

**OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY  
TO THE SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY**

Simi Valley City Hall  
2929 Tapo Canyon Road  
Simi Valley, CA 93063  
January 28, 2013  
9:00 a.m.

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Agenda Review
- 4A. Move that all resolutions presented be read in title only and all further reading be waived.
5. Public Statements

Time allotted for public statements or comments on all items on the agenda. Each individual speaker is limited to three (3) minutes.
6. Approval of Minutes:

Consideration of Resolution Approving the Minutes of the January 11, 2013 Meeting of the Oversight Board
7. Consent Calendar: None
8. Continued Business: None
9. New Business:
- 9A. Consideration of Resolution Consenting to the Payment of Funds to the Simi Valley Unified School District by the City of Simi Valley

OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY  
TO THE SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY

January 28, 2013

- 9B. Consideration of Resolution Forgiving Certain Indebtedness of the Boys and Girls Club of Simi Valley, Inc.
- 10. Board Comments:
- 11. Adjournment: February 25, 2013 at 9:00 a.m.

/s/ \_\_\_\_\_  
Brian Paul Gabler,  
Director of Economic Development/  
Assistant City Manager  
Oversight Board Secretary

If any interested individual has a disability, which may require accommodation to participate in this meeting, please contact the City Manager's Office at 583-6701. Upon advance notification of the need for accommodation, reasonable arrangements will be made to provide accessibility to the meeting.

**OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE  
SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY**

**MEMORANDUM**

January 28, 2013

**TO:** Oversight Board

**FROM:** Office of the City Manager, Simi Valley Successor Agency

**SUBJECT:** CONSIDERATION OF RESOLUTION APPROVING THE MINUTES OF  
THE JANUARY 11, 2013 MEETING OF THE OVERSIGHT BOARD

**RECOMMENDATION**

It is recommended the Oversight Board adopt a Resolution approving Minutes of the January 11, 2013 meeting of the Oversight Board.

**BACKGROUND AND OVERVIEW**

On June 27, 2012, the State of California approved Assembly Bill (AB) 1484 which is a trailer bill to the original 2011 Dissolution Act legislation. AB1484 made significant changes to how a Successor Agency and an Oversight Board will report information and conduct business. Included in this legislation is a new requirement that all actions of the Oversight Board be made through adoption of resolution.

**FINDINGS AND ALTERNATIVES**

As a result of new legislation (AB1484), all actions taken by the Oversight Board shall be adopted by resolution. Staff recommends the Oversight Board adopt the attached Resolution approving the Minutes of the January 11, 2013 meeting of the Oversight Board.

  
\_\_\_\_\_  
Brian Paul Gabler, Director of Economic  
Development/Assistant City Manager

RESOLUTION NO.

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY APPROVING THE MINUTES OF THE JANUARY 11, 2013 MEETING OF THE OVERSIGHT BOARD

WHEREAS, on June 27, 2012 the State of California Legislature passed and the Governor signed Assembly Bill 1484 which modifies how an oversight board may take action; and

WHEREAS, Assembly Bill 1484 dictates that all actions taken by an oversight board shall be adopted by resolution; and

WHEREAS, the Oversight Board of the Successor Agency to the Simi Valley Community Development Agency ("Oversight Board") held a duly noticed meeting on January 11, 2013; and

WHEREAS, the Oversight Board desires to approve the Minutes of the January 11, 2013 meeting.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The Oversight Board finds and determines that the foregoing recitals are true and correct.

SECTION 2. The Oversight Board approves the Minutes of the January 11, 2013 meeting of the Oversight Board attached as Exhibit A.

SECTION 3. The Successor Agency shall maintain on file as a public record this Resolution and the Minutes as approved hereby.

PASSED and ADOPTED

\_\_\_\_\_  
Mike Sedell, Chair of the Oversight Board  
of the Successor Agency to Simi Valley  
Community Development Agency

ATTEST:

\_\_\_\_\_  
Brian P. Gabler, Oversight Board Secretary

MINUTES OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE  
SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY

Simi Valley, California

January 11, 2013

AGENDA  
ITEM

1. Called to Order: 2:02 p.m.
2. Pledge of Allegiance: Led by Abbe Berns
3. Roll Call: Present: Abbe Berns, Michael Clear, Bruce Hamous, Jeff Yaller, Chair Mike Sedell  
  
Absent: Iris Ingram, Vice Chair Paul Derse
4. Agenda Review: None
- 4A. ACTION: Board Member Hamous moved that all resolutions presented be read in title only and all further reading be waived; Board Member Clear seconded the motion. There being no objections, the motion carried through acclamation.
5. Public Statements: None
6. Approval of Minutes:

Resolution No. OB 2013 – 03 A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY APPROVING THE MINUTES OF THE JANUARY 4, 2013 MEETING OF THE OVERSIGHT BOARD

ACTION: Board Member Berns moved to adopt Resolution No. OB 2013-03; Board Member Yaller seconded the motion:

ROLL CALL

AYES: Board Members Berns, Clear, Hamous, Yaller, Chair Sedell  
NAYS: None  
ABSENT: Board Member Ingram, Vice Chair Derse  
ABSTAIN: None

**AGENDA  
ITEM**

7. Consent Calendar: None
8. Continued Business: None
9. New Business:
- 9A. Adoption of a Resolution Approving the Due Diligence Review for Other Funds as Mandated by Assembly Bill 1484

Chair Sedell closed the Public Comment Session. It was noted that no public comments were received.

Resolution No. OB 2013 - 04 A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY APPROVING THE INDEPENDENT ACCOUNTANT'S REPORT REGARDING THE DUE DILIGENCE REVIEW FOR NON-HOUSING FUNDS AND ACCOUNTS, TAKING INTO CONSIDERATION THE PUBLIC COMMENTS, CONDUCTED PURSUANT TO SECTION 34179.5 AND 34179.6 OF THE DISSOLUTION ACT

ACTION: Board Member Clear moved to adopt Resolution No. OB 2013-04; Board Member Hamous seconded the motion:

**ROLL CALL**

AYES: Board Members Berns, Clear, Hamous, Yaller, Chair Sedell  
NAYS: None  
ABSENT: Board Member Ingram, Vice Chair Derse  
ABSTAIN: None

Board Member Ingram joined the meeting at 2:10 p.m.

The Board directed staff to return at the next Board meeting with a resolution consenting to the transfer of funds held by the City of Simi Valley to the Simi Valley Unified School District.

- 9B. Discussion Regarding the Boys and Girls Club of Simi Valley Debt

The Board directed staff to return at the next Board meeting with a resolution approving the waiver of debt to the Simi Valley Successor Agency by the Boys and Girls Club of Simi Valley.

AGENDA  
ITEM

- 10. Board Comments: None
- 11. Adjournment: Chair Sedell adjourned the meeting at 2:50 p.m. to January 28, 2013 at 9:00 a.m.

---

Mike Sedell, Chair of the Oversight Board to  
the Successor Agency of the Simi Valley  
Community Development Agency

---

Brian P. Gabler, Oversight Board Secretary

**OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE  
SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY**

**MEMORANDUM**

January 28, 2013

**TO:** Oversight Board

**FROM:** Office of the City Manager, Simi Valley Successor Agency

**SUBJECT:** CONSIDERATION OF RESOLUTION CONSENTING TO THE PAYMENT OF FUNDS TO THE SIMI VALLEY UNIFIED SCHOOL DISTRICT BY THE CITY OF SIMI VALLEY

**RECOMMENDATION**

It is recommended the Oversight Board consider adopting a resolution consenting to the release of funds in the School District Capital Improvement Trust Fund by the City of Simi Valley to the Simi Valley Unified School District.

**BACKGROUND AND OVERVIEW**

In 1985, the City of Simi Valley (City), the Simi Valley Community Development Agency (Agency), and the Simi Valley Unified School District (District) entered into a joint resolution of agreement (attached, page 7) to establish a School District Capital Improvement Trust Fund (Trust Fund). The District would use the Trust fund to fund various capital improvements. Funding for the Trust Fund was provided by the Agency from tax increment revenue pass through funds deposited from the Agency's redevelopment project areas. The City established the Trust Fund with revenue from the Agency.

In 1992, the City, Agency, and District entered into a joint resolution of agreement (attached, page 19) to fund various improvements by the District with monies previously deposited in the Trust Fund as well as future deposits to the Trust Fund. This 1992 agreement established a payment schedule for payments to the District from the Agency. The payments to the District would be used to pay the debt service on bonds issued by the District to fund the improvements.

On February 1, 2012, the effective date of the dissolution of the Agency, a balance of \$1,119,378 remained in the Trust Fund. These funds would, absent the dissolution of redevelopment agencies in California, be due to the District. Staff is seeking direction regarding the disposition of these funds.

## FINDINGS AND ALTERNATIVES

As a result of the 1992 agreement, the Agency made payments from the Trust Fund to the District based upon an approved debt service schedule. Deposits to the Trust Fund were established according to a percentage of tax increment revenue collected by the Agency. Specifically, monies deposited equaled 10% of 50% of the gross tax increment revenue.

Should the annual deposit to the Trust Fund exceed the annual payment due to the District in accordance with the 1992 agreement, the excess would remain in the Trust Fund for use on future capital improvements. The balance that remains in the Trust Fund as of February 1, 2012 is comprised of prior deposits exceeding payments.

The recently completed Due Diligence Review of Other Funds did not account for the \$1.1 million in the Trust Fund as the Trust Fund resides with the City of Simi Valley and not with the former Agency or current Successor Agency. However, staff brought the issue to the Oversight Board for disposition due to the origins of the monies in the Trust Fund.

Several options are available to the Oversight Board with respect to the disposition of the Trust Fund. Those options include:

1. In accordance with the Dissolution Act, the county Auditor-Controller manages all pass through agreements and their funding. The Oversight Board may direct the funds be sent to the County of Ventura Auditor-Controller for final disposition.
2. Request an opinion of the California Department of Finance and/or the State Controller's Office regarding the final disposition of the Trust Fund.
3. File an Interpleader motion with the Ventura County Superior Court and allow the court system to determine final disposition of the Trust Fund. This option would require legal costs to prepare and manage the court filing.
4. Consent, authorize, and approve the City to release the funds to the District with the proper legal protections and hold harmless documents by the District to affected parties.

At the Oversight Board's meeting of January 11, 2013, the Board directed staff to prepare a resolution consenting to the City's release of the Trust Fund to the District. Attached for the Board's consideration is a resolution (page 4) consenting to that release.

The following Alternatives are available to the Oversight Board:

1. Adopt the attached resolution consenting to the release of funds in the School District Capital Improvement Trust Fund by the City of Simi Valley to the Simi Valley Unified School District.
2. Select another alternative.

3. Provide further direction to staff.

### SUMMARY

In 1985, the City of Simi Valley, the Simi Valley Community Development Agency, and the Simi Valley Unified School District entered into a joint resolution of agreement to establish a School District Capital Improvement Trust Fund (Trust Fund) that would be used to fund various capital improvements by the District. Funding for the Trust Fund was provided by the Agency through the pass through of tax increment revenue from the Agency's redevelopment project areas. The City established the Trust Fund with revenue from the Agency. In 1992, the City, Agency, and District entered into a joint resolution of agreement to fund various capital improvements. This 1992 agreement established a payment schedule for payments to the District from the Agency and payments would be used to pay the debt service on bonds issued by the District to fund the improvements.

On February 1, 2012, the effective date of the dissolution of the Agency, a balance of \$1,119,378 remained in the Trust Fund. At the Oversight Board's meeting of January 11, 2013, the Board directed staff to prepare a resolution consenting to the City's release of the Trust Fund to the District. Attached for the Board's consideration is a resolution consenting to that release.



Brian Paul Gabler, Director of Economic  
Development/Assistant City Manager

## RESOLUTION NO.

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY APPROVING AND AUTHORIZING THE PAYMENT OF FUNDS TO THE SIMI VALLEY UNIFIED SCHOOL DISTRICT BY THE CITY OF SIMI VALLEY SUBJECT TO CERTAIN TERMS AND CONDITIONS

WHEREAS, on July 1, 1985 the City of Simi Valley ("City"), the Simi Valley Unified School District ("District"), and the Simi Valley Community Development Agency ("Agency") entered into a Joint Resolution of Agreement (the "1985 Agreement") to establish a School District Capital Improvement Trust Fund ("Trust Fund") under which the Agency agreed to provide certain funding, using certain tax increment revenues, as described by Health and Safety Code Section 33670(b) ("Tax Increment Revenues") from the Tapo Canyon Community Development Project and the West End Community Development Project (collectively, the "Projects") toward the funding of future District improvements. The City had no liability for the making of any payments under the 1985 Agreement; and

WHEREAS, the City established a fund designated as the Trust Fund to hold deposits of certain amounts of Tax Increment Revenues by the Agency for use to pay future District improvements; and

WHEREAS, on June 22, 1992, the City, District, and Agency entered into a Joint Resolution of Agreement (the "1992 Agreement") under which the Agency and the District amended certain terms of the 1985 Agreement and under which the Agency agreed to apply certain amounts of Tax Increment Revenues as available from time to time to the Agency to be available for the payment toward the cost of certain District capital improvements. The 1985 Agreement as amended by the 1992 Agreement is referred to herein as the "Amended Agreement." The City had no liability for the making of any payments under the Amended Agreement; and

WHEREAS, Amended Agreement includes a schedule of payments to the District from Trust Fund to be made from a portion of Tax Increment Revenues; and

WHEREAS, Assembly Bill x1 26, chaptered and effective on June 27, 2011, added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 chaptered and effective on June 27, 2012 (together, the "Dissolution Act"); and

WHEREAS, as of February 1, 2012 the Agency was dissolved pursuant to the Dissolution Act and as a separate legal entity the City serves as the Successor Agency to the Simi Valley Community Development Agency (the "Successor Agency"); and

SECTION 5. The Successor Agency shall maintain on file as a public record this Resolution and the Minutes as approved hereby.

PASSED and ADOPTED

Mike Sedell, Chair of the Oversight Board  
of the Successor Agency to Simi Valley  
Community Development Agency

ATTEST:

Brian P. Gabler, Oversight Board Secretary

RESOLUTION NO. 85-111  
RESOLUTION NO. CD-85-14

JOINT RESOLUTION OF AGREEMENT BETWEEN  
THE SIMI VALLEY UNIFIED SCHOOL DISTRICT,  
THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF SIMI VALLEY,  
AND THE CITY OF SIMI VALLEY

This Agreement is made and entered into this 1st day of July, 1985, by and between the SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY, a public body, corporate and politic (hereinafter referred to as "Agency"), the CITY OF SIMI VALLEY, a California municipal corporation (hereinafter referred to as "City"), and the SIMI VALLEY UNIFIED SCHOOL DISTRICT, a school district of the State of California (hereinafter referred to as "District").

RECITALS

A. Agency is presently undertaking a program under the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq. All subsequent references, unless otherwise noted, are to the California Health and Safety Code). The City has previously established the Tapo Canyon Community Development Project by Ordinance No. 547. Additionally, the City established the West End Community Development Project by its Ordinance No. 548. The Tapo Canyon Community Development Project and the West End Community Development Project (the "Projects") have been amended respectively pursuant to Ordinance No. 592 and Ordinance No. 593 duly adopted by the City Council of the City of Simi Valley, California.

B. The District is a unified school district and taxing agency with territory located within the boundaries of the Projects (the "Project Area"). District is also an affected taxing agency, as defined in Section 33353.2, which had general purpose and special taxes levied on its behalf on all or any portion of the property located in the Project in fiscal year 1984-85.

C. Pursuant to Article XVI, Section 16, of the California Constitution, Section 33670 et seq. and the Redevelopment Plan for each of the Projects, with respect to each project, increases in the assessed values of property within the Project Areas above the sum of the assessed values as shown on the assessment roll of the original Project Areas and the assessed values as shown on the assessment roll of the area added by the amendments (which together constitute the "Base Year Roll for the Project") will result in that portion of property taxes levied each year on such increase in assessed values ("tax increments") being allocated and paid to the Agency to pay the principal of and interest on loans, monies advanced to or indebtedness incurred by the Agency to finance or refinance, in whole or in part, redevelopment of the Project.

D. Section 33445 provides that the Agency may, with the consent of the legislative body, pay all or part of the cost of installation and construction of publicly-owned buildings, facilities, structures, or improvements if the legislative body

determines that such buildings, facilities, structures, or improvements are of benefit to a Project Area and that there are no other reasonable means of financing such buildings, facilities, structures, or improvements.

E. Section 33678 provides that allocation and payment of tax increment monies to redevelopment agencies shall not be deemed the proceeds of taxes within the meaning of Article XIII B of the California Constitution only if those tax increment monies are used for redevelopment activities which: (a) are redevelopment as defined in Section 33020 and 33021; (b) primarily benefit the Project Area; and (c) are not used for the payment of employee or contractual services unless directly related to the purpose of Section 33020 and 33021.

F. Section 33032, 33070, 33071, and 33250 recognize and provide that the existence of inadequate public improvements, public facilities, and open spaces characterizes a blighted area, that lack of employment opportunities creates despair and frustration, and that there is a serious need throughout the State for adequate educational, recreational, and cultural facilities, the lack of which threatens and adversely affects the health, safety, morals, and welfare of the people of this State.

G. The District, City, and Agency recognize the need to support adequate public school facilities which serve the Project Areas. The City is desirous of participating in aiding the District with regards to financing the construction of well designed and planned capital improvements.

H. The purposes of this Agreement are: (1) to provide for a procedure pursuant to which the Agency and the City may construct or cause to be constructed, or provide for payment to be made by the Agency to the District to reimburse or pay for, all or part of the cost of certain school district capital improvements, including buildings and facilities and improvements incidental thereto, and improvements to existing buildings and facilities which are determined by the Agency Board to be of primary benefit to the Project Areas and for which the Agency Board determines there is no other reasonable means of financing available and which meet all other requirements of the Community Redevelopment Law; and (2) to establish a permanent School District Capital Improvement Trust Fund (herein the "Fund") to help finance future educational improvements with contributions from the Agency.

I. Both redevelopment and education are proper municipal objectives and purposes.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

Section 1. Percentage of Net. Beginning in fiscal year 1985/86, and for each subsequent fiscal year so long as the Projects are effective, the Agency shall deposit in the Fund an amount equal to 10 percent of the net tax increment received annually by the Agency from the Projects (as herein defined in Recital A, including all current and future amendments to said Projects as specified in Section 1 B). For purposes of this

Agreement, "net tax increment" shall be equal to 50 percent of the total gross tax increment allocated to and received by the Agency from each of the Project Areas.

Section 2. Use of School District Capital Improvement Trust Funds. Monies otherwise required by this Agreement to be paid to the Fund by Agency shall be used to pay the principal on the loans, money advanced to, or indebtedness (whether funded, refunded, assumed, or otherwise) incurred by Agency to finance or refinance, in whole or in part, capital improvement projects to install, construct, or upgrade any such buildings, facilities, structures, or improvements for the District as might from time to time be recommended by the District and approved by the Agency pursuant to Section 33445. Each project shall be the subject of a separate agreement between the Agency and the District. Interest earned on Fund deposits shall be retained by the Agency.

Section 3. Retention of Principal Upon Termination. Upon termination of the Fund, which shall occur no later than December 17, 2014, all unobligated monies remaining in the Fund shall be retained by the Agency for use in whatever manner it deems appropriate in accordance with local, State, and Federal law.

Section 4. Coordinated Projects. The Agency and City, at its sole discretion, may with regards only to those projects involving street and parking lot construction, sewer, water line, storm drain, major landscaping work, or mutually agreed to similar

city public works types of projects, construct by themselves the approved projects for the District to effect cost savings. Any resulting cost savings shall be retained by the Agency.

Section 5. City Not Obligated. There shall be no obligation on the part of the City to grant or loan any monies to the District from the General Fund for any of these approved projects, or to construct any improvements hereunder.

Section 6. Revenue Impacts. Notwithstanding any other provision of this Agreement, in no event shall any obligation under this Agreement, the costs to construct, or the Agency's causing of any District facility construction, or a portion thereof, for the approved projects pursuant to this Agreement:

- (a) Cause the District to receive more property taxes, including amounts received pursuant to this Agreement, than the District would have received had tax increment funds not been received by the Agency;
- (b) Violate the District's expenditure limitation under Article XIII B of the California Constitution; or
- (c) Be contrary to the provisions of Section 33012, 33401, 33445, 33678, or 33679 of the Health and Safety Code or violate any other provision of the Community Redevelopment Law or the laws of the State of California.

Section 7. Indebtedness of Agency. The obligations of the Agency under this Agreement shall constitute an indebtedness of Agency for the purpose of carrying out the Redevelopment Plan for each Project.

Section 8. Subordination of Agency Obligations. The indebtedness of the Agency under this Agreement shall be deemed to be a first pledge of tax increment allocations received by the Agency pursuant to Section 33670(b). The indebtedness of the Agency under this Agreement shall be subordinate to any existing or future pledge of tax increment to bond holders or the holders of other instruments of indebtedness; provided, however, the Agency agrees not to incur indebtedness secured by a pledge of the District's share of tax increment. Nothing in this Agreement shall be construed to give the District the right to approve Agency indebtedness.

Section 9. Unlawful Payment or Loss of Tax Increment. The Agency and the City shall not be responsible for making payments under this Agreement to the extent that any future legislative or judicial enactment, act, ruling, opinion, or decision renders any payment or portion thereof required by this Agreement illegal.

If any legislative initiative, judicial or administrative change, act, ruling, opinion, decision, or interpretation reduces in any one year the amount of taxes allocated and paid to the Agency by more than 10 percent of the amount of net tax increment, as defined in this Agreement, which would have been received by the Agency during the year without such change, act, ruling, opinion, decision, or interpretation, the Agency's payment obligations to the District may be terminated, by the Agency, for that year and any similarly affected subsequent year and, if

terminated, the Agency and District shall meet and attempt in good faith to negotiate a new percentage for Section 1 for that year and any subsequently affected years.

Section 10. District's Other Funding and Maintenance of Effort. The District shall actively seek other sources of funding, grants, or revenues, and the Superintendent of Schools shall annually report to the District Board, with a written copy to the Agency and City, as to its good faith efforts and results. Prior to the Agency making findings pursuant to Section 33445, the District shall provide evidence satisfactory to the Agency that a Maintenance of Effort of District Capital Improvement Funds has been and will be continued to ensure that the monies expended from the Fund are used to supplement, and not supplant, District Capital Improvement Funds.

Section 11. Release of Claims. Upon execution of this Agreement, the District agrees not to make any demand, file claim for more tax increment monies, or engage in any litigation to directly or indirectly test or challenge the validity of the Project or the tax increment funds to which the Agency is entitled pursuant to Section 33670 of the California Health and Safety Code and the Redevelopment Plan.

Section 12. Tort Liability. In contemplation of the provisions of Section 895.2 of the Government Code of the State of California, imposing certain tort liability jointly upon public entities solely by reason of such entities being

parties to an agreement as defined by Section 895 of said Code, the parties hereto, as between themselves, pursuant to the authorization contained in Sections 895.4 and 895.6 of said Code, will each assume the full liability imposed upon itself or any of its officers, agents, or employees, by law for injury caused by negligent or wrongful act or omission occurring in the performance of this Agreement to the same extent that such liability would be imposed in the absence of Section 895.2 of said Code. To achieve the above-stated purpose, each party indemnifies and holds harmless the other party for any loss, costs, or expenses that may be imposed upon such other party solely by virtue of said Section 895.2. The provisions of Section 2778 of the California Civil Code are made a part hereof as if fully set forth herein.

Section 13. Hold Harmless. The District shall defend, indemnify, and hold the Agency and the City and their respective officers, agents, and employees harmless from and against all lawsuits, liabilities, obligations, damages, penalties, claims, costs, charges, and expenses, including reasonable attorneys' fees, which may be imposed upon or incurred by or asserted against the Agency or the City, or their respective officers, agents, and employees resulting from the District's construction, or operation and maintenance of projects constructed with funds used or paid to the District pursuant to this Agreement. When projects are constructed by the Agency for the District, or when projects are jointly constructed, prior to commencement of the projects the Agency

and the District shall enter into separate agreements which shall contain separate liability and indemnification provisions.

Section 14. Termination Prior to End of Term. This Agreement shall terminate and the obligation of the Agency to construct projects or make payments to the District shall cease if in any year during which this Agreement is in effect:

- (a) District revenues or funds of any kind from the State or Federal Government are reduced or are not made available because of the payments made by the Agency to the District or because of the construction of the projects by the Agency pursuant to this Agreement;
- (b) The District is in default or violation of any term or obligation of this Agreement.

Section 15. Reduction of Agency's Obligations. Excluding any monies paid to the District under this Agreement, if the State government establishes a new source of revenue or makes available funds for District capital improvement projects in excess of \$150,000 per year over the current deferred maintenance fund budget, which figure (\$150,000) shall be adjusted annually by the Cost of Construction Index (published in Engineering News Record), or the District receives proceeds from a subsequent local bond issue for capital projects, then the Agency's obligations under Section 1 of this Agreement for payment or use on behalf of the District of tax increment monies shall be reduced

by 50 percent (\$.50 for each new dollar of District revenue) of the sum representing the new or additional amount. The terms "revenue", "funds", and bond "monies" do not include the following: (1) monies specifically provided to the District for the repair or replacement of any structure or facility damaged or destroyed by an unforeseen act of God, disaster, or vandalism/theft; (2) categorical funds allocated or paid by the State for specific and identified school site capital improvement projects; (3) proceeds from the sale or lease of District property; and (4) proceeds from a special local tax election.

Section 16. Term. This Agreement and all rights and obligations in this Agreement shall terminate December 17, 2014.

Section 17. Entire Agreement. This Agreement constitutes the entire understanding and agreement between the parties and supersedes all previous negotiations between them. It is the intent of the Agency and the District that the payments herein provided constitute a full, complete, fair, and equitable adjustment for all impacts which have or may result during the term of the Agreement from the Redevelopment Plans and for which Agency may make payment to the District under Section 33000 et seq.

Section 18. Subsequent Plan Amendment. This Agreement shall govern the aforementioned tax increment revenues for the Project Areas and for any such additional areas as may be added, which in aggregate acreage represent not more than 20 percent of the Project Areas approved by the City and Agency prior to the date of this Agreement.

Section 19. Cooperation and Assistance. District will assist the Agency in the planning, financing, acquisition, construction, maintenance, or operation of redevelopment activities undertaken by Agency within District, in accordance with applicable State and Federal law. District and Agency shall supply to one another such information and reports as from time to time either may require to undertake their respective obligations.

Section 20. City's Obligations. The City or any subsidiary body, other than as set forth herein, shall have no obligations or liabilities hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed the day and year first above written.

PASSED, APPROVED, and ADOPTED this 2nd day of July, 1985, by the District.

PASSED, APPROVED, and ADOPTED this 22nd day of July, 1985, by the Agency and City.

SIMI VALLEY UNIFIED SCHOOL DISTRICT

Lewis Roth  
LEWIS ROTH, President  
Board of Education

Helen Beebe  
HELEN BEEBE, Clerk

Tom Harmon  
TOM HARMON, Member

Mimi Shapiro  
MIMI SHAPIRO, Member

Kenneth Ashton  
KENNETH ASHTON, Member

Approved as to Content:

John W. Duncan  
JOHN W. DUNCAN, Superintendent  
Secretary to Board of Education

COMMUNITY DEVELOPMENT AGENCY

Elton Gallegly  
ELTON GALLEGLY, Chairman

ATTEST  
By Connie Turrito  
Agency Secretary

CITY OF SIMI VALLEY  
Elton Gallegly  
ELTON GALLEGLY, Mayor

ATTEST  
By Connie Turrito  
City Clerk

Approved as to Form:

John Torrance  
JOHN TORRANCE, Agency Counsel  
City Attorney

Approved as to Content:

M. L. Koester  
M. L. KOESTER, Executive Director  
City Manager

CITY RESOLUTION NO. 92-70  
 AGENCY RESOLUTION NO. CDA-92-4

JOINT RESOLUTION OF AGREEMENT AMONG THE SIMI VALLEY  
 UNIFIED SCHOOL DISTRICT, THE COMMUNITY DEVELOPMENT  
 AGENCY OF THE CITY OF SIMI VALLEY AND THE CITY OF SIMI  
 VALLEY

This Fourth Implementation Agreement is made and entered into this 22nd day of June, 1992, by and between the SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY, a public body, corporate and politic (hereinafter referred to as "Agency"), the CITY OF SIMI VALLEY, a California municipal corporation (hereinafter referred to as "City"), and SIMI VALLEY UNIFIED SCHOOL DISTRICT, a school district of the State of California (hereinafter referred to as "District").

R E C I I A L S

A. The Agency, the City and the District have previously entered into that certain Joint Resolution of Agreement dated July 1, 1985 (the "Agreement") pursuant to which the parties have agreed to establish a School District Capital Improvement Trust Fund (the "Fund") to help finance future School District improvements with contributions from the Agency.

B. The purposes of the Agreement include payment of the cost of public improvements of benefit to the Project Areas and the mitigation of adverse fiscal impacts resulting from the Agency's activities, particularly related to the West End Community Development Project and the Tapo Canyon Community Development Project under the authority of the Community Redevelopment Law (commencing with Health and Safety Code Section 33000, et seq.) and in particular Section 33401 of said Law.

C. Section 2 of the Agreement requires a separate agreement between the Agency and the District prior to application of moneys required to be deposited in the Fund for particular capital projects of the District.

D. The District has requested approval of the use of moneys attributable to the Fund to pay the cost of certain School District capital improvements, including two gymnasias, a multi-use center, and stadium improvements at Simi Valley and Royal High Schools, all as more particularly

described on Exhibit A attached hereto and made a part hereof (the "1992 School Improvements").

E. The parties deem it necessary and advisable at this time to implement this particular portion of the Agreement by the approval of the application of moneys in the Fund to pay a portion of the cost of the 1992 School Improvements in annual amounts not to exceed the amounts shown on Exhibit B hereto, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of their mutual promises, obligations and covenants hereinafter contained, the parties hereto agree as follows:

Section 1. The Agency agrees to pay to or at the discretion of the District semi-annually or annually (commencing fiscal year 1991-1992 through fiscal year 2021-2022) from amounts deposited in the Fund pursuant to the Agreement an amount not to exceed the specific annual amount identified in Exhibit B attached hereto and incorporated herein by reference, solely for the purpose of paying the cost of acquisition, construction and installation of the 1992 School Improvements. Moreover, the Agency shall pay an amount equal to \$810,933 from the balance currently on deposit in the Fund to the District within 30 days of receipt from the District of written request therefor for the same purpose. The Agency agrees that use of such monies by the District to pay lessee payments or installment purchase payments attributable solely to acquisition of the 1992 School Improvements (and financing costs thereof) shall be permissible under the Agreement and this Fourth Implementation Agreement. Payments shall be made at the time and in the manner described in Section 3 hereof.

Section 2. For purposes of this Fourth Implementation Agreement only and the Agency's commitment of funds hereunder, the Agency and District agree that (1) payments by the Agency may be made from tax increment deposited in the Fund payable to the Agency for fiscal years through fiscal year 2021-2022; and (2) annual amounts payable to the Fund shall not be reduced below the level necessary to make the corresponding annual payments required hereunder, as a result of the District's receipt of school facilities fees pursuant to Government Code Sections 53080 and 65995 as currently imposed by District Resolution No. 162/90 adopted June 18, 1991.

District acknowledges and agrees that pursuant to Section 8 of the Agreement, all payments by Agency pursuant to the Agreement and all implementation agreements, including this Fourth Implementation Agreement are subordinate in right of payment at the option of the Agency to any existing or future pledge of tax increment by the Agency for bonded indebtedness or other instruments of indebtedness of the Agency, including without limitation, the Agency's 1987 and 1990 Tax Allocation Bonds for the Tapo Canyon Development Project and the 1988 and 1990 Tax Allocation Bonds for the West End Development Project.

Section 8 of the Agreement is hereby amended to read as follows:

"Section 8. Subordination of Agency's Obligations:

The indebtedness of the Agency under this Agreement shall be deemed to be a pledge of tax increment allocation received by the Agency pursuant to Section 33670(b). However, the indebtedness of the Agency under this Agreement shall be subordinate in right of payment at the option of the Agency to any existing or future pledge of tax increment to bond holders or holders of other instruments of indebtedness. The Agency agrees, however, not to incur indebtedness secured by a pledge of amounts which may be payable to the Fund under the Agreement, unless the Agency determines in good faith that the Agency will have sufficient tax increment revenues to meet its obligations under the Agreement (and implementation agreements thereunder) on a subordinated basis. Nothing in this Agreement shall be construed to give the District the right to approve Agency indebtedness".

Section 3. For fiscal year 1992-93 and thereafter the Agency shall pay up to the specific annual amounts identified in Exhibit B in semiannual or annual installments to the District within 30 days of request therefor, which request shall be in writing and shall certify that such amount is necessary to pay or reimburse the District, in all or part, for costs of the 1992 School Improvements together with supporting documentation as reasonably requested by the Agency. Any annual amounts to be paid pursuant to Exhibit B which are not utilized in the specified fiscal year through 2014 shall be deposited in the Fund.

Section 4. The Agency and City Council have held a joint public hearing regarding the use of tax increment funds for the 1992 School Improvements pursuant to Health and Safety Code Sections 33445 and 33679 and the City Council hereby finds and determines, and the Agency Board hereby finds and determines,

RES. NO. 92-70  
RES. NO. CDA-92-4

based on the evidence presented, that such 1992 School Improvements are provided for in the Development Plans for the Tapo Canyon and West End Development Projects and are of benefit to the Project Areas, and that no other reasonable means of financing such improvements is available to the community.

The Agency and City Council hereby find and determine that payment to or for the benefit of the District of the amounts provided for herein, subject to the terms set forth herein, when aggregated with other payments to or for the benefit of the District pursuant to the Agreement is necessary and appropriate to alleviate any financial burden or detriment caused to the District by the Agency's redevelopment project and will not in any year exceed the amount of tax increment attributable to the District's share of the basic ad valorem tax levy. The District hereby agrees with the Agency that such payments exhaust the Agency's obligation to the District pursuant to Health and Safety Code Section 33401(b). The Agency hereby find and determines that payment of this amount is authorized pursuant to Section 33401 of the California Health and Safety Code and specifically implements the Agreement.

Section 5. Moneys to fund the Agency's obligation hereunder shall come exclusively from the Fund and shall not obligate any other funds or accounts of the Agency, and shall reduce the amount required to be deposited in the Fund by the amount appropriated for this purpose.

Section 6. This Fourth Implementation Agreement implements in part the Agreement. Except as expressly provided herein, the Agreement shall remain in full force and effect. Specifically, each of the indemnity, hold harmless and other provisions of the Agreement shall remain in full force and effect and shall apply to actions taken pursuant to this Fourth Implementation Agreement with full force and effect as if restated herein in their entirety. The approval by the Agency of this Agreement and the project described herein and any waiver hereby of any provision of the Agreement shall in no way limit the Agency's right to insist on full compliance with the Agreement with respect to other projects submitted to it for approval of Fund appropriation pursuant to the Agreement.

Section 7. District agrees that Agency and City shall have no responsibility whatsoever for the application by the District of payments by the Agency hereunder. District shall comply with all applicable laws in the planning, use and expenditure of payments by the District hereunder, and in the planning, processing, acquisition, construction, use, operation and maintenance of the 1992 School Improvements. City and Agency make no representation to the

RES. NO. 92-70  
RES NO. CDA-92-4

District regarding the validity or enforceability of this Agreement. In addition to, and not in limitation of, the hold harmless and indemnity provisions of Section 13 of the Agreement, District agrees to indemnify, defend and hold harmless City and Agency for any liability or claims (whether or not asserted in a court of law) arising out of the District's financing of the 1992 School Improvements or any of them, or the application of payments hereunder to such financing to the maximum extent permitted by law.

Section 8. In further consideration of the Agency's entering into this Fourth Implementation Agreement, District agrees to make no objection to any fiscal provision or impact of any future redevelopment plan or plan amendment as may be proposed or enacted by the City and the Agency so long as the net aggregate acreage added by such plan or plan amendment does not exceed the amount described in Section 18 of the Agreement, it being agreed that Section 18 of the Agreement will govern any such amendment.

Section 9. The City Clerk/Agency Secretary shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the Office of the City Clerk/Agency Secretary.

PASSED and ADOPTED this 22nd day of June, 1992 by the Agency and City.

ATTEST:

SIMI VALLEY UNIFIED SCHOOL DISTRICT

By: Mary Beth Wolford

Its: Deputy Superintendent

ATTEST:

Alice K. Redondo  
Alice K. Redondo  
Assistant City Clerk/Agency Secretary

Gregory Stratton  
GREGORY STRATTON, MAYOR OF THE CITY  
OF SIMI VALLEY, CALIFORNIA AND CHAIR  
OF THE SIMI VALLEY COMMUNITY DEVELOPMENT  
AGENCY

APPROVED AS TO FORM:

John Torrance  
John Torrance  
City Attorney/Agency Counsel

APPROVED AS TO CONTENT:

M. L. Koester  
M. L. Koester  
City Manager/Executive Director

## EXHIBIT A

SIMI VALLEY UNIFIED SCHOOL DISTRICT  
CAPITAL IMPROVEMENT PROJECTS

Up to three gymnasiums at the following three sites: Sequoia Junior High School, Sinaloa Junior High School, or Valley View Junior High School

Improvements to existing or construction of new multi-use room at Hillside Junior High School

Stadium at Royal High School

Improvements to Simi Valley High School Stadium

## ESTIMATED COSTS:

Three gymnasiums	\$5,164,280
Multi-Use Room	854,865
New Stadium	3,170,200
Existing Stadium Improvements	500,000
	<hr/>
Total	\$9,689,345

## EXHIBIT B

RES. NO. 92-70  
RES. NO. CDA-92-4FOURTH IMPLEMENTATION AGREEMENT  
ANNUAL PASS THROUGH AMOUNTS

FISCAL YEAR	PASS-THROUGH REVENUE
1985-86	\$ 51,688
1986-87	\$137,405
1987-88	\$212,362
1988-89	\$223,922
1989-90	\$235,353
1990-91	\$274,690
1991-92	\$284,102
1992-93	\$319,339
1993-94	\$330,539
1994-95	\$342,141
1995-96	\$354,157
1996-97	\$366,605
1997-98	\$379,499
1998-99	\$392,855
1999-00	\$406,691
2000-01	\$421,024
2001-02	\$435,872
2002-03	\$451,255
2003-04	\$467,191
2004-05	\$483,701
2005-06	\$500,807
2006-07	\$518,529
2007-08	\$536,891
2008-09	\$555,916
2009-10	\$575,628
2010-11	\$596,054
2011-12	\$611,574
2012-13	\$633,335
2013-14	\$655,885
2014-15	\$679,254
2015-16	\$703,472
2016-17	\$728,570
2017-18	\$754,581
2018-19	\$781,538
2019-20	\$809,477
2020-21	\$838,433
2021-22	\$868,445

**OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE  
SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY**

**MEMORANDUM**

January 28, 2013

**TO:** Oversight Board

**FROM:** Office of the City Manager, Simi Valley Successor Agency

**SUBJECT:** CONSIDERATION OF RESOLUTION FORGIVING CERTAIN  
INDEBTEDNESS OF THE BOYS AND GIRLS CLUB OF SIMI VALLEY,  
INC.

**RECOMMENDATION**

It is recommended the Oversight Board consider adopting a resolution forgiving the indebtedness of the Boys and Girls Club of Simi Valley, Inc. to the Simi Valley Successor Agency.

**BACKGROUND AND OVERVIEW**

In May 1990, the City of Simi Valley (City) approved a Facility Lease Agreement with the Boys and Girls Club of Simi Valley, Inc. (Club) for the construction, use, maintenance, lease, and other covenants related to a Boys and Girls Club facility. This Agreement provided for the Club to be responsible for the first \$1.5 million in project costs and the City would be responsible for all costs over \$1.5 million. Final project costs for the Club's facility totaled \$3.28 million.

Construction of the Club facility was funded via Tax Allocation Bonds issued by the Simi Valley Community Development Agency. While the Facility Lease Agreement is between the City and the Club (the Simi Valley Community Development Agency is not a party to the Facility Lease Agreement), the City booked the Club's Lease payments to the Agency to offset the bond debt service payments made by the Agency.

Beginning in 2006, the Club experienced difficulty in making the Lease payments required under the Facility Lease Agreement and in June 2009 the Club ceased making Lease payments. The recently completed Due Diligence Review of Other Funds noted that the former Agency (Successor Agency) has an accounts receivable of \$171,532 from the Club.

**FINDINGS AND ALTERNATIVES**

In order to address the past due debt as well as structure a lease payment going forward that the Club could financially maintain, the City and the Club have renegotiated the financial terms

of the Facility Lease Agreement. In accordance with the current Facility Lease Agreement, the Club is responsible for the repayment of the past due debt per the following schedule:

- Minimum payment of \$10,000 due each year for 4 years; minimum payment of \$12,000 due each year after first 4 years
- Past Due Debt payments can be paid in lump sum payment or multiple payments throughout calendar year
- Late charge of 6% of the Past Due Debt amount shall be added to Past Due Debt if the annual payment is not received by December 31 of each year
- Past Due Debt will not accrue any interest charges.

At the Oversight Board's meeting of January 11, 2013, the Board directed staff to prepare a resolution that would approve the forgiveness of the indebtedness of the Club to the Successor Agency.

Pursuant to Health and Safety Code Section 34181(e), the Oversight Board shall direct the Successor Agency to do all the following:

“Determine whether any contracts, agreements, or other arrangements between the dissolved redevelopment agency and any private parties should be terminated or renegotiated to reduce liabilities and increase net revenue to the taxing entities, and present proposed termination or amendment agreements to the oversight board for its approval. The board may approve any amendments to or early termination of those agreements if it finds that amendments or early termination would be in the best interests of the taxing entities.”

Based upon the youth services provided by the Club, it can be argued that the services benefit the community and other taxing entities. Such benefits would be to the Rancho Simi Recreation and Park District in the need to provide additional services and the County of Ventura and City of Simi Valley in additional law enforcement services toward youth not enrolled or benefiting from the Club's services. Services provided by the Club promote the health, safety and welfare of the community.

For the Oversight Board to forgive the Club's debt, a resolution would need to be adopted that finds the action is in the best interest of the taxing entities. Staff has prepared the attached resolution (page 4) for the Board's consideration approving the forgiveness of the debt.

The following Alternatives are available to the Oversight Board:

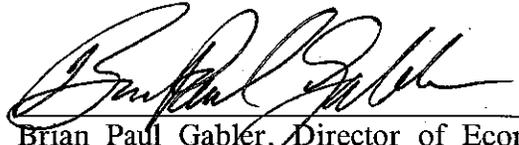
1. Adopt the attached resolution forgiving the indebtedness of the Boys and Girls Club of Simi Valley, Inc. to the Simi Valley Successor Agency.
2. Elect not to adopt the attached resolution.
3. Provide further direction to staff.

**SUMMARY**

In May 1990, the City approved a Facility Lease Agreement with the Boys and Girls Club of Simi Valley, Inc. for the construction, use, maintenance, lease, and other covenants related to a Boys and Girls Club facility. Construction of the Club's facility was funded via Tax Allocation Bonds issued by the Simi Valley Community Development Agency. While the Facility Lease Agreement is between the City and the Club, the City booked the Club's Lease payments to the Agency to offset the bond debt service payments made by the Agency.

Beginning in 2006, the Club experienced difficulty in making the Lease payments required under the Facility Lease Agreement and in June 2009 the Club ceased making Lease payments. The recently completed Due Diligence Review of Other Funds noted that the former Agency has an accounts receivable of \$171,532 from the Club.

At the Oversight Board's meeting of January 11, 2013, the Board directed staff to prepare a resolution that would forgive the indebtedness of the Club to the Successor Agency. Staff has prepared the attached resolution (page 4) for the Board's consideration approving the forgiveness of the debt.



Brian Paul Gabler, Director of Economic  
Development/Assistant City Manager

## RESOLUTION NO

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY AUTHORIZING THE EXECUTION OF SUCH INSTRUMENTS AS ARE NECESSARY OR CONVENIENT FOR CANCELLATION AND FORGIVENESS OF CERTAIN INDEBTEDNESS OF THE BOYS AND GIRLS CLUB OF SIMI VALLEY, INC. TO THE SUCCESSOR AGENCY AND AUTHORIZATING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Community Development Agency of the City of Simi Valley ("Agency") was established as a Development Agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.* ("CRL"), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Simi Valley ("City"); and

WHEREAS, Assembly Bill x1 26 chaptered and effective on June 27, 2011 added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 chaptered and effective on June 27, 2012 (together, the "Dissolution Act"); and

WHEREAS, as of February 1, 2012 the Agency was dissolved pursuant to the Dissolution Act and as a separate legal entity the City serves as the Successor Agency to the Community Development Agency of the City of Simi Valley ("Successor Agency"); and

WHEREAS, the Successor Agency administers the enforceable obligations of the former Agency and otherwise unwinds the Agency's affairs, all subject to the review and approval by a seven-member oversight board ("Oversight Board"); and

WHEREAS, in connection with the dissolution of the former Agency under the Dissolution Act, a certified public accountant has prepared a due diligence review (the "DDR") for all non-housing assets of the former Agency. The DDR indicates a receivable owed by the Boys and Girls Club of Simi Valley, Inc., a California non-profit corporation ("BGCSV") in the amount of one hundred seventy-one thousand five hundred thirty-two Dollars (\$171,532) (the "Total Amount"); and

WHEREAS, the BGCSV performs services to youthful residents of the City of Simi Valley and adjacent areas within the County of Ventura which benefit the community and which in the absence of such ongoing efforts by BGCSV, would result in greater costs to several taxing agencies such as the Rancho Simi Recreation and Park District, the County of Ventura and the City of Simi Valley; and

WHEREAS, the provision of services by BGCSV is highly valued and promotes the public health, safety and welfare; and

WHEREAS, based upon a review of the contractual arrangements involving the BGCSV and the former Agency, including the DDR, the Oversight Board is of the view that the Total Amount should be treated as cancelled and forgiven, pursuant to Health and Safety Code Section 34181(e), insofar as the Successor Agency has a claim to receive such amount (or any amount); provided that the foregoing is without prejudice as to claims other jurisdictions or creditors may have as to the BGCSV; and

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY DOES HEREBY RESOLVE 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 Oversight Board determines that each of the statements set forth in the recitals in this Resolution are true and correct.

SECTION 3. The Oversight Board finds and determines that the cancellation and forgiveness of the Total Amount, insofar as such amount (or any amount) constitutes a lawful claim of the Successor Agency without prejudice as to claims of other jurisdictions or creditors as to the BGCSV including without limitation the City of Simi Valley (excepting insofar as the City is acting in its special and limited capacity as the Successor Agency), is cancelled and forgiven. In addition, to the extent that the BGCSV is party to an agreement with the former Agency which but for the proposed action, would result in ongoing payment obligations by BGCSV to the Successor Agency for the benefit of taxing agencies, such agreement shall be of no further force and effect; provided that this Section 3 shall not cancel or modify any agreements of BGCSV with a taxing agency any other jurisdiction or creditors, including without limitation the City of Simi Valley (excepting insofar as the City is acting in its special and limited capacity as the Successor Agency) and;

SECTION 4. The Oversight Board approves, authorizes and directs the Chair to execute such instruments as the Successor Agency shall deem necessary or appropriate to implement the foregoing portion of this Resolution.

SECTION 5. The Secretary is directed to transmit a copy of this Resolution to the Successor Agency.

SECTION 6. The Successor Agency is directed to post this Resolution on the Successor Agency's website and to provide a copy to the California Department of Finance by electronic means and in a manner of choosing of the Department of Finance.

SECTION 7. The Secretary of the Oversight Board shall certify to the adoption of this Resolution.

SECTION 8. The Successor Agency shall maintain on file as a public record this Resolution and the Minutes as approved hereby.

PASSED and ADOPTED

Mike Sedell, Chair of the Oversight Board  
of the Successor Agency to Simi Valley  
Community Development Agency

ATTEST:

Brian P. Gabler, Oversight Board Secretary