#### **OVERSIGHT BOARD**

OF THE

# **SUCCESSOR AGENCY**

TO THE

#### ORANGE REDEVELOPMENT AGENCY

**AGENDA ITEM: 3.5** 

MEETING DATE: WEDNESDAY, December 11, 2013

TO:

Members of the Oversight Board

THRU:

John W. Sibley, Executive Director of the Successor Agency to

the Orange Redevelopment Agency

FROM:

Lisa Kim, Successor Agency Staff

### 1. SUBJECT

Resolution No. OB-0046 – A Resolution of the Oversight Board of the Successor Agency approving Amendment No. 3 to Cooperative Agreement No. C-9-0243 between the Orange County Transportation Authority and City of Orange and Successor Agency to the Orange Redevelopment Agency for parking capacity at Orange Santa Fe Depot.

# 2. SUMMARY

A request for reconsideration by the Oversight Board to approve an amendment to a Cooperative Agreement between the Orange County Transportation Authority (OCTA), the City of Orange (City), and the Successor Agency to the Orange Redevelopment Agency (Successor Agency) extending the time for completion of studies related to parking capacity at the Orange Santa Fe Depot.

# 3. RECOMMENDED ACTION(S)

- 1. Approve Resolution No. OB-0046; and,
- 2. Authorize the Chairperson of the Oversight Board to execute the Agreement.

# 4. DISCUSSION

#### Background

On August 7, 2009, the Orange County Transportation Authority ("OCTA") entered into an agreement ("Agreement") with the City of Orange ("City") and the Orange Redevelopment Agency ("Agency") for studies related to parking capacity expansion at the Orange Transportation Center ("Agreement"), including the environmental reviews required for the Metrolink Parking Structure Project. On February 28, 2011, OCTA, the City and the Agency approved Amendment No. 1 to the Agreement to extend the time period for completion from February 28, 2011 to September 30, 2012. As a result of the dissolution

of the Orange Redevelopment Agency on February 1, 2012, the Metrolink Parking Structure Project was delayed and the studies have not been completed. In October 2012, the Oversight Board approved the Amendment No. 2 to extend the time period through September 30, 2013.

#### Discussion

As a result of ROPS1 and ROPS2 denials by the State Department of Finance (DOF), the environmental review process for the Metrolink Parking Structure Project has been delayed a year. With the subsequent approvals of the Metrolink contracts ROPS3 and ROPS 13-14A, it is anticipated that the environmental review process will be completed within the next ten months, and therefore a one-year extension is necessary to complete the scope of work and submit for reimbursement by OCTA. A total of \$104,837.00 of the original \$200,000.00 remains on this Agreement. There are no changes to the amount or other terms of the original agreement.

On September 10, 2013, the Successor Agency to the Orange Redevelopment Agency approved Amendment No. 3 to Cooperative Agreement C-9-0243 (Agreement). On September 25, 2013, the Oversight Board took action to adopt Resolution No. OB-0041 approving the Agreement. On November 5, 2013, DOF denied notified the Successor Agency that Resolution No. OB-0041 was not approved citing *Health and Safety Code Section 34163(c)(1)*(2) that Successor Agency does not have the authority to amend or modify existing agreements.

Staff recommends the Oversight Board move to reaffirm their prior action based on the following findings:

- The Agreement is an "enforceable obligation" under *Health and Safety Code Section* 34171(G)(2) as it was entered into no later than December 31, 2010 and it is a written agreement for the purpose of securing indebtedness. In this case, it is securing OCTA funds to reimburse the Successor Agency advanced for completion of the environmental review for the Metrolink Parking Structure Project.
- Under *Health and Safety Code Section 34177(i)*, the Successor Agency shall continue to oversee development of properties until the "contracted work" has been completed or the contractual obligations of the former redevelopment agency can be transferred to other parties. The contractual obligation with OCTA to reimburse the Successor Agency for environmental work related to the Metrolink Parking Structure is not yet complete.
- Health and Safety Code Section 34180(e) authorizes the Oversight Board to approve successor agency actions that continue the acceptance of federal or state grants that are conditioned upon matching funds from the former redevelopment agency. This extension to the Agreement is necessary to received OCTA reimbursement funds.
- The approval of the Agreement provides a mechanism for OCTA to reimburse the Successor Agency for costs incurred by the contract with Arroyo Group, and thereby preserving RPTTF for the taxing entities.

# 5. ATTACHMENTS

- Resolution No. OB-0046
- Amendment No.3 to Cooperative Agreement C-9-0243

#### **RESOLUTION NO. OB-0048**

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE ORANGE REDEVELOPMENT AGENCY APPROVING **AMENDMENT** NO. 3 TO COOPERATIVE AGREEMENT NO. C-9-0243 BETWEEN THE ORANGE COUNTY TRANSPORATION AUTHORITY AND CITY OF ORANGE AND SUCCESSOR AGENCY TO THE ORANGE REDEVELOPMENT **AGENCY** PARKING CAPACITY EXPANSION AT ORANGE SANTA FE DEPOT

**WHEREAS**, Assembly Bill x1 26 ("AB 26") and AB x1 27 were passed by the State Legislature on June 15, 2011 and signed by the Governor on June 28, 2011; and

WHEREAS, among other things, AB 26 amended Sections 33500, 33501, 33607.5 and 33607.7 of the California Health and Safety Code and added Part 1.8 and Part 1.85 of Division 24 to the California Health and Safety Code; and

WHEREAS, by enactment of Part 1.85 of Division 24 of the California Health and Safety Code, subject to all reservations herein stated, the Orange Redevelopment Agency (the "Agency") was dissolved as of February 1, 2012; and

**WHEREAS,** Assembly Bill 1484 ("AB 1484") was passed by the State Legislature on June 27, 2012 and signed by the Governor on June 27, 2012 which adds and amends certain provisions contained in AB 26, including the process for adopting Recognized Obligation Payment Schedules; and

WHEREAS, California Health and Safety Code Section 34173(a) designates successor agencies as successor entities to former redevelopment agencies; and

WHEREAS, on January 10, 2012, by Resolution No. 10625, the City of Orange declared itself as the successor agency (the "Successor Agency") upon the dissolution of the Agency, subject to all reservations stated in such resolution; and

WHEREAS, the Oversight Board of the Successor Agency to the Orange Redevelopment Agency (the "Oversight Board") has been established to direct the Successor Agency to take certain actions to wind down the affairs of the Agency in accordance with the California Health and Safety Code; and

WHEREAS, the Cooperative Agreement No. C-9-0243 is an "enforceable obligation" under Health and Safety Code Section 34171(G)(2) as it was entered into no later than December 31, 2010 and it is a written agreement for the purpose of securing indebtedness; and

- WHEREAS, the Cooperative Agreement No. C-9-0901 is an "enforceable obligation" under Health and Safety Code Section 34171(G)(2) as it was entered into no later than December 31, 2010 and it is a written agreement for the purpose of securing indebtedness; and
- WHEREAS, California Health and Safety Code Section 34177(i) authorizes the Successor Agency to continue overseeing development of properties until the "contracted work" has been completed or the contractual obligations of the former redevelopment agency can be transferred to other parties. The contractual obligation with OCTA to reimburse the Successor Agency for environmental work related to the Metrolink Parking Structure is not yet complete; and,
- WHEREAS, California Health and Safety Code Section 34180(e) authorizes the Oversight Board to approve successor agency actions that continue the acceptance of federal or state grants that are conditioned upon matching funds from the former redevelopment agency; and
- **WHEREAS**, the Oversight Board approved Amendment No. 3 to Cooperative Agreement No. C-9-0243 on September 24, 2013; and,
- WHEREAS, the State Department of Finance denied Amendment No. 3 to Cooperative Agreement No. C-9-0243 on November 5, 2013 and directed that the matter be returned to the Oversight Board for reconsideration.
- NOW, THEREFORE, the Oversight Board of the Successor Agency to the Orange Redevelopment Agency does hereby resolve as follows:
- **Section 1.** The Oversight Board hereby finds and determines that the foregoing recitals are true and correct.
  - **Section 2.** All legal prerequisites to the adoption of this Resolution have occurred.
- **Section 3.** The Oversight Board resolves to approve Amendment No. 3 to Cooperative Agreement No. C-9-0243 to extend the timeline for completion to September 30, 2014.
- **Section 4.** The Chairperson is hereby authorized, on behalf of the Successor Agency, to sign all documents necessary and appropriate to carry out and implement the Agreement, and to administer the Agency's obligations, responsibilities and duties to be performed under the Agreement.
- **Section 5.** The Clerk of the Oversight Board shall certify to the adoption of this Resolution.
  - **Section 6.** This Resolution shall take effect immediately upon its adoption.

# **ADOPTED** this 11<sup>th</sup> day of December, 2013.

Carolyn V. Cavecche
Chairperson of the Oversight Board of the
Successor Agency to the Orange Redevelopment Agency

A	Т	Т	$\mathbf{E}$	S	Т	•

Robert Zornado Clerk of the Oversight Board I hereby certify that the foregoing Resolution was duly and regularly adopted by the Oversight Board of the Successor Agency to the Orange Redevelopment Agency at a regular meeting thereof held on the 11<sup>th</sup> day of December, 2013, by the following vote:

AYES: BOA

BOARDMEMBERS:

NOES:

**BOARDMEMBERS:** 

ABSENT:

**BOARDMEMBERS:** 

ABSTAIN:

**BOARDMEMBERS:** 

Robert Zornado Clerk of the Oversight Board

#### **AMENDMENT NO. 3 TO**

#### COOPERATIVE AGREEMENT NO. C-9-0243

#### **BETWEEN**

#### ORANGE COUNTY TRANSPORTATION AUTHORITY

#### AND

#### CITY OF ORANGE AND

#### SUCCESSOR AGENCY TO THE ORANGE REDEVELOPMENT AGENCY

#### **FOR**

# PARKING CAPACITY EXPANSION AT ORANGE SANTA FE DEPOT

This AMENDMENT NO. 3 is effective this Jaday of September, 2013, by and between the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584, a public corporation of the State of California (hereinafter referred to as "AUTHORITY") and the City of Orange, 300 Chapman, Orange, California 92863, a municipal corporation duly organized and existing under the constitution and laws of the State of California (hereinafter referred to as "CITY"); and the Successor Agency to the Orange Redevelopment Agency, a public body, corporate and politic having its address for purpose of the Agreement at 300 East Chapman Avenue, Orange, CA. 92866 (hereinafter referred to as the "SUCCESSOR AGENCY").

### **WITNESSETH:**

WHEREAS, AUTHORITY, CITY and ORANGE REDEVELOPMENT AGENCY entered into Cooperative Agreement No. 9-0243, dated August 7, 2009, amended by Amendment No. 1 dated February 28, 2011, and as last amended by Amendment No. 2 dated September 30, 2012, to define roles and responsibilities for the study of expanding the transit parking at the Orange Transportation Center, (hereinafter referred to as "OTC") also known as the Orange Santa Fe Depot, which is located at 194 North Atchison Street in the City of Orange, State of California; and

# AMENDMENT NO. 3 TO COOPERATIVE AGREEMENT NO. C-9-0243

1	WHEREAS, AUTHORITY, CITY, and SUCCESSOR AGENCY agree to extend the term of the
2	Agreement for an additional twelve (12) months with no increase to the maximum obligation; and
3	WHEREAS, the CITY and the SUCCESSOR AGENCY approved this Amendment No. 3 on
4	
5	NOW THEREFORE, it is mutually understood and agreed by AUTHORITY, CITY and
6	SUCCESSOR AGENCY as follows:
7	1. Amend ARTICLE 5. TERM OF AGREEMENT, line 21, Page 4 of 9, last changed by
8	Amendment No. 2, to delete "September 30, 2013" and in lieu thereof insert "September 30, 2014".
9	The balance of the Agreement remains unchanged.
10	This Agreement shall be made effective upon execution of both parties.
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	1
22	
23	
24	
25	
26	

# AMENDMENT NO. 3 TO COOPERATIVE AGREEMENT NO. C-9-0243

1 IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 3 to 2 Cooperative Agreement No. C-9-0243 to be executed on the date first above written. 3 CITY OF ORANGE **ORANGE COUNTY TRANSPORTATION AUTHORITY** 4 5 Terésa E. Smith 6 Mayor Meena Katakia Manager, Capital Projects 7 ATTEST: APPROVED AS TO FORM: 8 9 nef Cled for 10 Kennard R. Smart. Mary El Murphy City Clerk General Counsel 11 12 APPROVED AS TO FORM: 13 14 15 Wayne W. Winthers City Attorney 16 17 9-16-2013 18 19 20

21

22

23

24

25

26

## **AMENDMENT NO. 3 TO COOPERATIVE AGREEMENT NO. C-9-0243**

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 3 to Cooperative Agreement No. C-9-0243 to be executed on the date first above written.

SUCCESSOR AGENCY TO THE ORANGE REDEVELOPMENT AGENCY

Ву:		errsa	6	Vittle
	Tere	sa E. Smi	ith	
	Cha	irperson		

ATTEST:

Mary **A**. Murphy Successor Agency Clerk

APPROVED AS TO FORM:

Wayne W. Winthers

Successor Agency General Counsel

Date: 9.16 2113

### **AMENDMENT NO. 3 TO COOPERATIVE AGREEMENT NO. C-9-0243**

#### **OVERSIGHT BOARD APPROVAL**

The Oversight Board of the Successor Agency to the Orange Redevelopment Agency hereby approves the request by the Successor Agency to enter into this Amendment.

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE ORANGE REDEVELOPMENT AGENCY, a public body, corporate and politic

Name: **X** Cavecche

Its:

By:

Chairperson

# **DEPARTMENT OF FINANCE APPROVAL**

Pursuant to California Health and Safety Code Section 34179(h), California Department of Finance approval of the action by the Oversight Board of the Successor Agency to the Orange Redevelopment Agency was granted (or deemed granted) on \_\_\_\_\_\_, 2013.