

AGENDA



CITY OF VALLEJO OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE VALLEJO REDEVELOPMENT AGENCY REGULAR MEETING

BOARDMEMBERS:
Erin Hannigan, Chair
Annette Taylor, Vice-Chair
Pippin Dew-Costa
Melvin Jordan
LaGuan Lea
Shane McAfee
Gary Truelsen

THURSDAY, SEPTEMBER 18, 2014
8:30 A.M.

CITY COUNCIL CHAMBERS, 2ND FLOOR
555 SANTA CLARA STREET, VALLEJO

This AGENDA contains a brief general description of each item to be considered. The posting of the recommended actions does not indicate what action may be taken. If comments come to the Board without prior notice and are not listed on the AGENDA, no specific answers or response should be expected at this meeting per State law.

Those wishing to address the Board on any matter for which another opportunity to speak is not provided on the AGENDA but which is within the jurisdiction of the Board to resolve may come forward to the podium during the "COMMUNITY FORUM" portion of the AGENDA.

Notice of Availability of Public Records: All public records relating to an open session item, which are not exempt from disclosure pursuant to the Public Records Act, that are distributed to a majority of the Board will be available for public inspection at the City Clerk's Office, 555 Santa Clara Street, Vallejo, CA at the same time that the public records are distributed or made available to the Board. Such documents may also be available on the City of Vallejo website at <http://www.ci.vallejo.ca.us> subject to staff's ability to post the documents prior to the meeting. Information may be obtained by calling (707) 648-4527, TDD (707) 649-3562.

Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990) and the federal rules and regulations adopted in implementation thereof

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **COMMUNITY FORUM**
4. **APPROVAL OF THE MINUTES**
 - A. Approval of the Minutes from the May 15, 2014 regular meeting
5. **OLD BUSINESS – None.**
6. **NEW BUSINESS**
 - A. **Election of Chair and Vice Chair Pursuant to Article II, Section 5 of the Oversight Board Bylaws**
Recommendation: By motion, elect a new Chair and Vice Chair pursuant to Article II, Section 5 of the Oversight Board Bylaws, to serve until the June 2015 Annual Meeting.

- B. By Motion, Authorize Execution of a Professional Services Agreement with BLX Group, LLC to provide Bond Issue Post-Issuance Tax Compliance and Continuing Disclosure Services for a period of five (5) years at a total cost not to exceed \$250,000**

Recommendation: Authorize execution of a professional services agreement with BLX Group, LLC to provide bond issue post-issuance tax compliance and continuing disclosure services

- C. Adopt Resolution Approving the Recognized Obligations Payment Schedule for January 1, 2015 Through June 30, 2015 (“ROPS 14-15B”)**

Recommendation: Adopt a Resolution approving the Recognized Obligations Payment Schedule for January 1, 2015, through June 30, 2015 (“ROPS 14-15B”)

7. AGENDA ITEMS FOR FUTURE MEETINGS

- A. Discussion of Agenda Items for Future Meetings and Future Meeting Dates**

8. ADJOURNMENT

CERTIFICATION:

I, Dawn Abrahamson, Secretary, do hereby certify that I have caused a true copy of the above notice and agenda to be delivered to each of the members of the Oversight Board for the Successor Agency of the Vallejo Redevelopment Agency, at the time and in the manner prescribed by law and that this agenda was posted at City Hall, 555 Santa Clara Street, CA at 1:30 p.m., Friday, September 12, 2014.

Dated: September 12, 2014


Dawn Abrahamson, Secretary

**CITY OF VALLEJO OVERSIGHT BOARD
FOR THE SUCCESSOR AGENCY TO THE VALLEJO REDEVELOPMENT AGENCY
REGULAR MEETING MINUTES
MAY 15, 2014**

1. CALL TO ORDER

The meeting was called to order by Vice Chair Taylor at 8:30 a.m.

2. ROLL CALL

Board members Present: Vice Chair Taylor (member representing Employees of Former Redevelopment Agency Appointee); Boardmembers Dew-Costa (Mayor of Vallejo Appointee), Lea (Chancellor of California Community College Appointee), and Truelsen (Solano County Board of Supervisors' Public Member Appointee)

Boardmembers Absent: Chair Hannigan (Solano County Board of Supervisors' Appointee), Jordan (County Superintendent of Education Appointee), and McAfee (GVRD, largest Special District Appointee)

Staff Present: Mark Sawicki, Community & Economic Development Director; Dawn Abrahamson, Secretary; and Michael Roush, Legal Counsel;

3. CONSENT CALENDAR

Action: Moved by Boardmember Truelsen and adopted by unanimous vote of members present, unless otherwise noted, approval of the Consent Calendar.

A. Approval of the Minutes from the February 13, 2014 Special Meeting

Recommendation: By motion, approve the minutes from the February 13, 2014 special meeting

Contact: Dawn G. Abrahamson, Secretary, 648-4527

Action: Approved minutes (Absent-Hannigan, Jordan and McAfee)

4. OLD BUSINESS – None

5. NEW BUSINESS

A. Adopt a Resolution to Transfer Affordable Housing Properties and Leases from the Oversight Board to the Successor Agency

Recommendation: Adopt a Resolution approving the transfer of affordable housing properties and leases to the Vallejo Housing Authority

Contact: Mark Sawicki, Community & Economic Development Director, 648-4382

Community & Economic Development Director Sawicki provided background information and outlined the recommendation.

Community & Economic Development Director Sawicki and Cass Walker (consultant) responded to questions from boardmembers.

Action: Moved by Boardmember Dew-Costa and carried unanimously by members present to adopt Resolution No. 14-004 (Absent-Hannigan, Jordan and McAfee)

- B. Adopt Resolution Approving the Long Range Property Management Plan**
Recommendation: Adopt a Resolution approving the Long Range Property Management Plan as provided in Attachment 1
Contact: Mark Sawicki, Community & Economic Development Director, 648-4382

Community & Economic Development Director Sawicki outlined the provisions of the Dissolution Act, subsequent technical and substantive amendments to the Act, and provided a summary of the proposed Long Range Property Management Plan (LRPMP), including a review of the 32 Successor Agency properties included in the LRPMP and category descriptions.

Staff responded to questions from Boardmembers.

Action: Moved by Boardmember Dew-Costa and carried unanimously by members present to adopt Resolution No. 14-005 (Absent-Hannigan, Jordan and McAfee).

6. AGENDA ITEMS FOR FUTURE MEETINGS

A. Discussion of Agenda Items for Future Meetings and Future Meeting Dates

Boardmember Truelsen reminded staff and the Board that in accordance with the bylaws of the Oversight Board an election of Chair and Vice Chair needed to occur at the annual meeting, which as set forth in the bylaws is the month of June annually.

Community & Economic Development Director Sawicki advised that the election of Chair and Vice Chair should be scheduled at the next meeting when there are other substantive matters to bring to the Board's attention for action.

7. ADJOURNMENT

The meeting adjourned at 9:03 a.m.

ANNETTE TAYLOR, Vice-Chair

DAWN G. ABRAHAMSON, Secretary



DATE: September 18, 2014
TO: Chairperson and Members of the Oversight Board to the Successor Agency
FROM: Mark Sawicki, Community & Economic Development Director
Ron Millard, Interim Finance Director

SUBJECT: BY MOTION, AUTHORIZE EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH BLX GROUP, LLC TO PROVIDE BOND ISSUE POST-ISSUANCE TAX COMPLIANCE AND CONTINUING DISCLOSURE SERVICES FOR A PERIOD OF FIVE (5) YEARS AT A TOTAL COST NOT TO EXCEED \$250,000.

RECOMMENDATION

By motion, authorize execution of a Professional Services Agreement with BLX Group, LLC ("BLX Group") to provide Bond Issue Post-Issuance Tax Compliance and Continuing Disclosure Services for a period of five (5) years at a total cost not to exceed \$250,000, in substantially the form as the agreement attached to this staff report, together with any additions thereto or changes therein deemed necessary or advisable by the City Attorney.

REASONS FOR RECOMMENDATION

In order for the City, the Housing Authority, and the Successor Agency (hereinafter "City") to be in compliance with the continuing disclosure bond covenants and Internal Revenue Service regulations for each of the bond issues that the City has issued, the City must perform certain administrative tasks. In order to complete these administrative tasks in the most efficient manner, staff recommends that the City enter into a contract with BLX Group to provide these services.

BACKGROUND AND DISCUSSION

BLX Group has been providing these services to the City for more than 10 years, and they are very knowledgeable about the financial affairs of the City. They are an important resource for the City and have provided the City with reliable and quality work over the past years. Staff recommends approval of an agreement with BLX Group to continue providing the existing arbitrage rebate reporting compliance and continuing disclosure compliance services.

The Tax Reform Act of 1986 placed restrictions on the ability of borrowers to earn interest on investments in excess of the yield rate on tax-exempt bonds. The excess earnings are known as arbitrage. These restrictions require the City to compute and periodically rebate to the U.S. Treasury any arbitrage earned in connection with its tax-exempt bond issuances. To comply with the Internal Revenue Service (IRS) requirements, the City retains an outside firm to perform the necessary arbitrage rebate calculations.

Subject: BY MOTION, AUTHORIZE EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH BLX GROUP, LLC TO PROVIDE BOND ISSUE POST-ISSUANCE TAX COMPLIANCE AND CONTINUING DISCLOSURE SERVICES FOR A PERIOD OF FIVE (5) YEARS AT A TOTAL COST NOT TO EXCEED \$250,000.

Internal Revenue Service regulations require that positive arbitrage earnings be rebated back to the federal government. Every five years, if arbitrage liability exists, the City is required to report the liability to the IRS and pay the rebate amount owed. Approval of the agreement will allow BLX Group to continue to provide these necessary services.

When the City uses tax exempt financing (i.e., issues bonds) the City becomes obligated to meet specific continuing disclosure standards in compliance with Securities and Exchange Commission (SEC) Rule 15c2-12 which require municipal debt issuers to provide certain annual financial information and material event notices to the public. The BLX Group ensures that all annual reports and material event notices are prepared and filed at the Electronic Municipal Market Access (EMMA) portal (www.emma.msrb.org) by the required deadlines established in the continuing disclosure agreements.

FISCAL IMPACT

The total cost of these services is estimated not to exceed \$250,000 over the 5-year contract period. Pricing for the contract is fixed for the term of the contract. The payment for services is allocated to each respective bond issue's budget as part of the debt service annual budget process. Funding for the Successor Agency share of this contract is included in the ROPS. For the ROPS 14-15B period, \$6,425 was requested for debt service admin fees. For subsequent years, similar appropriate amounts will be included as part of the annual budget process.

ENVIRONMENTAL REVIEW

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS

Attachment A - Agreement Between the City of Vallejo and BLX Group LLC.

CONTACT

Ron Millard, Interim Finance Director

707.648.4592

rmillard@ci.vallejo.ca.us

CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT

This Consultant and Professional Services Agreement ("Agreement") is made at Vallejo, California, dated for reference this 1st day of May, 2014, by and between the City of Vallejo, a municipal corporation ("Vallejo"), the Successor Agency to the former Redevelopment Agency of the City of Vallejo, a Public Body Corporate and Politic ("Agency"), the Housing Authority of the City of Vallejo, a Public Body Corporate and Politic ("Authority") (hereinafter collectively "City"), and BLX Group, LLC, a California Corporation, hereinafter referred to as "Consultant", who agree as follows:

- 1. Services.** Subject to the terms and conditions set forth in this Agreement, Consultant shall provide the City professional services as specified in Exhibit A, entitled "Scope of Work."
- 2. Payment.** City shall pay Consultant for services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit B, entitled "Compensation." The payments specified in Exhibit B shall be the only payments to be made to Consultant for services rendered pursuant to this Agreement.
- 3. Facilities and Equipment.** Consultant shall, at its sole cost and expense, furnish all facilities and equipment which may be required for furnishing services pursuant to this Agreement.
- 4. Indemnification.** The following provision shall apply to arbitrage rebate services: Consultant shall indemnify, defend (with independent counsel approved by the City) , and hold harmless the City, its officers, officials, employees, agents, and volunteers and each of them from any and all claims, demands, causes of action, damages, costs, expenses, actual attorney's fees, consultant's fees, expert fees, losses or liability, in law or in equity, of every kind and nature whatsoever arising out of or in connection with Consultant's performance of arbitrage rebate services, or any subcontractor's operations, to be performed under this Agreement, for the fullest extent permitted by law, with the exception of the active negligence or willful misconduct of the City.

The following provision shall apply to continuing disclosure services: Consultant agrees to indemnify and hold Client harmless from and against any and all third party claims, suits and actions, and all associated damages, settlements, losses, liabilities, costs, and expenses, including without limitation reasonable attorneys' fees, to the extent due to Consultant's negligent performance of continuing disclosure services.

The provisions of this section shall survive the expiration or termination of this Agreement and are not limited by any provisions relating to insurance in this Agreement.

5. Insurance Requirements. Consultant agrees to comply with all of the Insurance Requirements set forth in Exhibit C, entitled "Insurance Requirements for Consultant." Failure to maintain required insurance at all times shall constitute a default and material breach.

6. Accident Reports. Consultant shall immediately report (as soon as feasible, but not more than 2 business days) to the City Risk Manager [provide contact information enabling us to contact this person promptly] any accident or other occurrence causing injury to persons or property during the performance of this Agreement. The report shall be made in writing and shall include, at a minimum: (a) the names, addresses, and telephone numbers of the persons involved, (b) the names, addresses and telephone numbers of any known witnesses, (c) the date, time and description of the accident or other occurrence.

7. Conflict of Interest. Consultant warrants and represents that to the best of its knowledge, there exists no actual or potential conflict between Consultant's family, business, real property or financial interests and the services to be provided under this Agreement. Consultant shall comply with the City of Vallejo Conflict of Interest Code and not enter into any contract or agreement during the performance of this Agreement which will create a conflict of interest with its duties to City under this Agreement. In the event of a change in Consultant's family, business, real property or financial interests occurs during the term of this Agreement that creates an actual or potential conflict of interest, then Consultant shall disclose such conflict in writing to City.

8. Independent Contractor. Consultant is an independent contractor. Neither Consultant nor any of Consultant's officers, employees, agents or subcontractors, if any, is an employee of City by virtue of this Agreement or performance of any services pursuant to this Agreement. City shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement; however, City shall not have the right to control the means by which Consultant accomplishes services pursuant to this Agreement.

9. Licences, Permits, Etc. Consultant represents and warrants to City that all consultant services shall be provided by a person or persons duly licensed by the State of California to provide the type of services to be performed under this Agreement and that Consultant has all the permits, qualifications and approvals of whatsoever nature which are legally required for Consultant to practice its profession. Consultant represents and warrants to City that it shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals which are legally required for Consultant to practice its profession.

10. Business License. Consultant, and its subcontractors, has obtained or

agrees to apply prior to performing any services under this Agreement to City's Finance Department for a business license, pay the applicable business license tax and maintain said business license during the term of this Agreement. The failure to obtain such license shall be a material breach of this Agreement and grounds for termination by City. No payments shall be made to Consultant until such business license(s) has been obtained.

11. Standard of Performance. Consultant shall provide products and perform all services required pursuant to this Agreement in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised under similar conditions by a member of Consultant's profession currently practicing in California.

Consultant is responsible for making an independent evaluation and judgment of all conditions affecting performance of the work, including without limitation applicable federal, state, and local laws and regulations, and all other contingencies or considerations.

Consultant's responsibilities under this section shall not be delegated. Consultant shall be responsible to City for acts, errors, or omissions of Consultant's subcontractors.

Consultant is responsible for making an independent evaluation and judgment of all conditions affecting performance of the work and shall prepare plans, reports, and/or other work products in such a way that additional costs will not be incurred or, beyond a project budget approved or amended by the City Manager or his or her designee.

Whenever the scope of work requires or permits review, approval, conditional approval or disapproval by City, it is understood that such review, approval, conditional approval or disapproval is solely for the purposes of administering this Agreement and determining whether the Consultant is entitled to payment for such work, and not be construed as a waiver of any breach or acceptance by the City of any responsibility, professional or otherwise, for the work, and shall not relieve the Consultant of responsibility for complying with the standard of performance or laws, regulations, industry standards, or from liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of Consultant.

12. Force Majeure. Neither party shall be considered in default of this Agreement to the extent performances are prevented or delayed by any cause by circumstances beyond either party's reasonable control, such as war, riots, strikes, lockouts, work slowdown or stoppage, acts of God, such as floods or earthquakes, and electrical blackouts or brownouts or other unexpected technical issues beyond the control of Consultant.

In the event that the Consultant is unable to meet the completion date or schedule of services, Consultant shall inform the City Representative of the additional time required to perform the work and the City Representative may adjust the schedule.

13. Time is of the Essence. Time is of the essence in this Agreement. Any reference to days means calendar days, unless otherwise specifically stated.

14. Personnel. Consultant agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services under this Agreement. Failure to assign such competent personnel shall constitute grounds for termination of this Agreement.

The payment made to Consultant pursuant to this Agreement shall be the full and complete compensation to which Consultant and Consultant's officers, employees, agents, and subcontractors are entitled for performance of any work under this Agreement. Neither Consultant nor Consultant's officers or employees are entitled to any salary or wages, or retirement, health, leave or other fringe benefits applicable to employees of the City. The City will not make any federal or state tax withholdings on behalf of Consultant. The City shall not be required to pay any workers' compensation insurance on behalf of Consultant.

Consultant shall pay, when and as due, any and all taxes incurred as a result of Consultant's compensation hereunder, including estimated taxes, and shall provide City with proof of such payments upon request.

15. Consultant Not Agent. Except as authorized under this Agreement or as City may authorize in a letter of authorization signed by the City Manager or his or her designee, Consultant shall have no authority, express or implied to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, under this Agreement, to bind City to any obligation whatsoever.

16. Term. The term of this Agreement shall commence on May 1, 2014, and shall continue in full force and effect until April 30, 2019.

If the term of this Agreement extends into fiscal years subsequent to that in which it is approved, such continuation of the Agreement is contingent on the appropriation of funds for such purpose by the City Council of the City of Vallejo. If funds to effect such continued payment are not appropriated, Consultant agrees to terminate any services supplied to City of Vallejo under this Agreement, and relieve City of any further obligation therefore.

17. Termination or Abandonment by City. The City has the right, at any

time and in its sole discretion, to immediately terminate or abandon any portion or all of the services to be provided under this Agreement by giving notice to Consultant. Upon receipt of a notice of termination, Consultant shall perform no further work except as specified in the notice. Before the date of termination, Consultant shall deliver to City all work product, whether completed or not, as of the date of termination and not otherwise previously delivered.

The City shall pay Consultant for services performed in accordance with this Agreement before the date of termination. If this contract provides for payment of a lump sum for all services or by task and termination occurs before completion of the work or any defined task which according to the performance schedule was commenced before the notice of termination, the fee for services performed shall be based on an amount mutually agreed to by City and Consultant for the portion of work completed in conformance with this Agreement before the date of termination. In addition, the City will reimburse Consultant for authorized expenses incurred and not previously reimbursed. The City shall not be liable for any fees or costs associated for the termination or abandonment except for the fees, and reimbursement of authorized expenses, payable pursuant to this section.

18. Products of Consulting Services. The work product, including without limitation, all writings, work sheets, reports, recordings, drawings, files, detailed calculations and other work products, whether complete or incomplete, of Consultant resulting from services rendered pursuant to this Agreement, shall become the property of City. Consultant agrees that all copyrights which arise from creation of the work under this Agreement shall be vested in the City and waives and relinquishes all claims to copyright or other intellectual property rights in favor of the City, provided, however, the spreadsheet models, computer programs, and report language and templates used and / or developed by Consultant shall remain solely the property of the Consultant. City acknowledges that its use of the work product is limited to the purposes contemplated by the scope of work and that the Consultant makes no representation of the suitability of the work product for use in or application to circumstances not contemplated by the scope of work.

Documents submitted to the City in electronic format shall be formatted in Adobe Acrobat PDF format.

19. Cooperation by City. City shall, to the extent reasonable and practicable, assist and cooperate with Consultant in the performance of Consultant's services hereunder.

20. Assignment and Subcontracting. Consultant shall not subcontract, assign or transfer voluntarily or involuntarily any of its rights, duties or obligation under this Agreement without the express written consent of the City Manager or

his or her designee in each instance. Any attempted or purported assignment of any right, duty or obligation under this Agreement without said consent shall be void and of no effect. The City acknowledges that Consultant regularly consults with Orrick, Herrington & Sutcliffe, LLP regarding the performance of its services and the City agrees that such consultation is permitted in the Consultant's performance of services under this contract.

If subcontracting of work is permitted, Consultant shall pay its subcontractor within ten (10) days of receipt of payment by City for work performed by a subcontractor and billed by the Consultant. Use of the term subcontractor in any other provision of this contract shall not be construed to imply authorization for Consultant to use subcontractors for performance of any service under this Agreement.

The City is an intended beneficiary of any work performed by Consultant's subcontractor for purposes of establishing a duty of care between the subcontractor and City.

21. Successors and Assigns. All terms, conditions, and provisions of this Agreement shall apply to and bind the respective heirs, executors, administrators, successors, and assigns of the parties. Nothing in this section is intended to affect the limitation on assignment.

22. Non-Discrimination/Fair Employment Practices.

(a) Consultant warrants and represents it is an equal opportunity employer and agrees it shall not discriminate on the basis of race, religious creed, color, sex, national origin, ancestry, disability, medical condition, age, marital status or sexual orientation in the selection and retention of employees, subcontractors or procurement of materials or equipment.

In all solicitations either by competitive bidding or negotiations made by Consultant for work to be performed under any subcontract, including procurement of materials or equipment, each potential subcontractor or supplier shall be notified by Consultant of Consultant's obligation under this Agreement relative to nondiscrimination and fair employment practices.

Consultant shall include the above provisions of this section in every subcontract, including procurement of materials or equipment.

(b) Consultant agrees to comply with Title VII of the Civil Rights Act of 1964, as amended, the California Fair Employment Practices Act, the Americans with Disabilities Act of 1990, any other applicable federal and state laws and regulations and City ordinances and regulations hereinafter enacted.

23. Notices. Other than as required by Section 6 hereof, all notices or instruments required to be given or delivered by law or this Agreement shall be in writing and shall be effective upon receipt thereof and shall be by personal service or delivered by depositing the same in any United States Post Office, registered or certified mail, postage prepaid, addressed to:

If to City: Deborah Lauchner
Finance Director
555 Santa Clara Street
Vallejo, CA 94590

If to Consultant: Jeffrey Higgins
Managing Director
BLX Group LLC
777 So Figueroa Street, Suite 3200
Los Angeles, CA 90017

Any party may change its address for receiving notices by giving written notice of such change to the other party in accordance with this section.

Routine administrative communications shall be made pursuant to section 1 of Exhibit A.

24. Integration Clause. This Agreement, including all Exhibits, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. This Agreement shall not be amended or modified except by a written agreement executed by each of the parties hereto.

25. Severability Clause. Should any provision of this Agreement ever be deemed to be legally void or unenforceable, all remaining provisions shall survive and be enforceable.

26. Law Governing. This Agreement shall in all respects be governed by the law of the State of California without regard to its conflicts of law rules. Litigation arising out of or connected with this Agreement shall be instituted and maintained in the courts of Solano County in the State of California or in the United States District Court, Eastern District of California, Sacramento, California, and the parties consent to jurisdiction over their person and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

27. Waiver. Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent or any other right hereunder.

28. Ambiguity. The parties acknowledge that this is a negotiated agreement, that they have had the opportunity to have this Agreement reviewed by their respective legal counsel, and that the terms and conditions of this Agreement are not to be construed against any party on the basis of such party's draftsmanship thereof.

29. Gender. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identifications of the person or persons, firm or firms, corporation or corporations may require.

30. Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

31. Compliance with Laws. Consultant will comply with all statutes, regulations and ordinances in the performance of all services under this Agreement.

32. Confidentiality of City Information. During the performance of services under this Agreement, Consultant may gain access to and use City information regarding, but not limited to, procedures, policies, training, operational practices, and other vital information (hereafter collectively referred to as "City Information") which are valuable, special and unique assets of the City. Consultant agrees that it will not use any information obtained as a consequence of the performance of services under this Agreement for any purpose other than fulfillment of Consultant's scope of work, to protect all City Information and treat it as strictly confidential and proprietary to City, and that it will not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party, other than its own employees, agents or subcontractors who have a need for the City Information for the performance of services under this Agreement, without the prior written consent of City, or as required by law.

Consultant shall treat all records and work product prepared or maintained by Consultant in the performance of this Agreement as confidential.

A violation by Consultant of this section shall be a material violation of this Agreement and will justify legal and/or equitable relief.

Consultant's obligations under this section shall survive the completion of services, expiration or termination of this Agreement.

33. News and Information Release. Consultant agrees that it will not issue any news releases in connection with either the award of this Agreement, or any

subsequent amendment of or efforts under this Agreement, without first obtaining review and approval of said news releases from City through the City Representative.

34. City Representative. The City Representative specified in Exhibit A, or the representative's designee, shall administer this Agreement for the City.

35. Counterparts. The parties may execute this Agreement in one or more counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same instrument.

36. Facsimile Signature; Electronic Signature. This Agreement shall be binding upon the receipt of facsimile signatures or e-mailed by PDF or otherwise. Any person transmitting his or her signature by facsimile or electronically shall promptly send an original signature to the other party pursuant to the notice provision of this Agreement. The failure to send an original shall not affect the binding nature of this Agreement.

37. Authority. The person signing this Agreement for Consultant hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of Consultant.

38. Exhibits. The following exhibits are attached hereto and incorporated herein by reference:

Exhibit A, entitled "Scope of Work," including any attachments.

Exhibit B, entitled "Compensation," including any attachments.

Exhibit C, entitled "Insurance Requirements," including any attachments.

(SIGNATURES ARE ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year shown below the name of each of the parties.

BLX GROUP, LLC
a Delaware corporation

By: 
Jeffrey Higgins
Managing Director

DATE: 5/21/2014

14-14815
Vallejo Business License No.

CITY OF VALLEJO,
a municipal corporation

By: _____
Daniel E. Keen
City Manager

DATE: _____

SUCCESSOR AGENCY TO THE
FORMER REDEVELOPMENT
AGENCY OF THE CITY OF VALLEJO,
a Public Body Corporate and
Politic

By: _____
Daniel E. Keen
Executive Director

DATE: _____

HOUSING AUTHORITY
OF THE CITY OF VALLEJO,
a Public Body Corporate and
Politic

By: _____
Daniel E. Keen
Executive Director

DATE: _____

ATTEST:

By: _____
Dawn G. Abrahamson
City Clerk and Board Secretary

APPROVED AS TO CONTENT:

Deborah Lauchner
Finance Director

APPROVED AS TO FORM AND
INSURANCE REQUIREMENTS:

Claudia Quintana
City Attorney
Agency General Counsel
Authority General Counsel

EXHIBIT A
SCOPE OF WORK

1. Representatives.

The City Representative for this Agreement is:

Deborah Lauchner
Finance Director
555 Santa Clara Street
Vallejo CA 94590

telephone number: 707.648.4592
facsimile number: 707.649.5406

The Consultant's Representative for this Agreement is:

Jeffrey Higgins
Managing Director
BLX Group LLC
777 So Figueroa Street, Suite 3200
Los Angeles, CA 90017
Phone: (213) 612-2209
Fax: (213) 612-2499

All routine administrative communications between the parties will be between the above named representatives and may be by personal delivery, mail, facsimile transmission or electronic mail as agreed between the Consultant Representative and City's Representative.

2. Services to be Provided.

The services provided shall be as set forth in Attachment 1 of Exhibit A, attached hereto and incorporated herein by this reference.

3. Time for Performance. Consultant will perform the services according to the schedule below. If the schedule calls for the services to be performed in phases or discrete increments, Consultant shall not proceed from one phase or increment to the next without written authorization from the City's Representative. Consultant will complete all services by [insert date].

4. Key Personnel. All of the individuals identified below are necessary for

the successful prosecution of the services due to their unique expertise and depth and breadth of experience. There shall be no change in the personnel listed below, without written approval of the City Representative. Consultant recognizes that the composition of this team was instrumental in the City's decision to award the work to Consultant and that compelling reasons for substituting these individuals must be demonstrated for the City's consent to be granted. Any substitutes shall be persons of comparable or superior expertise and experience. Failure to comply with the provisions of this section shall constitute a material breach of Consultant's obligations under this Agreement and shall be grounds for termination.

Key personnel are as follows:

Jeffrey R. Higgins
Michelle Chung
Nancy D. Kummer

EXHIBIT B
COMPENSATION

1. Consultant's Compensation.

A. Services: City agrees to pay Consultant, at the rate(s) specified below, for those services set forth in Exhibit A of this Agreement and for all authorized reimbursable expenses.

Consultant shall notify City in writing no later than thirty (30) days prior to the estimated date when Consultant will have billed City the maximum payment amount permitted under this Agreement, and Consultant shall provide City with an estimate of the additional compensation required to complete the project.

B. Additional Services:

1. Additional services are those services related to the scope of Services of Consultant as set forth in Exhibit A but not anticipated at the time of execution of this Agreement ("Additional Services"). Additional Services shall be provided only when authorized by an amendment to this Agreement and approved by the City Manager, or his or her designee. City reserves the right to perform any Additional Services with its own staff or to retain other Consultants to perform said Additional Services. Any costs incurred due to the performance of Additional Services prior to the execution of an amendment will not be reimbursed under this Agreement or an amendment.

2. Consultant's compensation for Additional Services shall be based on the total number of hours spent on Additional Services multiplied by the employees' appropriate billable hourly rate as established below. City, at its option, may negotiate a fixed fee for some or all Additional Services as the need arises. Where a fixed fee for Additional Services is established by mutual agreement between City and Consultant, compensation to Consultant shall not exceed the fixed fee amount.

2. Appropriate Rates for Services and Additional Services.

Consultant shall be paid for the performance of Services as follows:

A. Arbitrage Rebate Consulting Services

<u>Base Fees</u>	<u>Amount</u>
Engagement Fee (one time fee, per subject Bond issue)	waived
Base Report Fee (per Report Issued)	\$1,800

Additional Fees – per Report Issued, as appropriate

Variable Bond Yield Analyses	\$500
Transferred Proceeds Analyses	\$500
Commingled Funds Analyses	\$500
Yield Restriction Analyses	\$500

Rebate Report Fees for any given analysis (covering five years or fewer) to be capped at \$2,750.

B. Continuing Disclosure Services

Engagement Fee (one time fee)	<i>waived</i>
Annual Report Base Fee	\$2,000
Additional Fee per subject Bond Issue	\$ 450
Annual Compliance Report	\$1,500

3. Consultant's Reimbursable Expenses.

Reimbursable Expenses shall be limited to actual reasonable expenditures of Consultant for expenses that are necessary for the proper completion of the Services and shall only be payable if specifically authorized in advance by City.

4. Payments to Consultant.

A. Payments to Consultant shall be made within a reasonable time after receipt of Consultant's invoice, said payments to be made in proportion to services performed. Consultant may request payment on a monthly basis. Consultant shall be responsible for the cost of supplying all documentation necessary to verify the monthly billings to the satisfaction of City.

B. All invoices submitted by Consultant shall contain the following information:

1. Description of services billed under this invoice
2. Date of Invoice Issuance
3. Sequential Invoice Number
4. City's Purchase Order Number (if issued)
5. Social Security Number or Taxpayer Identification Number
6. Amount of this Invoice (Itemize all Reimbursable Expenses")
7. Total Billed to Date

C. Items shall be separated into Services and Reimbursable Expenses. Billings that do not conform to the format outlined above shall be returned to Consultant for correction. City shall not be responsible for delays in payment to Consultant resulting from Consultant's failure to comply with the invoice format described above.

D. Request for payment shall be sent to:

Deborah Lauchner
Finance Director
555 Santa Clara Street
Vallejo, CA 94590

5. Accounting Records of Consultant. Consultant shall maintain for three (3) years after completion of all services hereunder, all records under this Agreement. The obligations of Consultant under this section shall survive this Agreement.

6. Taxes. Consultant shall pay, when and as due, any and all taxes incurred as a result of Consultant's compensation hereunder, including estimated taxes, and shall provide City with proof of such payments upon request. Consultant hereby agrees to indemnify and defend City for any claims, losses, costs, fees, liabilities, damages or injuries suffered by City arising out of Consultant's breach of this section pursuant to the Indemnification provisions of this Agreement.

7. Taxpayer Identification Number. Consultant shall provide City with an IRS Form W-9, Request for Taxpayer Identification Number and Certification, containing an original signature and any other State or local tax identification number requested by City.

EXHIBIT C

INSURANCE REQUIREMENTS

Consultant shall procure and maintain for the duration of this Agreement, including any extensions thereto, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of services hereunder by the Consultant, their agents, representatives, or employees or subcontractors.

1. Minimum Scope of Insurance. Coverage shall be at least as broad as:

A. Insurance Services Office form number GL 0002 (Ed. 1/73) covering Comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

B. Insurance Services Office form number CA 0001 (Ed. 1/78) covering Automobile Liability, code 1 any auto and endorsement CA 0025.

C. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

D. Professional Liability insurance appropriate to the Consultant's profession (Errors and Omission).

2. Minimum Limits of Insurance. Consultant shall maintain limits no less than:

A. General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, coverage shall be twice the per occurrence amount.

B. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

C. Workers' Compensation and Employer's Liability: \$1,000,000 per accident for bodily injury or disease. If Consultant is not subject to California Workers' Compensation requirements, Consultant shall file a completed certificate of exemption form which may be obtained from the City prior to commencing any activity authorized hereunder.

D. Professional Liability (Errors and Omission): \$1,000,000 combined single limit per claim, and annual aggregate.

3. Deductible and Self-Insured Retention. Any deductibles or self-insured retention must be declared to and approved by the City's Risk Manager. If the deductibles or self-insured retention limit is unacceptable to the City's Risk Manager, at his or her option, the insurer shall either reduce or eliminate such deductibles or self-insured retention as respects the City of Vallejo, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

4. Other Insurance Provisions. The general liability and automobile liability policies, as can be provided, are to contain, or be endorsed to contain, the following provisions:

A. The City of Vallejo, its officers, officials, employees, agents and volunteers are to be covered as additional insureds as respects; general liability, including defense costs, arising out of activities performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; or automobiles owned, leased hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the City of Vallejo, its officers, officials, employees, agents or volunteers. The insurance is to be issued by companies licensed to do business in the State of California.

B. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City of Vallejo, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the City of Vallejo, its officers, officials, employees, agents or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

C. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its officers, officials, employees, agents or volunteers.

D. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

E. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

The workers' compensation and employer's liability policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against City, its officers, officials, employees, agents and volunteers, which might arise by reason of payment under such policy in connection with Consultant's performance under this Agreement.

5. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

6. Verification of Coverage. Consultant shall furnish the City with original certificates of insurance for all insurances required by this Agreement and endorsements effecting general and automobile liability insurance coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the City's Risk Manager before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage, by this Agreement at any time. All verification of coverage and other insurance documents shall be mailed to the following address or to any other subsequent address as may be directed in writing by the City's Risk Manager:

City of Vallejo
Attn: Risk Manager
555 Santa Clara Street
Vallejo, CA 94590

7. Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

8. Payment Withhold. City will withhold payments to Consultant if the certificates of insurance and endorsements required in Paragraph F, above, are canceled or Consultant otherwise ceases to be insured as required herein.

ATTACHMENT 1 OF EXHIBIT A

Consultant shall provide the following services. Consultant agrees to:

1. Arbitrage Rebate Consulting Services

- a. Review of all current outstanding debt issues subject to rebate calculations and any additional future debt issues that may be subject to rebate calculations during the contract period to determine the existing level of arbitrage compliance and future compliance needs.
- b. Evaluate and make recommendations on current investment and record keeping practices for those funds and accounts subject to arbitrage.
- c. Keep the City apprised of any changes in arbitrage compliance regulations that may occur during the term of the contract.
- d. Annually, calculate and opine on the debt yields and excess earnings as defined by U.S. Treasury Department regulations including:
 - i. Data review and analysis.
 - ii. Computing/verifying the allowable yield limit for the issues.
 - iii. Computing/verifying the amount of excess earnings, if any, rebatable to the U.S. Treasury.
 - iv. Computing/verifying the amount of spend-down penalties payable to the U.S. Treasury under issues applying such provisions.
 - v. Computing/verifying the amount of yield reduction payments, if any, payable to the U.S. Treasury.
 - vi. Preparing all necessary IRS forms relating to the services provided.
 - vii. Submit, within thirty (30) days from the date on which all of the information and data necessary to make required calculations is received from the City, final reports to the City showing the calculation method used, assumptions, conclusions, and any recommendations for changes in record keeping for the services provided.
 - viii. Provide with each final report a legal opinion from Orrick, Herrington &

Sutcliffe LLP as to the liability due to the U.S. Treasury under any of the arbitrage regulations. The legal opinion must include a statement that calculation methodology used is consistent with current tax laws and regulations and may be relied upon by the City in determining its liability payments to the U.S. Treasury. The opinions referenced herein do not include an opinion as to the tax-exempt status of the bonds or debt obligation or as to compliance with the terms of the covenants and documents under which the bonds or debt obligations were issued.

- e. Perform all relevant arbitrage calculations, including:
 - i. A description of the amount of rebate accrued during the 5-year anniversary period;
 - ii. Accumulated amount accrued over the life of the issue;
 - iii. Amount of rebate paid to date;
 - iv. Amount required to be paid at the end of the 5-year anniversary period and at the end of the bond term; and
 - v. Interim calculation every year to coincide with the Successor Agency's annual financial audit.
- f. Coordinate between the Bond Trustee so all necessary information is provided to perform calculation accurately.
- g. Prepare arbitrage related standard reports, which accompany the detailed calculation schedules and summarize the results of the computations performed. Provide electronically one (1) copy of the report to the City or Successor Agency and one (1) copy to the trustee.
- h. Provide guidance and assistance to the City and Successor Agency with regard to arbitrage compliance and yield restriction issues.
- i. Preparing all necessary IRS forms relating to the services provided, including IRS Form 8038-T, accompanying documentation, payment instructions, and report delivery, within 30 days of the final computation date and 30 days prior to the payment due date, should a rebate payment be required.
- j. Represent the City and Successor Agency as necessary in the event of an IRS inquiry.
- k. Review the necessary legal documents pertaining to the bond issuance(s) to understand the necessary details that would affect arbitrage liability.

- l. Assist the City as necessary in the event of an IRS inquiry, both during and subsequent to the contract period.
- m. Provide consultation to the City as necessary regarding matters related to arbitrage rebate, spend-down penalty and yield reduction payments.
- n. Perform calculations relating to the arbitrage and rebate requirements contained in the Internal Revenue Service Code (the "Code"). The calculations are to be performed with respect to all current and future bond issue(s) applying applicable federal tax rules.
- o. Consultant will calculate the amount of rebate liability with respect to the Bonds when directed by the City (each such date on which a rebate calculation is performed is referred to herein as a "Rebate Calculation Date") applying regulations of the United States Department of the Treasury ("Treasury") in effect on such Rebate Calculation Date. In addition, if a "penalty in lieu of rebate" election under Code Section 148(f)(4)(C)(vii) has been made by the City with respect to the Bonds, Consultant will calculate the amount of such "penalty" as of the end of each six-month period beginning on the date of issue of the Bonds (each such date on which a penalty calculation is performed is referred to herein as a "Penalty Calculation Date"). (The term "Calculation Date" as used herein shall refer to a Rebate Calculation Date or a Penalty Calculation Date, as appropriate). In addition, if required or requested by the City, Consultant will include in each report delivered to the City an analysis of compliance with applicable arbitrage yield restrictions.
- p. With respect to each Calculation Date, Consultant will prepare or cause to be prepared schedules reflecting the relevant calculations and the assumptions involved and will deliver a rebate or penalty liability report addressed to the City as to the amount of the rebate or penalty liability as of such Calculation Date.
- q. Provide any other related service that City staff may request.

2. Municipal Continuing Disclosure Services

For all current outstanding debt issues and all future debt issues that may be subject to continuing disclosure requirements, Consultant agrees to provide certain services in connection with the undertaking of the City, with respect to the obligations set forth

herein (together with any parity bonds or other obligations for which the Annual Financial Information defined below is identical, the "Bonds"), contained in the Continuing Disclosure Certificate (collectively with any Continuing Disclosure Certificate with respect to Bonds specifying identical Annual Financial Information, the "Continuing Disclosure Certificates") executed by the City pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5), to provide annually (the "Annual Reports") certain financial information and operating data (the "Annual Financial Information") and to report certain events ("Specified Events"), if material, in a timely manner (collectively, the "Disclosures").

The City agrees to provide or to cause the Trustee to provide to Consultant all such relevant information as may be required by the Continuing Disclosure Certificates or requested by Consultant in order to provide the services specified herein and to provide any other assistance reasonably requested by Consultant. City represents that all information provided to Consultant will be accurate, complete and fair, and Consultant shall have no responsibility for and shall be entitled to rely, without independent investigation, entirely on the accuracy, completeness and fairness of all information provided by the City or the Trustee and/or their officers, employees, agents, attorneys, accountants, engineers and Consultants. Consultant will not be referred to in any manner in any Annual Report or other Disclosure covered by this agreement. Consultant shall have no obligation to update any Annual Report or other Disclosure delivered hereunder because of events occurring, changes in regulation or interpretations, or data or information received or coming to the attention of Consultant, subsequent to the date of such Annual Report or other Disclosure.

The City acknowledges that although Consultant is presently wholly owned by the law firm of Orrick, Herrington & Sutcliffe LLP ("Orrick") (1) Consultant is not a part of the law firm, its employees are not lawyers and the services it provides, including all services contemplated by this agreement, are not legal services and do not include legal advice or legal opinions of any kind; (2) Consultant, therefore, is not being engaged hereunder and does not undertake to independently verify, or otherwise assume any responsibility for, the accuracy, completeness of fairness of any Disclosures made in Annual Reports or notices of Material Events or compliance with federal or state securities laws; (3) Consultant is not being engaged hereunder and does no undertaking to make any inquiry to attorneys or others at Orrick for legal advice or for information anyone at Orrick may have which might be material to the City or the disclosures which shall be the sole responsibility of the City; (4) this agreement does not establish any attorney-client or other relationship with Orrick, and Orrick is not in any manner involved in or responsible for the services to be provided by Consultant under this agreement and shall not be held liable in any manner for such services; and (5) this agreement and

Consultant's relationship to Orrick does not represent any basis for a conflict-of-interest to be considered to exist by reason of any attorney-client relationship that Orrick may have had, have, or enter into (even if adverse to the City), and the City specifically consents to any and all such relationships. In addition, the City agrees that any or all information obtained or developed pursuant to this engagement may be used and disclosed by Consultant as Consultant deems appropriate.

With respect to each Annual Report:

- a. Consultant will determine from the Continuing Disclosure Certificates and remind the City at least 60 days in advance, by when the Annual Report it must be provided to each Nationally Recognized Municipal Securities Information Repository ("NRMSIR") and any state information depository ("SID").
- b. Consultant will distribute or file, in the City's name, the above mentioned Annual Reports, notices and audited annual financial statements electronically to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access ("EMMA") website.
- c. Consultant will prepare an Annual Compliance Report listing all Annual Continuing Disclosure Reports, notices and audited financial statements the City was required to file, and also listing all Annual Continuing Disclosure Reports, notices and audited financial statements the Consultant actually filed during the year on behalf of City. The Annual Compliance Report shall include confirmation of distribution or dissemination of reports and notices. The annual reporting period shall be from July 1 through June 30. The Annual Compliance Report shall be submitted to the City by September 30 each year.
- d. Assist the officers or employees of the City designated with responsibility for continuing disclosure to assemble information necessary for the Annual Report.
- e. Format or assist in formatting such material into an Annual Report with appropriate limitations and disclaimers aimed at reducing exposure to potential liability (although no assurance can be provided that any such limitations or disclaimers can fully or effectively eliminate potential liability).
- f. Determine the name and address of each current NRMSIR and any SID.
- g. Submit or confirm submission of the Annual Report to each NRMSIR and any SID.

- h. Maintain, or cause to be maintained, for at least six (6) years, a record of the Annual Report submitted to NRMSIR's and any SID.
- i. Provide to the City confirmation of distribution or dissemination of reports and notices.
- j. Prepare all documents and materials necessary to comply with all applicable "continuing disclosure" requirements for transactions.

II. With respect to each of the eleven events specified in the Continuing Disclosure Certificates requiring timely reporting of material:

- a. Assist in preparation of the notice concerning any of the eleven listed events under Rule 15c2-12 determined by the City to be material.
- b. Submit or confirm submission of the Material Event notice to the Municipal Securities Rulemaking Board ("MSRB"), or NRMSIR's, and any SID.
- c. Maintain, or cause to be maintained, for at least six (6) years, a record of the Material Event notice submitted to the MSRB, or NRMSIR's, and any SID.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
05/21/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER MARSH RISK & INSURANCE SERVICES 345 CALIFORNIA STREET, SUITE 1300 CALIFORNIA LICENSE NO. 0437153 SAN FRANCISCO, CA 94104 Attn: Gene Williams (415)743-8320 19025 -STND-WC-13-14	CONTACT NAME: _____ PHONE (A/C, No. Ext): _____ FAX (A/C, No): _____ E-MAIL ADDRESS: _____													
	<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Twin City Fire Insurance Co</td> <td>29459</td> </tr> <tr> <td>INSURER B : Hartford Accident & Indemnity Co.</td> <td>22357</td> </tr> <tr> <td>INSURER C : Hartford Casualty Ins Co</td> <td>29424</td> </tr> <tr> <td>INSURER D : Sentinel Insurance Company</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Twin City Fire Insurance Co	29459	INSURER B : Hartford Accident & Indemnity Co.	22357	INSURER C : Hartford Casualty Ins Co	29424	INSURER D : Sentinel Insurance Company		INSURER E :		INSURER F :
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INSURER F :														
INSURED BLX Group, LLC 777 South Figueroa Street, Suite 3200 Los Angeles, CA 90017														

COVERAGES **CERTIFICATE NUMBER:** SEA-002475668-01 **REVISION NUMBER:** 2

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTIONS					EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	Y/N	57 WE DZ7249 (AOS) (FL,NY,WA)	10/01/2013	10/01/2014	X WC STATUTORY LIMITS OTH-ER
B	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	N	57 WE DZ7249 (CO,DC,OR,MA,MN,WV)	10/01/2013	10/01/2014	E.L. EACH ACCIDENT \$ 1,000,000
C	(Mandatory in NH)		57 WE DZ7249 (TX and AZ)	10/01/2013	10/01/2014	E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
D	If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	57 WE DZ7249 (CA)	10/01/2013	10/01/2014	E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 Evidence of Insurance.

CERTIFICATE HOLDER

City of Vallejo
 Attn: Risk Manager
 555 Santa Clara Street
 Vallejo, CA 94590

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
 of Marsh Risk & Insurance Services

Gene Williams

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OR685344

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
11/1/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Commercial Lines - (415) 541-7900 Wells Fargo Insurance Services USA, Inc. - CA Lic#: 0D08408 45 Fremont Street, Suite 800 San Francisco, CA 94105-2259	CONTACT NAME: CSU Unit	FAX (A/C, No): 866-495-4735
	PHONE (A/C, No, Ext): 415-541-7900	E-MAIL ADDRESS: sanfrancisco.certs@wellsfargo.com
INSURED BLX Group, LLC 777 South Figueroa Street, Suite 3200 Los Angeles, CA 90017	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Great Northern Insurance Company	NAIC # 20303
	INSURER B: Federal Insurance Company	20281
	INSURER C:	
	INSURER D:	
	INSURER E:	

COVERAGES CERTIFICATE NUMBER: 6835079 REVISION NUMBER: See below

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY		35821151	06/01/2013	06/01/2014	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR					MED EXP (Any one person) \$ 10,000
	GEN'L AGGREGATE LIMIT APPLIES PER:					PERSONAL & ADV INJURY \$ 1,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC					GENERAL AGGREGATE \$ 2,000,000
B	AUTOMOBILE LIABILITY		74996569	06/01/2013	06/01/2014	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input type="checkbox"/> ANY AUTO					BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS	<input checked="" type="checkbox"/> NON-OWNED AUTOS				PROPERTY DAMAGE (Per accident) \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB	<input checked="" type="checkbox"/> OCCUR	79820023	06/01/2013	06/01/2014	EACH OCCURRENCE \$ 5,000,000
	<input type="checkbox"/> EXCESS LIAB	<input type="checkbox"/> CLAIMS-MADE				AGGREGATE \$ 5,000,000
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$					\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY					WC STATUTORY LIMITS OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH)	<input type="checkbox"/> Y/N	N/A			E.L. EACH ACCIDENT \$
	If yes, describe under DESCRIPTION OF OPERATIONS below					E.L. DISEASE - EA EMPLOYEE \$
						E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
80-02-2367 (8-04) The City of Vallejo, its officers, officials, employees, agents and volunteers are included as an additional insured on the GL per attached.

CERTIFICATE HOLDER

City of Vallejo
Attn: Risk Manager
555 Santa Clara Street
Vallejo, CA 94590

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



Liability Insurance

Endorsement

Policy Period 06/01/2013 TO 06/01/2014
Effective Date 06/01/2013
Policy Number 35821151
Insured BLX Group, LLC
Name of Company GREAT NORTHERN INSURANCE COMPANY
Date Issued 06/01/2013

This Endorsement applies to the following forms:

GENERAL LIABILITY

Under Who Is An Insured, the following provision is added:

Who Is An Insured

Scheduled Person Or Organization

Subject to all of the terms and conditions of this insurance, any person or organization shown in the Schedule, acting pursuant to a written contract or agreement between you and such person or organization, is an insured; but they are insureds only with respect to liability arising out of your operations, or your premises, if you are obligated, pursuant to such contract or agreement, to provide them with such insurance as is afforded by this policy.

However, no such person or organization is an insured with respect to any:

- assumption of liability by them in a contract or agreement. This limitation does not apply to the liability for damages for injury or damage, to which this insurance applies, that the person or organization would have in the absence of such contract or agreement.
- damages arising out of their sole negligence.

Schedule

BLANKET ADDITIONAL INSURED:
HOWEVER, NO PERSON OR ORGANIZATION IS AN INSURED UNDER THIS PROVISION: WHO IS MORE SPECIFICALLY DESCRIBED UNDER ANY OTHER PROVISION OF THE WHO IS AN INSURED SECTION OF THIS POLICY (REGARDLESS OF ANY LIMITATION APPLICABLE THERETO). WITH RESPECT TO ASSUMPTION OF LIABILITY BY THEM IN A CONTRACT OR AGREEMENT. THIS LIMITATION DOES NOT APPLY TO THE LIABILITY FOR DAMAGES FOR INJURY OR DAMAGE, TO WHICH THIS INSURANCE APPLIES, THAT THE PERSON OR ORGANIZATION

Liability Endorsement
(continued)

WOULD HAVE IN THE ABSENCE OF SUCH CONTRACT OR AGREEMENT,
WITH RESPECT TO DAMAGES ARISING OUT OF THEIR SOLE
NEGLIGENCE.

All other terms and conditions remain unchanged.

Authorized Representative

Robert Hamburger



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/04/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER MARSH RISK & INSURANCE SERVICES 345 CALIFORNIA STREET, SUITE 1300 CALIFORNIA LICENSE NO. 0437153 SAN FRANCISCO, CA 94104	CONTACT NAME:	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
E-MAIL ADDRESS:		
INSURER(S) AFFORDING COVERAGE		NAIC #
102533-BLX3-E&O-13-14	INSURER A : XL Specially Insurance Company 37885	
INSURED BLX GROUP LLC 777 SOUTH FIGUEROA STREET, SUITE 3200 LOS ANGELES, CA 90017	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	
	INSURER G :	

COVERAGES **CERTIFICATE NUMBER:** SEA-002438607-03 **REVISION NUMBER:** 4

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD'L SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	PROFESSIONAL LIABILITY INVESTMENT COMPANY		ELU132310-13	11/28/2013	11/28/2014	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

REF: EVIDENCE OF PROFESSIONAL LIABILITY COVERAGE

CERTIFICATE HOLDER

CITY OF VALLEJO
 ATTENTION: RISK MANAGER
 555 SANTA CLARA STREET
 VALLEJO, CA 94590

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
 of Marsh Risk & Insurance Services

Evan Long

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AGENCY CUSTOMER ID: 102533

LOC #: San Francisco



ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY MARSH RISK & INSURANCE SERVICES		NAMED INSURED BLX GROUP LLC 777 SOUTH FIGUEROA STREET, SUITE 3200 LOS ANGELES, CA 90017	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

BLX GROUP LLC
PROFESSIONAL LIABILITY
POLICY #: ELU132310-13
POLICY EFFECTIVE DATE: 11/28/2013
POLICY EXPIRATION DATE: 11/28/2014

AGGREGATE LIMIT: \$2,000,000
DEDUCTIBLE: \$ 250,000
RELATED CLAIMS FOR E&O



DATE: September 18, 2014
TO: Chairperson and Members of the Oversight Board
FROM: Mark Sawicki, Community & Economic Development Director
Ron Millard, Interim Finance Director
SUBJECT: ADOPT A RESOLUTION APPROVING THE RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE FOR JANUARY 1, 2015 THROUGH JUNE 3, 2015 ("ROPS 14-15B")

RECOMMENDATION

Adopt a Resolution approving the Recognized Obligations Payment Schedule for January 1, 2015 through June 30, 2015 (ROPS 14-15B).

REASONS FOR RECOMMENDATION

Pursuant to Health & Safety Code Section 34177, successor agencies are required to prepare and submit an approved ROPS prior to each six-month fiscal period. Without an approved ROPS, the Successor Agency would not receive its allocation of property tax increment revenue necessary to fund debt service and other contractual payment obligations. ROPS 14-15B must also be approved by the Oversight Board and be submitted to the State Department of Finance ("DOF") by October 1, 2014.

BACKGROUND AND DISCUSSION

On June 29, 2011, the Governor signed into law AB1X 26 (the "Dissolution Act") which immediately suspended most activities of Redevelopment Agencies prior to their elimination effective October 1, 2011. A Successor Agency to the City of Vallejo Redevelopment Agency was established, with the City Council members sitting as its Board. ABX1 26 also established the Oversight Board for the Successor Agency to the Vallejo Redevelopment Agency to review and approve most actions of the Successor Agency. Assembly Bill 1484 ("AB 1484") was signed by the Governor on June 27, 2012, the primary purpose of which is to make technical and substantive amendments to the Dissolution Act based on experience to-date at the state and local level in implementing that act. AB 1484 added significant new or modified actions and deadlines.

The Dissolution Act requires successor agencies to prepare a ROPS which sets forth the Successor Agency's enforceable obligations and scheduled payments for such enforceable obligations for each six-month fiscal period on a forward-looking basis. The ROPS is the base document used by the County Auditor-Controller (the "CAC") in determining how much property tax increment revenue is needed to meet outstanding Agency obligations and administrative expenses, and if any residual tax revenue is available to distribute among local taxing entities. The ROPS are prepared by staff and approved by the Successor Agency Board and the Oversight Board. All ROPS are then subject to approval by the DOF and to audit by the CAC. The current ROPS 14-15B for the period January 1, 2015 through June 30, 2015 was submitted for approval by the Successor Agency Board at its meeting on September 9, 2014. It must be approved by the Oversight Board before being submitted to DOF by October 1, 2014.

DOF has created a specific format for submission of the ROPS that staff must adhere to. Attachment 1, Exhibit A, includes five separate sections that are part of the required ROPS 14-15B submission, as follows:

1. The first part is a summary which combines requested funding for the next period with a prior period "true-up" accounting, resulting in a net amount of requested funding.
2. The next section is the ROPS detail report for the coming period which shows the total outstanding obligations of the Successor Agency, how much is requested to be spent in the next six month period and from what funding source.
3. The third report reconciles fund balances of several potential sources that are available to make payments for enforceable payment obligations.
4. The fourth section is a detailed accounting of the ROPS 13-14B period. Any prior funding allocations which were not spent in that period are to be "recaptured" and applied to the next period request, essentially reducing the net new tax increment revenue allocation from CAC.
5. The last section contains Notes that provide further explanation to the items on the ROPS detail report.

For the ROPS 14-15B period, staff has estimated property tax increment revenue \$1,746,550 from which the CAC is expected to retain an estimated \$115,622 for its administrative fee and \$403,802 for statutory and contractual pass-through obligations to other taxing entities. The remainder of \$1,227,126 is available for the Redevelopment Property Tax Trust Fund ("RPTTF"). The RPTTF, together with another \$18,155 of Successor Agency cash reserves are requested for payment of \$1,245,279 in enforceable obligations over the next six-month period.

FISCAL IMPACT

ROPS 14-15B identifies the following obligations for payment in the next period:

- Bond Repayments and Fees (Items 5-7, 26, 30-31): Redevelopment Agencies typically bonded against future tax increment revenue in order to do capital improvements (and/or assemble land or construct buildings) that would make the Redevelopment Area more marketable and ready for development, or improve the area. Vallejo's bonds paid for various infrastructure improvements, primarily along the waterfront, and other public improvements, as described more fully in Attachment 1, Exhibit A. Bond payments are made twice a year, once for interest only, and the second interest and principal.
- Repayment of loan for Waterfront Plan and EIR (Item 12). Callahan Properties loaned the Agency \$661,320 for the preparation of the Waterfront Plan and EIR. This led to a Disposition and Development Agreement ("DDA") with Callahan Properties that currently remains in effect, and which was most recently amended by the City and Successor Agency earlier this fiscal year. The Amended DDA recognizes this outstanding obligation and establishes that it would be repaid when RPTTF funding allows, as the Agency has been doing to date. After this ROPS 14-15B request to pay \$33,262, this obligation will be retired.
- Administrative Costs (Item 33). The Agency continues to absorb substantial administrative costs associated with the dissolution process, together with activities to maximize revenue and reduce liabilities for the taxing entities, including negotiation and approval of an Amended Waterfront DDA, negotiations and approval of a settlement agreement with Triad, and preparation of the Long Term Property Management Plan. The Successor Agency is provided an allowance under the Dissolution Act of a minimum allocation of \$125,000 for each semi-annual ROPS to expend on staff time, overhead and all other expenses not otherwise recognized as an enforceable obligation on the ROPS.

- Triad Settlement Payment and Stipulated Judgment (Item 40). The City and Successor Agency approved a Settlement Agreement with Triad Development Company to settle litigation resulting from the Agency's termination of a Disposition and Development Agreement with Triad related to downtown Agency and City properties. A part of the Settlement includes payment of \$299,000 from RPTTF, of which \$244,885 was paid ROPS 14-15A. The remaining amount of \$54,115 will be paid in this ROPS period and obligation will be retired.

ENVIRONMENTAL REVIEW

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

ATTACHMENTS

Attachment 1 – Resolution Approving ROPS 14-15B

Exhibit A – ROPS 14-15B schedules

CONTACT

Mark Sawicki, Community & Economic Development Director, 707-648-4382, MSawicki@ci.vallejo.ca.us
Ron Millard, Interim Finance Director, 707-649-3559, RMillard@ci.vallejo.ca.us

OVERSIGHT BOARD RESOLUTION NO. _____

**A RESOLUTION OF OVERSIGHT BOARD FOR THE SUCCESSOR
AGENCY OF THE FORMER VALLEJO REDEVELOPMENT AGENCY,
APPROVING THE RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE
FOR THE PERIOD JANUARY 1, 2015 TO JUNE 3, 2015 (ROPS 14-15B)
PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(I)**

WHEREAS, pursuant to AB 1X 26, enacted June 28, 2011 (as found constitutional and as partially reformed by the California Supreme Court in its decision in *California Redevelopment Association v. Matosantos* on December 29, 2011), and as amended by AB 1484, enacted June 27, 2012 (the "Dissolution Act"), the Vallejo Redevelopment Agency, along with all other redevelopment agencies in the State, was dissolved as of February 1, 2012; and

WHEREAS, pursuant to the authority provided in Health and Safety Code Section 34173, as enacted by AB 1X 26, the City Council of the City of Vallejo ("City") elected and determined that the City shall become the "successor agency" to the former Redevelopment Agency, and upon dissolution of the Redevelopment Agency under AB 1X 26, all authorities, rights, powers, duties and obligations previously vested with the former Redevelopment Agency, under the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.), were vested in the Successor Agency; and

WHEREAS, pursuant to Health and Safety Code Section 34173(g), added by AB 1484, the Successor Agency has been designated as a separate public entity from the City; and

WHEREAS, pursuant to the Dissolution Act, an Oversight Board has been selected to oversee, direct and approve specified actions of the Successor Agency; and

WHEREAS, also pursuant to the Dissolution Act, Successor Agency staff is required to prepare a "recognized obligation payment schedule" ("ROPS"), listing outstanding obligations of the Agency to be paid in the time period January 1, 2015 through June 30, 2015 ("ROPS 14-15B"), submit it for approval by the Oversight Board, and submit an electronic copy to the State Department of Finance ("DOF") by October 1, 2014.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER VALLEJO REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

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

Section 2. The approval of the ROPS through this Resolution does not commit the Successor Agency to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

Section 3. The Oversight Board hereby approves and adopts the January 1, 2015 through June 30, 2015 ROPS (ROPS 14-15B), in substantially the form attached to this

Resolution as Exhibit A, and directs the Successor Agency to submit this information in the DOF-approved electronic format as required under the Dissolution Act.

This resolution was adopted by those present and voting at a special meeting of the Oversight Board to the Successor Agency of the former Vallejo Redevelopment Agency held on September 18, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ERIN HANNIGAN, Chairperson

ATTEST:

DAWN G. ABRAHAMSON, Secretary

Recognized Obligation Payment Schedule (ROPS 14-15B) - Summary

Filed for the January 1, 2015 through June 30, 2015 Period

Name of Successor Agency: Vallejo
 Name of County: Solano

Current Period Requested Funding for Outstanding Debt or Obligation	Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding	
A Sources (B+C+D):	\$ 18,155
B Bond Proceeds Funding (ROPS Detail)	-
C Reserve Balance Funding (ROPS Detail)	2,625
D Other Funding (ROPS Detail)	15,530
E Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 1,227,124
F Non-Administrative Costs (ROPS Detail)	1,102,124
G Administrative Costs (ROPS Detail)	125,000
H Current Period Enforceable Obligations (A+E):	\$ 1,245,279

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I Enforceable Obligations funded with RPTTF (E):	1,227,124
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	(101,729)
K Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 1,125,395

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L Enforceable Obligations funded with RPTTF (E):	1,227,124
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N Adjusted Current Period RPTTF Requested Funding (L-M)	1,227,124

Certification of Oversight Board Chairman:
 Pursuant to Section 34177 (m) of the Health and Safety code, I
 hereby certify that the above is a true and accurate Recognized
 Obligation Payment Schedule for the above named agency.

 Name Title
 /s/ _____
 Signature Date

Recognized Obligation Payment Schedule (ROPS 14-199) - ROPS Detail
January 1, 2015 through June 30, 2015
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M		N	O	P
												Other Funds	Admin			
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt Obligations \$	Retired	Bond Proceeds \$	Reserve (Non-SP/ITF) \$	Other Funds \$	Admin \$	Non-Admin \$	RP/TF	Six-Month Total \$
1	North Vallejo Community Center	Improvement/Grant	06/23/2005	06/21/2015	SVRD	Memorandum of Understanding of the Community Center Project Management	Posidon	1,795,100	N	15,530	2,625	15,530	1,102,123	125,000		1,245,219
2	North Vallejo Community Center	Grant Management	06/23/2005	06/21/2015	To Be Determined	Posidon	25,000	N								
4	Rental subsidy	Business Incentive	01/12/2006	02/08/2023	Falagardes Drive Home LLC	Subsidiary County Lease	Posidon	126,756	N							
5	1989 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	11/11/99	01/12/2019	Wells Fargo Bank	Waterfront Development	Merged Project Area	1,715,435	N				249,566			249,566
6	1990 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	01/11/99	01/12/2020	Wells Fargo Bank	Maria Vista & Vallejo Canal development	Merged Project Area	2,810,937	N				479,751			479,751
7	2003 COP - State Farm Project	Bonds Issued On or Before 12/31/10	12/16/03	12/16/2023	Ukon Bank	Bond Payments	Merged Project Area	1,363,818	N							
8	Alameda from City of Vallejo	SP/CP/ITF Loans	01/11/97	05/20/2015	City of Vallejo	Waterfront Development	Merged Project Area	2,000,000	N							
12	Waterfront DDA	Professional Services	10/17/2000	10/17/2020	Callahan LLC	Waterfront EIR Cost and Legal Fee	Merged Project Area	33,282	N				33,282			33,282
19	Waterfront DDA	Professional Services	10/17/2000	10/17/2020	Rick Bass Kruger, Cox Gault & Nicholson	Legal work	Merged Project Area	50,000	N				10,000			10,000
21	Waterfront DDA	Professional Services	10/17/2000	10/17/2020	Selected Consultant	Southern Waterfront Soil Cost Work; State Land Commission exchange agreement, Other Environment Work, Pro-P&E Settlement Cost.	Merged Project Area		Y							
23	Waterfront DDA	Professional Services	10/17/2000	10/17/2020	Past American Title	Title Reports	Merged Project Area	20,000	N				7,500			7,500
24	Waterfront DDA	Professional Services	10/17/2000	10/17/2020	Solano County Assessor	Solano County Backlog Fees	Merged Project Area	5,000	N				1,000			1,000
25	Tax Allocation Bond, Certification of Participants, Tax Relief Bond.	Fees	10/20/2000	10/17/2002	Bondologic LLC, Wells Fargo	Debt Service Admin Fee	Merged Project Area	9,750	N				4,200			4,200
27	Tied Project Litigation	Litigation	10/17/2000	05/01/2014	Burke, Williams & Sommers	Legal work	Merged Project Area		Y							
28	Waterfront Properties	Property Maintenance	7/28/2010	7/28/2030	EZ Truss Inc., Coast Landscape Mgmt.	Landscape Services	Merged Project Area	610,000	N							
29	Templo Art Lotis	Professional Services	10/17/2010	10/14/2067	Templo Art Lotis Associates, L.P.	Building Acquisition, Pre-development Cost, Rehabilitation.	Low-Mid	750,000	N							
30	Vallejo Housing Solutions	Fees	10/29/2000	10/17/2032	Bonfiglioli, Weiss Fargo Bank	Debt Service Admin Fee	Low-Mid	9,423	N				2,225			2,225
31	Vallejo Housing Solutions	Bonds Issued On or Before 12/31/10	09/22/2001	10/17/2031	Wells Fargo Bank	Vallejo's Housing SR Ankle Bond	Low-Mid	6,321,741	N				219,285			219,285
32	Administrative	Admin Costs	11/23/14	05/02/2014	City of Vallejo	Administrative Cost	VA	125,000	N				125,000			125,000
37	Long Range Property Mgmt Plan (LRPMP)	Professional Services	03/20/2013	05/20/2014	Principal Resource Group LLC	Create a plan to manage Successor Assets Properties	Merged Project Area	100,000	N		2,625	15,530	200			18,455
38	General Fund Loan	City/County Loans	05/28/2013	05/20/2015	City of Vallejo	Tied Project Litigation	Merged Project Area		Y							
39	General Fund Loan	City/County Loans	05/28/2013	05/20/2015	City of Vallejo	Long Range Property Management Plan	Merged Project Area	52,177	N							
40	Tied Settlement/Judgment	Litigation	11/28/2014	11/28/2014	Tied Development Company	Settlement payment/Judgment to Tied	Merged Project Area	54,115	N				54,115			54,115

Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Cash Balances
(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	Fund Sources						
									Bond Proceeds		Reserve Balance		Other		RPTTF
									Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS period balances RPTTF distributed as reserve for future period(s)	Rent, Grants, Interest, Etc.	Non-Admin and Admin	
Cash Balance Information by ROPS Period													Comments		
ROPS 13-14B Actuals (01/01/14 - 06/30/14)															
1	Beginning Available Cash Balance (Actual 01/01/14)	1,114,337	-	22,165	451,611	151,801	349,087							RPTTF cash balance equals to unspent ROPS 13-14A = \$38,437 that were applied as a PPA amount to reduce the RPTTF distributed in ROPS 13-14B and ROPS 14-15A.	
2	Revenue/Income (Actual 06/30/14) RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor/Controller during January 2014													Other Revenues include \$108,658 loan proceeds from General Fund plus investment income of \$ 15,530.	
3	Expenditures for ROPS 13-14B Enforceable Obligations (Actual 06/30/14) RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and O			6,934	451,611	187,062	504,614							Bond proceeds retention of \$1,114,337 equals to total restricted reserve fund account balance required by indenture. Reserve balance retention of \$620,784 is used to pay for bond payments due in ROPS 14-15A.	
4	Retention of Available Cash Balance (Actual 06/30/14) RPTTF amount retained should only include the amounts distributed for debt service reserve(s) approved in ROPS 13-14B	1,114,337					620,784								
5	ROPS 13-14B RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 13-14B PPA in the Report of PPA, Column S														
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)			15,231		88,937	38,437								
ROPS 14-15A Estimate (07/01/14 - 12/31/14)															
7	Beginning Available Cash Balance (Actual 07/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	1,114,337	-	15,231	620,784	88,937	140,166							RPTTF cash balance equals to unspent ROPS 13-14A = \$38,437 and unspent ROPS 13-14B=\$101,729 that were applied as a PPA amount to reduce the RPTTF distributed in ROPS and ROPS 14-15A and ROPS 14-15B.	
8	Revenue/Income (Estimate 12/31/14) RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor/Controller during June 2014														
9	Expenditures for ROPS 14-15A Enforceable Obligations (Estimate 12/31/14)			12,606	620,784	73,407	818,084								
10	Retention of Available Cash Balance (Estimate 12/31/14) RPTTF amount retained should only include the amount distributed for debt service reserve(s) approved in ROPS 14-15A	1,114,337													
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)			2,625		15,530	101,729								

Pursuant to Health and Safety Code section 34177 (f), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see https://rad.dof.ca.gov/rad-sa/pdf/Cash_Balance_Agency_Tips_Sheet.pdf.

Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Prior Period Adjustments
 Reported for the ROPS 13-14B (January 1, 2014 through June 30, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)
 (Report Amounts in Whole Dollars)

A	B	C	D	Non-RPTTF Expenditures				RPTTF Expenditures				S							
				E	F	G	H	I	J	K	L		M	N	O	P	Q	R	
Item #	Project Name / Debt Obligation	Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Actual	Net Leases of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Actual	Available RPTTF (ROPS 13-14B distributed + all other available as of 9/17/14)	Net Leases of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (MAR)
1	North Vallejo Community																		
2	North Vallejo Community																		
3	North Vallejo Community																		
4	North Vallejo Community																		
5	1980 Tax Allocation Bonds																		
6	1980 Tax Allocation Bonds																		
7	2003 COP - Sikes Farm Project																		
8	Advances from City																		
9	Advances from City (MIS & RHE)																		
10	Advances from City (MIS & RHE)																		
11	Advances from City - Budget Fund																		
12	Waterford DDA																		
13	Washington DDA																		
14	Washington DDA																		
15	Washington DDA																		
16	Washington DDA																		
17	Washington DDA																		
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39	Washington DDA																		

ROPS 13-14B Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between the actual available funding and their actual expenditures for the ROPS 13-14B (January through June 2014) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 14-15B (January through June 2015) period will be offset by the SA's self-reported ROPS 13-14B prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.

Recognized Obligation Payment Schedule (ROPS 14-15B) - Notes

January 1, 2015 through June 30, 2015

Item #

Notes/Comments

This item is retired based on DOJ letter of determination dated 1/29/14 approving OB action on the Waterfront DDA amendment. The approval of the DDA amendment eliminated virtually all the obligations currently held by Agency related to the Waterfront DDA.

21

These items are retired based on the approved Settlement Agreement with Triad Redevelopment Company to settle litigation resulting from the Agency's termination of a Disposition and Development Agreement with Triad related to downtown Agency and City properties.

27 & 38

The City and Successor Agency approved a Settlement Agreement with Triad Redevelopment Company to settle litigation resulting from the Agency's termination of a Disposition and Development Agreement with Triad related to downtown Agency and City properties. As part of the Settlement includes payment of \$299,000 of which \$54,115 is requested in ROPS 14-15B to make the final payment.

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