

OVERSIGHT BOARD RESOLUTION NUMBER OB-2015-12

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE CITY OF SAN DIEGO REDEVELOPMENT SUCCESSOR AGENCY APPROVING THE FIFTH AMENDMENT TO THE AGREEMENT WITH URBAN CORPS OF SAN DIEGO COUNTY FOR MAINTENANCE AND LANDSCAPING SERVICES ON SUCCESSOR AGENCY PROPERTIES

WHEREAS, the former Redevelopment Agency of the City of San Diego (Former RDA) administered the implementation of various redevelopment projects, programs, and activities within designated redevelopment project areas throughout the City of San Diego (City); and

WHEREAS, in accordance with Assembly Bill x1 26 (AB 26) enacted on June 28, 2011, 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 required to administer the winding down of the Former RDA's operations and to ensure compliance with the Former RDA's obligations in accordance with AB 26, as subsequently amended (collectively, the Dissolution Laws); and

WHEREAS, the Dissolution Laws specify that the Oversight Board and the California Department of Finance (DOF) must review and approve certain actions and decisions of the Successor Agency, including the Successor Agency's approval of each Recognized Obligation Payment Schedule (ROPS); and

WHEREAS, among other things, each ROPS shows the estimated payments owed by the Successor Agency to third parties for enforceable obligations during the upcoming six-month period and identifies the funding sources that will be used to make such payments; and

WHEREAS, the Oversight Board's adopted resolution approving prior ROPS included language that authorized the Successor Agency to enter into services contracts, management

contracts and similar contracts, and amendments to existing contracts of that nature, for items that are budgeted in the approved ROPS (Authorization for Services Contracts), consistent with California Health and Safety Code (HSC) sections 34171(d)(1)(F) and 34177.3(b); and

WHEREAS, although the DOF had approved the Oversight Board's Authorization for Services Contracts with respect to prior ROPS time periods through ROPS 13-14A, the DOF issued a letter dated November 8, 2013 (November 2013 Letter) rejecting the Authorization for Services Contracts for the first time in connection with expenditures during the ROPS 13-14 time period (January through June 2014); and

WHEREAS, the November 2013 Letter effectively requires the Oversight Board and the DOF to approve all post-AB 26 services contracts, management contracts and similar contracts, and post-AB 26 amendments to existing contracts of that nature, that will involve the Successor Agency's expenditure of funds in the ROPS 13-14B time period and beyond; and

WHEREAS, the DOF issued a letter dated April 1, 2014 (April 2014 Letter), interpreting the Dissolution Laws to mean the Oversight Board must find that any post-AB 26 contract amendment for the provision of services is in the best interests of the local taxing entities in accordance with HSC section 34181(e) or that the contract amendment, including any increase in compensation or scope of services, is necessary for the administration or operation of the Successor Agency in accordance with HSC section 34171(d)(1)(F); and

WHEREAS, to comply with the November 2013 Letter and the April 2014 Letter, the Successor Agency is now presenting, for approval by the Oversight Board and the DOF the Fifth Amendment to the Agreement (Amendment) with Urban Corps of San Diego County (Consultant), which involves the expenditure of ROPS-approved funds in an amount not to exceed \$150,000 for maintenance of Successor Agency properties; and

WHEREAS, a copy of the Amendment is included as Attachment A to the Staff Report dated September 17, 2015 accompanying this item; and

WHEREAS, the Amendment will benefit the local taxing entities and will be in their best interests, in that it will permit the Successor Agency to fulfill important public safety obligations to maintain and upkeep Successor Agency properties through the maintenance services that include, but are not limited to, the following:

Property Management:

- Prepare and implement programs for preventative and emergency maintenance and repair, including regular inspections;
- Identify and provide for site or building maintenance and repair using qualified employees, contractors or trades persons;
- Immediately report illegal activity on any property site to Successor Agency;
- Preparation and submittal of accurate and timely reports; and

Property Maintenance:

- Ensure properties are well maintained, provide for safe and sanitary conditions, make necessary repairs, respond to complaints and arrange for the provision of services and utilities;
- Performance of regular site visits to identify/address needs;
- Regular and as-needed litter/debris removal and abatement;
- Regular and as-needed services to secure premises;
- Regular and as-needed fence installation, repair and maintenance services;
- As-needed prompt graffiti removal services;
- Regular and as-needed landscape maintenance and weeding;
- Preparation and submittal of accurate and timely reports; and

Landscape Establishment:

- Watering, pruning, trimming, sweeping, litter and weed removal, etc.;
- Monitoring, adjusting and repairing irrigation;
- Obtaining landscape materials as needed;
- Planting and placement of landscape materials; and

Other As-Needed Services May Include:

- Erosion control;
- General carpentry;
- Irrigation repair;
- Troubleshooting irrigation, electrical, and such other problems;
- Exterior painting; and
- Installation of signage.

WHEREAS, such maintenance will minimize risk or liability to Successor Agency as it will: (a) decrease the chance of injury to persons from dilapidated structures; (b) remedy the unsafe and unsightly condition of such properties, thereby stabilizing property values; (c) ensure compliance of such sites with local and state regulations related to property safety and site maintenance regulations; (d) facilitate alleviation of blight in the communities in which such properties are located; and (e) permit the Successor Agency to retain tenants on properties until such time as those properties are disposed of in accordance with the Long-Range Property Management Plan; and

WHEREAS, the Amendment involves an increase in compensation in order to allow the continued use of the Consultant's services until such time as the Successor Agency disposes of the properties; and

WHEREAS, the Amendment is necessary for the operation or administration of the Successor Agency because it permits the Successor Agency to fulfill its obligation to maintain the Successor Agency assets in accordance with local, State and Federal laws and it reduces the Successor Agency's exposure to liability for damages, fines, or other penalties that could be pursued against the Successor Agency for its failure to maintain Successor Agency properties; and

WHEREAS, the Successor Agency, or Civic San Diego as the contracting agent on its behalf, will pay for the services performed under the Amendment utilizing the funding sources shown in line item 325 of the ROPS.

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

1. The Board finds, in accordance with HSC section 34181(e), that the Amendment is in the best interests of the local taxing entities.
2. The Board finds, in accordance with HSC section 34171(d)(1)(F), that the provision of services under the Amendment, including any increase in compensation, is necessary for the administration or operation of the Successor Agency.
3. The Amendment is hereby approved.

PASSED AND ADOPTED by the Oversight Board at a duly noticed meeting of the Oversight Board held on September 21, 2015.



Chair, Oversight Board