

Meeting Date: 3/15/2016

Report Type: Consent

Report ID: 2016-00268

Title: (City Council/Redevelopment Agency Successor Agency/Housing Authority) Transfer of Unexpended Redevelopment Bond Fund and Approval of Master Excess Bond Expenditure Agreement and Master Excess Housing Bond Expenditure Agreement (Published for 10-Day Review 03/03/2016)

Location: Citywide

Recommendation: Pass a 1) Redevelopment Agency Successor Agency Resolution authorizing: a) transfer of \$11,665,699 in unexpended Redevelopment (RDA) Bond Proceeds to the City to spend in a manner consistent with the bond covenants and for redevelopment purposes; b) the City Manager or his designee to execute the Master Excess Bond Expenditure Agreement for the category of projects; c) transfer \$3,015,400 in unexpended RDA housing bond funds to the Housing Authority of the City of Sacramento (Housing Authority) as the Housing Successor, and d) execute the Master Excess Housing Bond Expenditure Agreement with the Housing Authority; 2) City Council Resolution authorizing the City Manager or his designee to: a) accept the transfer of \$11,665,699 in unexpended RDA Bond Proceeds; b) execute the Master Excess Bond Expenditure Agreement; c) create a capital projects fund for each redevelopment bond issue; d) transfer RDA bond proceeds allocated to Lowell Street Sidewalk (T15036300) and 14th Avenue Extension(T15098600) projects from Economic Development Fund (2031) to the 2006 Army Depot Taxable and Tax-exempt funds; e) transfer RDA bond proceeds allocated to Powerhouse Science Center (E18000400) from the Externally Funded Projects Fund (Fund 2703) to the 2006 River District Taxable Fund; f) create 2002 Master Lease Downtown Tax-Exempt, 2005 TAB Downtown CIP Tax Exempt, and 2005 TAB Downtown CIP Taxable funds to transfer RDA bond proceeds allocated to Cesar Chavez Plaza (L19207100); and 3) Housing Authority of the City of Sacramento Resolution authorizing: a) the Executive Director to execute the Master Excess Housing Bond Expenditure Agreement, and b) accept the transfer of \$3,015,400 in RDA housing bond funds as the Housing Successor.

Contact: Leslie Fritzsche, Senior Project Manager, (916) 808-5450, Economic Development Department

Presenter: None

Department: Economic Development Dept

Division: Citywide Development

Dept ID: 18001031

Attachments:

- 1-Description/Analysis
- 2-RASA Resolution
- 3-Exhibit A (Excess Bond Expenditure Agreement)
- 4-Exhibit B (Excess Housing Bond Expenditure Agreement)
- 5-City Resolution
- 6-Exhibit A (Excess Bond Expenditure Agreement)
- 7-Housing Authority Resolution
- 8-Exhibit A (Excess Housing Bond Expenditure Agreement)

City Attorney Review

Approved as to Form
Sheryl Patterson
2/29/2016 10:27:01 AM

Approvals/Acknowledgements

Department Director or Designee: Larry Burkhardt - 2/23/2016 5:04:01 PM

Description/Analysis

Issue Detail: Pursuant to Assembly Bill 1484, the amended state legislation dissolving redevelopment agencies, the Redevelopment Agency Successor Agency (RASA) is allowed to spend “excess” bond proceeds (not otherwise obligated to a project) once a “Finding of Completion” is received from the California Department of Finance (DOF). RASA received its Finding of Completion in September 2013. The bond funds are to be transferred to the City and the Housing Authority since RASA cannot undertake redevelopment projects. The City and Housing Authority must commit that the funds will be invested in projects that comply with the area’s redevelopment plan, its implementation plan, and the bond covenants. The use of the bond proceeds is restricted to the project areas for which the bonds were issued.

RASA staff has brought forward to RASA and City Council four prior reports allocating some of the excess bond funds to the City to finance specific projects. These reports allocated funds for the following projects: Powerhouse Science Center, Lowell Street sidewalks, the 14th Avenue Extension and Cesar Chavez Park.

In order to expedite winding down the affairs of the prior Redevelopment Agency, it is more efficient to transfer the remaining excess non-housing bond funds from RASA to the City at one time and to set limitations on use of the proceeds. The Oversight Board for RASA and DOF have approved the proposed Master Excess Bond Expenditure Agreement (“Master Agreement”) to transfer the remaining unallocated bond funds totaling approximately \$11,665,699 to the City. The City will then finance public and private development projects previously planned by the former redevelopment agency or are consistent with the redevelopment plans, implementation plans and bond covenants. These funds are required to be spent in each redevelopment project area and have to be used for capital projects. Funding for each project over \$100,000 will require City Council approval.

In addition, there is \$3,015,400 in remaining unallocated low-moderate income housing bond funds that can be transferred to the Housing Authority as Housing Successor Agency by way of a Master Excess Housing Bond Expenditure Agreement (“Master Housing Agreement”) between the Housing Authority and RASA. The Oversight Board and DOF also approved this agreement. These funds will also have to be spent in accordance with the bond covenants. Funding for each project utilizing these funds will require Housing Authority board approval.

The proposed Master Agreement between RASA and the City is included as Exhibit A to the Council and RASA Resolutions. The Master Housing Agreement between RASA and the Housing Authority is included as Exhibit A to the Housing Authority Resolution and as Exhibit B to the RASA Resolution.

Policy Considerations: The proposed categories of bond-funded projects are consistent with the goals established in the redevelopment plans and implementation plans for each of the redevelopment project areas. All expenditures will be in compliance with the bond covenants for each of the redevelopment bond issuances. These funds will be used to further the revitalization of the former redevelopment areas and to advance the City’s focus on priority neighborhoods and the Housing Authority’s investment in affordable housing projects.

Economic Impacts: The actions recommended in this report do not have any direct economic impact, but will lead to economic investments as part of the utilization of the excess bond funds by the City and the Housing Authority.

Environmental Considerations: The recommendations are government funding mechanisms which do not constitute a “project” under the California Environmental Quality Act (CEQA) Guidelines Section 15378 (b)(4). Each project funded with the excess bond funds will be subject to the requirements of CEQA.

Sustainability: The bond funds will be used for projects within the former redevelopment project areas, all of which are considered infill areas according to the City’s General Plan. The funds will be used to stimulate additional development within these areas enhancing the sustainability of these neighborhoods.

Commission/Committee Action: None.

Rationale for Recommendation: The Master Agreement will be an inclusive agreement authorizing the City to use excess bond proceeds transferred from RASA, consistent with bond covenants, on projects and programs consistent with the priorities established by the former redevelopment agency as set forth in the redevelopment plans and implementation plans for each area. The excess non-housing bond proceeds consist of \$6,527,087 in tax-exempt bond proceeds and \$5,138,612 in taxable bond proceeds. The funds will be spent on projects from several broad categories including:

- Improvements to infrastructure to support enhanced commercial development
- Commercial development and/or mixed-use projects
- Commercial place-making activities

The proposed Master Agreement with the City includes the funds and project categories for each redevelopment project area. A key determinant in the selection of projects is how they will leverage additional tax-generating activities within each redevelopment area. The primary focus will be the older commercial corridors in each of the areas, building upon existing momentum in these priority neighborhoods. In Del Paso Heights and North Sacramento, projects will center on encouraging development along Marysville Boulevard and Del Paso Boulevard. The priorities for the Oak Park funds will be to leverage the UC Davis Medical Center growth and to stimulate additional commercial activity along the Stockton and Broadway corridors including the MedZone. Similarly, the River District and Alkali Fla bond funds will be employed to enhance the corridors of 12th and 16th streets and adjacent areas. In the 65th and Army Depot areas, the goal will be to complete the extensions of Ramona Avenue and 14th Avenue, opening up key areas for new commercial development.

The proposed Master Agreement allows the City to allocate the excess bond funds (and interest on those bond funds) to projects and activities, as long as the expenditure is consistent with the Master Agreement and the relevant bond covenants. Under applicable law and bond covenants, any revenue received by the City from the tax-exempt bond-funded activities will continue to be restricted to reinvestment consistent with the Master Agreement and bond covenants in the indentures, such as investing in other capital projects meeting a redevelopment purpose within the project area.

The Master Housing Agreement with the Housing Authority will provide funding for affordable housing. Since housing funds can be spent outside of the project area, these funds could be used for low-moderate income housing anywhere in the City.

The Master Agreement and Master Housing Agreements were approved by the Oversight Board on August 17, 2015 and by DOF on October 6, 2015.

Financial Considerations: Currently the unobligated bond funds held by RASA total approximately \$11,665,699 in non-housing funds and \$3,015,400 in housing funds. The Master Agreement and Master Housing Agreement outline each of the bond issuances/debt instruments and their project allocation. The table below depicts the funds by redevelopment project area and by designation (taxable/tax-exempt). A more detailed description of the bond issuance information is included in the agreements.

Master Expenditure Agreement between RASA and the City of Sacramento

REDEVELOPMENT AREA	TYPE OF FUNDS	TAXABLE	TAX-EXEMPT	TOTAL
65th Street				
	Commercial	\$1,103,452		\$1,103,452
Alkali Flat				
	Commercial		\$386,255	\$386,255
Army Depot				
	Commercial	\$97,270	\$310,018	\$407,288
Del Paso Heights				
	Commercial	\$717,213	\$574,492	1,291,705
North Sacramento				
	Commercial		\$645,668	\$645,668
Oak Park				
	Commercial	\$1,770,610	\$3,329,122	\$5,099,732
River District				
	Commercial	\$1,450,067		\$1,450,067
Stockton Boulevard				
	Commercial		\$1,281,532	\$1,281,532
TOTAL		\$5,524,867	\$6,140,832	\$11,665,699

Master Expenditure Agreement between RASA and the Housing Authority of the City of Sacramento

REDEVELOPMENT AREA	TYPE OF FUNDS	TAXABLE	TAX-EXEMPT	TOTAL
Downtown				
	Housing	\$2,692,834		\$2,692,834
North Sacramento				
	Housing		\$85,632	\$85,632
Oak Park				
	Housing		\$236,934	\$236,934
TOTAL		\$2,692,834	\$322,566	\$3,015,400

The proposed Master Agreements will serve as a framework for specific expenditures by category and will allow the transfer of all excess bond funds from RASA to the City for the commercial funds and from RASA to the Housing Authority for the residential funds. This transfer will occur upon approval and execution of the Master Agreements. The current Recognized Obligation Payment Schedule for the January – June 2016 period (known as the ROPS 15-16B period) includes these transfers. In order to comply with the bond covenants, the bond proceeds will be separately accounted for in segregated funds.

Local Business Enterprise (LBE): Not applicable.

RESOLUTION NO. 2016-

Adopted by

Redevelopment Agency Successor Agency

APPROVING THE MASTER EXCESS BOND EXPENDITURE AGREEMENT, AUTHORIZING TRANSFER OF THE EXCESS NON-HOUSING BOND PROCEEDS TO THE CITY OF SACRAMENTO, APPROVING THE MASTER EXCESS HOUSING BOND EXPENDITURE AGREEMENT, AUTHORIZING TRANSFER OF THE EXCESS HOUSING BOND PROCEEDS TO THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO, AND CREATING CAPITAL IMPROVEMENT PROJECTS FOR EACH BOND ISSUANCE

BACKGROUND

- A. The Redevelopment Agency Successor Agency (“RASA”) was formed pursuant to AB 1x 26 (the “Dissolution Law”) to wind down the affairs of the Redevelopment Agency of the City of Sacramento (“Agency”).
- B. Health and Safety Code Section 34191.4(c) allows a successor agency that has received its Finding of Completion to allocate excess bond proceeds to other entities to undertake redevelopment activities in compliance with the bond covenants, subject to approval of the Oversight Board..
- C. RASA received its Finding of Completion under Health and Safety Code Section 34179.7 from the California Department of Finance (DOF) on September 20, 2013. The Oversight Board and DOF have approved RASA’s allocation of excess bond proceeds for various projects that had been planned to be financed by the Agency in accordance with the redevelopment plans and their implementation plans for the redevelopment project areas.
- D. RASA has \$11,665,699 in remaining excess non-housing bond proceeds and \$3,015,400 in excess housing bond proceeds which are required to be invested in capital improvement projects in accordance with the bond covenants.
- E. RASA has succeeded to the authority, rights, powers, duties and obligations of the Agency, subject the limitations imposed by the Dissolution Law which prohibits RASA from undertaking redevelopment projects. Health and Safety Code Section 33220(e) authorizes a local public agency to enter into an agreement with a successor agency to implement the Agency’s obligations with regard to investment of the bond proceeds for projects.

- F. RASA desires to transfer all of the Agency's excess non-housing bond proceeds to the City of Sacramento and the Agency's excess housing bond proceeds to the Housing Authority as the Housing Successor to use for projects consistent with the redevelopment purposes and the bond covenants and the Agency's priorities and goals as set forth in the redevelopment plans and implementation plans. RASA has prepared the Master Excess Bond Proceeds Expenditure Agreement and the Master Excess Housing Bond Expenditure Agreement to establish the limits on use of the excess bond proceeds to comply with the Agency plans and the bond covenants.
- G. The City is willing to accept the excess non-housing bond proceeds from RASA and to undertake redevelopment activities and in accordance with the Master Excess Bond Proceeds Expenditure Agreement.
- H. The Housing Authority is willing to accept the excess housing bond proceeds from RASA and to undertake redevelopment activities and in accordance with the Master Excess Housing Bond Proceeds Expenditure Agreement.
- I. On August 17, 2015 the Oversight Board for RASA by Resolution 2015-0014 approved the Master Excess Bond Proceeds Expenditure Agreement and the Master Excess Housing Bond Proceeds Expenditure Agreement, and the transfer of the excess bond funds to the City of Sacramento and the Housing Authority.
- J. On October 6, 2015, the State Department of Finance approved the Oversight Board action.
- K. These fund transfers were included in the Recognized Obligation Payment Schedule for January – June 2016 (ROPS 15-16B) which was approved by the Oversight Board on September 15, 2015 by Resolution 2015-0015 and by the State Department of Finance on November 12, 2015.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY SUCCESSOR AGENCY RESOLVES AS FOLLOWS:

- Section 1. The Master Excess Bond Proceeds Expenditure Agreement between RASA and the City of Sacramento attached as Exhibit A is hereby approved and the City Manager is authorized to execute the Master Agreement on behalf of RASA.
- Section 2. The Master Excess Housing Bond Proceeds Expenditure Agreement (Master Housing Agreement) between RASA and the Housing Authority of the City of Sacramento as Housing Successor attached as Exhibit B is hereby approved and the City Manager is authorized to execute the Master Housing Agreement on behalf of RASA.
- Section 3. The transfer of \$11,665,699 (and any additional interest accruing until time of transfer) in excess redevelopment bond funds to the City is approved.

Section 4. The transfer of \$3,015,400 (and any additional interest accruing until time of transfer) in excess redevelopment housing bond funds to the Housing Authority of the City of Sacramento as Housing Successor is approved.

Table of Contents:

Exhibit A. Master Excess Bond Proceeds Expenditure Agreement

Exhibit B. Master Excess Housing Bond Proceeds Expenditure Agreement

MASTER EXCESS BOND PROCEEDS EXPENDITURE AGREEMENT

Regarding Allocation of Agency Bond Funds

Background

- A. On January 31, 2012, the City of Sacramento ("City") elected to serve as the successor to the Redevelopment Agency of the City of Sacramento ("Agency") for the Agency's non-housing assets and liabilities pursuant to the provisions of AB 1x 26 (Chapter 5, Statutes of 2011). The Agency was dissolved as of February 1, 2012, and all of its non-housing assets were transferred to the City in its capacity as the Redevelopment Agency Successor Agency (RASA).
- B. Under AB 1484 (Chapter 16, Statutes of 2012; Health and Safety Code section 34173(g)), the dissolution law was clarified to provide that RASA is a separate legal entity from the City. Also, AB 1484 provided that the Agency's bond fund assets can be expended in a manner consistent with the bonds covenants after compliance with certain requirements. On September 20, 2013, RASA received its Finding of Completion from the State Department of Finance (DOF) and is now able to allocate the Agency's unencumbered bond funds in a manner consistent with the bond covenants.
- C. AB 1484 (Health and Safety Code section 34180(b)) requires approval of the Oversight Board for RASA to allocate the Agency bond funds in a manner consistent with the bond covenants and the payment of these bond funds must be included on a Recognized Obligations Payment Schedule (ROPS) as an excess bond proceeds obligation that is subject to approval by both the Oversight Board and DOF.
- D. On August 17, 2015, the Oversight Board for RASA approved the Excess Bond Expenditure Plan, the form of this Master Excess Bond Expenditure Agreement, and allocation of all of the unallocated excess non-housing bonds funds to the City of Sacramento pursuant to Health and Safety Code section 34191.4(c). On October 6, 2015, DOF approved that Oversight Board action. Prior to the Effective Date (defined below), the City Council, acting as the board of directors for RASA and the City of Sacramento, approved the transfer of the unallocated excess non-housing bonds for projects as set forth in the Excess Bond Expenditure Plan and authorized RASA and the City to enter into this Master Excess Bond Proceeds Expenditure Agreement ("Agreement").

Agreement

NOW, THEREFORE, RASA and the City agree as follows:

1. The "Effective Date" of this Agreement is as follows:

Effective Date: _____, 2016

2. RASA and City hereby agree that RASA will transfer to the City the Agency bond funds in the amount as set out below, and City will use the funds to design and construct the projects, consistent with the bond covenants pursuant to Health and Safety Code section 34191.4(c), and subject to the terms and conditions set out in this Agreement:

Source and Amount of Funds:	2006 65h Street Taxable - \$1,103,452 2003 Alkali Flat Tax Exempt TABS – \$386,255 2006 Army Depot TA – \$97,270 2006 Army Depot Tax Exempt - \$310,018 1999 CIRB Del Paso Heights Tax Exempt Bonds - \$151,597 1999 Master Lease Del Paso Heights Tax Exempt Bonds - \$68,315 2003 Del Paso Heights Tax Exempt Tax Allocation Bonds - \$200,870 2006 TARB Del Paso Heights CIP Tax Exempt Bonds - \$153,710 2006 TARB Del Paso Heights Taxable Bonds - \$717,213 2003 N. Sacramento Tax Exempt Tax Allocation Bonds - \$639,438 2006 N. Sacramento Tax Exempt Bonds - \$6,230 1999 CIRB Oak Park Tax Exempt - \$23,650 2005 TAB Oak Park CIP Taxable - \$1,770,610 2005 TAB Oak Park CIP Tax Exempt - \$3,305,472 2006 River District Taxable Bonds - \$1,450,067 2002 Master Lease Stockton Blvd Tax Exempt Bonds - \$1,281,532 TOTAL - \$11,665,699* *The actual transfer will include any additional interest income earned on the bond fund balances.
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Project Description: See Attachment A for the Excess Bond Expenditure Plan

Project Areas: 65th, Alkali Flat, Army Depot, Del Paso Heights, North Sacramento, River District, and Stockton Boulevard

3. RASA shall transfer to the City the Agency bond funds as defined in Section 2, above, in the amount and in accordance with the ROPS 15-16B, by no later than June 30, 2016. City shall use these funds to implement the projects in accordance with the attached Excess Bond Expenditure Plan.
4. The excess bond proceeds and the interest income received shall be invested in projects as outlined in the Excess Bond Expenditure Plan and shall be used for purposes consistent with the bond covenants and for a redevelopment purpose within the applicable redevelopment project area in accordance with the redevelopment plan and its implementation plan.
5. Neither RASA, nor any of its officers or employees, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by City under this Agreement. It is also understood and agreed that, pursuant to Government Code Section 895.4, City shall fully indemnify, defend and hold RASA harmless from any liability imposed for injury to persons or property occurring by reason of anything done or omitted to be done by City under or in connection with RASA's funding of work undertaken by City pursuant to this Agreement.
6. This Agreement shall terminate upon the completion of the expenditure of the excess bond proceeds.

The Parties have entered into this Agreement as of the Effective Date.

CITY OF SACRAMENTO

REDEVELOPMENT AGENCY SUCCESSOR AGENCY

By:

By:

John S. Shirey, City Manager

John S. Shirey, City Manager

Approved as to Form:

Approved as to Form:

Senior Deputy City Attorney

Senior Deputy City Attorney

Attest:

Attest:

Assistant City Clerk

Assistant City Clerk

ATTACHMENT A

EXCESS BOND EXPENDITURE PLAN
"SPENDING PLAN"

65TH STREET

AMOUNT

Source and Use Summary

Sources:	2006 65th Street Taxable Bonds		\$1,103,452
		TOTAL	\$1,103,452

Uses:	Ramona Avenue Extension		\$1,103,452
		TOTAL	\$1,103,452

ALKALI FLAT

Source and Use Summary

Sources:	2003 Alkali Flat TE TABS		\$386,255
		TOTAL	\$386,255

Uses:	12th/North 12th Complete Streets		\$386,255
		TOTAL	\$386,255

ARMY DEPOT

Source and Use Summary

Sources:	2006 Army Depot Taxable Bonds		\$97,270
	2006 Army Depot Tax Exempt Bonds		\$310,018
		TOTAL	\$407,288

Uses:	14th Avenue Extension		\$407,288
		TOTAL	\$407,288

DEL PASO HEIGHTS REDEVELOPMENT PROJECT AREA

Source and Use Summary

Sources:	1999 CIRB Del Paso Heights Tax Exempt Bonds		\$151,597
	1999 Master Lease Del Paso Heights Tax Exempt Bonds		\$68,315
	2003 Del Paso Heights Tax Exempt TAB		\$200,870
	2006 TARB Del Paso Heights CIP Tax Exempt Bonds		\$153,710
	2006 TARB Del Paso Heights Taxable Bonds		\$717,213
		TOTAL	\$1,291,705

Uses:	Del Paso Heights Town Center Development and Commercial Development Assistance	TOTAL	\$1,291,705
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NORTH SACRAMENTO REDEVELOPMENT PROJECT AREA

Source and Use Summary

Sources:	2003 North Sacramento Tax Exempt TAB	\$639,438
	2006 North Sacramento Tax Exempt Bonds	\$6,230
	TOTAL	\$645,668
Uses:	Del Paso Blvd. Commercial/Residential Development	\$645,668
	Assistance	
	TOTAL	\$645,668

OAK PARK REDEVELOPMENT PROJECT AREA

Source and Use Summary

Sources:	1999 CIRB Oak Park Tax Exempt	\$23,650
	2005 TAB Oak Park CIP Tax	\$1,770,610
	2005 TAB Oak Park CIP Tax Exempt	\$3,305,472
	TOTAL	\$5,099,732
Uses:	Development Assistance and Commercial Corridor Public Improvements	\$5,099,732
	TOTAL	\$5,099,732

RIVER DISTRICT REDEVELOPMENT PROJECT AREA

Source and Use Summary

Sources:	2006 River District Taxable Bonds	\$1,450,067
	TOTAL	\$1,450,067
Uses:	River District Public Improvements	\$1,350,067
	12th/ North 12th Street Complete Street Project	\$100,000
	TOTAL	\$1,450,067

STOCKTON REDEVELOPMENT PROJECT AREA

Source and Use Summary

Sources:	2002 Master Lease Stockton TE Bonds	\$1,281,532
	TOTAL	\$1,281,532
Uses:	Stockton Boulevard Development Assistance	\$1,281,532
	TOTAL	\$1,281,532

TOTAL EXCESS BOND FUNDS IN PLAN \$11,665,699

MASTER EXCESS HOUSING BOND PROCEEDS EXPENDITURE AGREEMENT

Regarding Allocation of Agency Housing Bond Funds

Background

- A. On January 31, 2012, the City of Sacramento ("City") elected to serve as the successor to the Redevelopment Agency of the City of Sacramento ("Agency") for the Agency's non-housing assets and liabilities pursuant to the provisions of AB 1x 26 (Chapter 5, Statutes of 2011). The Agency was dissolved as of February 1, 2012, and all of its non-housing assets were transferred to the City in its capacity as the Redevelopment Agency Successor Agency (RASA). All of the housing assets were transferred to the Housing Authority which is the Housing Successor to the housing functions and assets of the former redevelopment agency. However, RASA still holds housing bond proceeds.
- B. Under AB 1484 (Chapter 16, Statutes of 2012; Health and Safety Code section 34173(g)), the dissolution law was clarified to provide that RASA is a separate legal entity from the City. Also, AB 1484 provided that the Agency's bond fund assets can be expended in a manner consistent with the bonds covenants after compliance with certain requirements. On September 20, 2013, RASA received its Finding of Completion from the State Department of Finance (DOF) and is now able to allocate the Agency's unencumbered bond funds in a manner consistent with the bond covenants.
- C. AB 1484 (Health and Safety Code section 34180(b)) requires approval of the Oversight Board for RASA to allocate the Agency bond funds in a manner consistent with the bond covenants and the payment of these bond funds must be included on a Recognized Obligations Payment Schedule (ROPS) as an excess bond proceeds obligation that is subject to approval by both the Oversight Board and DOF.
- D. On August 17, 2015, the Oversight Board for RASA approved the Excess Bond Expenditure Plan, the form of this Master Excess Housing Bond Proceeds Expenditure Agreement, and allocation of all of the unallocated excess housing bonds funds to the Housing Authority of the City of Sacramento pursuant to Health and Safety Code section 34191.4(c). On October 6, 2015, DOF approved that Oversight Board action. Prior to the Effective Date (defined below), the City Council, acting as the board of directors for RASA and the Housing Authority acting as the Housing Successor, approved the transfer of the unallocated excess housing bonds for projects as set forth in the Excess Housing Bond Expenditure Plan and authorized RASA and the Housing Successor Agency to enter into this Master Excess Housing Bond Proceeds Expenditure Agreement ("Agreement").

Agreement

NOW, THEREFORE, RASA and the Housing Authority of the City of Sacramento ("HACS") agree as follows:

1. The "Effective Date" of this Agreement is as follows:

Effective Date:	_____, 2016
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2. RASA and HACS hereby agree that RASA will transfer to the HACS the Agency housing bond funds in the amount as set out below, and HACS will use the funds to design and construct projects, consistent with the bond covenants pursuant to Health and Safety Code section 34191.4(c), and subject to the terms and conditions set out in this Agreement:

Source and Amount of Funds:	1999 CIRB Oak Park Taxable LM - \$236,934 2002 CIRB Downtown Tax Allocation Bonds Taxable LM - \$60,479 2005 TAB Downtown Taxable LM - \$2,626,544 2005 TAB Downtown Taxable LM - \$5,811 2003 N. Sacramento Tax Exempt Tax Allocation Bonds - \$85,632 TOTAL - \$3,015,400
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Project Description:	See Attachment A for the Excess Bond Expenditure Plan
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Project Areas:	Merged Downtown, North Sacramento, Oak Park
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3. RASA shall transfer to the HACS the Agency bond funds as defined in Section 2, above, in the amount and in accordance with the ROPS 15-16B, by no later than June 30, 2016. HACS shall use these funds to implement the low/moderate income housing projects in accordance with the attached Excess Bond Expenditure Plan.
4. The excess bond proceeds and the interest income received from the bond funds shall be invested in projects as outlined in the Excess Bond Expenditure Plan and shall be used for purposes consistent with the bond covenants and for a redevelopment purpose within the applicable redevelopment project area in accordance with the redevelopment plan and its implementation plan. The funds are not to be used for administrative expenses.
5. Neither RASA, nor any of its officers or employees, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by HACS under this Agreement. It is also understood and agreed that, pursuant to Government Code Section 895.4, HACS shall fully indemnify, defend and hold RASA harmless from any liability imposed for injury to persons or property occurring

by reason of anything done or omitted to be done by HACS under or in connection with RASA's funding of work undertaken by HACS pursuant to this Agreement.

- 6. This Agreement shall terminate upon the completion of the expenditure of the excess bond proceeds.

The Parties have entered into this Agreement as of the Effective Date.

REDEVELOPMENT AGENCY SUCCESSOR AGENCY

HOUSING AUTHORITY OF THE CITY OF SACRAMENTO AS THE HOUSING SUCCESSOR

By:

By:

John S. Shirey, City Manager

LaShelle Dozier, Executive Director

Approved as to Form:

Approved as to Form:

Senior Deputy City Attorney

Senior Deputy City Attorney

Attest:

Attest:

Assistant City Clerk

Assistant City Clerk

EXHIBIT A

EXCESS HOUSING BOND EXPENDITURE "SPENDING PLAN"

MERGED DOWNTOWN

Source and Use Summary

Sources:	2005 Merged DT Taxable TAB - Low/Mod	\$2,626,544
	2002 CIRB Merged DT Taxable Bonds - Low-Mod	\$60,479
	2005 DT TAB Taxable - Low/Mod	\$5,811
	TOTAL	\$2,692,834
Uses:	Downtown Low-Mod Residential Project Assistance	\$2,692,834
	TOTAL	\$2,692,834

NORTH SACRAMENTO REDEVELOPMENT PROJECT AREA

Source and Use Summary

Sources:	2003 North Sacramento Tax Exempt TABS	\$85,632
	TOTAL	\$85,632
Uses:	Low-Mod Residential Development Assistance	\$85,632
	TOTAL	\$85,632

OAK PARK REDEVELOPMENT PROJECT AREA

Source and Use Summary

Sources:	1999 CIRB Oak Park Taxable - Low-Mod	\$236,934
	TOTAL	\$236,934
Uses:	Low-Mod Residential Development Assistance	\$236,934
	TOTAL	\$236,934

TOTAL EXCESS HOUSING BOND FUNDS IN PLAN \$3,015,400

RESOLUTION NO. 2016-

Adopted by

City Council of the City of Sacramento

APPROVING THE MASTER EXCESS BOND PROCEEDS EXPENDITURE AGREEMENT, ACCEPTING THE TRANSFER OF THE EXCESS NON-HOUSING BOND PROCEEDS, AND CREATING CAPITAL IMPROVEMENT PROJECTS FOR EACH BOND ISSUANCE

BACKGROUND

- A. The Redevelopment Agency Successor Agency (“RASA”) was formed pursuant to AB 1X 26 (the “Dissolution Law”) to wind down the affairs of the Redevelopment Agency of the City of Sacramento (“Agency”).
- B. Health and Safety Code Section 34191.4(c) allows a successor agency that has received its Finding of Completion to allocate excess bond proceeds to other entities to undertake redevelopment projects in compliance with the bond covenants, subject to approval of the Oversight Board.
- C. RASA received its Finding of Completion under Health and Safety Code Section 34179.7 from the California Department of Finance (DOF) on September 20, 2013. The Oversight Board and DOF have approved RASA’s allocation of excess bond proceeds for various projects that had been planned to be financed by the Agency in accordance with the redevelopment plans and their implementation plans for the redevelopment project areas.
- D. RASA has \$11,665,699 in remaining excess non-housing bond proceeds which are required to be invested in capital improvement projects in accordance with the bond covenants.
- E. RASA has succeeded to the authority, rights, powers, duties and obligations of the Agency, subject the limitations imposed by the Dissolution Law which prohibits RASA from undertaking redevelopment projects. Health and Safety Code Section 33220(e) authorizes a local public agency to enter into an agreement with a successor agency to implement the Agency’s obligations with regard to investment of the bond proceeds for projects.
- F. RASA desires to transfer all of the Agency’s excess non-housing bond proceeds to the City of Sacramento to use for projects consistent with the redevelopment purposes and the bond covenants and the Agency’s priorities and goals as set forth

in the redevelopment plans and implementation plans. RASA has prepared the Master Excess Bond Proceeds Expenditure Agreement to establish the limits on use of the excess bond proceeds to comply with the Agency plans and the bond covenants.

- G. The City is willing to accept the excess non-housing bond proceeds from RASA and to undertake redevelopment activities and in accordance with the Excess Bond Proceeds Expenditure Agreement.
- H. On August 17, 2015 the Oversight Board for RASA by Resolution 2015-0014 approved the Master Excess Bond Proceeds Expenditure Agreement and the transfer of the excess bond funds to the City of Sacramento.
- I. On October 6, 2015, the State Department of Finance approved the Oversight Board action.
- J. These fund transfers were included in the Recognized Obligation Payment Schedule for January – June 2016 (ROPS 15-16B) which was approved by the Oversight Board on September 15, 2015 by Resolution 2015-0015 and by the State Department of Finance on November 12, 2015.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The Master Excess Bond Proceeds Expenditure Agreement between RASA and the City of Sacramento, attached as Exhibit A, is hereby approved and the City Manager or his designee is authorized to execute the Master Agreement.
- Section 2. An acceptance of the transfer of \$11,665,699 (and any additional interest accruing until time of transfer) in excess redevelopment bond funds to the City is approved.
- Section 3. Capital Improvement Project Funds for each bond issuance are authorized to be established.
- Section 4. Redevelopment bond funds that were previously allocated to the Lowell Street Sidewalk Project (T15036300) and 14th Avenue Extension (T15098600) in the Innovation and Growth Fund (2031) by Resolution #2015-0064 are authorized to be transferred to the City's new 2006 Army Depot Taxable and Tax-exempt Fund.
- Section 5. Redevelopment bond funds that were previously allocated to the Powerhouse Science Center (E18000400) from the Externally Funded Projects Fund (2703) are authorized to be transferred to the City's new 2006 River District Taxable Fund.

Section 6. A new 2002 Master Lease Downtown Tax-Exempt/2005 TAB Downtown CIP Tax Exempt and 2005 TAB Downtown CIP Taxable Fund is created to receive the transfer of redevelopment bond funds previously allocated to Cesar Chavez Plaza Park Improvements (L19207100).

Table of Contents:

Exhibit A. Master Excess Bond Proceeds Expenditure Agreement

MASTER EXCESS BOND PROCEEDS EXPENDITURE AGREEMENT

Regarding Allocation of Agency Bond Funds

Background

- A. On January 31, 2012, the City of Sacramento ("City") elected to serve as the successor to the Redevelopment Agency of the City of Sacramento ("Agency") for the Agency's non-housing assets and liabilities pursuant to the provisions of AB 1x 26 (Chapter 5, Statutes of 2011). The Agency was dissolved as of February 1, 2012, and all of its non-housing assets were transferred to the City in its capacity as the Redevelopment Agency Successor Agency (RASA).
- B. Under AB 1484 (Chapter 16, Statutes of 2012; Health and Safety Code section 34173(g)), the dissolution law was clarified to provide that RASA is a separate legal entity from the City. Also, AB 1484 provided that the Agency's bond fund assets can be expended in a manner consistent with the bonds covenants after compliance with certain requirements. On September 20, 2013, RASA received its Finding of Completion from the State Department of Finance (DOF) and is now able to allocate the Agency's unencumbered bond funds in a manner consistent with the bond covenants.
- C. AB 1484 (Health and Safety Code section 34180(b)) requires approval of the Oversight Board for RASA to allocate the Agency bond funds in a manner consistent with the bond covenants and the payment of these bond funds must be included on a Recognized Obligations Payment Schedule (ROPS) as an excess bond proceeds obligation that is subject to approval by both the Oversight Board and DOF.
- D. On August 17, 2015, the Oversight Board for RASA approved the Excess Bond Expenditure Plan, the form of this Master Excess Bond Proceeds Expenditure Agreement, and allocation of all of the unallocated excess non-housing bonds funds to the City of Sacramento pursuant to Health and Safety Code section 34191.4(c). On October 6, 2015, DOF approved that Oversight Board action. Prior to the Effective Date (defined below), the City Council, acting as the board of directors for RASA and the City of Sacramento, approved the transfer of the unallocated excess non-housing bonds for projects as set forth in the Excess Bond Expenditure Plan and authorized RASA and the City to enter into this Master Excess Bond Proceeds Expenditure Agreement ("Agreement").

Agreement

NOW, THEREFORE, RASA and the City agree as follows:

1. The "Effective Date" of this Agreement is as follows:

Effective Date:	_____, 2016
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2. RASA and City hereby agree that RASA will transfer to the City the Agency bond funds in the amount as set out below, and City will use the funds to design and construct the projects, consistent with the bond covenants pursuant to Health and Safety Code section 34191.4(c), and subject to the terms and conditions set out in this Agreement:

Source and Amount of Funds:	2006 65h Street Taxable - \$1,103,452 2003 Alkali Flat Tax Exempt TABS – \$386,255 2006 Army Depot TA – \$97,270 2006 Army Depot Tax Exempt - \$310,018 1999 CIRB Del Paso Heights Tax Exempt Bonds - \$151,597 1999 Master Lease Del Paso Heights Tax Exempt Bonds - \$68,315 2003 Del Paso Heights Tax Exempt Tax Allocation Bonds - \$200,870 2006 TARB Del Paso Heights CIP Tax Exempt Bonds - \$153,710 2006 TARB Del Paso Heights Taxable Bonds - \$717,213 2003 N. Sacramento Tax Exempt Tax Allocation Bonds - \$639,438 2006 N. Sacramento Tax Exempt Bonds - \$6,230 1999 CIRB Oak Park Tax Exempt - \$23,650 2005 TAB Oak Park CIP Taxable - \$1,770,610 2005 TAB Oak Park CIP Tax Exempt - \$3,305,472 2006 River District Taxable Bonds - \$1,450,067 2002 Master Lease Stockton Blvd Tax Exempt Bonds - \$1,281,532 TOTAL - \$11,665,699* *The actual transfer will include any additional interest income earned on the bond fund balances.
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Project Description:	See Attachment A for the Excess Bond Expenditure Plan
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Project Areas:	65 th , Alkali Flat, Army Depot, Del Paso Heights, North Sacramento, River District, Stockton Boulevard
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3. RASA shall transfer to the City the Agency bond funds as defined in Section 2, above, in the amount and in accordance with the ROPS 15-16B, by no later than June 30, 2016. City shall use these funds to implement the projects in accordance with the attached Excess Bond Expenditure Plan.
4. The excess bond proceeds and the interest income received shall be invested in projects as outlined in the Excess Bond Expenditure Plan and shall be used for purposes consistent with the bond covenants and for a redevelopment purpose within the applicable redevelopment project area in accordance with the redevelopment plan and its implementation plan.
5. Neither RASA, nor any of its officers or employees, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by City under this Agreement. It is also understood and agreed that, pursuant to Government Code Section 895.4, City shall fully indemnify, defend and hold RASA harmless from any liability imposed for injury to persons or property occurring by reason of anything done or omitted to be done by City under or in connection with RASA's funding of work undertaken by City pursuant to this Agreement.
6. This Agreement shall terminate upon the completion of the expenditure of the excess bond proceeds.

The Parties have entered into this Agreement as of the Effective Date.

CITY OF SACRAMENTO

REDEVELOPMENT AGENCY SUCCESSOR AGENCY

By:

By:

John S. Shirey, City Manager

John S. Shirey, City Manager

Approved as to Form:

Approved as to Form:

Senior Deputy City Attorney

Senior Deputy City Attorney

Attest:

Attest:

Assistant City Clerk

Assistant City Clerk

ATTACHMENT A

EXCESS BOND EXPENDITURE PLAN
"SPENDING PLAN"

65TH STREET

AMOUNT

Source and Use Summary

Sources:	2006 65th Street Taxable Bonds		\$1,103,452
		TOTAL	\$1,103,452

Uses:	Ramona Avenue Extension		\$1,103,452
		TOTAL	\$1,103,452

ALKALI FLAT

Source and Use Summary

Sources:	2003 Alkali Flat TE TABS		\$386,255
		TOTAL	\$386,255

Uses:	12th/North 12th Complete Streets		\$386,255
		TOTAL	\$386,255

ARMY DEPOT

Source and Use Summary

Sources:	2006 Army Depot Taxable Bonds		\$97,270
	2006 Army Depot Tax Exempt Bonds		\$310,018
		TOTAL	\$407,288

Uses:	14th Avenue Extension		\$407,288
		TOTAL	\$407,288

DEL PASO HEIGHTS REDEVELOPMENT PROJECT AREA

Source and Use Summary

Sources:	1999 CIRB Del Paso Heights Tax Exempt Bonds		\$151,597
	1999 Master Lease Del Paso Heights Tax Exempt Bonds		\$68,315
	2003 Del Paso Heights Tax Exempt TAB		\$200,870
	2006 TARB Del Paso Heights CIP Tax Exempt Bonds		\$153,710
	2006 TARB Del Paso Heights Taxable Bonds		\$717,213
		TOTAL	\$1,291,705

Uses:	Del Paso Heights Town Center Development and Commercial Development Assistance	TOTAL	\$1,291,705
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NORTH SACRAMENTO REDEVELOPMENT PROJECT AREA

Source and Use Summary

Sources:	2003 North Sacramento Tax Exempt TAB	\$639,438
	2006 North Sacramento Tax Exempt Bonds	\$6,230
	TOTAL	\$645,668

Uses:	Del Paso Blvd. Commercial/Residential Development	\$645,668
	Assistance	
	TOTAL	\$645,668

OAK PARK REDEVELOPMENT PROJECT AREA

Source and Use Summary

Sources:	1999 CIRB Oak Park Tax Exempt	\$23,650
	2005 TAB Oak Park CIP Tax	\$1,770,610
	2005 TAB Oak Park CIP Tax Exempt	\$3,305,472
	TOTAL	\$5,099,732

Uses:	Development Assistance and Commercial Corridor Public Improvements	\$5,099,732
	TOTAL	\$5,099,732

RIVER DISTRICT REDEVELOPMENT PROJECT AREA

Source and Use Summary

Sources:	2006 River District Taxable Bonds	\$1,450,067
	TOTAL	\$1,450,067

Uses:	River District Public Improvements	\$1,350,067
	12th/ North 12th Street Complete Street Project	\$100,000
	TOTAL	\$1,450,067

STOCKTON REDEVELOPMENT PROJECT AREA

Source and Use Summary

Sources:	2002 Master Lease Stockton TE Bonds	\$1,281,532
	TOTAL	\$1,281,532

Uses:	Stockton Boulevard Development Assistance	\$1,281,532
	TOTAL	\$1,281,532

TOTAL EXCESS BOND FUNDS IN PLAN \$11,665,699

RESOLUTION NO. 2016-

Adopted by

Housing Authority of the City of Sacramento

APPROVING THE MASTER EXCESS HOUSING BOND PROCEEDS EXPENDITURE AGREEMENT AND ACCEPTING THE TRANSFER OF THE EXCESS HOUSING BOND PROCEEDS

BACKGROUND

- A. The Redevelopment Agency Successor Agency (“RASA”) was formed pursuant to AB 1X 26 (the “Dissolution Law”) to wind down the affairs of the Redevelopment Agency of the City of Sacramento (“Agency”).
- B. Health and Safety Code Section 34191.4(c) allows a successor agency that has received its Finding of Completion to allocate excess bond proceeds to other entities to undertake for purposes for which the bonds were sold in compliance with the bond covenants, subject to approval of the Oversight Board.
- C. RASA received its Finding of Completion under Health and Safety Code Section 34179.7 from the California Department of Finance (DOF) on September 20, 2013. The Oversight Board and DOF have approved allocation of excess bond proceeds for various projects that had been planned to be financed by the Agency in accordance with the redevelopment plans and their implementation plans for the redevelopment project areas.
- D. RASA has \$3,015,400 in excess housing bond proceeds which are required to be invested in capital improvement projects in accordance with the bond covenants.
- E. RASA has succeeded to the authority, rights, powers, duties and obligations of the Agency, subject the limitations imposed by the Dissolution Law which prohibits RASA from undertaking redevelopment projects. Health and Safety Code Section 33220(e) authorizes a local public agency to enter into an agreement with a successor agency to implement the Agency’s obligations with regard to investment of the bond proceeds for projects.
- F. RASA desires to transfer all of the Agency’s housing bond proceeds to the Housing Authority as the Housing Successor to use for projects consistent with the redevelopment purposes and the bond covenants and the Agency’s priorities and goals as set forth in the redevelopment plans and implementation plans. RASA has prepared the Master Excess Housing Bond Proceeds Expenditure Agreement to

establish the limits on use of the excess bond proceeds to comply with the Agency plans and the bond covenants.

- G. The Housing Authority is willing to accept the excess housing bond proceeds from RASA and to undertake redevelopment activities and in accordance with the Excess Bond Expenditure Plan.
- H. On August 17, 2015 the Oversight Board for RASA by Resolution 2015-0014 approved the Master Excess Housing Bond Expenditure Agreement, and the transfer of the excess housing bond funds to the Housing Authority.
- I. On October 6, 2015, the State Department of Finance approved the Oversight Board action.
- J. These transfers were included in the Recognized Obligation Payment Schedule for January – June 2016 (ROPS 15-16B) which was approved by the Oversight Board on September 15, 2015 by Resolution 2015-0015 and by the State Department of Finance on November 12, 2015.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING AUTHORITY AS HOUSING SUCCESSOR RESOLVES AS FOLLOWS:

Section 1. The Master Excess Housing Bond Proceeds Expenditure Agreement between RASA and the Housing Authority of the City of Sacramento as Housing Successor attached as Exhibit A is hereby approved and the Executive Director is authorized to execute the Master Agreement

Section 2. The acceptance of the transfer of \$3,015,400 (and any additional interest accruing until time of transfer) in excess redevelopment housing bond funds to the Housing Authority is approved.

Table of Contents:

Exhibit A. Master Excess Housing Bond Expenditure Agreement

MASTER EXCESS HOUSING BOND PROCEEDS EXPENDITURE AGREEMENT

Regarding Allocation of Agency Housing Bond Funds

Background

- A. On January 31, 2012, the City of Sacramento ("City") elected to serve as the successor to the Redevelopment Agency of the City of Sacramento ("Agency") for the Agency's non-housing assets and liabilities pursuant to the provisions of AB 1x 26 (Chapter 5, Statutes of 2011). The Agency was dissolved as of February 1, 2012, and all of its non-housing assets were transferred to the City in its capacity as the Redevelopment Agency Successor Agency (RASA). All of the housing assets were transferred to the Housing Authority which is the Housing Successor to the housing functions and assets of the former redevelopment agency. However, RASA still holds housing bond proceeds.
- B. Under AB 1484 (Chapter 16, Statutes of 2012; Health and Safety Code section 34173(g)), the dissolution law was clarified to provide that RASA is a separate legal entity from the City. Also, AB 1484 provided that the Agency's bond fund assets can be expended in a manner consistent with the bonds covenants after compliance with certain requirements. On September 20, 2013, RASA received its Finding of Completion from the State Department of Finance (DOF) and is now able to allocate the Agency's unencumbered bond funds in a manner consistent with the bond covenants.
- C. AB 1484 (Health and Safety Code section 34180(b)) requires approval of the Oversight Board for RASA to allocate the Agency bond funds in a manner consistent with the bond covenants and the payment of these bond funds must be included on a Recognized Obligations Payment Schedule (ROPS) as an excess bond proceeds obligation that is subject to approval by both the Oversight Board and DOF.
- D. On August 17, 2015, the Oversight Board for RASA approved the Excess Bond Expenditure Plan, the form of this Master Excess Bond Proceeds Expenditure Agreement, and allocation of all of the unallocated excess housing bonds funds to the Housing Authority of the City of Sacramento pursuant to Health and Safety Code section 34191.4(c). On October 6, 2015, DOF approved that Oversight Board action. Prior to the Effective Date (defined below), the City Council, acting as the board of directors for RASA and the Housing Authority acting as the Housing Successor, approved the transfer of the unallocated excess housing bonds for projects as set forth in the Excess Housing Bond Expenditure Plan and authorized RASA and the Housing Successor Agency City to enter into this Master Excess Housing Bond Proceeds Expenditure Agreement ("Agreement").

Agreement

NOW, THEREFORE, RASA and the Housing Authority of the City of Sacramento ("HACS") agree as follows:

1. The "Effective Date" of this Agreement is as follows:

Effective Date:	_____, 2016
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2. RASA and HACS hereby agree that RASA will transfer to the HACS the Agency housing bond funds in the amount as set out below, and HACS will use the funds to design and construct projects, consistent with the bond covenants pursuant to Health and Safety Code section 34191.4(c), and subject to the terms and conditions set out in this Agreement:

Source and Amount of Funds:	1999 CIRB Oak Park Taxable LM - \$236,934 2002 CIRB Downtown Tax Allocation Bonds Taxable LM - \$60,479 2005 TAB Downtown Taxable LM - \$2,626,544 2005 TAB Downtown Taxable LM - \$5,811 2003 N. Sacramento Tax Exempt Tax Allocation Bonds - \$85,632 TOTAL - \$3,015,400
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Project Description:	See Attachment A for the Excess Bond Expenditure Plan
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Project Areas:	Merged Downtown, North Sacramento, Oak Park
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3. RASA shall transfer to the HACS the Agency bond funds as defined in Section 2, above, in the amount and in accordance with the ROPS 15-16B, by no later than June 30, 2016. HACS shall use these funds to implement the low/moderate income housing projects in accordance with the attached Excess Bond Expenditure Plan.
4. The excess bond proceeds and the interest income received from the bond funds shall be invested in projects as outlined in the Excess Bond Expenditure Plan and shall be used for purposes consistent with the bond covenants and for a redevelopment purpose within the applicable redevelopment project area in accordance with the redevelopment plan and its implementation plan. The funds are not to be used for administrative expenses.
5. Neither RASA, nor any of its officers or employees, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by HACS under this Agreement. It is also understood and agreed that, pursuant to Government Code Section 895.4, HACS shall fully indemnify,

defend and hold RASA harmless from any liability imposed for injury to persons or property occurring by reason of anything done or omitted to be done by HACS under or in connection with RASA's funding of work undertaken by HACS pursuant to this Agreement.

- 6. This Agreement shall terminate upon the completion of the expenditure of the excess bond proceeds.

The Parties have entered into this Agreement as of the Effective Date.

REDEVELOPMENT AGENCY SUCCESSOR AGENCY

HOUSING AUTHORITY OF THE CITY OF
SACRAMENTO AS THE HOUSING SUCCESSOR

By:

By:

John S. Shirey, City Manager

LaShelle Dozier, Executive Director

Approved as to Form:

Approved as to Form:

Senior Deputy City Attorney

Senior Deputy City Attorney

Attest:

Attest:

Assistant City Clerk

Assistant City Clerk

ATTACHMENT A

EXCESS HOUSING BOND EXPENDITURE
"SPENDING PLAN"

MERGED DOWNTOWN

Source and Use Summary

Sources:	2005 Merged DT Taxable TAB - Low/Mod	\$2,626,544
	2002 CIRB Merged DT Taxable Bonds - Low-Mod	\$60,479
	2005 DT TAB Taxable - Low/Mod	\$5,811
	TOTAL	\$2,692,834
Uses:	Downtown Low-Mod Residential Project Assistance	\$2,692,834
	TOTAL	\$2,692,834

NORTH SACRAMENTO REDEVELOPMENT PROJECT AREA

Source and Use Summary

Sources:	2003 North Sacramento Tax Exempt TABS	\$85,632
	TOTAL	\$85,632
Uses:	Low-Mod Residential Development Assistance	\$85,632
	TOTAL	\$85,632

OAK PARK REDEVELOPMENT PROJECT AREA

Source and Use Summary

Sources:	1999 CIRB Oak Park Taxable - Low-Mod	\$236,934
	TOTAL	\$236,934
Uses:	Low-Mod Residential Development Assistance	\$236,934
	TOTAL	\$236,934

TOTAL EXCESS HOUSING BOND FUNDS IN PLAN \$3,015,400