

# **NOTICE OF MEETING**

## **OVERSIGHT BOARD OF THE SUCCESSOR AGENCY - MARCH JOINT POWERS AUTHORITY OF THE MARCH JOINT POWERS REDEVELOPMENT AGENCY**

City of Moreno Valley • Riverside County Board of Supervisors • California Community College Districts •  
Riverside County Office of Education • Special District Appointee • Former March Joint Powers Redevelopment  
Agency Employee Representative • County of Riverside Appointed Citizen

Notice is hereby given that the Regular Meeting of the Oversight Board will be held at the March Joint Powers Authority Conference Center, 23533 Meyer Drive, Riverside, California 92518 on **Monday, February 13, 2012 at 8:30 a.m.** or as soon thereafter of the March Joint Powers Commission Meeting.

This Notice was posted on 02/09/12 at the following location:

JPA Conference Center  
23533 Meyer Drive  
Riverside, CA 92518

On February 9, 2012, Notice was sent to each member of the Oversight Board.

On February 9, 2012, Notice was sent to local newspapers of general circulation for announcement and general circulation.

### **ALL MEETINGS ARE OPEN TO THE PUBLIC.**

Interested persons are encouraged to participate in the activities of the Oversight Board. Anyone wishing to speak on an agenda item or on an issue of general concern should complete a "Speaker's Request Form" available in the Meeting Room.

**ADA: If you require special accommodations during your attendance at a meeting, please contact the JPA at (951) 656-7000 at least 24 hours in advance of the meeting time.**

I hereby certify that the foregoing Notice is a full, true, and correct copy of the Notice posted for the Oversight Board Meeting.

  
\_\_\_\_\_  
Carey L. Allen, CMC, Secretary of the Successor Agency

March Joint Powers Authority  
23555 Meyer Drive Riverside, CA 92518  
Phone: (951) 656-7000 FAX: (951) 653-5558

**OVERSIGHT BOARD**  
OF THE  
**SUCCESSOR AGENCY - MARCH JOINT POWERS AUTHORITY**  
OF THE  
**FORMER MARCH JOINT POWERS REDEVELOPMENT AGENCY**

City of Moreno Valley • Riverside County Board of Supervisors • California Community College  
Districts • Riverside County Office of Education • Special District Appointee • Former March Joint  
Powers Redevelopment Agency Employee Representative • County of Riverside Appointed Citizen

*February 13, 2012 8:30 AM*

***REGULAR MEETING***

March Joint Powers Authority Conference Center  
23533 Meyer Drive  
Riverside, CA 92518

***REGULAR MEETING AGENDA***

1. **Call to Order**
2. **Selection of Officers for 2012 (Page 5)**
3. **Roll Call**
4. **Pledge of Allegiance**
5. **Matters Subsequent to Posting Agenda**  
*Approval of Agenda Additions or Corrections, as Necessary.*
6. **Overview of March Joint Powers Redevelopment Agency provided by Successor Agency Legal Counsel**
7. **Overview of March Joint Powers Redevelopment Agency projects provided by Successor Agency Executive Director**

**8. Public Comments**

*Any person may address the Oversight Board on any subject pertaining to the former March Joint Powers Redevelopment Agency business not listed on the Agenda during this portion of the Meeting. A limitation of three (3) minutes shall be set for each person desiring to address the Oversight Board.*

**9. Reports, Discussions and Actions Items**

- a. Report/Action: Adopt Recognized Obligations Payment Schedule (Page 6)
- b. Report/Action: Approve Successor Agency's Action with Respect to Amendment No. 1 to the Agreement for the Funding of the Van Buren/I-215 Interchange Expansion Project between the County of Riverside and the March Joint Powers Authority (Page 9)
- c. Report/Action: Approve Successor Agency's Action with Respect to Amendment No. 1 to the Reimbursement Agreement between the March Joint Powers Authority and United States Veterans Initiative (Page 16)
- d. Report/Action: Approve Successor Agency's Action with Respect to Authorizing the Recordation of a Notice of Intent to Preserve Power of Termination for APN #'s 297-230-17, 297-230-18, 297-230-19 and 297-230-20 (Page 22)
- e. Report/Action: Approve Successor Agency's Action with Respect to Approving and Adopting a Proposed Administrative Budget Pursuant to Health and Safety Code Section 34177(j) (Page 24)

**10. Calendaring of Future Agenda Items**

*Future agenda items may be scheduled by JPC Members or staff.*

**11. Closed Session**

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to subdivision (b) of Section 54656.9 (One or more potential cases)

**12. Adjournment**

**Meeting Schedule**

Oversight Board


March 19, 2012 – 8:30 a.m.

Copies of the staff reports or other written documentation relating to each item of business described above are on file in the office of the Clerk of the March Joint Powers Authority (JPA), 23555 Meyer Drive, Riverside, California and are available for public inspection during regular office hours (8:00 a.m. to 5:00 p.m., Monday through Friday). Written materials distributed to the Oversight Board within 72 hours of the meeting are available for public inspection immediately upon distribution in the Clerk's office at the JPA offices at 23555 Meyer Drive, Riverside, California (Government Code Section 54957.5(b)(2)). Copies of staff reports and written materials may be purchased for \$0.20 per page. In addition, staff reports can be reviewed online at [www.marchjpa.com](http://www.marchjpa.com). Pursuant to State law, this agenda was posted at least 72 hours prior to the meeting.

**ADA: If you require special accommodations during your attendance at a meeting, please contact the JPA offices at (951) 656-7000 at least 24 hours in advance of the meeting time.**

I hereby certify under penalty of perjury, under the laws of the State of California, the foregoing agenda was posted in accordance with the applicable legal requirements.

Dated: February 9, 2012

Signed:   
Carey L. Allen, CMC, Secretary of the Successor Agency

**23555 Meyer Drive, Riverside, CA 92518  
Phone: (951) 656-7000 FAX: (951) 653-5558**

**OVERSIGHT BOARD**  
OF THE  
**SUCCESSOR AGENCY - MARCH JOINT POWERS AUTHORITY**  
OF THE  
**FORMER MARCH JOINT POWERS REDEVELOPMENT AGENCY**

*Agenda Item No. 2*

**Meeting Date:** February 13, 2012

**Action:** **SELECTION OF OVERSIGHT BOARD OFFICERS FOR 2012**

**Proposed Motion:** Move to select the Oversight Board Chair and Vice Chair for the 2012 calendar year.

**Background:**

To ensure the Oversight Board meetings proceed in an orderly manner, it is recommended that the Board choose a Chair and a Vice Chair. It is also recommended that the Oversight Board Officers serve for a one year term.

**Attachment:** None.

**OVERSIGHT BOARD**  
OF THE  
**SUCCESSOR AGENCY - MARCH JOINT POWERS AUTHORITY**  
OF THE  
**FORMER MARCH JOINT POWERS REDEVELOPMENT AGENCY**

*Reports, Discussion and Action Items*  
*Agenda Item No. 9a*

**Meeting Date:** February 13, 2012

**Report/Action:** **ADOPT RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE**

**Proposed Motion:** Move to adopt the Recognized Obligations Payment Schedule.

**Background:**

On June 28, 2011, as part of the 2011/2012 State of California budget bill, companion bills Assembly Bill 1X 26 ("AB 26") and Assembly Bill 1X 27 ("AB 27") were enacted, dissolving the March Joint Powers Redevelopment Agency ("Agency"), unless the March Joint Powers Authority ("Authority") elected to participate in the "Alternative Voluntary Redevelopment Program" established by AB 27 and paid an annual "community remittance" payment to the County of Riverside. On July 18, 2011, a Petition for Writ of Mandate was filed in the Supreme Court of the State of California in the matter of *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861 ("Legal Action"), challenging the constitutionality of AB 26 and AB 27 on behalf of cities, counties and redevelopment agencies and requesting a stay of enforcement of AB 26 and AB 27, pending the Supreme Court's determination of the legality of AB 26 and AB 27. On August 11, 2011, the Supreme Court issued an order in the Legal Action granting a partial stay of AB 26, exclusive of Health and Safety Code Sections 34161 through 34167 (suspending new redevelopment activity), and a complete stay of AB 27, such that the Authority and the Agency could not pursue new redevelopment activity under the Alternative Voluntary Redevelopment Program (collectively, "Stay"). On August 17, 2011, the Supreme Court modified the Stay to no longer affect Health and Safety Code Sections 34167.5 through 34169.5, in addition to California Health and Safety Code Sections 34161 through 34167, or California Health and Safety Code Sections 34194(b)(2), but all new redevelopment activity was still prohibited. On December 29, 2011, the Supreme Court issued its opinion in the Legal Action, upholding AB 26, invalidating AB 27, extending certain statutory deadlines under Health and Safety Code Sections 34170 through 34191, and dissolving all redevelopment agencies throughout the State, effective February 1, 2012.

**Discussion/Analysis:**

The Authority elected to ratify its decision to elect to become the successor agency to the Agency by Resolution #JPA 12-04, dated January 18, 2012. One of the responsibilities of the Authority, as successor agency, was to prepare a Recognized Obligation Payment Schedule ("ROPS"), which sets forth the nature, amount, and source(s) of payment of all

“enforceable obligations” of the Agency (as defined by law) to be paid by the successor agency after the Agency’s dissolution, in forward-looking six month fiscal periods, except for the initial draft of the ROPS, which is to cover the period from February 1, 2012, through June 30, 2012. Only payments required pursuant the ROPS may be made by the successor agency, after May 1, 2012.

The “enforceable obligations” listed in the ROPS may include the following: bonds; loans legally required to be repaid pursuant to a payment schedule with mandatory repayment terms; payments required by the federal government, preexisting obligations to the state or obligations imposed by state law; judgments, settlements or binding arbitration decisions that bind the agency; legally binding and enforceable agreements or contracts; contracts or agreements necessary for the continued administration or operation of the agency, including agreements to purchase or rent office space, equipment and supplies; and amounts borrowed from or payments owed to the Low and Moderate Income Housing Fund of a redevelopment agency, which had been deferred as of June 29, 2011. Although, future ROPS will exclude pass-through payments which will be made by the County after dissolution of the Agency, the Agency received an increment installment the week of January 23, 2012 which means the successor agency will be responsible to disburse the first installment of the 2012 pass-through payments only.

Pursuant to Health and Safety Code section 34177(1)(2), as modified by the Supreme Court’s opinion in the Legal Action, the Authority, as successor agency, is required to prepare an initial draft of the ROPS covering the period from February 1, 2012, through June 30, 2012, by March 1, 2012. This draft is submitted to an external auditor (pursuant to Health and Safety Code section 34182, either the County Auditor-Controller or its designee), for review and certification as to its accuracy (“Certified ROPS”). The Certified ROPS is submitted to and duly approved by the oversight board (“Approved ROPS”). The Approved ROPS is finally submitted to the County Auditor-Controller, the State Controller’s office and the State Department of Finance, and posted on the Authority’s website.

The Authority, as successor agency, has prepared the initial draft of the ROPS covering the period from February 1, 2012 through June 30, 2012. It needs to be submitted to an external auditor for review and certification.

**Attachment:**            1) Recognized Obligations Payment Schedule.

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE**  
Per AB 26 - Section 34167 and 34169

Name of Successor Agency: March Joint Powers Authority  
Project: A/E Base Redevelopment Project

Project Name / Debt Obligation	Payee	Description	Total Due Remainder of Fiscal Year	Payments by month					Total
				Feb	Mar	Apr	May	June	
1) 2011A Tax Allocation Bonds	Wells Fargo Bank, N.A.	Issued to fund non-housing projects	1,915,331.26					1,109,165.63	\$ 1,109,165.63
2) 2011B Tax Allocation Bonds	Wells Fargo Bank, N.A.	Issued to fund non-housing projects	784,131.26					457,065.63	\$ 457,065.63
3) Operating Agreement	March Joint Powers Authority	Operating advance to the RDA	3,517,500.00					100,000.00	\$ 100,000.00
4) Successor Agency Fee	March Joint Powers Authority	Administrative Fee	250,000.00					250,000.00	\$ 250,000.00
5) Reinvestment Agreement	U.S. Veterans Initiative	Veteran's Home Design & environmental	750,000.00					250,000.00	\$ 250,000.00
6) DDA	March Healthcare Development	Medical Campus Infrastructure	32,418,700.00						\$ -
7) 12/15 Van Buren Interchange	County of Riverside	12/15 Van Buren Interchange	20,000,000.00	20,000,000.00					\$ 20,000,000.00
8) United States Veteran's Initiative	United States Veteran's Initiative	US Vets Housing Project Construction	8,000,000.00					2,000,000.00	\$ 2,000,000.00
9) United States Veteran's Initiative	March Joint Powers Authority	Project Related Expenses	363,000.00					363,000.00	\$ 363,000.00
10) Professional Services	Various	Legal, Accounting, Financial, other	280,000.00	56,000.00				56,000.00	\$ 56,000.00
11) West March DDA	MNR Riverside LLC	Various Non-Monetary Obligations		56,000.00					\$ 56,000.00
12) March LifeCare DDA	March Healthcare Development	Various Non-Monetary Obligations		218,240.52					\$ 218,240.52
13) 12/15 Van Buren Interchange	March Joint Powers Authority	Project Related Expenses	218,240.52						\$ 218,240.52
14) 1st installment Pass Thru Pymt	County General	1st installment Pass Thru Pymt	652,517.54					652,517.54	\$ 652,517.54
15) 1st installment Pass Thru Pymt	County General	1st installment Pass Thru Pymt	65,188.78					65,188.78	\$ 65,188.78
16) 1st installment Pass Thru Pymt	County Structure Fire Protection	1st installment Pass Thru Pymt	140,353.42					140,353.42	\$ 140,353.42
17) 1st installment Pass Thru Pymt	City of Moreno Valley	1st installment Pass Thru Pymt	8,944.92					8,944.92	\$ 8,944.92
18) 1st installment Pass Thru Pymt	Moreno Valley Fire	1st installment Pass Thru Pymt	7,648.58					7,648.58	\$ 7,648.58
19) 1st installment Pass Thru Pymt	City of Moreno Valley Library	1st installment Pass Thru Pymt	3,550.32					3,550.32	\$ 3,550.32
20) 1st installment Pass Thru Pymt	City of Riverside	1st installment Pass Thru Pymt	133.22					133.22	\$ 133.22
21) 1st installment Pass Thru Pymt	Moreno Valley Unified School	1st installment Pass Thru Pymt	112,806.02					112,806.02	\$ 112,806.02
22) 1st installment Pass Thru Pymt	Vai Verde Unified	1st installment Pass Thru Pymt	43,820.52					43,820.52	\$ 43,820.52
23) 1st installment Pass Thru Pymt	Riverside City Comm College	1st installment Pass Thru Pymt	31,042.06					31,042.06	\$ 31,042.06
24) 1st installment Pass Thru Pymt	Perris Area Elm School Fund	1st installment Pass Thru Pymt	16,349.34					16,349.34	\$ 16,349.34
25) 1st installment Pass Thru Pymt	Perris J High Area Fund	1st installment Pass Thru Pymt	10,908.91					10,908.91	\$ 10,908.91
26) 1st installment Pass Thru Pymt	Riverside Co. Office of Education	1st installment Pass Thru Pymt	25,130.28					25,130.28	\$ 25,130.28
27) 1st installment Pass Thru Pymt	Riverside Co. Reg. Parks & Open Space	1st installment Pass Thru Pymt	2,043.63					2,043.63	\$ 2,043.63
28) 1st installment Pass Thru Pymt	Flood Control Administration	1st installment Pass Thru Pymt	1,629.92					1,629.92	\$ 1,629.92
29) 1st installment Pass Thru Pymt	Flood Control Zone 2	1st installment Pass Thru Pymt	43.62					43.62	\$ 43.62
30) 1st installment Pass Thru Pymt	Flood Control Zone 4	1st installment Pass Thru Pymt	26,828.23					26,828.23	\$ 26,828.23
31) 1st installment Pass Thru Pymt	County Service Area 93	1st installment Pass Thru Pymt	10,128.60					10,128.60	\$ 10,128.60
32) 1st installment Pass Thru Pymt	Eastern Municipal Water	1st installment Pass Thru Pymt	6,360.81					6,360.81	\$ 6,360.81
33) 1st installment Pass Thru Pymt	Eastern Municipal Water	1st installment Pass Thru Pymt	41.90					41.90	\$ 41.90
34) 1st installment Pass Thru Pymt	Eastern Municipal Water Imp Dist	1st installment Pass Thru Pymt	1,110.30					1,110.30	\$ 1,110.30
35) 1st installment Pass Thru Pymt	Riverside Corona Resource Center	1st installment Pass Thru Pymt	2.31					2.31	\$ 2.31
36) 1st installment Pass Thru Pymt	San Jacinto Basin Resource Center	1st installment Pass Thru Pymt	135.62					135.62	\$ 135.62
37) 1st installment Pass Thru Pymt	Metro Water East	1st installment Pass Thru Pymt	470.69					470.69	\$ 470.69
38) 1st installment Pass Thru Pymt	Metro Water West	1st installment Pass Thru Pymt	1,683.53					1,683.53	\$ 1,683.53
39)									\$ -
40)									\$ -
41)									\$ -
42)									\$ -
43)									\$ -
44)									\$ -
45)									\$ -
46)									\$ -
Totals - This Page			\$ 27,476,586.11	\$ 20,274,240.52	\$ 56,000.00	\$ 306,000.00	\$ 306,000.00	\$ 5,745,114.33	\$ 26,687,354.85
Totals - Page 2			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Page 3			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Page 4			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Other Obligations			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand total - All Pages			\$ 27,476,586.11	\$ 20,274,240.52	\$ 56,000.00	\$ 306,000.00	\$ 306,000.00	\$ 5,745,114.33	\$ 26,687,354.85

9a 8

**OVERSIGHT BOARD**  
OF THE  
**SUCCESSOR AGENCY - MARCH JOINT POWERS AUTHORITY**  
OF THE  
**FORMER MARCH JOINT POWERS REDEVELOPMENT AGENCY**

*Reports, Discussion and Action Items*  
*Agenda Item No. 9b*

**Meeting Date:** February 13, 2012

**Report/Action:** **APPROVE SUCCESSOR AGENCY'S ACTION WITH RESPECT TO AMENDMENT NO. 1 TO THE AGREEMENT FOR FUNDING OF THE VAN BUREN/I-215 INTERCHANGE EXPANSION PROJECT BETWEEN THE COUNTY OF RIVERSIDE AND THE MARCH JOINT POWERS AUTHORITY**

**Proposed Motion:** Move to approve the Successor Agency's action with respect to Amendment No. 1 to the Agreement for Funding of the Van Buren/I-215 Interchange Expansion Project between the County of Riverside and the March Joint Powers Authority.

**Background:**

On December 21, 2005, the March Joint Powers Commission (JPC) adopted Resolution #RDA 05-08 supporting the construction of a new Van Buren Interchange and identifying the intention to bond for a portion of the project cost. At the June 4, 2008 JPC meeting, the Commission approved an Agreement for the Funding of the Van Buren/I-215 Interchange Expansion Project between the County of Riverside and the March Joint Powers Authority ("Agreement"). The Agreement established a funding commitment between the March Joint Powers Authority (March JPA) and the County of Riverside (County) for the construction of improvements to the Van Buren/Interstate 215 Interchange. These improvements (the "Project") consist of a major expansion and reconfiguration of the interchange, and expanded overcrossing over I-215 and the BNSF Railroad, modifications to the freeway mainline to accommodate the interchange expansion, and associated road improvements on Van Buren Boulevard and an easterly frontage road.

This Amendment No. 1 identifies that the March Air Force Base Redevelopment Project Tax Allocation Bonds, Series 2011A ("Series A Bonds") in accordance with an indenture dated February 1, 2011, and a resolution of the March RDA dated February 16, 2011, to finance redevelopment projects and activities within or of benefit to the March Air Force Base Redevelopment Project Area, including approximately \$20 million in net proceeds of the Series A Bonds ("Net Proceeds") deposited into the March RDA's Redevelopment Fund to be applied to the costs of the Project, as described in the Series A Bonds' Official

Statement are not unencumbered funds, but are bond proceeds which will be used by March JPA, as successor agency to March RDA, for the purposes for which the Series A Bonds were sold – to provide a portion of the cost of the Project.

The Amendment establishes that the Net Proceeds shall be delivered to the County for costs incurred pursuant to the Agreement and for construction of the Project. The Amendment also identifies that the remainder of the Net Proceeds, in the amount of \$218,240.52, shall be used by March JPA for the purpose of funding Project costs incurred or to be incurred by March JPA.

The March Joint Powers Authority, acting as the Successor Agency to the dissolved March Joint Powers Redevelopment Agency, approved Amendment No. 1 to the Agreement for Funding of the Van Buren/I-215 Interchange Expansion Project between the County of Riverside and the March Joint Powers Authority at the February 1, 2012 March Joint Powers Commission meeting.

**Attachment:**            1) Amendment No. 1 to the Funding Agreement.

**AMENDMENT NO. 1 TO  
AGREEMENT FOR THE FUNDING OF THE  
VAN BUREN/I-215 INTERCHANGE EXPANSION PROJECT  
BETWEEN THE COUNTY OF RIVERSIDE  
AND THE MARCH JOINT POWERS AUTHORITY**

This Amendment No. 1 ("Amendment") to that certain Agreement for the Funding of the Van Buren/I-215 Interchange Expansion Project ("Agreement") is dated as of February 1, 2012 ("Effective Date"), by and between the County of Riverside, a political subdivision of the State of California ("County"), and the March Joint Powers Authority ("Authority"), a California Joint Powers Authority and the successor agency to the former March Joint Powers Redevelopment Agency ("March RDA"), who together are sometimes referred to herein individually as "Party" or collectively as the "Parties."

**RECITALS**

1. The Riverside County Transportation Commission ("RCTC"), on behalf of the Authority and the County, submitted an application for funding under the State's Trade Corridor Improvement Fund ("TCIF") Program. The California Transportation Commission ("CTC") approved \$10 million in funding for the "Project," which is the construction of improvements to the Van Buren/I-215 Interchange, consisting of a major expansion and reconfiguration of the interchange, an expanded over crossing over I-215 and the BNSF Railroad, modifications to the freeway mainline to accommodate the interchange expansion, and associated road improvements on Van Buren Blvd and the easterly frontage road.
2. In that certain "Agreement for the Provision of Governmental Municipal Services and Distribution between The County of Riverside and The March Joint Powers Authority," entered into on June 19, 2007, the Parties agreed to designate County as the lead agency for the Project.
3. In order to be eligible to receive the \$10 million in TCIF funding, County was required to enter into a Project Baseline Agreement with the CTC and RCTC by July 1, 2008.
4. As part of the Project Baseline Agreement, County was to be required to make certain representations that identified the funding sources for the Project as committed and expected to be available.
5. County and Authority entered into the Agreement, dated June 4, 2008, to represent and establish the funding commitment between Authority and County for the Project, which was required by CTC and RCTC prior to the execution of the Project Baseline Agreement. One of the sources of funding considered by County and Authority was the proceeds of certain tax allocation bonds issued by March RDA.

6. On December 21, 2005, the March RDA, which is governed by Authority's governing body, the March Joint Powers Commission, adopted Resolution #RDA 05-08 supporting the Project and identifying the intention to bond for a portion of the Project costs.
7. March RDA issued March Air Force Base Redevelopment Project Tax Allocation Bonds, Series 2011A ("Series A Bonds") in accordance with an indenture dated February 1, 2011, and a resolution of March RDA dated February 16, 2011, to finance redevelopment projects and activities within or of benefit to the March Air Force Base Redevelopment Project Area, including approximately \$20 million in net proceeds of the Series A Bonds ("Net Proceeds") deposited into March RDA's redevelopment fund to be applied to the costs of the Project, as described in the Series A Bonds' Official Statement.
8. On June 28, 2011, as part of the 2011-2012 State of California budget bill, companion bills Assembly Bill 1X 26 ("AB 26") and Assembly Bill 1X 27 ("AB 27") were enacted, which would dissolve all redevelopment agencies throughout the State and reallocate redevelopment agencies' property tax increment to certain taxing entities unless the communities that created the redevelopment agencies adopted an ordinance to participate in the "Alternative Voluntary Redevelopment Program" established by AB 27 and paid an annual "community remittance" payment to their respective counties. On July 18, 2011, a Petition for Writ of Mandate was filed in the Supreme Court of the State of California in the matter of *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861 ("Legal Action"), challenging the constitutionality of AB 26 and AB 27 on behalf of cities, counties and redevelopment agencies. On December 29, 2011, the Supreme Court issued its final decision in the Legal Action, upholding AB 26, invalidating AB 27, extending all statutory deadlines under Health and Safety Code sections 34170 through 34191 (all enacted by AB 26), and dissolving all redevelopment agencies throughout the State, including March RDA.
9. Health and Safety Code section 34172 provides that as of February 1, 2012, redevelopment agencies are dissolved and successor agencies to the redevelopment agencies become operative, and are responsible for the wind down of the redevelopment agency's affairs, under the supervision of an oversight board, until such time as the redevelopment agencies' debts are paid off, their assets liquidated and all property taxes are redirected to local taxing entities. Health and Safety Code section 34173 provides that the community that created the redevelopment agency is designated as the redevelopment agency's successor agency, unless the community elects not to take on such role. Authority, the community that created the March RDA, has elected to be the March RDA's successor agency.

10. Health and Safety Code section 34177(d) states that successor agencies are required to remit unencumbered balances of redevelopment agency funds to the county auditor-controller for distribution to the taxing entities. However, Health and Safety Code section 34177(i) states that successor agencies are also required to use bond proceeds for the purposes for which bonds were sold.
11. Authority and County desire to enter into this Amendment in order to set forth that the Net Proceeds are not unencumbered funds, but are bond proceeds which will be used by Authority, as successor agency, for the purposes for which the Series A Bonds were sold – to provide a portion of the cost of the Project.

NOW, THEREFORE, in consideration of the mutual covenants and subject to the conditions contained herein, County and Authority do agree as follows:

**1. NET PROCEEDS**

- 1.1 Section 4.7 shall be added to the Agreement to state as follows:

4.7. March RDA Bond Proceeds. Authority shall, as the successor agency to March Joint Powers Redevelopment Agency (“March RDA”), make available net proceeds of March Air Force Base Redevelopment Project Tax Allocation Bonds, Series 2011A (“Net Proceeds”), deposited into the former March RDA’s redevelopment fund, in the amount of \$20,000,000.00, for the purposes of funding the Project costs. The Parties agree that said Net Proceeds for funding the Project shall be transferred to County within thirty (30) days after receipt of an invoice from County Director of Transportation, which shall not occur until after all of the following have occurred: (1) construction bid opening; and (2) approval of this Agreement by the oversight board for the Authority, as successor agency to the March RDA, the Riverside County Auditor-Controller, the California State Controller’s Office and the State of California Department of Finance. The Parties shall enter into such appropriate agreements or other documents, if any, as the Parties determine are appropriate in order to address the use of the Net Proceeds for funding the Project. The remainder of the Net Proceeds, in the amount of \$218,240.52, shall be used by March JPA for the purpose of funding Project costs previously incurred or to be incurred by March JPA.

**2. AGREEMENT IN FULL FORCE**

Except to the extent specifically modified or amended hereunder, all of the terms, covenants and conditions of the Agreement, as amended by this Amendment, shall remain in full force and effect between the Parties.

**3. INCORPORATION OF RECITALS**


The Parties hereby affirm the facts set forth in the Recitals above. Said Recitals are incorporated herein and made an operative part of this Amendment.

**[Signatures on the following page]**


**SIGNATURE PAGE TO  
AMENDMENT NO. 1 TO  
AGREEMENT FOR THE FUNDING OF THE  
VAN BUREN/I-215 INTERCHANGE EXPANSION PROJECT  
BETWEEN THE COUNTY OF RIVERSIDE  
AND THE MARCH JOINT POWERS AUTHORITY**

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment on the date and year first above written.

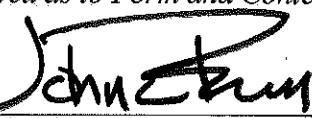
**MARCH JOINT POWERS AUTHORITY**  
a California Joint Powers Authority,  
and successor agency to the March Joint  
Powers Redevelopment Agency

  
\_\_\_\_\_  
Mike Gardner, Chairman  
March Joint Powers Commission

ATTEST:

  
\_\_\_\_\_  
Authority Secretary

*Approved as to Form and Content:*

  
\_\_\_\_\_  
Authority General Counsel

**COUNTY OF RIVERSIDE**  
a political subdivision of the State of California

\_\_\_\_\_  
Chairman

*Approved as to Form*  
PAMELA WALLS  
County Counsel

By: \_\_\_\_\_  
Deputy

ATTEST:  
KECIA HARPER-IHEM, Clerk of the  
Board

By: \_\_\_\_\_  
Deputy

# OVERSIGHT BOARD

OF THE  
SUCCESSOR AGENCY - MARCH JOINT POWERS AUTHORITY  
OF THE  
FORMER MARCH JOINT POWERS REDEVELOPMENT AGENCY

## *Reports, Discussion and Action Items* *Agenda Item No. 9c*

**Meeting Date:** February 13, 2012

**Report/Action:** **APPROVE SUCCESSOR AGENCY'S ACTION WITH RESPECT TO AMENDMENT NO. 1 TO THE REIMBURSEMENT AGREEMENT BETWEEN THE MARCH JOINT POWERS AUTHORITY AND UNITED STATES VETERANS INITIATIVE**

**Proposed Motion:** Move to approve Successor Agency's Action with respect to Amendment No. 1 to the Reimbursement Agreement between the March Joint Powers Authority and United States Veterans Initiative.

**Background:**

At the May 19, 2010 March Joint Powers Commission meeting, the Commission adopted Resolution #RA 10-04 committing Low/Moderate Income Housing set aside bond proceeds to be used toward funding construction of the United States Veterans Initiative's Permanent Housing Facility. A subsequent action was taken by the Commission on September 15, 2010 which approved a Reimbursement Agreement ("Agreement") between the March Joint Powers Redevelopment Agency and United States Veterans Initiative ("USVI") to fund the costs associated with the environmental and design process.

Amendment No. 1 to the Agreement effectuates the following changes:

1. Removes the March Joint Powers Redevelopment Agency (RDA) as a party to the Agreement as of February 1, 2012, because March RDA is dissolved under AB 26 as of February 1, 2012, and therefore no longer may be a party to the Agreement or its amendments because it is no longer in existence; and
2. Replaces March RDA with its successor agency, the March Joint Powers Authority; and
3. Identifies that the March Air Force Base Redevelopment Project Tax Allocation Bonds, Series 2011B ("Series B Bonds") in accordance with an indenture dated February 1, 2011, and a resolution of March RDA dated February 16, 2011, to finance low and moderate income housing projects and activities within or of benefit

to the Project Area, including approximately \$8 million in net proceeds of the Series B Bonds (“Net Proceeds”) deposited into March RDA’s Low and Moderate Income Housing Fund (“Housing Fund”) to be applied to the costs of the Project, as described in the Series B Bonds’ Official Statement are not unencumbered funds, but are bond proceeds which will be used by March JPA, as successor agency to March RDA, for the purposes for which the Series B Bonds were sold – to provide a portion of the cost of the Project; and

4. Establishes that the Net Proceeds may be used to reimburse USVI for costs incurred pursuant to the Agreement and for construction of the Project. The Amendment also identifies that the remainder of the Net Proceeds, in the amount of \$363,000, shall be used by March JPA for the purpose of funding Project costs incurred or to be incurred by March JPA.

The March Joint Powers Authority, acting as the Successor Agency to the dissolved March Joint Powers Redevelopment Agency, approved Amendment No. 1 to the Reimbursement Agreement between the March Joint Powers Authority and United States Veterans Initiative at the February 1, 2012 March Joint Powers Commission meeting.

**Attachment:** 1) Amendment No. 1 to the Reimbursement Agreement between March Joint Powers Authority and United States Veterans Initiative.

**Amendment No. 1 to  
Reimbursement Agreement Between  
March Joint Powers Authority  
and United States Veterans Initiative**

This Amendment No. 1 (“Amendment”) to the Reimbursement Agreement is dated as of February 1, 2012 (“Effective Date”), by and between the March Joint Powers Authority, a California Joint Powers Authority established under the laws of the State of California and the successor agency to the March Joint Powers Redevelopment Agency (“March JPA”), and the United States Veterans Initiative (“Applicant”). March JPA and Applicant shall sometimes individually be referred to in this Amendment as “Party” and collectively as “Parties.”

RECITALS

A. March JPA and Applicant have a mutual interest in Applicant’s development of certain real property (“Property”) located within the former March Joint Powers Redevelopment Agency’s (“March RDA”) March Air Force Base Redevelopment Project Area (“Project Area”) as a housing facility for homeless and at-risk military veterans and veterans and their families. Applicant is in the process of submitting applications for various discretionary and/or ministerial land use approvals for the development of the Property, including, without limitation, a Plot Plan (collectively, “Project”).

B. March RDA and Applicant have entered into that certain Reimbursement Agreement dated September 15, 2010 (“Agreement”). The Agreement establishes the terms by which March RDA will reimburse Applicant for costs incurred by Applicant to retain the services of various consultants for design and environmental review services for the Project and development of the Project on the Property.

C. March RDA issued March Air Force Base Redevelopment Project Tax Allocation Bonds, Series 2011B (“Series B Bonds”) in accordance with an indenture dated February 1, 2011, and a resolution of March RDA dated February 16, 2011, to finance low and moderate income housing projects and activities within or of benefit to the Project Area, including approximately \$8 million in net proceeds of the Series B Bonds (“Net Proceeds”) deposited into March RDA’s Low and Moderate Income Housing Fund (“Housing Fund”) to be applied to the costs of the Project, as described in the Series B Bonds’ Official Statement.

D. On June 28, 2011, as part of the 2011-2012 State of California budget bill, companion bills Assembly Bill 1X 26 (“AB 26”) and Assembly Bill 1X 27 (“AB 27”) were enacted, which would dissolve all redevelopment agencies throughout the State and reallocate redevelopment agencies’ property tax increment to certain taxing entities unless the communities that created the redevelopment agencies adopted an ordinance to participate in the “Alternative Voluntary Redevelopment Program” established by AB 27 and paid an annual “community remittance” payment to their respective counties. On July 18, 2011, a Petition for Writ of Mandate was filed in the Supreme Court of the State of California in the matter of *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861 (“Legal Action”), challenging the constitutionality of AB 26 and AB 27 on behalf of cities, counties and redevelopment agencies. On December 29, 2011, the Supreme Court issued its final decision in the Legal Action, upholding AB 26, invalidating

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AB 27, extending all statutory deadlines under Health and Safety Code sections 34170 through 34191 (all enacted by AB 26), and dissolving all redevelopment agencies throughout the State, including the March RDA.

E. Health and Safety Code section 34172 provides that as of February 1, 2012, redevelopment agencies are dissolved and successor agencies to the redevelopment agencies become operative, and are responsible for the wind down of the redevelopment agency's affairs, under the supervision of an oversight board, until such time as the redevelopment agencies' debts are paid off, their assets liquidated and all property taxes are redirected to local taxing entities. Health and Safety Code section 34173 provides that the community that created the redevelopment agency is designated as the redevelopment agency's successor agency, unless the community elects not to take on such role. March JPA, the community that created March RDA, has elected to be March RDA's successor agency and shall take on such role.

F. Health and Safety Code section 34177(d) states that successor agencies are required to remit unencumbered balances of redevelopment agency funds, including the unencumbered balance of the Housing Fund, to the county auditor-controller for distribution to the taxing entities. However, Health and Safety Code section 34177(i) states that successor agencies are also required to use bond proceeds for the purposes for which bonds were sold.

G. March JPA and Applicant desire to enter into this Amendment in order to set forth that the Net Proceeds are not unencumbered funds, but are bond proceeds which will be used by March JPA, as successor agency to March RDA, for the purposes for which the Series B Bonds were sold – to provide a portion of the cost of the Project. The Parties also desire to establish that the Net Proceeds may be used to reimburse Applicant for costs incurred pursuant to the Agreement and for construction of the Project. Finally, the Parties desire to remove March RDA as a party to the Agreement as of February 1, 2012, because March RDA is dissolved under AB 26 as of February 1, 2012, and therefore no longer may be a party to the Agreement or its amendments because it is no longer in existence, and replace March RDA with its successor agency, March JPA.

#### AGREEMENT

Now, therefore, in consideration of the mutual promise contained herein, Applicant and March JPA hereby agree as follows:

1. Removal of March RDA as a Party to the Agreement; Replacement with March JPA. As of February 1, 2012, March RDA shall be removed as a party to the Agreement and any of the Agreement's amendments as a result of its dissolution under AB 26. All obligations and agreements for March RDA under the Agreement or any of the Agreement's amendments shall be obligations or agreements of its successor agency, March JPA, to the extent permitted under the law.

2. Use of Net Proceeds. Section 5(i) shall be added to the Agreement to state as follows:

(i) Upon the Agency's dissolution on February 1, 2012, under the provisions of Assembly Bill 1X 26, and the effectiveness of March Joint Powers Authority ("Authority") as the successor agency to the Agency on the same date, the full amount of the net proceeds of the

March Joint Powers Redevelopment Agency March Air Force Base Redevelopment Project Tax Allocation Housing Bonds Series 2011B ("Net Proceeds"), deposited in the former Agency's Low and Moderate Income Housing Fund in the amount of \$8,357,268.87, shall be available for the Authority to reimburse the Applicant for costs incurred pursuant to the terms of this Agreement. The Net Proceeds shall also be available to fund the construction of the Project, at such time and in such manner as the Authority shall decide is appropriate for the Net Proceeds to be disbursed for such purpose.

3. Revision of Term. Section 7 of the Agreement shall be deleted in its entirety and replaced with the following:

7. Term. The term of this Agreement shall commence on the date that this Agreement is fully executed by the parties ("Commencement Date") and shall terminate when the parties have each satisfied all of the obligations under this Agreement including, without limitation, the obligation to reimburse the Applicant for Estimated Costs and Excess Costs, whether or not paid by the Applicant to Consultants prior to the date of termination ("Termination Date"). The Agency's obligation to reimburse the Applicant as provided in this Agreement and the Authority's obligation to use the Net Proceeds for the purposes provided in Section 5(i) shall survive the termination of this Agreement pursuant to Section 8.

4. Agreement in Full Force. Except to the extent specifically modified or amended hereunder, all of the terms, covenants and conditions of the Agreement shall remain in full force and effect between March JPA and Applicant.

5. Incorporation of Recitals. March JPA and Applicant hereby affirm the facts set forth in the Recitals above. Said Recitals are incorporated herein and made an operative part of this Amendment.

**[Signatures on the following page]**

**Signature Page to  
Amendment No. 1 to  
Reimbursement Agreement**

**IN WITNESS WHEREOF**, the Parties hereto have caused this Amendment to be executed by their duly authorized representatives on the date first above written.

**MARCH JOINT POWERS AUTHORITY:**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: Lori M. Stone

Attest: \_\_\_\_\_

Its: Executive Director

*Approved as to Form:*

\_\_\_\_\_  
Best Best & Krieger LLP  
March Joint Powers Authority General Counsel

**UNITED STATES VETERANS INITIATIVE:**

By: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: \_\_\_\_\_

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**OVERSIGHT BOARD**  
OF THE  
**SUCCESSOR AGENCY - MARCH JOINT POWERS AUTHORITY**  
OF THE  
**FORMER MARCH JOINT POWERS REDEVELOPMENT AGENCY**

*Reports, Discussion and Action Items*  
*Agenda Item No. 9d*

**Meeting Date:** February 13, 2012

**Report/Action:** **APPROVE SUCCESSOR AGENCY'S ACTION WITH RESPECT TO AUTHORIZING THE RECORDATION OF A NOTICE OF INTENT TO PRESERVE POWER OF TERMINATION FOR APN #'S 297-230-17, 297-230-18, 297-230-19 AND 297-230-20**

**Proposed Motion:** Move to approve Successor Agency's Action with respect to Authorizing the Recordation of a Notice of Intent to preserve Power of Termination for APN #'s 297-230-17, 297-230-18, 297-230-19 and 297-230-20.

**Background:**

At the February 1, 2012 Joint Powers Commission meeting, the JPC authorized the recordation of a Notice of Intent to preserve Power of Termination for APN #'s 297-230-17, 297-230-18, 297-230-19 and 297-230-20.

Section 8.04 of the West March Disposition and Development Agreement (DDA) confers upon the Authority a contractual right to retake a parcel if the parties have previously placed a power of termination in the grant deed relating to the parcel and that power of termination clause contains a requirement that construction is commenced within a specified amount of time. In compliance with Section 8.04 of the DDA, a power of termination clause was included in the Grant Deed conveying APN #'s 297-230-17 and 18 to LNR CPI Meridian BTS 356 LLC, and APN #'s 297-230-19 and 20 to and LNR CPI Meridian BTS 223 LLC. The expiration date for commencing construction is identified as April 30, 2010 for APN #'s 297-230-17 and 18, and November 30, 2010 for APN #'s 297-230-19 and 20.

The power of termination contained within the grant deed is not self-executing. Essentially, the March Joint Powers Authority, acting as the Successor Agency to the dissolved March Joint Powers Redevelopment Agency, would have to take the affirmative steps to retake a parcel. Although the power of termination does not expire after the three year commencement of construction period and would survive for at least 30 years from the date a grant deed with a power of termination clause was recorded, legal counsel recommends the Successor Agency record a Notice of Intent to preserve the power of termination against the property.

This approach is necessary to guard against any claim that the power of termination became obsolete and therefore unenforceable. Additionally, this will allow LNR to transfer the property to Newcastle Partners, Inc. to commence construction within a new term, and will allow the Successor Agency to preserve the parameters previously established in the DDA for future grant deeds.

**Attachment:**           None.

**OVERSIGHT BOARD**  
OF THE  
**SUCCESSOR AGENCY - MARCH JOINT POWERS AUTHORITY**  
OF THE  
**FORMER MARCH JOINT POWERS REDEVELOPMENT AGENCY**

*Reports, Discussion and Action Items*  
*Agenda Item No. 9e*

**Meeting Date:** February 13, 2012

**Report/Action:** **APPROVE SUCCESSOR AGENCY'S ACTION WITH RESPECT TO APPROVING AND ADOPTING A PROPOSED ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(J)**

**Proposed Motion:** Move to approve Successor Agency's Action with respect to approving and adopting a proposed Administrative Budget pursuant to Health and Safety Code Section 34177(j).

**Background:**

At the February 1, 2012 Joint Powers Commission meeting, the JPC adopted Resolution #JPA 12-07 a Resolution of the March Joint Powers Commission of the March Joint Powers Authority, Serving as the Successor Agency to the Dissolved March Joint Powers Redevelopment Agency, approving and adopting a proposed Administrative Budget pursuant to Health and Safety Code Section 34177(j).

On June 28, 2011, as part of the 2011/2012 State of California budget bill, companion bills Assembly Bill 1X 26 ("AB 26") and Assembly Bill 1X 27 ("AB 27") were enacted, dissolving the March Joint Powers Redevelopment Agency ("Agency"), unless the March Joint Powers Authority ("Authority") elected to participate in the "Alternative Voluntary Redevelopment Program" established by AB 27 and paid an annual "community remittance" payment to the County of Riverside. On July 18, 2011, a Petition for Writ of Mandate was filed in the Supreme Court of the State of California in the matter of *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861 ("Legal Action"), challenging the constitutionality of AB 26 and AB 27 on behalf of cities, counties and redevelopment agencies. On December 29, 2011, the Supreme Court issued its opinion in the Legal Action, upholding AB 26, invalidating AB 27, extending certain statutory deadlines under Health and Safety Code Sections 34170 through 34191, and dissolving all redevelopment agencies throughout the State, effective February 1, 2012.

The Authority elected to ratify its decision to elect to become the successor agency to the March Joint Powers Redevelopment Agency by Resolution #JPA 12-04, dated January 18, 2012. One of the responsibilities of the Authority, as successor agency, is to prepare a proposed administrative budget and submit it to the Authority's oversight board for

Preparation date: February 9, 2012

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approval. According to Health and Safety Code section 34177(j), the administrative budget is to include all of the following: (i) estimated amounts for the Authority's administrative costs for the upcoming six-month fiscal period; (ii) proposed sources of payment for the costs identified in (i); and (iii) proposals for arrangements for administrative and operations services provided by a city, county, city and county, or other entity.

Pursuant to Health and Safety Code section 34177(j), as modified by the Supreme Court's opinion in the Legal Action, the Authority, as successor agency, is required to prepare a proposed administrative budget covering the period from February 1, 2012, through June 30, 2012. This proposed administrative budget is to be submitted to the Authority's oversight board for approval ("Approved Administrative Budget"). Under Health and Safety Code section 34177(k), the Authority is to provide administrative cost estimates, from the Approved Administrative Budget, that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the County of Riverside Auditor-Controller for the upcoming six-month fiscal period.

**Attachment:**            1) Resolution #JPA 12-07.

RESOLUTION NO. JPA 12-07

**A RESOLUTION OF THE MARCH JOINT POWERS COMMISSION OF THE MARCH JOINT POWERS AUTHORITY, SERVING AS THE SUCCESSOR AGENCY TO THE DISSOLVED MARCH JOINT POWERS REDEVELOPMENT AGENCY, APPROVING AND ADOPTING A PROPOSED ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j)**

**WHEREAS**, pursuant to Health and Safety Code section 34173(d), the March Joint Powers Authority ("Successor Agency") elected to ratify its decision to elect to become the successor agency to the March Joint Powers Redevelopment Agency by Resolution #JPA 12-04, dated January 18, 2012; and

**WHEREAS**, Health and Safety Code section 34177(j), as modified by the Supreme Court decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861, requires the Successor Agency to prepare a proposed administrative budget covering the period from February 1, 2012, through June 30, 2012 and submit it to the oversight board for approval; and

**WHEREAS**, pursuant to Health and Safety Code section 34177(k), upon approval of the administrative budget by the oversight board, the Successor Agency is required to provide administrative cost estimates, from the approved administrative budget, that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the County of Riverside Auditor-Controller for each fiscal period covered by the administrative budget; and

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

**NOW, THEREFORE, THE MARCH JOINT POWERS COMMISSION OF THE MARCH JOINT POWERS AUTHORITY, SERVING AS THE SUCCESSOR AGENCY TO THE MARCH JOINT POWERS REDEVELOPMENT AGENCY, DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1. Recitals.** The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

**Section 2. Approval of Proposed Administrative Budget.** The Successor Agency hereby approves and adopts the proposed administrative budget covering the period from February 1, 2012, through June 30, 2012, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code Section 34177.

**Section 3. Transmittal of Proposed Administrative Budget.** The Executive Director is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the proposed administrative budget, including submitting the proposed administrative budget to the Successor Agency's oversight

board, and upon oversight board approval of the administrative budget, the provision of administrative cost estimates, from the approved administrative budget, that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the County of Riverside Auditor-Controller.

**Section 5. Effectiveness.** This Resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED AND ADOPTED** at a regular meeting of the March Joint Powers Commission of the March Joint Powers Authority, serving as the successor agency to the March Joint Powers Redevelopment Agency on the 1<sup>st</sup> day of February, 2012:



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Mike Gardner  
Chairman, March Joint Powers Commission


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**ATTEST:**

I, Carey L. Allen, Clerk of the March Joint Powers Authority Commission, California, do hereby certify that the foregoing Resolution #JPA 12-07 was duly and regularly adopted by the Commission of the March Joint Powers Authority at a regular meeting thereof held this 1<sup>st</sup> day of February, 2012, by the following called vote:

Ayes: Buster, Melendrez, Co, Stewart, Yarbrough, Ashley, Busch, Gradner  
Noes: None  
Absent: None  
Abstain: None

Date: February 1, 2012

  
\_\_\_\_\_  
Carey L. Allen, CMC, Clerk  
March Joint Powers Authority Commission

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**EXHIBIT A**

**PROPOSED ADMINISTRATIVE BUDGET**

[Attached behind this page]

March Joint Powers - Successor Agency Budget  
February 1, 2012 - June 30, 2012

CASH FUNDS RECEIVED	
Administrative Cost Allowance	\$275,000
ADMINISTRATIVE COSTS	
Audit Expenses	\$12,200
Bank Fees	\$5,000
Consulting Services	\$50,000
Legal Services	\$105,000
Meeting Costs	\$1,000
Office Expenses	\$42,650
Personnel Expenses	\$297,500
Training/Education	\$5,000
Travel Expenses	\$5,500
Total Administrative Costs	<u>\$523,850.00</u>

**JOINT POWERS COMMISSION  
OF THE  
MARCH JOINT POWERS AUTHORITY**

***MJPA - Successor Agency - Consent Calendar  
Agenda Item No. 7b (5)***

**Meeting Date:** February 1, 2012

**Action:** **ADOPT RESOLUTION #JPA 12-07 A RESOLUTION OF THE MARCH JOINT POWERS COMMISSION OF THE MARCH JOINT POWERS AUTHORITY, SERVING AS THE SUCCESSOR AGENCY TO THE DISSOLVED MARCH JOINT POWERS REDEVELOPMENT AGENCY, APPROVING AND ADOPTING A PROPOSED ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(J)**

**Proposed Motion:** Move to adopt Resolution #JPA 12-07 a Resolution of the March Joint Powers Commission of the March Joint Powers Authority, Serving as the Successor Agency to the Dissolved March Joint Powers Redevelopment Agency, Approving and Adopting a Proposed Administrative Budget Pursuant to Health and Safety Code Section 34177(j).

**Background:**

On June 28, 2011, as part of the 2011-2012 State of California budget bill, companion bills Assembly Bill 1X 26 ("AB 26") and Assembly Bill 1X 27 ("AB 27") were enacted, dissolving the March Joint Powers Redevelopment Agency ("Agency"), unless the March Joint Powers Authority ("Authority") elected to participate in the "Alternative Voluntary Redevelopment Program" established by AB 27 and paid an annual "community remittance" payment to the County of Riverside. On July 18, 2011, a Petition for Writ of Mandate was filed in the Supreme Court of the State of California in the matter of *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861 ("Legal Action"), challenging the constitutionality of AB 26 and AB 27 on behalf of cities, counties and redevelopment agencies. On December 29, 2011, the Supreme Court issued its opinion in the Legal Action, upholding AB 26, invalidating AB 27, extending certain statutory deadlines under Health and Safety Code Sections 34170 through 34191, and dissolving all redevelopment agencies throughout the State, effective February 1, 2012.

The Authority elected to ratify its decision to elect to become the successor agency to the March Joint Powers Redevelopment Agency by Resolution #JPA 12-04, dated January 18, 2012. One of the responsibilities of the Authority, as successor agency, is to prepare a proposed

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administrative budget and submit it to the Authority's oversight board for approval. According to Health and Safety Code section 34177(j), the administrative budget is to include all of the following: (i) estimated amounts for the Authority's administrative costs for the upcoming six-month fiscal period; (ii) proposed sources of payment for the costs identified in (i); and (iii) proposals for arrangements for administrative and operations services provided by a city, county, city and county, or other entity.

Pursuant to Health and Safety Code section 34177(j), as modified by the Supreme Court's opinion in the Legal Action, the Authority, as successor agency, is required to prepare a proposed administrative budget covering the period from February 1, 2012, through June 30, 2012. This proposed administrative budget is to be submitted to the Authority's oversight board for approval ("Approved Administrative Budget"). Under Health and Safety Code section 34177(k), the Authority is to provide administrative cost estimates, from the Approved Administrative Budget, that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the County of Riverside Auditor-Controller for the upcoming six-month fiscal period.

#### **Fiscal Impact**

No Authority funds are involved with the adoption of the proposed administrative budget.

**Attachment:**            1) Resolution #JPA 12-07.