and

WHEREAS, the Oversight Board has been formed to oversee certain actions and decisions of the Successor Agency in accordance with the Dissolution Laws; and

WHEREAS, the City and the Successor Agency continue to be the only Members of the Authority; and

WHEREAS, the Former RDA previously issued: (A) \$1,400,000 “Gateway Center West Redevelopment Project Tax Allocation Bonds, Series 1995 (Taxable)” (Gateway Bonds); (B) \$3,675,000 “Southcrest Redevelopment Project Area Tax Allocation Bonds 1995 (Tax-Exempt)” (Southcrest Bonds); (C) \$1,180,000 “Mount Hope Redevelopment Project Area Tax Allocation Bonds, Series 1995 A (Tax-Exempt)” (Mount Hope A Bonds); and (D) \$4,655,000 “Mount Hope Redevelopment Project Area Tax Allocation Bonds, Series 1995 B (Taxable)” (Mount Hope B Bonds); and

WHEREAS, the Authority acted solely in the capacity of a conduit with regard to the Former RDA’s issuance of the Gateway Bonds, Southcrest Bonds, Mount Hope A Bonds, and Mount Hope B Bonds by purchasing and then immediately reselling all of them to certain underwriters, never having any continuing obligation pertaining to payments thereon or otherwise; and

WHEREAS, all Bonds issued referencing the Authority have matured or were refunded by the Public Facilities Financing Authority of the City of San Diego Pooled Financing Bonds, Series A and Series B issued in 2007; and

WHEREAS, pursuant to Section 7.01 of the JPA Agreement, the JPA Agreement continues in full force and effect so long as any bonds remain outstanding and so long as the Authority owns any interest in Public Capital Improvements (as defined in the Act) and until the parties agree to terminate the JPA Agreement; and

WHEREAS, the Authority currently has no outstanding bonds, other debt or lease obligations, and owns no interest in any Public Capital Improvements or other assets; and

WHEREAS, the Public Facilities Financing Authority of the City of San Diego (PFFA), a California joint exercise of powers authority, is capable of fulfilling the purpose for which the Authority was originally formed, rendering the Authority's continued existence unnecessary; and

WHEREAS, both the City and the Successor Agency have determined and established that it is in both of their best interests to terminate the JPA Agreement and the Authority; and

WHEREAS, pursuant to Resolution No. R-309212 adopted effective October 2, 2014, the City Council acting in its capacity as the Board of the Successor Agency authorized the termination of the JPA Agreement and the Authority contingent upon the Oversight Board approving such action; and

WHEREAS, California Health and Safety Code (Code) section 34181(d) authorizes the Oversight Board to direct the Successor Agency to terminate the JPA Agreement if the Oversight Board has found that early termination would be in the best interests of the taxing entities.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board as follows:

1. Pursuant to Code section 34181(d), the Oversight Board finds that termination of the JPA Agreement and the Authority is in the best interests of the taxing entities because the Authority currently has no outstanding bonds, other debt or lease obligations, and owns no interest in any Public Capital Improvements or other assets, and the PFFA is capable of fulfilling the purpose for which the Authority was originally formed, rendering the Authority's continued existence unnecessary.

2. The Oversight Board approves the Successor Agency's termination of the JPA Agreement and the Authority and the Successor Agency's completion of all steps necessary to

effectuate this termination, including filing all required documents with the California Secretary of State.

**PASSED AND ADOPTED** by the Oversight Board at a duly noticed meeting of the Oversight Board held on November 12, 2014.



---

Chair, Oversight Board