

CITY OF LOMA LINDA  
CITY COUNCIL AGENDA

REGULAR MEETING OF OCTOBER 11, 2016

A regular meeting of the City Council of the City of Loma Linda is scheduled to be held Tuesday, October 11, 2016 in the City Council Chamber, 25541 Barton Road, Loma Linda, California. *Pursuant to Municipal Code Section 2.08.010, study session or closed session items may begin at 5:30 p.m. or as soon thereafter as possible. The public meeting begins at 7:00 p.m.*

Reports and Documents relating to each agenda item are on file in the Office of the City Clerk and are available for public inspection during normal business hours. The Loma Linda Branch Library is also provided an agenda packet for your convenience. The agenda and reports are also located on the City's Website at [www.lomalinda-ca.gov](http://www.lomalinda-ca.gov).

*Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office, 25541 Barton Road, Loma Linda, CA during normal business hours. Such documents are also available on the City's website at [www.lomalinda-ca.gov](http://www.lomalinda-ca.gov) subject to staff's ability to post the documents before the meeting.*

Persons wishing to speak on an agenda item, including any closed session items, are asked to complete an information card and present it to the City Clerk prior to consideration of the item. When the item is to be considered, please step forward to the podium, the Chair will recognize you and you may offer your comments. The City Council meeting is recorded to assist in the preparation of the Minutes, and you are therefore asked to give your name and address prior to offering testimony.

The Oral Reports/Public Participation portion of the agenda pertains to items NOT on the agenda and is limited to 30 minutes; 3 minutes allotted for each speaker. Pursuant to the Brown Act, no action may be taken by the City Council at this time; however, the City Council may refer your comments/concerns to staff or request that the item be placed on a future agenda.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at (909) 799-2819. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Later requests will be accommodated to the extent feasible.

**Agenda item requests for the NOVEMBER 8, 2016 meeting must be submitted in writing to the City Clerk no later than NOON, MONDAY, OCTOBER 24, 2016**

**A. Call To Order**

**B. Roll Call**

**C. Invocation and Pledge of Allegiance** – Mayor pro tempore Dupper (In keeping with long-standing traditions of legislative invocations, this City Council meeting may include a brief, non-sectarian invocation. Such invocations are not intended to proselytize or advance any one, or to disparage any other, faith or belief. Neither the City nor the City Council endorses any particular religious belief or form of invocation.)

**D. Items To Be Added Or Deleted**

**E. Oral Reports/Public Participation - Non-Agenda Items (Limited to 30 minutes; 3 minutes allotted for each speaker)**

**F.**     **Conflict of Interest** Disclosure - Note agenda item that may require member abstentions due to possible conflicts of interest

**G.**     **Scheduled And Related Items**

1.     Certificate of Appreciation – Capt. Steve Dorsey of the San Bernardino County Sheriff’s Department [**Mayor**]
2.     **Public Hearing** - Council Bill #O-2016-04 (First Reading/Set the Second Reading for November 8, 2016) Amending and adopting the Building Code comprised of the following Codes [**Community Development/Building**]
  - a.     2016 California Building Code based on the 2015 International Building Code
  - b.     2016 California Existing Building Code base on the 2015 International Existing Building Code
  - c.     2016 California Residential Code based on the 2015 International Residential Code
  - d.     2016 California Green Building Standards Code
  - e.     2016 California Electrical Code based on the 2014 National Electrical Code
  - f.     2016 California Plumbing Code based on the 2015 Uniform Plumbing Code
  - g.     2016 California Mechanical Code based on the 2015 Uniform Mechanical Code
  - h.     2015 International Property Maintenance Code
3.     **Public Hearing** - California Fire Code [**Fire Department**]
  - a.     Council Bill #O-2016-07 - (First Reading/Set the Second Reading for November 8, 2016) – 2016 California Fire Code based on the 2015 International Fire Code
  - b.     Council Bill #R-2016-40 - Adopting findings relating to the adoption of the 2016 California Fire Code
  - c.     **Public Hearing** - Council Bill #O-2016-08 (First Reading/Set the Second Reading for November 8, 2016) – Adopting the 2015 International Wildland Urban Interface Code

**H.**     **Consent Calendar**

4.     Demands Register
5.     Minutes of September 13, 20 and 27, 2016
6.     September 2016 Treasurer’s Report
7.     September 2016 Fire Department Report
8.     Appropriation of \$10,000 for legal services related to Loma Linda Connected Community Program (LLCCP) [**Assistant City Manager**]
9.     Appropriate \$29,200 for August and September 2016 for support services provided for the LLCCP [**Assistant City Manager**]

10. Award of contracts: **[Public Works]**
  - a. Furnish and install a prefabricated restroom at Hulda Crooks Park
  - b. Annual Tree Trimming Citywide
  
11. Amend Miscellaneous Compensation Plan **[City Manager]**
  - a. Job Description - Parking Enforcement/Animal Control Officer
  - b. Council Bill #R-2016-41 adopting the Miscellaneous and Safety Compensation Plans as one document for fiscal years 2016-2017 pursuant to CA Code of Regulation 570.5
  
12. Request from Southern California Conference of Seventh Day Adventists for City water and sewer service for property located within the City's Sphere of Influence, but outside of the incorporated City boundaries (Korean Church) **[Public Works]**
  
13. VA Medical Center Contract for Fire Services for the period of October 1, 2016-September 30, 2017 **[Fire Dept.]**

**I. Old Business**

14. Council Bill #O-2016-04 (Second Reading/roll Call Vote) – Pre-Zoning 15-045, establishing single-family residential (R-1) for 39 acres; Multi-/family Residential (R-3) for 18 acres; Institutional (I) for 13 acres, and General Business (C-2) for approximately 10 acres. **[Community Development]**
  
15. Council Bill #O-2016-05 – (Second Reading/Roll Call Vote) – Amending Chapter 10.26 relating to effective period of the Parking Permit **[Fire Dept.]**

**J. New Business**

**K. Reports of Councilmen** (This portion of the agenda provides City Council Members an opportunity to provide information relating to other boards/commissions/committees to which City Council Members have been appointed).

**L. Reports Of Officers** (This portion of the agenda provides Staff the opportunity to provide informational items that are of general interest as well as information that has been requested by the City Council).

**M. Adjournment**



# City of Loma Linda Official Report

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Rhodes Rigsby, Mayor  
Phill Dupper, Mayor pro tempore  
Ovidiu Popescu, Councilman  
Ronald Dailey, Councilman  
John Lenart, Councilman

COUNCIL AGENDA:      October 11, 2016  
TO:                              City Council  
SUBJECT:                      Certificate of Appreciation – Capt. Steve Dorsey of the San  
Bernardino County Sheriff's Department

Approved/Continued/Denied By City Council Date _____
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# CITY OF LOMA LINDA, CA

## CERTIFICATE OF APPRECIATION TO CAPTAIN STEPHEN DORSEY

**WHEREAS**, The City of Loma Linda is a Law Enforcement Contract City with the County of San Bernardino; and

**WHEREAS**, in 1985, Captain Dorsey began his law enforcement career with the San Bernardino County Sheriff's Department, serving as a Motor Pool Service Assistant until starting the Academy in 1987; and

**WHEREAS**, Captain Dorsey worked as Deputy assigned to patrol in Victorville and Hesperia; and promoted through the ranks to Detective/Corporal in 1995 working Narcotics/SWAT/Inland Region Narcotics Enforcement Team (IRNET); to Sergeant in 1998 working Custody/IRNET/Patrol/Special Enforcement Division (SED); in 2008 to Lieutenant working Custody/Academy/Central Station; and to Captain in 2012 assigned to Central Station managing three law enforcement contracts and the County operations for Central Station with a combined budget of about 18 million dollars; and

**WHEREAS**, as Captain he has served the cities of Loma Linda and Grand Terrace as Chief of Police, demonstrating professionalism in law enforcement; and

**WHEREAS**, Captain Dorsey's achievements include Medal of Valor recipient, Sherman Block Leadership, POST Management Certificate, FBI National Academy Class 252, Senior Management Institute for Police Class 62 and developed the HOPE team; and

**WHEREAS**, on October 15, 2016, Captain Dorsey is promoting to Deputy Chief and will be overseeing the Valley/Mountain Patrol Bureau;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Loma Linda, on behalf of the citizens of the community, presents this Certificate of Appreciation to

### CAPTAIN STEPHEN DORSEY

in recognition of his dedication and commitment to high quality law enforcement to protect the citizens of this community; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Loma Linda extends best wishes to Stephen Dorsey for a successful future in his career of law enforcement.

**SIGNED** and presented this 11<sup>th</sup> day of October 2016.

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Rhodes Rigsby, Mayor



# City of Loma Linda Official Report

Rhodes Rigsby, Mayor  
Phillip Dupper, Mayor pro tempore  
Ovidiu Popescu, Councilman  
Ronald Dailey, Councilman  
John Lenart, Councilman

COUNCIL AGENDA: October 11, 2016  
TO: City Council  
FROM: Patrick Johnson, CBO, PE, Willdan Engineering  
VIA: T. Jarb Thaipejr, City Manager  
SUBJECT: Public Hearing – Council Bill #O-2016-04 (First Reading/Set the Second Reading for November 8, 2016) Amending and adopting the Building Code

Approved/Continued/Denied By City Council Date _____
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## **RECOMMENDATION**

The adoption of the 2016 California Code of Regulations requires the City Council to conduct a Public Hearing. Staff has advertised the adoption of the proposed codes in three (3) public areas which are: Civic Center Outdoor Kiosk, 25541 Barton Road; Loma Linda Branch Library, 25581 Barton Road; and Post Office Annex, 25925 Barton Road on September 27, 2016 and published the Notice of Public Hearing in The Sun on Tuesday, September 27 and Tuesday, October 4, 2016.

Staff recommends that the City Council

- a. Conduct a public hearing on the adoption of the California Code of Regulations Title 24.
- b. Introduce Council Bill #O-2016-04 on First Reading and
- c. Set the Second Reading/Roll Call Vote for November 8.

## **BACKGROUND**

The State's Health and Safety Code, Section 17950, mandates the California Building Standards Commission adopt and publish the California Codes, Title 24, known as the California Code of Regulations.

Every three years, the codes are published to incorporate all code changes accepted by a majority vote of members at the annual code development meetings. As a result, the new codes will become effective statewide on January 1, 2017. (See attached Bulletin 16-01 from the Building Standards Commission). Each jurisdiction in the State is mandated to adopt the California Code of Regulations, Title 24, and make amendments to the codes that are reasonably necessary because of local climatic, geological or topographical conditions. Staff has not made any changes to the provision of the 2016 California Code of Regulations.

## **ANALYSIS/DISCUSSION**

The following codes mandated by the State of California Building Standards for local adoption by January 1, 2017, are:

2016 California Building Code, Volumes 1 and 2

2016 California Existing Building Code

2016 California Referenced Standards Code

2016 California Residential Code

2016 California Green Building Standards Code

2016 California Mechanical Code

2016 California Electrical Code

2016 California Plumbing Code

The proposed Ordinance will amend the existing chapters of the Loma Linda Municipal Code Title 15, by adding the 2016, California Code of Regulations.

The State has established the 2015 Edition of the International Building Code (IBC) as the basis for the 2016 California Building Code, and the 2015 Edition of the International Existing Building Code as a basis for the 2016 California Existing Building Code. Likewise, the most recent Editions 2015 of the Uniform Mechanical and Plumbing Codes developed by the International Association of Plumbing and Mechanical Officials and the 2014 Edition of the National Electrical Code developed by the National Fire Protection Association are the basis of the corresponding 2016 Edition of the California Electrical Code.

The California Residential Code (CRC) will address the structural and life safety aspects of one and two family dwellings. Electrical, plumbing and mechanical issues will still be addressed by the appropriate California Code Books. The use of the CRC will simplify construction by putting most of the structural requirements in one reference.

The California Green Building Standards Code addresses such issues as site development, water savings, recycling and material selection. In addition, issues such as moisture control, interior and exterior air quality and compliance with California Title 24 requirements as addressed. Environmental quality issues of concern involve the use of materials that produce volatile organic compounds such as composite wood products, paints, adhesives and carpets.

## **FINANCIAL IMPACT**

Willdan Engineering has purchased a 2016 set of new code books for the City of Loma Linda Building Department at a cost of \$1,200, and therefore there is no fiscal impact on the City of Loma Linda.

**BUILDING STANDARDS COMMISSION**

2525 Natomas Park Drive, Suite 130  
Sacramento, California 95833-2936  
(916) 263-0916 FAX (916) 263-0959



## **BUILDING STANDARDS INFORMATION BULLETIN 16-01**

**DATE:** July 1, 2016

**TO:** LOCAL BUILDING OFFICIALS  
INTERESTED PARTIES

**SUBJECT: 2016 California Building Standards Code - Now Available**

This bulletin provides information regarding the publication of the 2016 California Building Standards Code including the effective date and application, availability, enforcement responsibility, and significant organizational changes. Information concerning emergency building standards and filing requirements for local amendments is also addressed herein.

The 2016 California Building Standards Code, Title 24, California Code of Regulations (13 Parts) was published on or before July 1 and is now available.

### **Effective Date and Application of the 2016 California Building Standards Code**

Jan. 1, 2017 is the statewide effective date, established by the California Building Standards Commission (CBSC), for the 2016 California Building Standards Code. All applications for a building permit that occur on or after Jan. 1, 2017 are subject to compliance with the 2016 Code.

The 2013 California Building Standards Code remains in effect and is applicable to all plans and specifications, for, and to the construction performed where the application for a building permit is received on or before Dec. 31.

### **Availability of the 2016 California Building Standards Code**

The 2016 code may be purchased through the following publishers:

- International Code Council (ICC)  
Online store: <http://shop.iccsafe.org/>  
Email: [order@iccsafe.org](mailto:order@iccsafe.org) or [ecodes@iccsafe.org](mailto:ecodes@iccsafe.org)  
Telephone: ICC Store (800) 786-4452

- International Association of Plumbing and Mechanical Officials (IAPMO)  
Online Store: [www.iapm-membership.org](http://www.iapm-membership.org)  
Email: [publications@iapmo.org](mailto:publications@iapmo.org)  
Telephone: (909) 472-4208
- National Fire Protection Association (NFPA) / BNi Books  
Online store: [www.bnibooks.com](http://www.bnibooks.com)  
Telephone: (888) 264-2665

### **Enforcement Responsibility**

The California Building Standards Code is the established minimum standard for the design and construction of buildings and structures in California. State law mandates that local government enforce Title 24 standards or approved local ordinances (see Amendment by Local Ordinance that follows).

Exceptions are building standards applicable to hospitals, state buildings, public schools and colleges that are subject to enforcement by state agencies. For detailed information regarding enforcement responsibilities, refer to Chapter 1, Division 1, commencing with Section 1.1, of the California Building Code, Part 2, Volume 1 of Title 24.

[Reference Health & Safety Code (HSC) Sections 17950, 17958.7, 17960, 18938, 18941.5,]

### **Amendment by Local Ordinance**

Local ordinances that amend Title 24 building standards are subject to requirements of California law and must be enacted and filed for each edition of the California Building Standards Code. Ordinances generally must exercise more restrictive standards than the building standards approved/adopted by the commission. These amendments must be filed and accepted, as appropriate, with CBSC, the Department of Housing and Community Development or the State Historical Building Safety Board before they are enforceable at the local level.

The Local Code Ordinances page on the [CBSC website](http://www.bsc.ca.gov) ([www.bsc.ca.gov/Rulemaking/LocalCodeOrdinances.aspx](http://www.bsc.ca.gov/Rulemaking/LocalCodeOrdinances.aspx)) has a number helpful resources including the 2016 edition of the *Guide for Local Amendments of Building Standards*, examples of ordinances that were filed in accordance with state law, and the updated *California Code Adoption for Local Jurisdictions* webinar.

[Reference Health & Safety Code (HSC) Sections 17950, 17958, 17958.5, 17958.7, 18938, 18941.5, and 18959]

## **Significant Organizational Changes to Title 24**

The following identifies significant organizational changes in the 2016 edition of Title 24. For matters not listed here, please refer to the margin markings in the new publication, which identify deletions and additions to the code.

### **New banner: BSC-CG**

As prescribed in Health and Safety Code (HSC) §18940.5, CBSC was directed, to the extent feasible, to reference or reprint green building standards (CALGreen) in the relevant portions of Title 24. In accordance with this mandate, CBSC proposed the new CALGreen banner, BSC-CG, in an effort to provide easy application clarification for code users. The banner has been included in the matrix tables throughout the code to indicate CALGreen application. The specific scope of application and enforcement may be found in chapter one of each code part.

### **Part 1 California Administrative Code (CAC)**

A new section was added to the CAC in Article 4, Chapter 1, which identifies provisions for proposing state agencies to receive recommendations for developing green building standards from non-proposing state agencies that have expertise in green building in accordance with HSC §18930.5.

### **Part 2 California Building Code (CBC)**

The 2016 CBC is based on the 2015 International Building Code (IBC). The provisions of Chapter 34 of the 2012 IBC were relocated to the 2015 International Existing Building Code (IEBC). Accordingly, California amendments effecting building standards for existing structures have been moved to the 2016 California Existing Building Code, Part 10, Title 24. A reference table for further clarification of these changes is available on the [CBSC website](http://www.documents.dgs.ca.gov/bsc/2015TriCycle/CrossRef-Table-CBCCh34-CEBC-P10-2016.xlsx.pdf) ([www.documents.dgs.ca.gov/bsc/2015TriCycle/CrossRef-Table-CBCCh34-CEBC-P10-2016.xlsx.pdf](http://www.documents.dgs.ca.gov/bsc/2015TriCycle/CrossRef-Table-CBCCh34-CEBC-P10-2016.xlsx.pdf)).

### **Part 5 California Plumbing Code (CPC)**

The 2016 CPC is based on the 2015 Uniform Plumbing Code (UPC). Several chapters in the 2015 UPC were reorganized, which include the following changes reflected in the 2016 CPC:

- Referenced standards formerly in Chapter 14 have been relocated to Chapter 17.
- Provisions regarding alternate water sources for nonpotable applications have been relocated from Chapter 15 to Chapter 16.

- Provisions regarding Nonpotable Rainwater Catchment Systems have been relocated from Chapter 17 to Chapter 16.

### **Part 10 California Existing Building Code (CEBC)**

- The 2016 CEBC is based on the 2015 International Existing Building Code.
- As previously noted herein, California amendments effecting building standards for existing structures are now located in the 2016 CEBC. See the reference table on the [CBSC website](http://www.documents.dgs.ca.gov/bsc/2015TriCycle/CrossRef-Table-CBCCh34-CEBC-P10-2016.xlsx.pdf) ([www.documents.dgs.ca.gov/bsc/2015TriCycle/CrossRef-Table-CBCCh34-CEBC-P10-2016.xlsx.pdf](http://www.documents.dgs.ca.gov/bsc/2015TriCycle/CrossRef-Table-CBCCh34-CEBC-P10-2016.xlsx.pdf)).
- Part 10 (and Part 8) is still located in the Part 2, Volume 2 binder.

### **Emergency Building Standards**

The water conserving Emergency Building Standards that were adopted into the 2013 Code last summer are included in the 2016 Code. Those provisions affected Parts 1, 5 and 11 of Title 24. For more information about the Emergency Building Standards please refer to [Information Bulletin 15-04](#).

Questions or comments regarding the subject of this bulletin should be directed to this office at either (916) 263-0916, or via email at [cbsc@dgs.ca.gov](mailto:cbsc@dgs.ca.gov).

Sincerely,



Mia Marvelli  
Executive Director

## ORDINANCE NO. XXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA, STATE OF CALIFORNIA, AMENDING CHAPTERS 15.08, 15.50, AND 15.60 OF THE CITY OF LOMA LINDA MUNICIPAL CODE PERTAINING TO BUILDINGS AND CONSTRUCTION BY ADOPTING THE 2016 CALIFORNIA BUILDING CODE INCLUDING THE 2016 CALIFORNIA EXISTING BUILDING CODE, 2016 CALIFORNIA REFERRANCED STANDARD CODE, 2016 CALIFORNIA RESIDENTIAL CODE, 2016 CALIFORNIA GREEN BUILDING STANDARDS CODE, 2016 CALIFORNIA ELECTRICAL CODE, 2016 CALIFORNIA PLUMBING CODE, , 2016 CALIFORNIA MECHANICAL CODE.

THE CITY COUNCIL OF THE CITY OF LOMA LINDA DOES ORDAIN AS FOLLOWS:

**SECTION 1:** (Adoption) of Chapters 15.08, 15.50, and 15.60 of Title 15 (Buildings and Construction) is hereby amended to read as follows: (indicates amended language, ~~strikeouts~~ indicates removal of language)

### Chapter 15.08 BUILDING CODE AND BUILDING CODE STANDARDS

#### 15.08.010 Adoption by reference.

For the purpose of prescribing regulations for erecting, construction, enlargement, alteration, repair, improving, removal, conversion, demolition, occupancy, equipment use, height, and area of buildings and structures, the following construction codes subject to the modifications set forth in this chapter, are hereby adopted: the California Building Code, 2013 2016 Edition, based on the 2012 2015 International Building Code as published by the International Code Council; the California Existing Building Code, 2016 Edition, based on the 2015 International Existing Building Code as published by the International Code Council; the California Residential Code, 2013 2016 Edition, based on the 2012 2015 International Residential Code as published by the International Code Council; the California Green Building Standards Code, 2013 2016 Edition; the California Plumbing Code, 2013 2016 Edition, based on the 2012 2015 Uniform Plumbing Code as published by the International Association of Plumbing and Mechanical Officials; the California Mechanical Code, 2013 2016 Edition, based on the 2012 2015 Uniform Mechanical Code as published by the International Association of Plumbing and Mechanical Officials; the California Electrical Code, 2013 2016 Edition, based on the 2011 2014 National Electrical Code as published by the National Fire Protection Association; the International Property Maintenance Code, 2012 2015 Edition, as published by the International Code Council. The provisions of these construction codes as amended by this chapter shall constitute the building regulations of the city of Loma Linda. Where the California Code of Regulations and State Building Standards Code of Regulations differ from any sections of the construction codes, state regulations shall prevail over the construction codes.

One copy of all the above codes and standards therefor are on file in the office of the city clerk pursuant to Health and Safety Code Section 18942(d)(1) and are made available for public inspection.

Notwithstanding the provisions of the above-referenced construction codes, all fees for services provided pursuant to the construction codes shall not take effect until a resolution for such fees is adopted by the city council pursuant to California Government Code Sections 66016 and 66020. (Ord. 713 § 1, 2013)

**15.08.020 Changes to California Building Code.**

The changes set forth herein are made to the 2013 2016 Edition of the California Building Code as published by the International Code Council.

A. Section ~~405.2.2~~ 105.2 of Chapter 1 is amended to read as follows:

1. Masonry or concrete fences not over 4 feet in height measured from the bottom of the footing to the top of the wall and other fences not over 6 feet (1,829mm) high.

B. Section 403.1 is amended by the deletion of Exception 5.

C. The requirements of Chapter 7A shall apply throughout the Wildland-Urban Interface Fire Area as designated by the city council.

D. Section 903.2 is amended to read as follows:

**[F] 903.2 Where Required.** Approved automatic sprinkler systems in new buildings and structures shall be provided in the locations specified in the Fire Code.

E. Section 103.2 of Appendix J is amended to read as follows:

**J103.2 Exemptions.** A grading permit shall not be required for the following:

1. Grading in an isolated, self contained area, provided there is no danger to the public, and that such grading will not adversely affect other properties, and does not exceed 50 cubic yards (38.3m<sup>3</sup>) and is less than 12 inches (305mm) in fill depth or 2 feet in cut depth.

F. Section ~~3408~~ 409 of the California Existing Building Code is amended by adding the following:

**3408.1 409.1** Structures moved into or within the jurisdiction shall comply with the provisions of this code for new structures.

**3408.2 409.2 Relocation Building Permit Required.** A person shall not move onto any premises, other than a commercial storage yard authorized for such use, any building or structure, except a contractor's tool house, construction building or similar structure which is moved as construction requires, until he first secures a relocation building permit as hereinafter provided.

**3408.3 409.3 Application.** Applicants for relocation permits shall submit color photographs of at least two (2) separate elevations, one of which shall be the front, and a certificate from a pest control agency or

operator licensed under the Structural Pest Control Act of California, showing freedom from termite infestation, for each building or structure to be moved, when application for a relocation permit is filed.

**3408.4 409.4 Application and Investigation Fee.** Upon applying for a relocation building permit the applicant shall pay to the Building Official an application and investigation fee. This fee shall be in accordance with the Building and Safety Fee Resolution adopted by the City Council of the City of Loma Linda for inspection of the building or structure at its present location and investigation of the proposed site.

**3408.5 409.5 Building and Relocation Site Inspection and Report.** Upon receipt of application for permit to relocate a building or structure and receipt of payment of the prescribed inspection fee, the Building Official shall inspect the building or structure to be moved and the proposed relocation site, and prepare a written report which shall be forwarded to the applicant. This report shall contain the approval or disapproval of the Building Official and, if approved for moving, shall contain the requirements necessary to make the building or structure conform to the requirements of the City regulations for new buildings and any additional requirements necessary to assure that such relocation shall not have a detrimental effect, by size, or age, on the living environment and property values in the area into which the building or structure is to be moved.

(Ord. 713 § 2, 2013)

## **Chapter 15.50 AMATEUR RADIO ANTENNAS**

### **15.50.010 Introduction—Citizen band and amateur radio antennas and towers.**

Poles, master towers and antennas used by citizen band and amateur radio operators in all zones shall be governed by the requirements contained herein. (Ord. 415 § 2, 1989)

### **15.50.020 Intent.**

The intent of the regulations in this article is to provide a uniform guide for the installation of appropriate antenna systems to enable citizen band and federally licensed amateur radio operators to carry out communication techniques and to fulfill their responsibilities to the Department of Defense, the American Red Cross, and to the local civil defense and emergency organizations, and to preserve the health, safety and welfare of the community. (Ord. 415 § 2, 1989)

### **15.50.030 Definition.**

“Antenna” means an apparatus, external to or attached to the exterior of a building, together with any supporting structure for sending or receiving electromagnetic waves. Antennas may be principal structures, that are separate from any other structure, (stand alone with attendant support structures), or accessory structures, that are attached to or upon the exterior of an already existing building. (Ord. 415 § 2, 1989)

**15.50.032 Standards.**

A. Setbacks. A principal structure may be located anywhere on the property except the front yard or street side yard (space between the property line adjacent to the street and a line even with the opposite building wall).

B. Height Limit. Principal structures that exceed thirty-five feet in height above ground level shall require a building permit. All applications must include certification by a registered engineer that the proposed installation complies with all applicable ICBO code standard.

C. Height Exception—Special Use Permit. Principal structures that exceed seventy feet in height above ground level are permitted subject to the issuance of a special use permit by the city council. Special use permit applications shall be made on forms provided by the city and shall be provided with required accompanying information. (Ord. 415 § 2, 1989)

**15.50.040 Special use permit hearing and notification, rules of conduct, nullification, revocation, re-application and appeals.**

These requirements and procedures shall be the same as for conditional use permits in Title 17 of the Loma Linda Municipal Code. (Ord. 415 § 2, 1989)

**15.50.042 Special use permit—Required findings.**

The city council in approving a special use permit shall consider the following criteria:

A. There is adequate space on the property for the antennas and supports without conflicting with buildings on the property or usable yard areas required by other sections of the zoning code;

B. The antenna would not despoil the primary view of a neighbor (a living room window facing within 450° due north);

C. There are trees or a hill nearby that would serve as a backdrop to mask the silhouette of the antenna;

D. There are trees in the neighborhood that represent existing tall features as part of the neighborhood character. (Ord. 415 § 2, 1989)

**15.50.050 Accessory structures.**

Accessory structures (single or tripod mast) are permitted up to a total of seventy feet in height, without a permit, on any part of a main building except on a wall facing a front yard or street side yard. (Ord. 415 § 2, 1989)

**15.50.052 Construction and installation standards.**

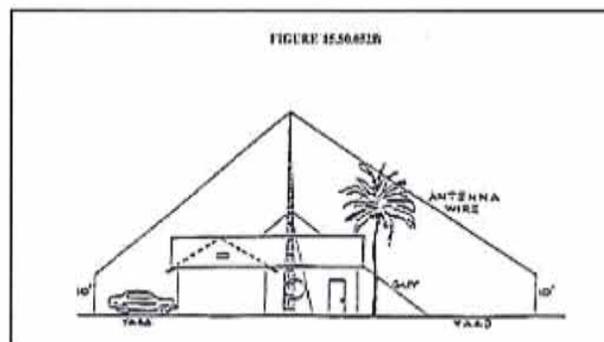
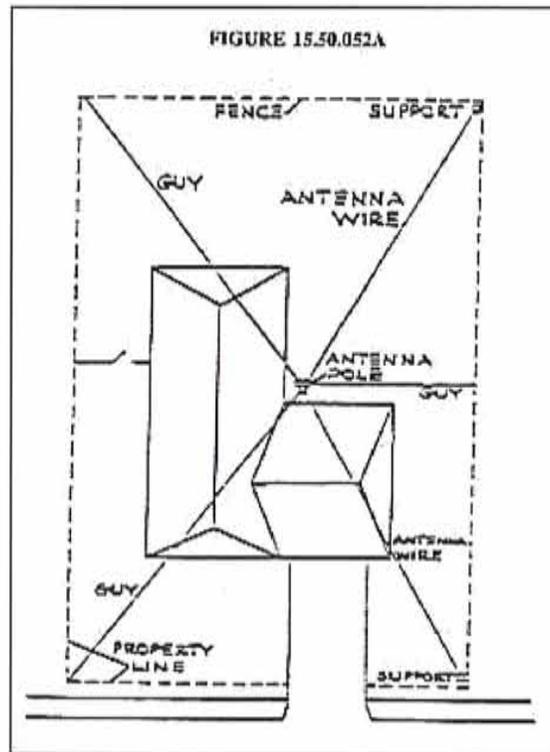
A. Antennas shall meet all manufacturer's installation specifications. The mast or tower shall be of noncombustible or fire-retardant material. Hardware such as brackets, turn-buckles, clips and similar type equipment subject to corrosion shall be made of aluminum or stainless steel or protected with zinc or cadmium coating or other coating to prevent rust or corrosion.

B. Every metal antenna tower must be adequately grounded as per the ~~1987 National Electrical Code, Section 810~~ *current adapted California Electrical Code*.

C. All metal antenna installations with motor devices permanently attached to an antenna tower which operate by permanently installed electrical motors for raising or lowering antennas shall obtain an electrical permit.

D. Guy wires, support anchor structures and wire antennas may be located within the required setbacks in all zoning districts. Wire antennas must be elevated ten feet above grade.

E. The following graphics are a visual example of these requirements:



(Ord. 415 § 2, 1989)

## Chapter 15.60 REPAIR OF DAMAGED STRUCTURES

### 15.60.010 Adoption and intent.

This chapter establishes regulations as amendments to the ~~building code~~ *California Existing Building Code* for the expeditious repair of damaged structures. In the event an amendment to the California Building Standards Code results in differences between these building standards and the California Building Standards Code, the text of these building standards shall govern. In accordance with California Health and Safety Code Section 17958.7, express findings that modifications to the California Building Standards Code are reasonably necessary because of local climatic, geological or topographical conditions are either already on file with the California Building Standards Commission, or will be filed prior to the effective date of the ordinance codified in this chapter. In accordance with California Government Code Section 50022.6, at least one true copy of the ~~Uniform~~ *California Existing Building Code* has been on file with the city clerk since fifteen days prior to enactment of the ordinance codified in this chapter. While this chapter is in force, a true copy of this chapter shall be kept for public inspection in the office of the city clerk. A reasonable supply of this chapter shall be available in the office of the city clerk for public purchase. (Ord. 682 § 1, 2008)

#### **15.60.020 Definitions.**

*"Definitions" has been replaced with the definitions as indicated in Section 202 of the California Existing Building Code, which are stricter.*

~~—For the purposes of this chapter, the following definition applies and is added to Section 3402.1 Definitions of the 2007 California Building Code (CBC):~~

~~—Substantial Structural Damage. A condition where:~~

~~—1.—In any story, the vertical elements of the lateral force-resisting system, have suffered damage such that the lateral load-carrying capacity of the structure in any direction has been reduced by more than twenty percent from its pre-damaged condition; or~~

~~—2.—The capacity of any vertical gravity load-carrying component, or any group of such components, that supports more than thirty percent of the total area of the structure's floor(s) and roof(s) has been reduced more than twenty percent from its pre-damaged condition, and the remaining capacity of such affected elements with respect to all dead and live loads is less than seventy-five percent of that required by the building code for new buildings of similar structure, purpose, and location. (Ord. 682 § 1, 2008)~~

#### **15.60.030 Repairs.**

For the purposes of this chapter, the following repair requirements are added as a new subsection ~~3403.5~~ *404.6* to Section ~~404~~ *3403* Additions, Alterations or Repair *Repairs* in the 2007 *2016* California *Existing* Building Code (CBC):

**3403.5.1** *404.6.1* **Repairs.** Repairs of structural elements shall comply with this section.

**3403.5.1.1** *404.6.1.1* **Seismic evaluation and design.** Seismic evaluation and design of an existing building and its components shall be based on the following criteria.

**3403.5.1.1.1** *404.6.1.1.1* **Evaluation and design procedures.** The seismic evaluation and design shall be based on the procedures specified in the building code, ASCE 31 Seismic Evaluation of Existing Buildings (for evaluation only) or ASCE 41 Seismic Rehabilitation of Existing Buildings. The procedures

contained in Appendix A of the International Existing Building Code shall be permitted to be used as specified in Section 3403.5.1.1.3 404.6.1.1.3 of the California Existing Building Code.

~~3403.5.1.1.2~~ **CBC 404.6.1.1.2 level seismic forces.** When seismic forces are required to meet the building code level, they shall be one of the following:

1. 100 percent of the values in the building code. The R factor used for analysis in accordance with Chapter 16 of the building code shall be the R factor specified for structural systems classified as “Ordinary” unless it can be demonstrated that the structural system satisfies the proportioning and detailing requirements for systems classified as “Intermediate” or “Special”.

2. Forces corresponding to BSE-1 and BSE-2 Earthquake Hazard Levels defined in ASCE 41. Where ASCE 41 is used, the corresponding performance levels shall be those shown in Table 3403.5.1.1.2 404.6.1.1.2.

**TABLE 3403.5.1.1.2 404.6.1.1.2 ASCE 41 and ASCE 31 PERFORMANCE LEVELS**

OCCUPANCY <i>RISK</i> CATEGORY (BASED ON IBC <u>CBC</u> TABLE 1604.5)	PERFORMANCE LEVEL FOR USE WITH ASCE 31 AND WITH ASCE 41 BSE-1 EARTHQUAKE HAZARD LEVEL	PERFORMANCE LEVEL FOR USE WITH ASCE 41 BSE-2 EARTHQUAKE HAZARD LEVEL
I	Life Safety (LS)	Collapse Prevention (CP)
II	Life Safety (LS)	Collapse Prevention (CP)
III	Note (a)	Note (a)
IV	Immediate Occupancy (IO)	Life Safety (LS)

a. Performance Levels for Occupancy *Risk* Category III shall be taken as halfway between the performance levels specified for Occupancy *Risk* Category II and Occupancy *Risk* Category IV.

~~3403.5.1.1.3~~ **404.6.1.1.3 Reduced CBC level seismic forces.** When seismic forces are permitted to meet reduced building code levels, they shall be one of the following:

1. 75 percent of the forces prescribed in the building code. The R factor used for analysis in accordance with Chapter 16 of the building code shall be the R factor as specified in Section 3403.5.1.1.2 404.6.1.1.2.

2. In accordance with the applicable chapters in Appendix A of the International Existing Building Code as specified in Items 2.1 through 2.5 2.4 below. Structures or portions of structures that comply with the requirements of the applicable chapter in Appendix A shall be deemed to comply with the requirements for reduced building code force levels.

2.1. The seismic evaluation and design of unreinforced masonry bearing wall buildings in Occupancy *Risk* Category I or II are permitted to be based on the procedures specified in Appendix Chapter A1.

2.2. Seismic evaluation and design of the wall anchorage system in reinforced concrete and reinforced masonry wall buildings with flexible diaphragms in Occupancy *Risk* Category I or II are permitted to be based on the procedures specified in Appendix Chapter A2 A1.

2.3. Seismic evaluation and design of cripple walls and sill plate anchorage in residential buildings of light-frame wood construction in Occupancy *Risk* Category I or II are permitted to be based on the procedures specified in Appendix Chapter A3.

2.4. Seismic evaluation and design of soft, weak, or open-front wall conditions in multiunit residential buildings of wood construction in Occupancy *Risk* Category I or II are permitted to be based on the procedures specified in Appendix Chapter A4.

~~2.5. Seismic evaluation and design of concrete buildings and concrete with masonry infill buildings in all Occupancy Categories are permitted to be based on the procedures specified in Appendix Chapter A5.~~

3. In accordance with ASCE 31 based on the applicable performance level as shown in Table 3403.5.1.1.2 404.6.1.1.2.

4. Those associated with the BSE-1 Earthquake Hazard Level defined in ASCE 41 and the performance level as shown in Table 3403.5.1.1.2 404.6.1.1.2. Where ASCE 41 is used, the design spectral response acceleration parameters  $S_x$  and  $S_{x1}$  shall not be taken less than 75 percent of the respective design spectral response acceleration parameters  $S_{DS}$  and  $S_{D1}$  defined by the International California Building Code and its reference standards.

**3403.5.1.2 404.6.1.2 Wind Design.** Wind design of existing buildings shall be based on the procedures specified in the building code.

**3403.5.2 404.6.2 Repairs to damaged buildings.** Repairs to damaged buildings shall comply with this section.

**3403.5.2.1 404.6.2.1 Unsafe conditions.** Regardless of the extent of structural damage, unsafe conditions shall be eliminated.

**3403.5.2.2 404.6.2.2 Substantial structural damage to vertical elements of the lateral-force-resisting system.** A building that has sustained substantial structural damage to the vertical elements of its lateral-force-resisting system shall be evaluated and repaired in accordance with the applicable provisions of Section 3403.5.2.2.1 404.6.2.2.1 through 3403.5.2.2.3 404.6.2.2.3.

**3403.5.2.2.1 404.6.2.2.1 Evaluation.** The building shall be evaluated by a registered design professional, and the evaluation findings shall be submitted to the code official. The evaluation shall establish whether the damaged building, if repaired to its pre-damage state, would comply with the provisions of the building code. Wind forces for this evaluation shall be those prescribed in the building code. Seismic forces for this evaluation are permitted to be the reduced level seismic forces specified in Code Section 3403.5.1.1.3 404.6.1.1.3.

**3403.5.2.2.2 404.6.2.2.2 Extent of repair for compliant buildings.** If the evaluation establishes compliance of the pre-damage building in accordance with Section 3403.5.2.2.1 404.6.2.2.1, then repairs shall be permitted that re-store the building to its pre-damage state, using materials and strengths that existed prior to the damage.

**3403.5.2.2.3 404.6.2.2.3 Extent of repair for non-compliant buildings.** If the evaluation does not establish compliance of the pre-damage building in accordance with Section 3403.5.2.2.1 404.6.2.2.1, then the building shall be rehabilitated to comply with applicable provisions of the building code for load combinations including wind or seismic forces. The wind design level for the repair shall be as required by the building code in effect at the time of original construction unless the damage was caused by wind, in which case the design level shall be as required by the code in effect at the time of original construction or as required by the building code, whichever is greater. Seismic forces for this rehabilitation design shall be those required for the design of the predamaged building, but not less than the reduced level seismic forces specified in Section 3403.5.1.1.3 404.6.1.1.3. New structural members and connections required by this rehabilitation design shall comply with the detailing provisions of the building code for new buildings of similar structure, purpose, and location.

**3403.5.2.3 404.6.2.3 Substantial structural damage to vertical load-carrying components.** Vertical load-carrying components that have sustained substantial structural damage shall be rehabilitated to comply with the applicable provisions for dead and live loads in the building code. Undamaged vertical load-carrying components that receive dead or live loads from rehabilitated components shall also be rehabilitated to carry the design loads of the rehabilitation design. New structural members and connections required by this rehabilitation design shall comply with the detailing provisions of the building code for new buildings of similar structure, purpose, and location.

**3403.5.2.3.1 404.6.2.3.1 Lateral force-resisting elements.** Regardless of the level of damage to vertical elements of the lateral force-resisting system, if substantial structural damage to vertical load-carrying components was caused primarily by wind or seismic effects, then the building shall be evaluated in accordance with Section 3403.5.2.2.1 404.6.2.2.1 and, if non-compliant, rehabilitated in accordance with Section 3403.5.2.2.3 404.6.2.2.3.

**3403.5.2.4 404.6.2.4 Less than substantial structural damage.** For damage less than substantial structural damage, repairs shall be allowed that restore the building to its pre-damage state, using materials and strengths that existed prior to the damage. New structural members and connections used

for this repair shall comply with the detailing provisions of the building code for new buildings of similar structure, purpose, and location.

**3403.5.3 404.6.3 Referenced Standards**

Standard Referenced

Reference In Code

Number Title Section Number

ASCE 31-03 Seismic Evaluation of Existing Buildings 3403.5.1.1.1 404.6.1.1.1,

TABLE 3403.5.1.1.2 404.6.1.1.2,

3403.5.1.1.3 404.6.1.1.3

ASCE 41-06 Seismic Rehabilitation of Existing Buildings 3403.5.1.1.1 404.6.1.1.1,

3403.5.1.1.2 404.6.1.1.2,

TABLE 3403.5.1.1.2 404.6.1.1.2,

3403.5.1.1.3 404.6.1.1.3

(Ord. 682 § 1, 2008)

**SECTION 2:** If any section, subsection, subdivision, paragraph, sentence, clause, or phrase of this Ordinance or any part thereof is for any reason held to be unconstitutional, such decision shall not affect this validity of the remaining portion of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsection, subdivisions, paragraphs, sentences, clauses, or phrases be declared unconstitutional.

**SECTION 3:** This Ordinance shall be in full force and effective a minimum of thirty (30) days after passage. The effective date of this Ordinance is January 1, 2017.

**SECTION 4:** The City Clerk shall certify to the passage of this Ordinance and cause the same to be posed pursuant to Government Code Section 36933.

**APPROVED AND ADOPTED** at a regular meeting of the City Council of the City of Loma Linda held on the \_\_\_\_\_ day of \_\_\_\_\_, 2016 by the following vote:

Ayes:  
Noes:  
Absent:  
Abstain:

\_\_\_\_\_  
Rhodes Rigsby, Mayor

Attest:

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City Clerk



# City of Loma Linda Official Report

Rhodes Rigsby, Mayor  
Ovidiu Popescu, Mayor pro tempore  
Ronald Dailey, Councilman  
Phillip Dupper, Councilman  
John Lenart, Councilman

COUNCIL AGENDA: October 11, 2016

TO: City Council

VIA: T. Jarb Thaipejr, City Manager

FROM: Jeffrey Bender, Fire Chief 

SUBJECT: Adoption of the 2016 California Fire Code and the 2015 International Fire Code

Approved/Continued/Denied By City Council Date _____
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## **RECOMMENDATION**

That the City Council adopt by reference the 2016 California Fire Code and the 2015 International Fire Code, with amendments. A) Introduce on First Reading Council Bill #O-2016-07 and set the second reading/roll call for November 8, 2016. B) Adopt Council Bill#R-2016-40 adopting findings related to the Fire Code.

## **BACKGROUND**

The California Building Standards Commission adopts and amends the California Building Standards Code, California Code of Regulations, Title 24 (CCR, T-24), incorporating the latest editions of model codes for use throughout the State. The 2016 California Building Standards Code consists of multiple parts, including Part 9- the California Fire Code (CFC), based on the 2015 Edition of the International Fire Code (IFC) published by the International Code Council- which will take effect on January 1, 2017. The Building Standards Law and the State Housing Law allow local governments to amend CCR, T-24 based on express findings that the amendments are necessary due to local climatic, geological or topographical conditions. The locally-adopted amendments take effect upon filing, with the applicable findings, with the California Building Standards commission.

The 2016 CFC applies to all state-regulated occupancies (buildings); but, since there are occupancies, procedures and conditions that are not regulated by the state, local government may also adopt the corresponding model code upon which the CFC is based ( i.e., the IFC).

## **ANALYSIS**

The adoption of the latest edition of the model fire code every three years is a standard procedure utilized by the City of Loma Linda since incorporation. This cycle the model fire code utilized by the California Building Standards Commission is the 2015 Edition of the International Fire Code. Since the Building Standards Commission determined that the IFC contains certain provisions that apply to buildings throughout the state, the City has also amended those provisions as published in the CFC. Our local amendments tend to generally be consistent from adoption to adoption. However, revisions, additions and deletions are made based on need and/or the further development of language contained within the model code.

## **FINANCIAL IMPACT**

None anticipated.

CC AGENDA ITEM 3 a-b

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA ADOPTING AND AMENDING THE 2016 EDITION OF THE CALIFORNIA FIRE CODE, ADOPTING AND AMENDING THE 2015 EDITION OF THE INTERNATIONAL FIRE CODE AND REPEALING CHAPTER 15.28 OF THE MUNICIPAL CODE.

The City Council of the City of Loma Linda does hereby ordain as follows:

**SECTION 1.** Chapter 15.28 of Title 15 of the Loma Linda Municipal Code is hereby amended to read as follows:

**Chapter 15.28**

**FIRE CODE**

**Sections:**

15.28.010	Findings and Adoption of the California Fire Code and the International Fire Code
15.28.020	Definitions
15.28.030	Establishments of Limits Required by the California Fire Code
15.28.040- <u>570</u>	Amendments to the California Fire Code and the International Fire Code

**15.28.010 Findings and Adoption of the California Fire Code and the Internarional Fire Code**

(a) FINDINGS. The City Council of the City of Loma Linda hereby finds and determines:

1. That the International Code Council (ICC) is a private organization which has been in existence for a period of at least three years.

2. That the International Fire Code (IFC), 2015 Edition, published by said organization, is a nationally recognized compilation of proposed rules, regulations, and standards of said organization.

3. That said International Fire Code has been printed and published as a code in book form within the meaning of Section 50022.2 et seq. of the California Government Code.

4. That the California Fire Code (CFC), also known as the California Code of Regulations, Title 24, Part 9 - a portion of the "California Building Standards Code" as defined in the "California Building Standards Law" commencing with Section 18901 of the Health and Safety Code - is assigned to the California Building Standards Commission, which by law is responsible for approving all building standards within the State of California. The 2016 edition of the California Fire Code incorporates by reference the 2015 edition of the International Fire Code, with necessary California amendments.

5. That one copy of the 2016 California Fire Code and 2015 International Fire Code, certified by the Clerk of the City of Loma Linda to be a true copy, have been filed for use and examination by the public in the Fire Prevention office of the Fire Department of the City of Loma Linda.

6. The sections of said California Fire Code and International Fire Code may be referred to by the number used in said published compilation, preceded by the words "California Fire Code Section" or "International Fire Code Section" or "Fire Code Section," and may also be referred to by additional reference to the Loma Linda Municipal Code and sections therein pertaining to said California Fire Code and International Fire Code.

7. That the additional requirements and standards established herein are needed to properly protect the health, safety, and welfare of the existing and future residents and workers within the City of Loma Linda. Said requirements and standards are reasonably necessary because of local climatic, geological, and topographical conditions, and comply with existing state laws and regulations. Express findings of local necessity supporting the additional requirements and standard listed herein are found in Resolution No. 2671 adopted by the City Council.

(b) **ADOPTION OF THE CALIFORNIA FIRE CODE AND THE INTERNATIONAL FIRE CODE.**

The City Council of the City of Loma Linda hereby adopts and amends the 2016 Edition of the California Fire Code, and California Fire Code Appendix Chapter 4, and California Fire Code Appendices B & bb, C & cc, D and H; as compiled and adopted by the California Building Standards Commission.

The City Council of the City of Loma Linda hereby adopts the 2016 Edition of the International Fire Code, as compiled and published by the International Code Council.

**15.28.020 Definitions.**

(a) Wherever the word "Jurisdiction" is used in said Fire Code, it shall mean the City of Loma Linda.

(b) Wherever the term "Corporation Counsel" is used in said Fire Code, it shall mean the City Attorney for the City of Loma Linda.

(c) Wherever the term "Fire Department" is used in said Fire Code, it shall mean the Fire Department of the City of Loma Linda.

(d) An employee of the Fire Department of the City of Loma Linda, when enforcing the California Fire Code, the International Fire Code, the Loma Linda Municipal Code and other laws, rules and regulations relating to fire and life safety, fire prevention and fire investigation, shall be deemed a "Peace Officer" as those words are used in Section 830.31 of the California Penal Code.

**15.28.030 Establishment of Limits Required by the California Fire Code**

(a) **Storage of Flammable Cryogenic Fluids.**

Pursuant to Section 5504.2.1 through 5504.2.2.3 of the California Fire Code, flammable cryogenic fluids shall not be permitted to be stored, dispensed, or used unless, in the opinion of the fire code official, such storage will not create an unacceptable threat to the occupants and property owners.

(b) **Storage of Explosives and Blasting Agents.**

Pursuant to Section 5604.4 of the California Fire Code, the storage of explosives and blasting agents is prohibited in all areas unless authorized by the fire code official.

(c) **Storage of Class I and II Liquids.**

Pursuant to Section 5404.2 and 5706.2.4.4 of the California Fire Code, the storage of Class I and Class II liquids in outside aboveground unprotected tanks is prohibited in all areas of the City unless the fire code official determines, with specific documented findings, that such an installation will not create a hazard to life or property in the area.

(d) **Storage of Liquefied Petroleum Gases.**

Pursuant to Section 6104.2 of the California Fire Code, the aggregate capacity of any one installation for the bulk storage of liquefied petroleum gases shall not exceed 2,000 water gallons (7571 L) in commercial, residential and other areas where, in the opinion of the fire code official, the location of bulk storage of liquefied petroleum gases would create a threat to life and property.

**15.28.040** Section 101.1 ~~of Chapter 1~~ of the California Fire Code is hereby amended to read as follows:

**101.1 Title.** These regulations shall be known as the *Fire Code* of the City of Loma Linda, hereinafter referred to as "this code."

**15.28.050** Section 104.12 ~~of Appendix Chapter 1~~ of the California Fire Code is hereby added to read as follows:

**104.12 Liability.**

**104.12.1 General.** The fire chief, the fire code official and other individuals charged by the fire chief with the control or extinguishment of any fire, the enforcement of this code or any other official duties, acting in good faith and without malice in the discharge of their duties, shall not thereby be rendered personally liable for any damage that may accrue to persons or property as a result of any act or by reason of any act or omission in the discharge of their duties. Any suit brought against the fire chief, fire code official or such individuals because of such act or omission performed in the enforcement of any provision of such codes or other pertinent laws or ordinances implemented through the enforcement of this code or enforced by the code enforcement agency shall be defended by this jurisdiction until final termination of such proceedings, and any judgment resulting therefrom shall be assumed by this jurisdiction subject to the provisions of Government Code Section 825.

This code shall not be construed to relieve or lessen the responsibility of any person owning, operating or controlling any building or structure for any damages to persons or property caused by defects, nor shall the code enforcement agency or its parent jurisdiction be held as assuming any such liability by reason of the inspections authorized by this code or any permits or certificates issued under this code.

**104.12.2 Cost Recovery.** Fire suppression, investigation and rescue or emergency medical costs are recoverable in accordance with Health and Safety Code Sections 13009 and 13009.1.

Any person who negligently or intentionally, or in violation of law, causes an emergency response, including but not limited to, a traffic accident or spill of toxic or flammable fluids or chemicals, is liable for the costs of securing such emergency, including those costs set out in Health and Safety Code Section 13009 et seq. and Government Code Section 53150 et seq. Any expense incurred by the fire department for securing such an emergency situation shall constitute a debt of such person and shall be collectible by the public agency in the same manner as in the case of an obligation under contract, expressed or implied.

**104.12.3 Expense for Securing an Emergency.** The expense of securing any emergency or hazard which is the result of a violation of this code or any other code, ordinance or State law, or any damages caused by malicious mischief requiring any corrective or preventive actions conducted by the fire department may be a charge against the person(s) or entity whose such emergency or action may constitute a debt of such person(s) or entity and shall be collectible as provided below.

1. The fire chief may impose the reasonable cost of fire prevention, fire suppression, and protection of the public from other safety hazards when a fire or hazardous condition results from any of the following activities or conditions:
  - A. Manufacture, transportation, storage, handling, or spilling of hazardous chemicals, flammable or combustible liquids, explosives, or blasting agents as defined in Article 2 of this Code;
  - B. Failure to correct a hazardous condition for which a "Notice of Violation", or equivalent notice, has been previously given by the chief;
  - C. Use of welding equipment, cutting torch, tar pot, or other open flame device;
  - D. Permitting or causing the accumulation of hazardous or flammable materials;
  - E. Setting of a fire or allowing a fire to be set in violation of any code, ordinance, law or regulation;
  - F. Creating, allowing, or maintaining a fire hazard.
2. Determination to Charge Cost. Whenever the fire chief determines that the fire department or other public agency has incurred costs for fire suppression, fire prevention, or protection of the public safety when a fire or other hazardous condition has resulted from the activities specified in this section, he or she shall:
  - A. Calculate the costs incurred;
  - B. Identify the person or persons to be charged for those costs; and
  - C. Send a report with this information to the City Clerk.
3. Calculation of Costs Incurred. The "costs incurred" shall include all necessary expenditures to correct the hazardous condition or extinguish the fire, including, but not limited to:
  - A. The cost of personnel;
  - B. The cost of extinguishing agents;
  - C. The reasonable value of the use of City equipment;
  - D. The cost incurred by use of a private contractor to mitigate or remove the hazard or condition; and
  - E. Any and all administrative costs incurred pursuant to Chapter 3.28 of the Municipal Code.
4. Reimbursement Hearing Set. The City Clerk shall, thereupon, set the report and account for hearing by the City Council at a regular or adjourned meeting which will be held at least 14 calendar days after the date the Clerk mails the notice; and shall send by regular mail a Notice of said hearing to the person or entity to be charged at the person's or entity's address as shown on the last equalized tax assessor's roll, or as otherwise known to the City.
5. Notice to Person to be Charged. The Notice sent by the City Clerk to the responsible person(s) or entity shall contain:
  - A. The name of the person(s) or entity sought to be charged;

- B. The location, date, and time of the evidence upon which the claim for reimbursement is based;
  - C. The amount of, and the basis upon which claim for reimbursement is made;
  - D. The date, time and place of the hearing on the claim for reimbursement with a statement on the rights of the person or entity to be heard for presenting evidence at said hearing;
  - E. The fire chief's account of the sum claimed to be due.
6. Procedure for Hearing Before the City Council. At the hearing on the fire chief's account and other evidence upon which reimbursement is sought, the City Council shall hear and consider evidence by the person or entity against which reimbursement is sought; and thereafter, confirm or disallow the account, in all or in part, and set forth in a resolution the amount of the account confirmed, if any. Thereafter, any amount confirmed by a resolution of the City Council shall become a debt owing to the City of Loma Linda and is collectible by the City in the same manner as in the case of an obligation under contract expressed or implied.

**15.28.060** Section 104.10 ~~of Chapter 1~~ of the California Fire Code is hereby amended to read as follows:

**104.10 Fire investigations.** The fire code official and the fire department shall have the authority to investigate the cause, origin and circumstances of any fire, explosion or tother hazardous condition. Information that could be related to trade secrets or processes shall not be made part of the public record except as directed by a court of law.

**15.28.070** Section 105.2.5 ~~of Chapter 1~~ of the California Fire Code is hereby added to read as follows:

**105.2.5 Permit Fees.** Permit fees as established by City Council Resolution shall be collected by the Finance Department. Proof of receipt shall accompany all applications for permit applications prior to inspection and approval by the fire code official.

**15.28.080** Section 105.2.6 ~~of Chapter 1~~ of the California Fire Code is hereby added to read as follows:

**105.2.6 Fees Not Refundable.** Permit fees shall not be refundable for any reason after initiation of inspection procedures.

**15.28.090** Section 106.1.1 ~~of Chapter 1~~ of the California Fire Code is hereby added to read as follows:

**106.1.1 Inspection fees.** The fire code official is authorized to collect appropriate fees for inspections according to City Council Resolution establishing fees.

**15.28.100** Section 109.4 ~~of Chapter 1~~ of the California Fire Code is hereby amended to read as follows:

**109.4 Violation penalties.** Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under provisions of this code, shall be guilty of an infraction, punishable by a fine of a fine of not more than one hundred dollars (\$100.00) for a first

violation; a fine not exceeding two hundred dollars (\$200.00) for a second violation within one year; and a fine not exceeding five hundred dollars (\$500.00) for each additional violation of the within one year. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

**15.28.110** Section 109.4.1 ~~of Chapter 4~~ of the California Fire Code is hereby amended to read as follows:

**109.4.1 Abatement of violation.** In addition to the imposition of the penalties herein described, the fire code official is authorized to institute appropriate action to prevent unlawful construction or to restrain, correct or abate a violation; or to prevent illegal occupancy of a structure or premises; or to stop an illegal act, conduct of business or occupancy of a structure on or about any premises. The expense of such action may be made a lien upon the property upon which such condition exists.

**15.28.120** Section 111.4 ~~of Chapter 4~~ of the California Fire Code is hereby amended to read as follows:

**111.4 Failure to comply.** Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be subject to violation penalties pursuant to Section 109.4.

**15.28.130** Section 305.6 of the International Fire Code is hereby added to read as follows:

**305.6 Sparks from chimneys.** Chimneys used in conjunction with fireplaces or heating appliances in which solid or liquid fuel is used shall be equipped and maintained with an approved spark arrester. The spark arrester shall be constructed of 24-gauge stainless steel, 12-gauge copper or brass, 19-gauge woven galvanized wire mesh, or of materials with equivalent heat and corrosion resistance. Openings shall not permit the passage of spheres having a diameter larger than 1/2 inch (13 mm) and shall not block the passage of spheres having a diameter of less than 3/8 inch (10 mm). The screen shall be mounted in or over all outside flue openings in a vertical or near vertical position, adequately supported to prevent movement and visible from the ground. The net free area of the spark arrester shall not be less than 4 times the net free area of the outlet of the chimney.

**15.28.140** Section 308.1.7 of the International Fire Code is hereby amended to read as follows:

**308.3.5 Religions ceremonies.** Candles held in persons' hands are especially dangerous and shall not be permitted. Battery-operated simulated candles are available and may be used. No permit is required for battery-operated candles or other electric candles.

**15.28.150** Section 312.2 of the International Fire Code is hereby amended to read as follows:

**312.2 Posts.** Guard posts shall comply with all of the following requirements:

1. Constructed of steel not less than 6 inches (152 mm) in diameter and concrete filled.
2. Spaced not more than 4 feet (1219 mm) between posts on center.
3. Set not less than 3 feet (914 mm) deep in a concrete footing of not less than a 15 inch (381 mm) diameter.
4. Set with the top of the posts not less than 3 feet (914 mm) above the ground.
5. Located not less than 3 feet (914 mm) from the protected object.

**15.28.160** Section 503.2.3 of the International Fire Code is hereby amended to read as follows:

**503.2.3 Surface.** Fire apparatus access roads shall be designed and maintained to support the imposed loads of fire apparatus and shall be surfaced with an approved concrete or asphalt covering so as to provide all-weather driving capabilities. Turf block, Ritter Rings, Turf Paver and other similar products shall not be used for fire department access surfacing. Where rural road grades do not exceed 8%, the fire code official may approve access roads of approved native materials or gravel when compacted to 95%.

**15.28.170** Section 503.2.7 of the International Fire Code is hereby amended to read as follows:

**503.2.7 Grade.** The grade of the fire apparatus access road shall be a maximum of twelve percent (12%), unless otherwise approved by the fire code official for short distances when appropriate mitigation measures are utilized.

**15.28.180** Section 503.4 of the International Fire Code is hereby amended to read as follows:

**503.4 Obstruction of fire apparatus access roads.** Fire apparatus access roads shall not be obstructed in any manner, including the parking of vehicles. The minimum widths and clearances established in Section 503.2.1 shall be maintained at all times. Any obstruction or impedance to reasonable access may be removed at the order of the fire code official or the fire department, with the expense of such removal to be borne by the owner of the roadway, or in the case of an obstructing vehicle or object, by the owner of said vehicle or object.

**15.28.190** Section 505.1 of the International Fire Code is hereby amended to read as follows:

**505.1 Address Identification.** New and existing buildings shall have approved address numbers, building numbers or approved building identification placed in a position that is plainly legible and visible from the street or road fronting the property. Address numbers and building identification shall contrast with their background. Address numbers and building identification shall be Arabic numerals or alphabet letters. New residential buildings that contain not more than two dwelling units shall have minimum 4 inch (102 mm) high numbers, with a minimum stroke width of ½ inch (13 mm), and shall be internally illuminated by means of a low voltage power source during the hours of darkness. Where building setbacks exceed 100 feet (30 m) from the street or road, additional non-illuminated 4 inch (102 mm) numbers shall be displayed at the property entrance. Other buildings shall have minimum 8 inch (203 mm) high numbers, with a minimum stroke width of 1 inch (25 mm). Such address numbers shall be electrically illuminated by an internal or external source during the hours of darkness. Buildings with a total floor area of 100,000 square feet (9290 m<sup>2</sup>) or greater shall have minimum 12 inch (305 mm) high numbers, with a minimum stroke width of 1½ inches (38 mm). Such address numbers shall be electrically illuminated by an internal or external source during the hours of darkness. Where building setbacks exceed 200 feet (61 m) from the street or road, additional non-illuminated 6 inch (152 mm) high numbers shall be displayed at the property entrance. Individual suite addresses shall be displayed with minimum 4 inch (102 mm) high contrasting numbers or letters placed on the front and rear doors of tenant areas in buildings, where applicable.

**15.28.200** Section 316.7 of the International Fire Code is hereby added to read as follows:

**316.7 Smoke or fog emitting systems.** No alarm system shall be installed in a building or portion of a building which as a part of its operation discharges any gas, vapor, liquid, or other product when the primary intent of the system discharge is to obscure the vision of any person, cause

disorientation, or incapacitate any person within the building or portion thereof. Nothing in this section is intended to preclude the connection of an alarm system to any fire suppression system.

**15.28.210** Section 507.5.1 of the International Fire Code is hereby amended to read as follows:

**507.5.1 Where required.** Where a portion of the facility or building hereafter constructed or moved into or within the jurisdiction is more than 300 feet (91 m) from a hydrant on a fire apparatus access road, as measured by an approved route around the exterior of the facility or building, on-site fire hydrants and mains shall be provided where required by the fire code official.

**Exceptions:**

1. For Group R-3 and Group U occupancies, the distance requirement shall be *not more than* 600 feet (183 m). This distance may be further modified by the fire code official for such occupancies when buildings are equipped throughout with an approved fire sprinkler system installed in accordance with Section 903.3.1.3.
2. Deleted.

**15.28.220** Section 509.3 of the International Fire Code is hereby added to read as follows:

**509.3 Access to equipment in multi-unit buildings.** When automatic fire sprinkler systems or fire alarm systems are installed in buildings constructed for multiple tenants and these systems protect multiple tenant spaces, the main controls and control appurtenances, such as risers, fire alarm control panels, and valves for such systems, shall be located in an attached or included room or an approved weather-resistant *enclosure* with at least one exterior access door of not less than 3'-0" by 6'-8".

**15.28.230** Section 903.2.1.1 of the California Fire Code is hereby amended to read as follows:

**903.2.1.1 Group A-1.** An automatic sprinkler system shall be provided for Group A-1 occupancies.

**15.28.240** Section 903.2.1.2 of the California Fire Code is hereby amended to read as follows:

**903.2.1.2 Group A-2.** An automatic sprinkler system shall be provided for Group A-2 occupancies.

**15.28.250** Section 903.2.1.3 of the California Fire Code is hereby amended to read as follows:

**903.2.1.3 Group A-3.** An automatic sprinkler system shall be provided for Group A-3 occupancies.

**15.28.260** Section 903.2.1.4 of the California Fire Code is hereby amended to read as follows:

**903.2.1.4 Group A-4.** An automatic sprinkler system shall be provided for Group A-4 occupancies.

**15.28.270** Section 903.2.1.5 of the California Fire Code is hereby amended to read as follows:

**903.2.1.5 Group A-5.** An automatic sprinkler system shall be provided for Group A-5 occupancies in the following areas: concession stands, retail areas, press boxes, and other accessory use areas in excess of 200 square feet (19 m<sup>2</sup>).

**15.28.275** Section 903.2.2 of the California Fire Code is hereby amended to read as follows:

903.2.2 Ambulatory **health** care facilities. An automatic sprinkler system shall be installed throughout all fire areas containing **an** ambulatory health care facility occupancy when either of the following conditions exist at any time:

1. Four or more care recipients are incapable of self-preservation.
2. One or more care recipients who are incapable of self-preservation are located at other than the level of exit discharge serving such an occupancy.

**15.28.280** Section 903.2.3 of the California Fire Code is hereby amended to read as follows:

**903.2.3 Group E.** Except as provided for in Sections 903.2.19 for a new public school campus and 907.2.3.6.1 (fire alarm and detection) for modernization of an existing public school campus building(s), an automatic sprinkler system shall be provided for Group E occupancies as follows: an automatic sprinkler system shall be provided for Group E occupancies as follows:

1. Throughout all Group E fire areas greater than 200 square feet (19 m<sup>2</sup>) in area.
2. Throughout every portion of educational buildings below the level of exit discharge.
3. In rooms or areas with special hazards such as laboratories, vocational shops and other such areas where hazardous materials in exempt amounts are used or stored

**15.28.290** Section 903.2.4 of the California Fire Code is hereby amended to read as follows:

**903.2.4 Group F.** An automatic sprinkler system shall be provided throughout all buildings containing a Group F occupancy where the fire area exceeds 200 square feet (19 m<sup>2</sup>).

**15.28.300** Section 903.2.4.1 of the California Fire Code is hereby deleted.

**15.28.310** Section 903.2.7 of the California Fire Code is hereby amended to read as follows:

**903.2.7 Group M.** An automatic sprinkler system shall be provided throughout buildings containing a Group M occupancy where the fire area exceeds 200 square feet (19 m<sup>2</sup>).

**15.28.320** Section 903.2.8 of the California Fire Code is hereby amended to read as follows:

**903.2.8 Group R.** An automatic sprinkler system installed in accordance with Section 903.3 shall be provided throughout all buildings with a Group R fire area.

**Exceptions:**

1. Deleted.
2. When approved by the fire code official, detached Group U private garages accessory to a Group R-3 occupancy, when located 50 feet (15,240 mm) or more from property lines or dwellings.
3. Group R-3.1 occupancies not housing bedridden clients, not housing nonambulatory clients above the first floor, and not housing clients above the second floor.
4. Pursuant to Health and Safety Code Section 13113, occupancies housing ambulatory children only, none of whom are mentally ill or mentally handicapped, and the buildings or portions thereof in which such children are housed are not more than two stories in height, and buildings or portions thereof housing such children have an automatic fire alarm system activated by approved smoke detectors.

5. Pursuant to Health and Safety Code Section 13143.6, occupancies licensed for protective social care which house ambulatory clients only, none of whom is a child (under the age of 18 years), or who is elderly (65 years of age or over).

**15.28.330** Section 903.2.9 of the California Fire Code is hereby amended to read as follows:

**903.2.9 Group S-1.** An automatic sprinkler system shall be provided throughout all buildings containing a Group S-1 occupancy where the fire area exceeds 200 square feet (19 m<sup>2</sup>).

**15.28.340** Section 903.2.9.1 of the California Fire Code is hereby amended to read as follows:

**903.2.9.1 Repair garages.** An automatic sprinkler system shall be provided throughout all buildings used as repair garages in accordance with the *California Building Code*.

**15.28.350** Section 903.2.9.2 of the California Fire Code is hereby amended to read as follows:

**903.2.9.2 Bulk storage of tires.** Buildings and structures where the area for the storage of tires exceeds 200 square feet (19 m<sup>2</sup>) shall be equipped throughout with an automatic sprinkler system in accordance with Section 903.3.1.1.

**15.28.360** Section 903.2.10 of the California Fire Code is hereby amended by the deletion of the exception.

**15.28.370** Section 903.2.10.1 of the California Fire Code is hereby amended to read as follows:

**903.2.10.1 Commercial parking garages.** An automatic sprinkler system shall be provided throughout buildings used for storage of commercial trucks or buses where the fire area exceeds 200 square feet (19 m<sup>2</sup>).

**15.28.380** Section 903.2.11 of the California Fire Code is hereby amended by the deletion of the exception.

**15.28.390** Section 903.2.11.1 of the California Fire Code is hereby amended to read as follows:

**903.2.11.1 Stories and basements without openings.** An automatic sprinkler system shall be installed in every story or basement of all buildings where the floor area exceeds 200 square feet (19 m<sup>2</sup>) and where there is not provided at least one of the following types of exterior wall openings:

1. Openings below grade that lead directly to ground level by an exterior stairway complying with Section 1009 or an outside ramp complying with Section 1010. Openings shall be located in each 50 linear feet (15 240 mm), or fraction thereof, of exterior wall in the story on at least one side.
2. Openings entirely above the adjoining ground level totaling at least 20 square feet (1.86 m<sup>2</sup>) in each 50 linear feet (15 240 mm), or fraction thereof, of exterior wall in the story on at least one side.

**15.28.400** Section 903.2.11.3 of the California Fire Code is hereby amended by the deletion of the exception.

**15.28.410** Section 903.2.20 of the California Fire Code is hereby added to read as follows:

**903.2.20 Group B.** An automatic sprinkler system shall be provided throughout all buildings containing a Group B occupancy where the fire area exceeds 200 square feet (19 m<sup>2</sup>).

**15.28.420** Section 903.3.1.3 of the California Fire Code is hereby amended to read as follows:

**903.3.1.3 NFPA 13D sprinkler systems.** Automatic sprinkler systems installed in one- and two-family dwellings shall be installed throughout in accordance with NFPA 13D, including attached garages.

**15.28.430** Section 903.3.10 of the California Fire Code is hereby added to read as follows:

**903.3.10 Water supply for areas without City water service.** In areas without City water service, buildings where the fire area exceeds 200 square feet (19 m<sup>2</sup>) shall be provided with an approved automatic sprinkler system. Group R-3 occupancies shall be provided with on-site water storage for a minimum 10 minute sprinkler demand. When approved by the fire code official, on-site water storage for other than Group R occupancies may be reduced to that required for an approved 30 minute sprinkler demand. These flows and duration do not consider the needs required to provide domestic service. All sprinkler systems shall be suitably freeze-protected for climatic conditions when necessary.

**Exception:** When approved by the fire code official, detached Group U private garages accessory to a Group R-3 occupancy, when located 50 feet (15,240 mm) or more from property lines or dwellings.

**15.28.440** Section 903.7 of the California Fire Code is hereby added to read as follows:

**903.7 Area Increase and Reconstruction.** Every existing building or structure relocated or moved onto a property, every building or structure which as a result of fire, earthquake, or other disaster requires demolition and reconstruction exceeding fifty percent (50%) of its original area; or every existing building or structure receiving an addition exceeding fifty percent (50%) of the original area, or a remodel that involves demolition, relocation or reconstruction of existing walls or other structural members exceeding fifty percent (50%) of the original area, or a combination addition and/or remodel, shall have an approved automatic sprinkler system installed throughout therein.

**15.28.450** Section 903.8 of the California Fire Code is hereby added to read as follows:

**903.8 Change in Use.** Changes made in the character or use of an occupancy shall be approved by the building official and the chief. When there is a change of use or occupancy of a building which exceeds 5,000 square feet in floor area which would place the building in a different division of the same group of occupancy or in a different group of occupancies, the occupancy shall be provided with an approved automatic sprinkler system throughout, unless the proposed use is less hazardous based on fire or life safety risk, than the existing use.

**15.28.460** Section 905.4 of the California Fire Code is hereby amended by adding item number 7 to read as follows:

7. When required by other provisions of this code, 2½ inch hose connections, meeting the requirements of this section and fire department standards, shall be located at every other exterior fire department access door as defined by Section 2306.6.1, and arranged so that every portion of the building and its contents can be reached with 150 feet of hose and stream.

15.28.470 Section 910.1 of the California Fire Code is hereby amended to read as follows:

**910.1 General.** Where required by this code or otherwise installed, smoke and heat vents or mechanical smoke exhaust systems and draft curtains shall conform to the requirements of this section.

**Exceptions:**

1. Frozen food warehouses used solely for storage of Class I and II commodities where protected by an approved automatic sprinkler system.
2. Deleted.

15.28.480 Section 910.3.4 of the California Fire Code is hereby amended to read as follows:

**910.3.4 Sprinklered buildings.** Where installed in buildings equipped with an approved automatic sprinkler system, smoke and heat vents shall be designed to operate automatically by the actuation of a heat responsive device rated at least 100 degrees F above the operating temperature for the sprinkler heads, or manually with independent controls for the fire department pursuant to Section 914.12.

15.28.490 Section 914.12 of the California Fire Code is hereby added to read as follows:

**914.12 Special requirements for Group F, M, S-1 or S-2 distribution warehouses greater than 50,000 square feet in floor area.** Buildings classified primarily as Group M, Group S-1 or S-2, with no more than 10% of the building square footage occupied with accessory uses, in which the primary use is wholesale or retail sales of bulk products or packaged materials, or for the storage of commodities for distribution, shall be in accordance with this section.

**914.12.1 Fire Control Room.** A fire control room for fire department operations shall be provided. The location and accessibility of the fire control room shall be approved by the fire code official. The fire control room shall be separated from the remainder of the building by walls and ceilings not less than one-hour fire partitions. The room shall be a minimum of 96 square feet (9 m<sup>2</sup>) in area, with a minimum dimension of 8 feet (2438 mm). The room shall contain the following as a minimum:

1. The fire alarm control unit and associated equipment.
2. Annunciator panel displaying status of sprinkler control valves and waterflow detectors.
3. Main controls and indicators for mechanical smoke exhaust systems.
4. Graphic with schematic indicating building floor plans, means of egress, fire protection systems, firefighting equipment and access.
5. Other firefighting equipment and system controls as required by the fire code official.
6. Emergency lighting powered by the standby electrical system.

**914.12.2 Mechanical smoke exhaust.** A mechanical smoke exhaust system conforming to the requirements of Section 910.4 shall be provided. The system may be combined with environmental or other ventilation air systems when approved by the fire code official.

**914.12.3 Standpipe systems.** A class I standpipe system shall be provided, with hose connections located at fire department access doors as required by Section 905.4. The system may be interconnected with the building automatic sprinkler systems, and may be

supplied by adjacent systems or by a separate riser. Standpipe systems shall conform to the requirements of NFPA 14.

**914.12.4 Fire department graphic.** A printed graphic with schematic diagrams of the building automatic sprinkler systems, fire alarm systems, means of egress, standpipe systems, smoke exhaust systems, access doors, and any other equipment as required by the fire code official shall be superimposed over a building floor plan or site plan and mounted on the wall in a highly visible location in the fire control room. The graphic shall be durable and waterproofed.

**914.12.5 Standby power.** A standby power generator conforming to the *California Electrical Code* shall be provided on the premises, in a protected location. The generator shall have a rated capacity necessary to supply the load of all fire protection features listed below at the same time:

1. Emergency lighting and exit signs necessary for egress.
2. Lighting for the fire control room.
3. Signal and communication systems as applicable.
4. Electrically powered fire pumps required to maintain pressure.
5. Mechanical smoke exhaust systems as required by Section 914.12.2.

In addition, a fuel supply sufficient for not less than two hours of operation shall be required on the premises. All electrically connected systems shall be transferred within 60 seconds after losing primary power.

**914.12.6 Enhanced communications.** When required by the fire code official, enhanced communication equipment, such as bi-directional amplifiers, shall be provided in the building for dedicated use by the fire department. When such equipment is required to be installed, it shall be provided with a standby power supply.

**914.12.7 Other requirements.** All fire protection systems shall comply with fire department standards regarding installation, signage and labeling, maintenance, and other requirements as specified by the fire code official.

**15.28.500** Table 3206.2 of the California Fire Code is hereby amended by the deletion of Footnote j.

**15.28.510** Section 5601 of the International Fire Code is hereby *amended* to read as follows:

**5601.1.3 Fireworks.** Possession, sale, storage or use of fireworks, including “Safe and Sane” fireworks as defined in *Health and Safety Code* Section 12529, is prohibited.

**5601.1.3.1 Seizure of fireworks.** The fire chief, fire code official or fire department is authorized to seize, remove or cause to be removed, at the expense of the owner, all stocks of fireworks offered or exposed for sale, stored, held or handled in violation of this chapter.

**15.28.520** Section 4902, the Definition of *WILDLAND-URBAN INTERFACE FIRE AREA* is hereby amended to read as follows:

**WILDLAND-URBAN INTERFACE FIRE AREA** is a geographical area identified by the state as a “Fire Hazard Severity Zone” in accordance with the Public Resources Code Sections

4201 through 4204 and Government Code Sections 51175 through 51189, or other areas designated by the enforcing agency to be at a significant risk from wildfires.

**15.28.530** Section 4914 of the California Fire Code is hereby added to read as follows:

**SECTION 4914  
FIRE PROTECTION PLAN**

**4914 General.** A Fire Protection Plan (FPP), approved by the fire code official, shall be required for all new development within the Wildland-Urban Interface Area.

The FPP shall include mitigation measures consistent with the unique problems resulting from the location, topography, geology, flammable vegetation, and climate of the proposed site.

The FPP shall address water supply, access, building ignition and fire resistance, fire protection systems and equipment, defensible space and vegetation management.

The FPP shall be consistent with the requirements of *California Building Code* Chapter 7A, the *International Wildland-Urban Interface Code*, and the Loma Linda Municipal Code.

**15.28.540** Section B105.2 of Appendix B of the California Fire Code is hereby amended by amending the Exception to read as follow:

**Exception:** A reduction in required fire-flow of up to 50 percent (50%), as approved, is allowed when the building is provided with an approved automatic sprinkler system installed in accordance with Section 903.3.1.1 or 903.3.1.2. The resulting fire-flow shall not be less than 1,500 gallons per minute (5678 L/min) for the prescribed duration as specified in Table B105.1.

**15.28.550** Section B-107 of the International Fire Code is hereby added to read as follows:

Section B-107  
Underground Fire Loop Requirements

B- 107.1 General: Commercial; Industrial; Institutional; Multi-Family Residential, will require a dedicated Two (2) point of connection looped fire water system fed from appropriately sized water mains.

B-107.2 Specifics: Any development within the City of Loma Linda that consists of more than a single structure on a commercially developed site; multiple floor commercial structures; multi-family commercial residences or fire flow requirements in excess of 2000 gpm will require a two point of connection full looped fire supply to the development. All required onsite fire hydrants will be supplied from this looped system and will be private to the development. When there are practical difficulties involved in carrying out the provisions of this ordinance the Fire Code Official is authorized to grant modifications for individual cases on application in writing by the owner or a duly authorized representative. The code official shall first find that a special reason makes enforcement of the strict letter of the ordinance impractical and any modification or change does not lessen any fire protection requirements. If so changes or modifications may be approved by the Fire Code Official or Fire Chief.

15.28.560 Section 605 of the International Fire Code is hereby amended to read as follows:

Section 605.11

SOLAR PHOTOVOLTAIC POWER SYSTEMS.

605.11 Solar photovoltaic power systems shall be installed in accordance with section 605.11.1 through 605.11.2, the California Building Code or the California Electrical Code.

Exceptions:

1. Deleted
2. Roof access, pathways and spacing requirements need not be provided where the Fire Code Official determines that rooftop operations will not be employed.

605.11.1.2 Solar photovoltaic systems for Group R-3 buildings.

Solar photovoltaic systems for Group R-3 buildings shall comply with sections 605.11.1.2.1 through 605.11.1.2.5.

Exception – Deleted.

605.11.1.2.2 Hip roof layouts. Panels and modules installed on Group R-3 buildings with hip roof layouts shall be located in a manner that provides a 3-foot-wide (914mm) clear access pathway from the eave to the ridge on each roof slope where panels and modules are located. The access pathway shall be at a location on the building capable of supporting the firefighters accessing the roof.

Exception – Deleted.

605.11.1.2.3 Single-ridge roofs. Panels and modules installed on Group R-3 buildings with hip roof layouts shall be located in a manner that provides two - 3-foot-wide (914mm) clear access pathways from the eave to the ridge on each roof slope where panels and modules are located.

Exception – Deleted.

605.11.1.2.4 Roofs with hips and valleys. Panels and modules installed on Group R-3 buildings with hip and valleys where panels are to be placed on either side or both sides of the hip or valley shall not be located any closer than 18 inches (457mm) from the centerline leaving a 3-foot wide clear pathway from the eave to the ridge.

Exception – Deleted.

605.11.2.5 Allowance for smoke ventilation operations. Panels and modules installed on Group R-3 buildings shall be located no less than 3-feet (914mm) from the ridge in order to allow for fire department smoke ventilation operations.

Exception – Deleted.

605.11.1.2.6 Location of conductors. All conduits shall be run on top of the roof and not in attic spaces. Conduit wiring systems and combiner boxes for photovoltaic circuits shall not be located near the fire department access pathways. Conduit runs between sub arrays and to combiner boxes shall be installed in a manner to reduce trip hazard and to minimize the total amount of conduit on the roof by taking the shortest path from the array to the combiner boxes.

15.28.570 Section 304 of the International Fire Code is hereby amended to read as follows:

Section 304 COMBUSTIBLE WASTE MATERIAL.

Section 304.1 Waste accumulation prohibited. Combustible waste material creating a fire hazard shall not be allowed to accumulate in buildings or structures or upon premises.

304.1.1 Waste material. Accumulations of wastepaper, wood, hay, straw, litter or combustible or flammable waste or rubbish of any type shall not be permitted to remain on the roof or any courtyard, vacant lot, alley, parking lot, open space, or beneath a grandstand or bleacher, manufactured home, recreational vehicle or other similar structures.

304.1.2 Vegetation. Weeds, grass or dead palm fronds, dead branches, vines or other growth that is capable of being ignited and endangering property, shall be cut down and removed by the owner or occupant of the premises. Vegetation clearance requirements in urban-wildland interface areas shall be in accordance with chapter 49 and the 2015 International Wildland-Urban Interface Code.

15.28.580 Section 905 of the California Fire Code is hereby amended to read as follows:

Section 905 STANDPIPE SYSTEMS

905.3.1 Height. In other than Group R-3 and R3.1 occupancies, Class III standpipe systems shall be installed throughout each floor where any of the following occur:

1. Buildings where the floor level of the highest story is located more than 30 feet (9144mm) above the lowest level of fire department vehicle access.
2. Buildings are **three** stories in height.
3. Building where the floor level of the lowest story is located more than 30 feet (9144mm) below the highest level of fire department vehicle access.
4. Buildings that are two or more stories below the highest level of fire department vehicle access.

The remainder of the section remains as adopted.

**SECTION 2. Repealer.** Loma Linda Municipal Code Chapter 15.28 is hereby repealed and replaced as specified in this Ordinance.

**SECTION 3. Penalties.** If any person shall violate any of the provisions of this Ordinance, or fail to comply with any of the mandatory requirements of this Ordinance, he shall be guilty of an infraction. Any person convicted of an infraction under the provisions of a City Ordinance shall be punishable by (1) a fine of not more than one hundred dollars (\$100.00) for a first violation; (2) a fine not exceeding two hundred dollars (\$200.00) for a second violation of the same Ordinance within one year and (3) a fine not exceeding five hundred dollars (\$500.00) for each additional violation of the same Ordinance within one year. Each such person shall be deemed guilty of a separate offense for every day during such portion of which any violation of this Ordinance is committed, continued or permitted by such person, and shall be punishable therefore as provided by this Ordinance.

**SECTION 4. Validity.** If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such holding or holdings shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed

this Ordinance and each section, subsection, clause sentence and phrase thereof, irrespective of the fact that any one or more sections, subsections, clauses, sentences or phrases be declared invalid.

**SECTION 5. Posting.** Prior to the expiration of 15 days from its passage, the City clerk shall cause this Ordinance to be posted pursuant to law in 3 public places designated for such purpose by the City Council.

This Ordinance was introduced at the regular meeting of the City Council of the City of Loma Linda, California, held on the 12<sup>th</sup> day of November 2013 and was adopted on the 10th day of December 2013 \_\_\_ by the following vote to wit:

Ayes:

Noes:

Abstain:

Absent:

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Rhodes Rigsby, Mayor

Attest:

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Pamela Byrnes-O'Camb, City Clerk

RESOLUTION NO. ~~xxxx~~

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA TO COMPLY WITH THE STATE OF CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 17958, 17958.5 AND 17958.7 RELATING TO THE ADOPTION OF THE 2016 EDITION OF THE CALIFORNIA FIRE CODE

WHEREAS, Health and Safety Code Section 17958 and Government Code Section 50022 empowers the City to adopt by reference the California Building Standards Code, including the California Fire Code; and

WHEREAS, Health and Safety Code Section 17958.5 authorizes the City to make amendments to said California Fire Code on the bases of local climatic, geological, or topographical condition; and

WHEREAS, Health and Safety Code Section 17958.7 requires that before making any modifications or changes pursuant to Section 17958.5, the governing body of a City or County shall make an express finding of local necessity that such modifications or changes are needed; and

WHEREAS, the City Council is informed and finds that these climatic, geological and topographical conditions include, but are not limited to the following conditions:

1. The area of the City of Loma Linda receives relatively low amounts of precipitation, and experiences very low relative humidity levels and extremely high temperatures. These climatic conditions are conducive to the spread of fire. For example, the measured rainfall was recorded from the gauge at the City's Headquarters Fire Station and the recorded temperatures were recorded at the San Bernardino County Flood Control District Office located at 825 E. 3<sup>rd</sup> St., San Bernardino for the last three years.

2013: Maximum temperatures greater than 100°F recorded during the months of June, July and August. Total recorded annual rainfall of 4.29 inches, with no rain measured in the months of June, August, and September.

2014: Maximum temperatures greater than 100°F recorded during the months of July, August, September and October. Total recorded annual rainfall of 5.00 inches, with no rain measured in the months of January, May, June, July, September and October.

2015: Maximum temperatures greater than 100°F recorded during the months of April, June, July, August, September and October. Total recorded annual rainfall of 2.64 inches, with no rain measured in the months of January, February, June and August.

2. The area of the City of Loma Linda is subject to extremely strong winds, commonly referred to as "Santa Ana Winds," which can reach speeds of more than 40 miles per hour. Extensive damage often occurs during such winds including downed trees, power lines, utility poles and utility service lines. These adverse conditions cause:
  - a) fires;
  - b) impairment of emergency apparatus access;
  - c) delays in response times of emergency apparatus; and
  - d) the depletion of apparatus readily available for fire suppression activities.

Specific amendments to the California Fire Code contained in Ordinance No. \_\_\_ pursuant to this express finding of local necessity are made to Sections: 903.2.1.1, 903.2.1.2, 903.2.1.3, 903.2.1.4, 903.2.1.5, 903.2.2, 903.2.3, 903.2.4, 903.2.4.1, 903.2.7, 903.2.8, 903.2.9, 903.2.9.1, 903.2.9.2, 903.2.10, 903.2.10.1, 903.2.11, 903.2.11.1, 903.2.11.3, 903.2.19, 903.3.1.3, 903.7, 903.8, Fire Sprinklers; 903.3.10, Water Supply; 905.4 Hose Connections; 910.1 Smoke and Heat Vents, Mechanical Smoke Exhaust Systems and Draft

Curtains; 910.3.4 Smoke and Heat Vents; 914.12 Special Requirements for Group F, M, S-1 or S-2 Distribution Warehouses greater than 50,000 square feet in floor area; Table 3206.2 High-piled Combustible Storage; 5601 Fireworks; 4902 Wildland-Urban Interface Fire Area; 605.11 Solar Photovoltaic systems; 304.1 Combustible waste material; 905.3 Standpipe system height; 4914, Fire Protection Plan; Appendix B B105.2 Reduction in Required Fire-flow; and Appendix B, B105.7.1 and B105.7.2. Two points of connection creating a Fire Loop system.

3. Within the area of the City of Loma Linda there are three earthquake faults:
  - a) the San Jacinto Fault;
  - b) the Loma Linda Fault;
  - c) the Beaumont-Banning Fault.

Numerous other faults lie in close proximity, including the San Andreas Fault. In the event of a severe earthquake, these faults present the potential for catastrophic damage, including extensive damage to buildings, fire, and damage to major infrastructure including water and sewer distribution lines, roadways, bridges across a major storm drain and railroad right-of-way, and other impairments to the movement of emergency apparatus.

Specific amendments to the California Fire Code contained in Ordinance No. \_\_\_ pursuant to this express finding of local necessity are made to Sections: 903.2.1.1, 903.2.1.2, 903.2.1.3, 903.2.1.4, 903.2.1.5, 903.2.2, 903.2.3, 903.2.4, 903.2.4.1, 903.2.7, 903.2.8, 903.2.9, 903.2.9.1, 903.2.9.2, 903.2.10, 903.2.10.1, 903.2.11, 903.2.11.1, 903.2.11.3, 903.2.19, 903.3.1.3, 903.7, 903.8, Fire Sprinklers; 903.3.10, Water Supply; 905.4 Hose Connections; 910.1 Smoke and Heat Vents, Mechanical Smoke Exhaust Systems and Draft Curtains; 910.3.4 Smoke and Heat Vents; 914.12 Special Requirements for Group F, M, S-1 or S-2 Distribution Warehouses greater than 50,000 square feet in floor area; Table 3206.2 High-piled Combustible Storage; 5601 Fireworks; 4902 Wildland-Urban Interface Fire Area; 605.11 Solar Photovoltaic systems; 304.1 Combustible waste material; 905.3 Standpipe system height; 4914 Fire Protection Plan; Appendix B B105.2 Reduction in Required Fire-flow, and Appendix B, B105.7.1 and B105.7.2. Two points of connection creating a Fire Loop system.

4. Within the area of the City of Loma Linda development has occurred and continues to occur which has resulted in severe traffic congestion during peak hours. This development includes high-rise structures, institutional, commercial, industrial and residential structures. Development has occurred within that portion of the City known as the Loma Linda Hills where roadways have been built in areas of severe topographical conditions including street and driveway grades in excess of 12%. Such traffic congestion and severe roadway conditions extend the time for emergency vehicles to reach the scene of fires and other emergencies. Such drastic changes in elevation may also at a critical time effect water systems, delivery or pressures within the Cities water network.

Specific amendments to the California Fire Code contained in Ordinance No. \_\_\_ pursuant to this express finding of local necessity are made to Sections: 903.2.1.1, 903.2.1.2, 903.2.1.3, 903.2.1.4, 903.2.1.5, 903.2.2, 903.2.3, 903.2.4, 903.2.4.1, 903.2.7, 903.2.8, 903.2.9, 903.2.9.1, 903.2.9.2, 903.2.10, 903.2.10.1, 903.2.11, 903.2.11.1, 903.2.11.3, 903.2.19, 903.3.1.3, 903.7, 903.8, Fire Sprinklers; 903.3.10, Water Supply; 905.4 Hose Connections; 910.1 Smoke and Heat Vents, Mechanical Smoke Exhaust Systems and Draft Curtains; 910.3.4 Smoke and Heat Vents; 914.12 Special Requirements for Group F, M, S-1 or S-2 Distribution Warehouses greater than 50,000 square feet in floor area; Table 3206.2 High-

piled Combustible Storage; 5601 Fireworks; 4902 Wildland-Urban Interface Fire Area; 605.11 Solar Photovoltaic systems; 304.1 Combustible waste material; 905.3 Standpipe system height; 4914 Fire Protection Plan; Appendix B B105.2 Reduction in Required Fire-flow, and Appendix B, B105.7.1 and B105.7.2. Two points of connection creating a Fire Loop system.

WHEREAS, the City Council is informed and finds that because the City is subject to the above referenced climatic, geological and topographical conditions that amendments to the California Fire Code, 2010 Edition, are necessary to protect life and property, and that such amendments are to deal with the following issues: 1) high fire hazard areas; 2) water supplies; 3) fire extinguishing systems and sprinkler systems, and 4) the storage, handling and use of flammable and combustible liquids and hazardous materials;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Loma Linda does hereby establish that the modifications to the 2010 California Fire Code, as outlined in Ordinance No. 673 are necessary due to local climatic, geographic and topographic conditions.

BE IT FURTHER RESOLVED that a copy of this Resolution be forwarded to the State of California Building Standards Commission;

BE IT FURTHER RESOLVED that a copy of this Resolution shall be incorporated and filed with Ordinance No. .

PASSED, APPROVED AND ADOPTED this 11th day of October 2016 by the following vote:

Ayes:  
Noes:  
Abstain:  
Absent:

---

Rhodes Rigsby, Mayor

ATTEST:

---

Pamela Byrnes-O'Camb, City Clerk

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA  
ADOPTING AND AMENDING THE 2015 EDITION OF THE INTERNATIONAL  
WILDLAND-URBAN INTERFACE CODE.

The City Council of the City of Loma Linda does hereby ordain as follows:

**SECTION 1.** Chapter 15.30 of Title 15 of the Loma Linda Municipal Code is hereby added to read as follows:

**Chapter 15.30**

**WILDLAND-URBAN INTERFACE CODE**

**Sections:**

15.30.010	Findings and Adoption of the International Wildland-Urban Interface Code
15.30.020	Definitions
15.30.030-220	Amendments to the International Wildland-Urban Interface Code

**15.30.010 Findings and Adoption of the Internarional Wildland-Urban Interface Code**

(a) FINDINGS. The City Council of the City of Loma Linda hereby finds and determines:

1. That the International Code Council (ICC) is a private organization which has been in existence for a period of at least three years.

2. That the International Wildland-Urban Interface Code (IWUIC), 2015 Edition, published by said organization, is a nationally recognized compilation of proposed rules, regulations, and standards of said organization.

3. That said International Wildland-Urban Interface Code has been printed and published as a code in book form within the meaning of Section 50022.2 et seq. of the California Government Code.

4. That one copy of the 2015 International Wildland-Urban Interface Code, certified by the Clerk of the City of Loma Linda to be a true copy, have been filed for use and examination by the public in the Fire Prevention office of the Fire Department of the City of Loma Linda.

5. The sections of said International Wildland-Urban Interface Code may be referred to by the number used in said published compilation, preceded by the words "International Wildland-Urban Interface Code Section" or "Wildland-Urban Interface Code Section" or "WUI Code Section," and may also be referred to by additional reference to the Loma Linda Municipal Code and sections therein pertaining to said International Wildland-Urban Interface Code.

(b) ADOPTION OF THE THE INTERNATIONAL WILDLAND-URBAN INTERFACE CODE.

The City Council of the City of Loma Linda hereby adopts and amends the 2015 Edition of the International Wildland-Urban Interface Code, and International Wildland-Urban Interface Code Appendices A, B and D; as compiled and published by the International Code Council.

**15.30.020 Definitions.**

- (a) Wherever the word "Jurisdiction" is used in said Wildland-Urban Interface Code, it shall mean the City of Loma Linda.
- (b) Wherever the term "Code Official" is used in said Wildland-Urban Interface Code, it shall mean the Fire Marshal for the City of Loma Linda.
- (c) Wherever the term "Corporation Counsel" is used in said Wildland-Urban Interface Code, it shall mean the City Attorney for the City of Loma Linda.
- (d) Wherever the term "Fire Department" is used in said Wildland-Urban Interface Code, it shall mean the Fire Department of the City of Loma Linda.
- (e) An employee of the Fire Department of the City of Loma Linda, when enforcing the International Wildland-Urban Interface Code, the Loma Linda Municipal Code and other laws, rules and regulations relating to fire and life safety, fire prevention and fire investigation, shall be deemed a "Peace Officer" as those words are used in Section 830.31 of the California Penal Code.

**15.30.030** Section 101.1 of the International Wildland-Urban Interface Code is hereby amended to read as follows:

**101.1 Title.** These regulations shall be known as the *Wildland-Urban Interface Code* of the City of Loma Linda, hereinafter referred to as "this code."

**15.30.040** Section 105.3 of the International Wildland-Urban Interface Code is hereby amended to read as follows:

**105.3 Alternative materials or methods.** The code official, in concurrence with approval from the building official and fire chief, is authorized to approve alternative materials or methods, provided that the code official finds that the proposed design, use or operation satisfactorily complies with the intent of this code and that the alternative is, for the purpose intended, at least equivalent to the level of quality, strength, effectiveness, fire resistance, durability and safety prescribed by this code. Approvals under the authority herein contained shall be subject to the approval of the building official *where* the alternate material or method involves matters regulated by the California Building Code. The code official shall require that sufficient evidence or proof be submitted to substantiate any claims made regarding *the use of alternative materials or methods*. The details of any action granting approval of an *alternative* shall be recorded and entered in the files of the code enforcement agency. *Where the alternative method of construction is not approved, the code official shall respond in writing, stating the reasons the alternative was not approved.*

**15.30.050** Section 107.3 of the International Wildland-Urban Interface Code is hereby amended to read as follows:

**107.3 Work exempt from permit.** Unless otherwise provided in the requirements of the *California Building Code*, a permit shall not be required for the following: (Remainder of section remains the same.)

**15.30.060** Section 107.11 of the International Wildland-Urban Interface Code is hereby added to read as follows:

**107.11 Permit Fees.** Permit fees as established by City Council Resolution shall be collected by the Finance Department. Proof of receipt shall accompany all applications for permit applications prior to inspection and approval by the code official.

**15.30.070** Section **107.12** of the International Wildland-Urban Interface Code is hereby added to read as follows:

**107.12 Fees Not Refundable.** Permit fees shall not be refundable for any reason after initiation of inspection procedures.

**15.30.080** Section 108.3 of the International Wildland-Urban Interface Code is hereby **amended** to read as follows:

**108.3 Site plan.** In addition to the requirements for plans in the *California Building Code*, site plans shall include topography, width and percent of grade of access roads, landscape and vegetation details, locations of structures or building envelopes, existing or proposed overhead utilities, occupancy classification of buildings, types of ignition-resistant construction of buildings, **structures** and their appendages, roof classification of buildings, and site water supply systems.

**15.30.090** Section 109.1.2.4 of the International Wildland-Urban Interface Code is hereby added to read as follows:

**109.1.2.4 Inspection fees.** The code official is authorized to collect appropriate fees for inspections according to City Council Resolution establishing fees.

**15.30.100** Section 201.3 of the International Wildland-Urban Interface Code is hereby amended to read as follows:

**201.3 Terms defined in other codes.** Where terms are not defined in this code and are defined in other *California* or *International Codes*, such terms shall have the meanings ascribed to them as in those codes.

**15.30.110** Section 202, definition of "BUILDING OFFICIAL," of the International Wildland-Urban Interface Code is hereby amended to read as follows:

**BUILDING OFFICIAL.** The officer or other designated authority charged with the administration and enforcement of the *California Building Code*, or the building official's duly authorized representative.

**15.30.120** Section 202, definition of "FUEL, HEAVY," of the International Wildland-Urban Interface Code is hereby amended to read as follows:

**FUEL, HEAVY.** Vegetation consisting of round wood 3 to 8 inches (76 to 203 mm) in diameter. Heavy fuels represent dense conifer stands where there is a heavy accumulation of litter and downed woody material. See applicable National Fire Danger Rating system (NFDR), fuel models G & U as described in Appendix D.

**15.30.130** Section 202, definition of "FUEL, LIGHT," of the International Wildland-Urban Interface Code is hereby amended to read as follows:

**FUEL, LIGHT.** Vegetation consisting of herbaceous plants and round wood less than 1/4 inch (6.4 mm) in diameter. Light fuels represent western grasslands vegetated by annual or perennial grasses and forbs. Grasses and forbs are the primary ground fuel, but there can be enough needle

litter and branch wood present from an open pine stand to contribute to the fuel loading. See applicable National Fire Danger Rating system (NFDR), fuel models A, C & L as described in Appendix D.

**15.30.140** Section 202, definition of “FUEL, MEDIUM,” of the International Wildland-Urban Interface Code is hereby amended to read as follows:

**FUEL, MEDIUM.** Vegetation consisting of round wood 1/4 to 3 inches (6.4 mm to 76 mm) in diameter. Medium fuels represent mature, dense fields of California mixed chaparral. See applicable National Fire Danger Rating system (NFDR), fuel models B & F as described in Appendix D.

**15.30.150** Section 202, definition of “FUEL MODIFICATION ZONE,” of the International Wildland-Urban Interface Code is hereby added to read as follows:

**FUEL MODIFICATION ZONE.** A strip of land where combustible vegetation has been thinned, modified or both and partially or totally replaced with approved drought-tolerant, fire-resistant, and/or irrigated plants to provide an acceptable level of risk from vegetation fires. Fuel modification reduces radiant and convective heat, thereby reducing the amount of heat exposure on the roadway or structure and providing fire suppression forces a safer area in which to take action.

**15.30.160** Section 202, definition of “HEAVY TIMBER CONSTRUCTION,” of the International Wildland-Urban Interface Code is hereby amended to read as follows:

**HEAVY TIMBER CONSTRUCTION.** As described in the *California Building Code*.

**15.30.170** Section 404.5, Subsection 2, Exception, of the International Wildland-Urban Interface Code is hereby amended to read as follows:

**Exception:** A reduction in required flow rate of up to 50 percent, as approved by the code official, is allowed *where* the building is provided with an approved automatic sprinkler system. The resulting water supply shall not be less than 1,500 gallons per minute (94.6 L/s).

**15.30.180** Section 404.10.3 of the International Wildland-Urban Interface Code is hereby amended to read as follows:

**404.10.3 Standby power.** Stationary water supply facilities within the wildland-urban interface area dependent on electrical power to meet adequate water supply demands shall provide standby power systems in accordance with *section 604 of the California Fire Code and section 2702 of the California Building Code* to ensure that an uninterrupted water supply is maintained. The standby power source shall be capable of providing power for *not less than* two hours. (Remainder of section remains the same.)

**15.30.190** Section 501.1 of the International Wildland-Urban Interface Code is hereby amended to read as follows:

**501.1 Scope.** Buildings and structures shall be constructed in accordance with the *California Building Code* and this code. (Remainder of section remains the same.)

**15.30.200** Section 504.3 of the International Wildland-Urban Interface Code is hereby amended to read as follows:

**504.3 Protection of eaves.** Eaves and soffits shall be protected on the exposed underside by materials approved for *not less than* 1-hour fire-resistance-rated construction, 2-inch (51 mm) nominal dimension lumber, or 1-inch (25.4 mm) nominal fire-retardant-treated lumber or ¾-inch (19 mm) nominal fire-retardant-treated plywood, identified for exterior use and meeting the requirements of Section 2303.2 of the *California Building Code*. *Fascias* are required and shall be protected on the backside by materials approved for *not less than* of 1-hour fire-resistance-rated construction or 2-inch (51 mm) nominal dimension lumber.

**15.30.210** Section 504.7 of the International Wildland-Urban Interface Code is hereby amended to read as follows:

**504.7 Appendages and projections.** Unenclosed accessory structures attached to buildings with habitable spaces and projections, such as decks, shall be *not less than* 1-hour fire-resistance-rated construction, heavy timber construction or constructed of approved noncombustible materials or fire-retardant-treated wood identified for exterior use and meeting the requirements of Section 2303.2 of the *California Building Code*. (Remainder of section remains the same.)

**15.30.220** Section 505.7 of the International Wildland-Urban Interface Code is hereby amended to read as follows:

**505.7 Appendages and projections.** Unenclosed accessory structures attached to buildings with habitable spaces and projections, such as decks, shall be *not less than* 1-hour fire-resistance-rated construction, heavy timber construction or constructed of approved noncombustible materials or fire-retardant-treated wood identified for exterior use and meeting the requirements of Section 2303.2 of the *California Building Code*. (Remainder of section remains the same.)

**SECTION 2. Penalties.** If any person shall violate any of the provisions of this Ordinance, or fail to comply with any of the mandatory requirements of this Ordinance, he shall be guilty of an infraction. Any person convicted of an infraction under the provisions of a City Ordinance shall be punishable by (1) a fine of not more than one hundred dollars (\$100.00) for a first violation; (2) a fine not exceeding two hundred dollars (\$200.00) for a second violation of the same Ordinance within one year and (3) a fine not exceeding five hundred dollars (\$500.00) for each additional violation of the same Ordinance within one year. Each such person shall be deemed guilty of a separate offense for every day during such portion of which any violation of this Ordinance is committed, continued or permitted by such person, and shall be punishable therefore as provided by this Ordinance.

**SECTION 3. Validity.** If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such holding or holdings shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause sentence and phrase thereof, irrespective of the fact that any one or more sections, subsections, clauses, sentences or phrases be declared invalid.

**SECTION 4. Posting.** Prior to the expiration of 15 days from its passage, the City clerk shall cause this Ordinance to be posted pursuant to law in 3 public places designated for such purpose by the City Council.

Ordinance No.  
Page 6

This Ordinance was introduced at the regular meeting of the City Council of the City of Loma Linda, California, held on the \_\_\_\_\_ day of \_\_\_\_\_ and was adopted on the \_\_\_\_\_ day of \_\_\_\_\_ by the following vote to wit:

Ayes:

Noes:

Absent:

Abstain:

\_\_\_\_\_  
Rhodes Rigsby, Mayor

Attest:

\_\_\_\_\_  
Pamela Byrnes-O'Camb, City Clerk



# City of Loma Linda Official Report

Rhodes Rigsby, Mayor  
Ovidiu Popescu, Mayor pro tempore  
Ronald Dailey, Councilman  
Phillip Dupper, Councilman  
John Lenart, Councilman

COUNCIL AGENDA: October 11, 2016

TO: City Council

VIA: T. Jarb Thaipejr, City Manager

FROM: Jeffrey Bender, Fire Chief *JB*

SUBJECT: Adoption of the 2015 International Wildland-Urban Interface Code with Amendments

Approved/Continued/Denied By City Council Date _____
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### RECOMMENDATION

That the City Council adopt by reference the 2015 International Wildland–Urban Interface Code, with amendments. Introduce Council Bill #O-2016-08 on First Reading and set the Second Reading for November 8, 2016.

### BACKGROUND

Neither the 2013 Edition of the California Fire Code nor the corresponding 2012 Edition of the International Fire Code include language equivalent to Appendix II-A contained in the Uniform Fire Code. A separate document, the 2015 Edition of the International Wildland-Urban Interface Code, contains requirements pertaining to Wildland-Urban Interface areas, formerly known as Hazardous Fire Areas in the Uniform Fire Code.

### ANALYSIS

Adoption of the 2015 Edition of the International Wildland-Urban Interface Code will provide regulations and requirements that pertain specifically to Wildland-Urban Interface areas. It is needed in order to provide and maintain requirements consistent with those previously in place for those portions of the City that fall within the designated Wildland-Urban Interface Area (formerly known as the Hazardous Fire Area).

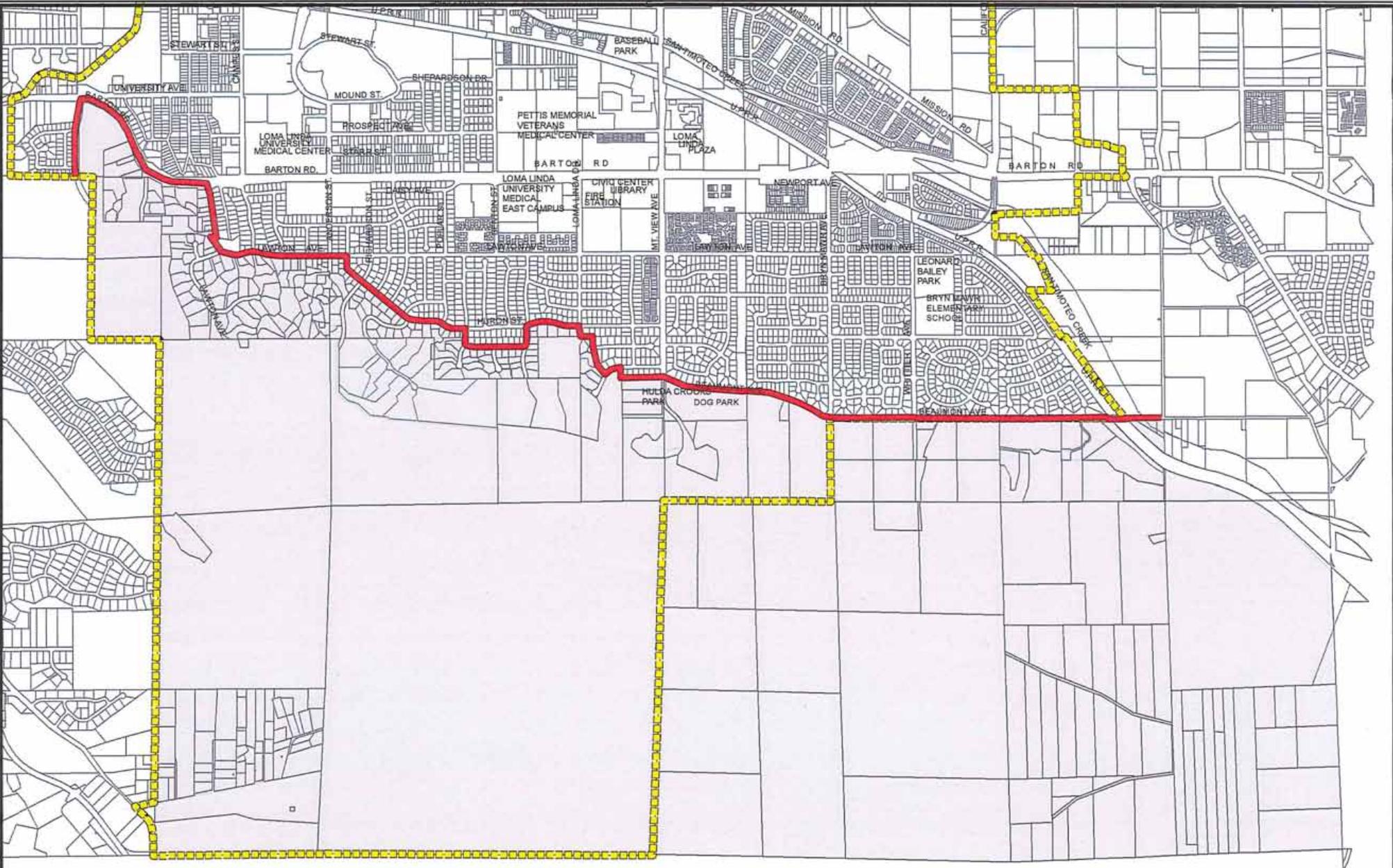
### ENVIRONMENTAL

Not applicable.

### FINANCIAL IMPACT

None anticipated.

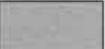
# LOMA LINDA WILDLAND URBAN INTERFACE (WUI)



## Legend

 FIRE HAZARD BOUNDARY

 CITY LIMITS

 High Fire Hazard Area





# City of Loma Linda Official Report

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Rhodes Rigsby, Mayor  
Phill Dupper, Mayor pro tempore  
Ovidiu Popescu, Councilman  
Ronald Dailey, Councilman  
John Lenart, Councilman

COUNCIL AGENDA:      October 11, 2016  
TO:                              City Council  
SUBJECT:                      Demands Register

Approved/Continued/Denied By City Council Date _____
--

## RECOMMENDATION

It is recommended that the City Council approve the attached list of demands for payment.

vchlist  
09/21/2016 2:03:25PM

Voucher List  
CITY OF LOMA LINDA  
09-27-2016

Page: 1

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
66180	9/14/2016	000811 R.E. RICE	2016091400066180		SETTLEMENT AGREEMENT APPROVEI	34,891.93
					<b>Total :</b>	<b>34,891.93</b>
317281	9/8/2016	000454 ICMA RETIREMENT CORP	2016090800317281		ICMA CONTRIBUTIONS-08/21-09/03/201	20,331.81
					<b>Total :</b>	<b>20,331.81</b>
621314	9/13/2016	003400 INFOSEND, INC	108830	P-0000013662	Print & mail utility bills FY 2016-2017	1,591.18
					<b>Total :</b>	<b>1,591.18</b>
621315	9/13/2016	005502 FRONTIER COMMUNICATIONS	909-799-0759-042109-		PHONE SERVICE	71.01
					<b>Total :</b>	<b>71.01</b>
621316	9/13/2016	001245 SO CALIF EDISON	STMTS-7		ELECTRICITY SERVICE	2,820.12
					<b>Total :</b>	<b>2,820.12</b>
621317	9/13/2016	001245 SO CALIF EDISON	STMTS(4)		ELECTRICITY SERVICE	4,255.94
					<b>Total :</b>	<b>4,255.94</b>
621318	9/15/2016	000840 CITY OF SAN BERNARDINO	92661-76164		WATER SERVICE	549.80
					<b>Total :</b>	<b>549.80</b>
621319	9/15/2016	000840 CITY OF SAN BERNARDINO	92661-90878		WATER SERVICE	24.60
					<b>Total :</b>	<b>24.60</b>
621320	9/15/2016	005256 FLYERS ENERGY, LLC	16-324133	P-0000013469	BLANKET PURCHASE ORDER	3,219.42
					<b>Total :</b>	<b>3,219.42</b>
621321	9/15/2016	005502 FRONTIER COMMUNICATIONS	STMTS-2		PHONE SERVICE	188.95
					<b>Total :</b>	<b>188.95</b>
621322	9/15/2016	001261 THE GAS COMPANY	STMT		GAS SERVICE	35.67
					<b>Total :</b>	<b>35.67</b>
621323	9/15/2016	001261 THE GAS COMPANY	STMTS-3		GAS SERVICE	157.15
					<b>Total :</b>	<b>157.15</b>
621324	9/15/2016	001245 SO CALIF EDISON	STMTS-5		ELECTRICITY SERVICE	485.34

Page: 1

Voucher List  
CITY OF LOMA LINDA

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621324	9/15/2016	001245 001245 SO CALIF EDISON	(Continued)			<b>Total : 485.34</b>
621325	9/15/2016	001245 SO CALIF EDISON	STMTS ( 5)		ELECTRICITY SERVICE	6,224.60
						<b>Total : 6,224.60</b>
621326	9/15/2016	003628 U.S. BANK CORPORATE PYMNT SYS	4246 0445 5565 0021		CAL-CARD PURCHASES	5,155.06
						<b>Total : 5,155.06</b>
621327	9/20/2016	002120 ALLIANT INS SVCS - SPEC EVENT	SPECIAL EVENT FORM		SPECIAL EVENT INSURANCE 3RD QTR	450.00
						<b>Total : 450.00</b>
621328	9/20/2016	005338 GRAPHIC CONCEPTS	2712		DIGITAL 4 COLOR PROCESS PRINT ON	282.46
						<b>Total : 282.46</b>
621329	9/20/2016	000917 ZAHADA K SINGH	REQUEST		FLEX MEDICAL REIMBURSEMENT-2016	75.02
						<b>Total : 75.02</b>
621330	9/20/2016	000876 SAN BERNARDINO MUNICIPAL WATER	STMT		SEWER SVC COLLECTIONS-MAY & JUN	193,239.17
						<b>Total : 193,239.17</b>
621331	9/20/2016	004008 REPUBLIC SERVICES	STMT		REFUSE SERVICE FOR MAY & JUNE 20	88,351.63
						<b>Total : 88,351.63</b>
621332	9/20/2016	000840 CITY OF SAN BERNARDINO	133-132	P-0000013354	WATER PURCHASES	785.05
						<b>Total : 785.05</b>
621333	9/20/2016	005284 CITY EMPLOYEES ASSOCIATES	SEPTEMBER 2016		DUES COLLECTED FOR SEPTEMBER 2	480.00
						<b>Total : 480.00</b>
621334	9/20/2016	001933 LILBURN CORPORATION	16-0728	P-0000013675	CONTRACT PLANNER - LILBURN CORP	4,709.25
						<b>Total : 4,709.25</b>
621335	9/20/2016	000213 TIME WARNER	8448 40 0530212906	P-0000013527	LLFD TV CABLE SERVICE	12.63
						<b>Total : 12.63</b>
621336	9/20/2016	005502 FRONTIER COMMUNICATIONS	STMT		PHONE SERVICE	38.86
						<b>Total : 38.86</b>

Voucher List  
CITY OF LOMA LINDA

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621337	9/20/2016	001245 SO CALIF EDISON	STMT-2		ELECTRICITY SERVICE	46,243.65
					<b>Total :</b>	<b>46,243.65</b>
621338	9/20/2016	001245 SO CALIF EDISON	STMTS-4		ELECTRICITY SERVICE	819.50
					<b>Total :</b>	<b>819.50</b>
621339	9/20/2016	001245 SO CALIF EDISON	STMT		ELECTRICITY SERVICE	1,665.41
					<b>Total :</b>	<b>1,665.41</b>
621340	9/20/2016	001245 SO CALIF EDISON	STMT-1		ELECTRICITY SERVICE	157.96
					<b>Total :</b>	<b>157.96</b>
621341	9/21/2016	000213 TIME WARNER	8448 40 0530030597	P-0000013528	CITY HALL TV SERVICE	13.92
					<b>Total :</b>	<b>13.92</b>
621342	9/21/2016	000213 TIME WARNER	8448 40 0530020150	P-0000013527	LLFD TV CABLE SERVICE	78.10
					<b>Total :</b>	<b>78.10</b>
621343	9/21/2016	001851 UNUM INSURANCE	0091890-001 0		LIFE INSURANCE PREMIUM-OCT 2016	559.16
					<b>Total :</b>	<b>559.16</b>
621344	9/21/2016	001851 UNUM INSURANCE	0091889-001 4		LIFE & DISABILITY INSURANCE -OCT 2016	4,226.48
					<b>Total :</b>	<b>4,226.48</b>
621345	9/21/2016	001730 AFLAC	973084		AFLAC INSURANCE PREMIUM-SEPT 2016	1,536.95
					<b>Total :</b>	<b>1,536.95</b>
621346	9/21/2016	000026 VERIZON WIRELESS	9771157979		WIRELESS PHONE SERVICE	2,124.74
					<b>Total :</b>	<b>2,124.74</b>
621347	9/27/2016	001161 ALBERT GROVER & ASSOCIATES	16424-IN	P-0000013489	Traffic signals interconnecting	450.00
					<b>Total :</b>	<b>450.00</b>
621348	9/27/2016	002254 ANIXTER INC	143-788114	P-0000013345	DATA PRODUCTS, CABLE, CONDUIT, E	280.26
			143-788454	P-0000013345	DATA PRODUCTS, CABLE, CONDUIT, E	291.35
			143-788551	P-0000013345	DATA PRODUCTS, CABLE, CONDUIT, E	91.21
					<b>Total :</b>	<b>662.82</b>

Voucher List  
CITY OF LOMA LINDA

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621349	9/27/2016	003833 ATKINSON, ANDESLON, LOYA, RUUD, & ROMK	505517	P-0000011822	PERSONNEL LEGAL SERVICES FY 14/1	13,960.56
					<b>Total :</b>	<b>13,960.56</b>
621350	9/27/2016	005174 AWT AUTOMATED WATER TREATMENT	285	P-0000013660	CALCIUM HYPOCHLORITE TABLETS	3,362.21
					<b>Total :</b>	<b>3,362.21</b>
621351	9/27/2016	000110 BURTRONICS BUSINESS SYSTEM	PREVIEW 18629	P-0000013486	PRINTING OVERAGES	1,017.43
					<b>Total :</b>	<b>1,017.43</b>
621352	9/27/2016	005390 CALIFORNIA HIGHWAY ADOPTION CO	816130	P-0000013604	ANNUAL MAINT OF HARDSCAPE AT I10	325.00
					<b>Total :</b>	<b>325.00</b>
621353	9/27/2016	000832 CALIFORNIA JPIA	PROP01512	P-0000013667	ALL RISK PROPERTY INS PREMIUM	34,864.00
					<b>Total :</b>	<b>34,864.00</b>
621354	9/27/2016	004301 CAR DOCTORS OF LOMA LINDA, INC	446749	P-0000013484	BLANKET PURCHASE ORDER	85.67
					<b>Total :</b>	<b>85.67</b>
621355	9/27/2016	000025 CINTAS CORPORATION NO 2	5005892555	P-0000013352	FIRST AID SUPPLIES	81.03
					<b>Total :</b>	<b>81.03</b>
621356	9/27/2016	000841 CITY OF SAN BERNARDINO	2017-21000001	P-0000013661	ANIMAL SHELTER SERVICES - THROU	13,436.00
					<b>Total :</b>	<b>13,436.00</b>
621357	9/27/2016	002309 CONSOLIDATED ELECTRIC DIST-SB	6903-761845 6903-762155	P-0000013359 P-0000013359	ELECTRICAL SUPPLIES ELECTRICAL SUPPLIES	86.20 64.26
					<b>Total :</b>	<b>150.46</b>
621358	9/27/2016	001173 COUNTY OF SAN BERNARDINO, DEPT OF INF	19827	P-0000013360	PAGER MONITORING SERVICES	9.21
					<b>Total :</b>	<b>9.21</b>
621359	9/27/2016	005210 DAVID SWAIN	REQUEST		REIMBURSEMENT FOR CHIEF OFFICE	279.81
					<b>Total :</b>	<b>279.81</b>
621360	9/27/2016	002238 DIB'S SAFE & LOCK SERVICE, DAVID CARTEF	224529	P-0000013468	SAFE AND LOCK SERVICES	140.00
					<b>Total :</b>	<b>140.00</b>
621361	9/27/2016	003035 DOUGLAS L. GOODMAN, GOODMAN & ASSOC	4949	P-0000013625	CONSTRUCTION SURVEY FOR BENTO	4,700.00

Voucher List  
CITY OF LOMA LINDA

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount	
621361	9/27/2016	003035	003035 DOUGLAS L. GOODMAN, GOODMAN & A: (Continued)			<b>Total : 4,700.00</b>	
621362	9/27/2016	003205	DUTCH TOUCH WINDOW CLEANING	47234	WINDOW CLEANING	125.00	
						<b>Total : 125.00</b>	
621363	9/27/2016	005216	GENUINE AUTO PARTS	159108	P-0000013481 BATTERY & CORE DEPOSIT	93.69	
				159111	P-0000013481 TURN SIGNAL LIGHTS, LIGHTS & HYPE	167.08	
						<b>Total : 260.77</b>	
621364	9/27/2016	000367	GFOA		RENEWAL NOTICE	MEMBERSHIP RENEWAL-10/01/16-09/31	190.00
						<b>Total : 190.00</b>	
621365	9/27/2016	005255	GOPHER PATROL	195051	P-0000013587	Gopher Control Services performed	295.00
				195253	P-0000013587	Gopher Control Services performed	275.00
						<b>Total : 570.00</b>	
621366	9/27/2016	000431	HDL SOFTWARE, LLC	0010435-IN	P-0000013658	HDL PERMIT TRACKING SOFTWARE	4,206.90
						<b>Total : 4,206.90</b>	
621367	9/27/2016	005458	HIRSCH PIPE & SUPPLY	4977736	P-0000013470	PLUMBING FIXTURES, SUPPLIES AND	172.70
				4980771	P-0000013470	PLUMBING FIXTURES, SUPPLIES AND	31.41
				4982373	P-0000013470	PLUMBING FIXTURES, SUPPLIES AND	177.12
				4998011	P-0000013470	PLUMBING FIXTURES, SUPPLIES AND	92.60
						<b>Total : 473.83</b>	
621368	9/27/2016	000440	HOSPITALITY CAR WASH	CLLPS-2008	P-0000013379	CAR WASH	60.00
				CLLPW-2008	P-0000013379	CAR WASH	277.00
						<b>Total : 337.00</b>	
621369	9/27/2016	003400	INFOSEND, INC	110194	P-0000013662	Print & mail utility bills FY 2016-2017	1,215.94
						<b>Total : 1,215.94</b>	
621370	9/27/2016	000480	INLAND WATER WORKS SUPPLY	287217	P-0000013383	WATER PARTS AND MATERIALS FOR R	691.72
						<b>Total : 691.72</b>	
621371	9/27/2016	005160	INTERNAL CONTROL POLYGRAPH	10906		POLYGRAPH TEST	420.00
						<b>Total : 420.00</b>	

Voucher List  
CITY OF LOMA LINDA

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621372	9/27/2016	001335 JOHNSON MACHINERY CO.	PC001417398	P-0000013389	VEHICLE SERVICES AND MAINTENANC	79.76
					<b>Total :</b>	<b>79.76</b>
621373	9/27/2016	000503 JON'S FLAGS & POLES	F76057	P-0000013391	FLAGS	482.76
					<b>Total :</b>	<b>482.76</b>
621374	9/27/2016	005037 KBM FACILITY SOLUTIONS	69449	P-0000013553	JANITORIAL CONTRACT FOR ALL CITY	6,112.00
					<b>Total :</b>	<b>6,112.00</b>
621375	9/27/2016	001419 LARRY JACINTO FARMING, INC	107850	P-0000013668	WEED ABATEMENT BY STORAGE FACI	787.50
					<b>Total :</b>	<b>787.50</b>
621376	9/27/2016	004701 LEGEND PUMP & WELL SERVICE INC	53320	P-0000013674	VIDEO LOG OF MV#3 & RICH #5 SOUNI	2,950.00
					<b>Total :</b>	<b>2,950.00</b>
621377	9/27/2016	005375 LEVEL 3 COMMUNICATIONS, LLC	46487721	P-0000013556	LLCCP CITY PHONE SERVICE	302.94
					<b>Total :</b>	<b>302.94</b>
621378	9/27/2016	000570 LOMA LINDA FIREFIGHTERS ASSN	1 STMTS-2		CLOTHING T-DONATION & DUES COLLECTED FOF	99.00 554.00
					<b>Total :</b>	<b>653.00</b>
621379	9/27/2016	001733 LOWE'S COMPANIES, INC.	25266 27089 27190 27420 27479 27676 27774 27917 67144 927039	P-0000013477 P-0000013477 P-0000013477 P-0000013477 P-0000013477 P-0000013477 P-0000013477 P-0000013477 P-0000013477 P-0000013477	BATTERY TIE DOWNS & ANCHORS FOR ARV WEED & FEED, GARDEN WEASEL, SEE DRILL BIT, LIGHT BULBS, DRILL BIT, ST DEGREASER & DECK SCRUB BRUSH BROOM, HOSE & SCRUB BRUSH PHOTO CELLS SAW BLADE SET, SEALANT, UTILITY KN PAINT STRAINERS, LASER TEMPERATI 3 WIRE GROUNDING PLUGS	19.40 95.58 112.75 90.17 12.59 86.38 26.18 101.00 51.38 29.60
					<b>Total :</b>	<b>625.03</b>
621380	9/27/2016	004919 MELANIE DORAN TRAXIER, PLANNING PLUS/ 14		P-0000011929	PLANNING SUPPORT SERVICES AND T	8,100.00
					<b>Total :</b>	<b>8,100.00</b>
621381	9/27/2016	001612 MUNICIPAL MAINTENANCE EQT, INC	0113160-IN	P-0000013669	TANK INLET WELDMENT FOR VAC-CO	820.36

Voucher List  
CITY OF LOMA LINDA

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621381	9/27/2016	001612	001612 MUNICIPAL MAINTENANCE EQT, INC	(Continued)		<b>Total : 820.36</b>
621382	9/27/2016	001935	NARCISCO VALDOVINOS, GOLDEN WEST LA	439	P-0000013558 ANNUAL LMD LANDSCAPE MAINT CON	7,895.98
			440	P-0000013558	ANNUAL LMD LANDSCAPE MAINT CON	200.85
			441	P-0000013558	ANNUAL LMD LANDSCAPE MAINT CON	733.36
			442	P-0000013559	2016-17 CONTRACTUAL MAINT OF BAI	2,646.07
			443	P-0000013558	ANNUAL LMD LANDSCAPE MAINT CON	3,186.01
			444	P-0000013560	BARTON MEDIAN - MISC IRRIGATION/L	397.40
					<b>Total :</b>	<b>15,059.67</b>
621383	9/27/2016	003225	NEOPOST	SWINV452944	HI-CAPACITY INK CARTRIDGE	269.16
					<b>Total :</b>	<b>269.16</b>
621384	9/27/2016	001613	OFFICE DEPOT, INC	849781210001	P-0000013407 OFFICE SUPPLIES	4.63
				850845395001	P-0000013407 OFFICE SUPPLIES	-4.63
				861016927001	P-0000013407 OFFICE SUPPLIES	62.81
				861285800001	P-0000013407 OFFICE SUPPLIES	28.06
				861470437001	P-0000013407 OFFICE SUPPLIES	63.08
				861648532001	P-0000013407 OFFICE SUPPLIES	181.31
					<b>Total :</b>	<b>335.26</b>
621385	9/27/2016	000726	PARKHOUSE TIRE INC	2010482898	P-0000013410 VEHICLE TIRES	1,577.06
					<b>Total :</b>	<b>1,577.06</b>
621386	9/27/2016	005511	PARTS AUTHORITY	002609	P-0000013411 AUTO PARTS AND SUPPLIES	-55.87
				002917	P-0000013411 AUTO PARTS AND SUPPLIES	-185.90
				018145	P-0000013663 DEKA VEHICLE BATTERIES	484.33
					<b>Total :</b>	<b>242.56</b>
621387	9/27/2016	004094	PAUL LEMAY, LEMAY CONSTRUCTION	2300	P-0000013655 CIVIC CENTER PAINTING	680.00
					<b>Total :</b>	<b>680.00</b>
621388	9/27/2016	001592	PHOENIX GROUP INFORMATION SYST	0720161143	P-0000013413 PARKING CITATION DELIQUENT NOTIC	56.86
				0820161143	P-0000013413 PARKING CITATION DELIQUENT NOTIC	56.86
				0820161143	P-0000013413 PARKING CITATION DELIQUENT NOTIC	791.57
					<b>Total :</b>	<b>905.29</b>
621389	9/27/2016	001413	PHYSIO-CONTROL, INC.	416151581	P-0000013543 AED'S MAINT. & SVC (CIVIC CTR, CORF	6,198.00

Voucher List  
CITY OF LOMA LINDA

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621389	9/27/2016	001413 001413 PHYSIO-CONTROL, INC.	(Continued)			<b>Total : 6,198.00</b>
621390	9/27/2016	000266 ROBBINS & HOLDAWAY, A PROFESSIONAL CC STMT			PROFESSIONAL/LEGAL SERVICES	5,326.63
					<b>Total :</b>	<b>5,326.63</b>
621391	9/27/2016	004562 ROGER E. FOX. M.D., FOX OCCUPATIONAL MI 91378-72758			DMV & PRE-EMPLOYMENT PHYSICAL	95.00
					<b>Total :</b>	<b>95.00</b>
621392	9/27/2016	001379 SAN BERNARDINO COUNTY, DENNIS DRAEGI 107298		P-0000013423	ASSESSOR PARCEL INFORMATION	2.00
					<b>Total :</b>	<b>2.00</b>
621393	9/27/2016	003881 SB CO PROFESSIONAL FIREFIGHTER	STMT		DUES COLLECTED FOR SEPTEMBER 2	2,831.40
					<b>Total :</b>	<b>2,831.40</b>
621394	9/27/2016	005580 SHANNON KENDALL	TRAVEL REIMBURSEMENT		REIMBURSEMENT FOR NATIONAL CER	437.09
					<b>Total :</b>	<b>437.09</b>
621395	9/27/2016	004455 SIEMENS INDUSTRY, INC	5610018853	P-0000013565	Contractual services for Fiscal Year	2,184.00
					<b>Total :</b>	<b>2,184.00</b>
621396	9/27/2016	000451 SITEONE LANDSCAPE SUPPLY	77430239	P-0000013425	LANDSCAPE MATERIALS AND SUPPLIE	116.56
			77493904	P-0000013425	LANDSCAPE/IRRIGATION SUPPLIES	673.70
			77588120	P-0000013425	LANDSCAPE MATERIALS AND SUPPLIE	116.16
			77608909	P-0000013425	IRRIGATION SUPPLIES	168.06
					<b>Total :</b>	<b>1,074.48</b>
621397	9/27/2016	000865 SN BERNARDINO CO SHERIFF DEPT	15931	P-0000013483	SAN BERNARDINO SHERIFF SERVICE	378,410.00
					<b>Total :</b>	<b>378,410.00</b>
621398	9/27/2016	001245 SO CALIF EDISON	STMT		ELECTRICITY SERVICE	5,990.23
			STMT-1		ELECTRICITY SERVICE	1,698.08
			STMT-2		ELECTRICITY SERVICE	2,255.48
			STMTS (1)		ELECTRICITY SERVICE	11,469.97
			STMTS-4		ELECTRICITY SERVICE	35,934.15
					<b>Total :</b>	<b>57,347.91</b>
621399	9/27/2016	004787 SORIANO, SALVADOR M.	REQUEST		DONATION FOR DJ SERVICE 10/1/16 SI	100.00

Voucher List  
CITY OF LOMA LINDA

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621399	9/27/2016	004787 004787 SORIANO, SALVADOR M.	(Continued)			<b>Total : 100.00</b>
621400	9/27/2016	001356 STAPLES BUSINESS ADVANTAGE	3312244298	P-0000013428	OFFICE SUPPLIES	52.16
			3313197263	P-0000013428	OFFICE SUPPLIES	63.53
					<b>Total :</b>	<b>115.69</b>
621401	9/27/2016	001451 STATE OF CALIFORNIA, DEPT OF JUSTICE	184702		FINGERPRINT APPS	96.00
					<b>Total :</b>	<b>96.00</b>
621402	9/27/2016	005561 STATEWIDE TRAFFIC SAFETY, & SIGNS	13000987	P-0000013656	BARRICADES WCITY OF LOMA LINDA	518.50
			13001016		TRAFFICE SAFETY SIGNS	264.42
					<b>Total :</b>	<b>782.92</b>
621403	9/27/2016	001799 STRADLING,YOCCA, CARLSON, & RAUTH	313627-0058		PROFESSIONAL/LEGAL SERVICES	4,913.01
					<b>Total :</b>	<b>4,913.01</b>
621404	9/27/2016	005270 SUPERIOR AUTOMOTIVE WAREHOUSE	567161-1	P-0000013432	MOTOR OIL & OIL FILTER	20.71
			567385-1	P-0000013432	MOTOR OIL	31.88
			567907-1	P-0000013432	FLASHER	21.36
					<b>Total :</b>	<b>73.95</b>
621405	9/27/2016	002127 T. JARB THAIPEJR	TRAVEL REIMBURSEMENT		TRAVEL REIMBURSEMENT-2016 CASQ	460.64
					<b>Total :</b>	<b>460.64</b>
621406	9/27/2016	001261 THE GAS COMPANY	19406867366		GAS SERVICE	39.34
					<b>Total :</b>	<b>39.34</b>
621407	9/27/2016	004536 THE GRAPHIC SOLUTION	5222	P-0000013434	GRAPHIC DESIGN AND PRINTING SER'	204.00
					<b>Total :</b>	<b>204.00</b>
621408	9/27/2016	005048 TRANS-WEST TRUCK CENTER LLC	TP230893		CAR PARTS RESERVOIR ASSY	109.77
					<b>Total :</b>	<b>109.77</b>
621409	9/27/2016	001854 UNDERGROUND SERVICE ALERT OF	820160141	P-0000013439	DIG ALERT NOTIFICATION	94.50
					<b>Total :</b>	<b>94.50</b>
621410	9/27/2016	004030 US TRONICS	M-12267AU16	P-0000013547	EOC SATELLITE SERVICE FOR 3 PHON	149.85

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Voucher List  
CITY OF LOMA LINDA

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621410	9/27/2016	004030 004030 US TRONICS	(Continued)			<b>Total : 149.85</b>
621411	9/27/2016	001885 VISTA PAINT CORPORATION	2016-015031-00	P-0000013474	PAINT SUPPLIES	67.69
						<b>Total : 67.69</b>
621412	9/27/2016	005127 VOLOGY, INC.	CREDIT 000000026078 INV405721	P-0000013499	COMPUTER FOR FIELD SUPERINTEND COMPUTER FOR FIELD SUPERINTEND	-117.72 938.52
						<b>Total : 820.80</b>
621413	9/27/2016	001977 VULCAN MATERIALS	71236158 71240090	P-0000013440 P-0000013440	ASPHALT MATERIAL ASPHALT MATERIAL	72.76 72.08
						<b>Total : 144.84</b>
621414	9/27/2016	001901 WEST PAYMENT CENTER, THOMSON REUTEI 834711815		P-0000013442	CALIFORNIA CODE BOOK UP DATE	250.60
						<b>Total : 250.60</b>
621415	9/27/2016	001917 WILBUR E & JUNE PURVIS, WILBUR'S	33569 33705	P-0000013478 P-0000013478	LAWNMOWER REPAIR AND MAINTENA LAWNMOWER REPAIR AND MAINTENA	100.00 27.27
						<b>Total : 127.27</b>
621416	9/27/2016	001919 WILLDAN	002-17076 002-17079	P-0000013444 P-0000013444	BUILDING INSPECTION/PLAN CHECK \$ BUILDING INSPECTION/PLAN CHECK \$	140.00 25,172.89
						<b>Total : 25,312.89</b>
621417	9/27/2016	004353 WITTMAN ENTERPRISES, LLC	1608069	P-0000013569	EMS BILLING FY 2017	1,348.58
						<b>Total : 1,348.58</b>
1000750834	9/7/2016	000773 P.E.R.S.	1000750834		HEALTH INSURANCE PREMIUM-SEPT 2	53,883.72
						<b>Total : 53,883.72</b>
1000751295	9/8/2016	000771 P.E.R.S.	1000751295/96/97/98		RETIREMENT CONTRIBUTIONS-08/07-C	43,265.08
						<b>Total : 43,265.08</b>
1000752254	9/9/2016	000771 P.E.R.S.	1000752254		RETIREMENT CONTRIBUTIONS-08/01-C	847.00
						<b>Total : 847.00</b>
1000754208	9/13/2016	000771 P.E.R.S.	1000754208/09/10/11		RETIREMENT CONTRIBUTIONS-08/21-C	43,434.22

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
1000754208	9/13/2016	000771	000771 P.E.R.S.		(Continued)	Total : 43,434.22
110 Vouchers for bank code : bofa						Bank total : 1,178,399.10
110 Vouchers in this report						Total vouchers : 1,178,399.10

PAYROLL: \$266,977.54 09/08/2016

PAYROLL: \$256,348.67 09/22/2016

CLAIMS VOUCHER APPROVAL

I have reviewed the above listing of payments on check nos. 66180; 317281; 621314 through 621417; 1000750834, 1000751295, 1000752254 & 1000754208 for a total disbursement of \$ 1,178,399.10, and to the best of my knowledge, based on the information provided, they are correct and are recommended for payment.

  
DIANA DE ANDA, Finance Director

Recommend that City Council approve for payment.

T. Jarb Thaipejr, City Manager

Approved by the City Council at their meeting held on 10-11-2016 and the City Treasurer is hereby directed to pay except as noted.

Rhodes Rigsby, Mayor

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Voucher List  
CITY OF LOMA LINDA  
09-30-2016 Month-End

Page: 1

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
239156	9/29/2016	005586 MUFG UNION BANK, NA	2016092900239156		FEES FOR ONE YAR PURSUANT TO AF	4,500.00
					<b>Total :</b>	<b>4,500.00</b>
291430	9/22/2016	000454 ICMA RETIREMENT CORP	2016092200291430		ICMA CONTRIBUTIONS-09/04-09/17/201	15,426.36
					<b>Total :</b>	<b>15,426.36</b>
621418	9/26/2016	001232 LOCAL AGENCY INVESTMENT FUND	CONF #1514932		DEPOSIT INTO CITY ACCOUNT #98-36-	500,000.00
					<b>Total :</b>	<b>500,000.00</b>
621419	9/26/2016	001988 THE ORIGINAL MOWBRAY'S, TREE SERVICE, 16616		P-0000013435	TREE TRIMMING SERVICES	620.00
					<b>Total :</b>	<b>620.00</b>
621420	9/26/2016	001613 OFFICE DEPOT, INC	850297746001	P-0000013407	ROLLERBALL PENS	16.19
					<b>Total :</b>	<b>16.19</b>
621421	9/26/2016	005581 GRAND BAZAAR WORK WEAR	19951	P-0000013685	UNIFORM ORDER FOR WATER & SEWE	1,212.54
					<b>Total :</b>	<b>1,212.54</b>
621422	9/26/2016	000917 ZAHADA K SINGH	REQUEST		FLEX MEDICAL REIMBURSEMENT-2016	78.83
					<b>Total :</b>	<b>78.83</b>
621423	9/29/2016	004707 LEAGUE OF CA CITIES INLAND EMP	REQUEST		ANNUAL CONFERENCE DIVISION MEE	120.00
					<b>Total :</b>	<b>120.00</b>
621424	9/29/2016	000857 S.B. CO OFC AUDITOR/CONTROLLER	AUG-2016		PARKING CITES FEE COLLECTED FOR	412.50
					<b>Total :</b>	<b>412.50</b>
621425	9/29/2016	001154 VISION SERVICE PLAN - CA	12 121787 0001		VISION INSURANCE PREMIUM-OCTOB	942.34
					<b>Total :</b>	<b>942.34</b>
621426	9/29/2016	002888 DELTA DENTAL INSURANCE CO	BE001822363		DENTAL INSURANCE PREMIUM-OCTOE	1,445.42
					<b>Total :</b>	<b>1,445.42</b>
621427	9/29/2016	001118 DELTA DENTAL OF CALIFORNIA, CLIENT SERV	BE001821048		DENTAL INSURANCE PREMIUM-OCTOE	2,054.73
					<b>Total :</b>	<b>2,054.73</b>

Page: 1

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount	
621428	9/29/2016	000690 NEW YORK LIFE INSURANCE CO	006924297		LIFE INSURANCE PREMIUM	56.34	
						<b>Total :</b>	<b>56.34</b>
1000758578	9/23/2016	000771 P.E.R.S.	1000758578/79/80/81		RETIREMENT CONTRIBUTIONS-09/04-5	43,439.65	
						<b>Total :</b>	<b>43,439.65</b>
<b>14 Vouchers for bank code :</b>						<b>Bank total :</b>	<b>570,324.90</b>
<b>14 Vouchers in this report</b>						<b>Total vouchers :</b>	<b>570,324.90</b>

CLAIMS VOUCHER APPROVAL

I have reviewed the above listing of payments on check nos. 239156; 291430; 621418 through 621428 & 1000758578 for a total disbursement of \$ 570,324.90, and to the best of my knowledge, based on the information provided, they are correct and are recommended for payment.

  
DIANA DE ANDA, Finance Director

Recommend that City Council approve for payment.

T. Jarb Thaipejr, City Manager

Approved by the City Council at their meeting held on 10-11-2016 and the City Treasurer is hereby directed to pay except as noted.

Rhodes Rigsby, Mayor

vchlist  
10/06/2016 2:24:06PM

Voucher List  
CITY OF LOMA LINDA  
10-11-2016

Page: 1

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621429	10/4/2016	005502 FRONTIER COMMUNICATIONS	STMT		PHONE SERVICE	124.91
					<b>Total :</b>	<b>124.91</b>
621430	10/4/2016	005502 FRONTIER COMMUNICATIONS	STMT-1		PHONE SERVICE	38.86
					<b>Total :</b>	<b>38.86</b>
621431	10/4/2016	004197 C.A.P.F.	OCTOBER BILLING		LONG TERM DISABILITY-OCTOBER 201	539.00
					<b>Total :</b>	<b>539.00</b>
621432	10/4/2016	005502 FRONTIER COMMUNICATIONS	STMTS-2		PHONE SERVICE	248.98
					<b>Total :</b>	<b>248.98</b>
621433	10/4/2016	001245 SO CALIF EDISON	STMT (1)		ELECTRICITY SERVICE	26.54
					<b>Total :</b>	<b>26.54</b>
621434	10/4/2016	001245 SO CALIF EDISON	STMTS-3		ELECTRICITY SERVICE	1,528.09
					<b>Total :</b>	<b>1,528.09</b>
621435	10/4/2016	001245 SO CALIF EDISON	STMTS-6		ELECTRICITY SERVICE	197.39
					<b>Total :</b>	<b>197.39</b>
621436	10/4/2016	001245 SO CALIF EDISON	STMTS-7		ELECTRICITY SERVICE	484.76
					<b>Total :</b>	<b>484.76</b>
621437	10/6/2016	004598 KANTHI BIRD	REQUEST		REFUND OF OVERPAYMENT-WEED AB.	214.00
					<b>Total :</b>	<b>214.00</b>
621438	10/6/2016	005395 USBANK EQUIPMENT FINANCE	314368549	P-0000013487 P-0000013487 P-0000013487	EQUIPMENT LEASE NEW AGREEMENT	2,904.44
					<b>Total :</b>	<b>2,904.44</b>
621439	10/6/2016	003294 US POSTAL SERVICE, NEOPOST POSTAGE-O REQUEST			POSTAGE FOR MTR #47718562	1,000.00
					<b>Total :</b>	<b>1,000.00</b>
621440	10/6/2016	000917 ZAHADA K SINGH	REQUEST		FLEX MEDICAL REIMBURSEMENT-2016	23.09

Page: 1

Voucher List  
CITY OF LOMA LINDA

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621440	10/6/2016	000917 000917 ZAHADA K SINGH	(Continued)			<b>Total : 23.09</b>
621441	10/11/2016	001984 ALLSTAR FIRE EQUIP. CO. INC.	192991	P-0000013342	BUNKER BOOTS	921.77
			192992	P-0000013342	BUNKER BOOTS	311.41
					<b>Total :</b>	<b>1,233.18</b>
621442	10/11/2016	003867 AMTECH ELEVATOR SERVICE	DVB06705A16	P-0000013490	LIBRARY ELEVATOR ANNUAL MAINT	679.14
					<b>Total :</b>	<b>679.14</b>
621443	10/11/2016	002254 ANIXTER INC	143-789484	P-0000013345	DATA PRODUCTS, CABLE, CONDUIT, EI	30.85
			TAX RETURN		ECONOMIC INCENTIVE AGREEMENT-2	41,416.00
					<b>Total :</b>	<b>41,446.85</b>
621444	10/11/2016	001766 ASCE	MEMBERSHIP RENEWAL		ASCE ANNUAL MEMBERSHIP RENEWA	295.00
					<b>Total :</b>	<b>295.00</b>
621445	10/11/2016	002704 BEST BEST & KRIEGER, LLP	780086		PROFESSIONAL/LEGAL SERVICES-08/K	83.01
					<b>Total :</b>	<b>83.01</b>
621446	10/11/2016	002990 BURGESSON'S HEATING & AIR	B16-000-205		REFUND OF PERMIT FEES-RESIDENT	25.45
					<b>Total :</b>	<b>25.45</b>
621447	10/11/2016	000110 BURTRONICS BUSINESS SYSTEM	AR12756	P-0000013681	FREIGHT FOR TONER CARTRIDGES	7.39
			AR12758	P-0000013681	FREIGHT FOR TONER CARTRIDGES	7.39
			AR15575	P-0000013681	FREIGHT FOR TONER CARTRIDGES	23.23
					<b>Total :</b>	<b>38.01</b>
621448	10/11/2016	004301 CAR DOCTORS OF LOMA LINDA, INC	447032	P-0000013484	BLANKET PURCHASE ORDER	25.00
					<b>Total :</b>	<b>25.00</b>
621449	10/11/2016	002843 CITY OF REDLANDS, OFFICE OF CITY TREAS	AR150700	P-0000013353	CNG FUEL-APRIL 2016	220.31
			AR150704	P-0000013353	CNG FUEL -MAY 2016	25.25
			AR150709	P-0000013353	CNG FUEL-JUNE 2016	93.15
					<b>Total :</b>	<b>338.71</b>
621450	10/11/2016	000201 CLA-VAL CO., GRISWOLD INDUSTRIES	700162	P-0000013688	REPLACE VALVE AT RICHARDSON WEI	2,696.20
					<b>Total :</b>	<b>2,696.20</b>

Voucher List  
CITY OF LOMA LINDA

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621451	10/11/2016	004060 CLEAN SPORT	40734	P-0000013356	CLEANING SUPPLIES	415.18
<b>Total :</b>						<b>415.18</b>
621452	10/11/2016	000203 CLINICAL LABORATORY OF	952088	P-0000013357	TEST WATER AT WELL SITE	8,850.25
<b>Total :</b>						<b>8,850.25</b>
621453	10/11/2016	002309 CONSOLIDATED ELECTRIC DIST-SB	6903-762188	P-0000013359	LAMPS	107.56
			6903-762454	P-0000013359	LED LAMPS	207.84
			6903-762500	P-0000013359	LAMPS & EMERGENCY LIGHT	352.80
<b>Total :</b>						<b>668.20</b>
621454	10/11/2016	000236 COSTCO WHOLESALE	302304117020	P-0000013475	3 TON JACK	205.65
<b>Total :</b>						<b>205.65</b>
621455	10/11/2016	005088 DENNIS GRUBB & ASSOCIATES, LLC	1534	P-0000013551	FIRE PREVENTION PLAN CHECKS & IN	220.00
<b>Total :</b>						<b>220.00</b>
621456	10/11/2016	002238 DIB'S SAFE & LOCK SERVICE, DAVID CARTER	0000145178	P-0000013468	SAFE AND LOCK SERVICES	129.45
			0000145712	P-0000013468	SAFE AND LOCK SERVICES	441.17
<b>Total :</b>						<b>570.62</b>
621457	10/11/2016	005309 DIRECTV	29563835915	P-0000013618	SATELLITE TV SVC FOR EOC	39.56
<b>Total :</b>						<b>39.56</b>
621458	10/11/2016	000325 EWING IRRIGATION PRODUCTS	2219772	P-0000013371	PLASTIC VALVE BOX PUMP & LANDSC/	128.34
			2226876	P-0000013371	2 IN RATCHET & LANDSCAPER HAT	114.71
<b>Total :</b>						<b>243.05</b>
621459	10/11/2016	000336 FEDEX	5-548-15445		OVERNIGHT MAIL SERVICE	34.45
<b>Total :</b>						<b>34.45</b>
621460	10/11/2016	005256 FLYERS ENERGY, LLC	16-331078	P-0000013469	FUEL	2,103.56
<b>Total :</b>						<b>2,103.56</b>
621461	10/11/2016	005255 GOPHER PATROL	195050	P-0000013587	Gopher Control Services performed	135.00
<b>Total :</b>						<b>135.00</b>
621462	10/11/2016	000389 GRAINGER, INC	805341161	P-0000013374	SUMP PUMP	140.41

Voucher List  
CITY OF LOMA LINDA

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621462	10/11/2016	000389 GRAINGER, INC	(Continued)			
			9229202537	P-0000013374	EAR PLUGS & DISPOSAL GLOVES	118.01
			9230197205	P-0000013374	BATTERY SEALED LEAD ACID	51.81
			9230197213	P-0000013374	BATTERY SEALED ACID LEAD	86.35
					<b>Total :</b>	<b>396.58</b>
621463	10/11/2016	000402 HACH COMPANY	10116853	P-0000013460	SEWER FLOW METER MONITORING SI	1,000.00
					<b>Total :</b>	<b>1,000.00</b>
621464	10/11/2016	003433 HD SUPPLY WATERWORKS, LTD	E753864	P-0000013378	CUBIC FOOT & 3 G METER REGISTERE	1,581.77
					<b>Total :</b>	<b>1,581.77</b>
621465	10/11/2016	005458 HIRSCH PIPE & SUPPLY	4941508	P-0000013470	PLUMBING FIXTURES, SUPPLIES AND	56.91
					<b>Total :</b>	<b>56.91</b>
621466	10/11/2016	000480 INLAND WATER WORKS SUPPLY	287346	P-0000013383	WATER PARTS AND MATERIALS FOR R	1,703.86
			287493	P-0000013383	WATER PARTS AND MATERIALS FOR R	1,593.46
			287518	P-0000013383	WATER PARTS AND MATERIALS FOR R	831.36
					<b>Total :</b>	<b>4,128.68</b>
621467	10/11/2016	005022 JANET CHEN	993762833		PREPAYMENT CREDIT REFUND, CLOS	20.86
					<b>Total :</b>	<b>20.86</b>
621468	10/11/2016	005548 JTS MOTORCARS INC., DBA SPREEN MAZDA	TAX RETURN		QUARTERLY SALES TAX INCENTIVE-2M	9,669.73
					<b>Total :</b>	<b>9,669.73</b>
621469	10/11/2016	005037 KBM FACILITY SOLUTIONS	69924	P-0000013554	COMMUNITY ROOM - ROOM RENTAL C	1,050.00
					<b>Total :</b>	<b>1,050.00</b>
621470	10/11/2016	005588 KEVIN VALENTIN	REIMBURSEMENT		REFUND FOR BLUE TOOTH DEVICE & '	266.90
					<b>Total :</b>	<b>266.90</b>
621471	10/11/2016	004579 LCA BANK CORPORATION	3770133	P-0000013524	LEASE FOR PW ENG PRINTER/SCANNI	907.24
					<b>Total :</b>	<b>907.24</b>
621472	10/11/2016	005375 LEVEL 3 COMMUNICATIONS, LLC	46864043	P-0000013555	LEVEL 3 - CITY INTERNET	4,757.23
					<b>Total :</b>	<b>4,757.23</b>

Voucher List  
CITY OF LOMA LINDA

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621473	10/11/2016	005141 LG HOLDINGS, INC., DBA GJR ELECTRIC	224-1	P-0000013398	REPLACED EXISTING GFCI & SUMP PL	200.00
<b>Total :</b>						<b>200.00</b>
621474	10/11/2016	001933 LILBURN CORPORATION	16-0917	P-0000012748	CONSULTANT SERVICES FOR ORCHAF	3,312.50
<b>Total :</b>						<b>3,312.50</b>
621475	10/11/2016	000570 LOMA LINDA FIREFIGHTERS ASSN	SALES RECEIPT		LLFD T-SHIRTS, HAT & SHORT-BOHNEF	99.00
			SALES RECEIPT-		LLFD T-SHIRTS, HAT & SHORTS-BARLC	99.00
<b>Total :</b>						<b>198.00</b>
621476	10/11/2016	001733 LOWE'S COMPANIES, INC.	10258	P-0000013477	IMPROVEMENT SUPPLIES AND MATER	182.46
			10474	P-0000013477	IMPROVEMENT SUPPLIES AND MATER	18.94
			17682	P-0000013477	IMPROVEMENT SUPPLIES AND MATER	-190.29
			17683	P-0000013477	IMPROVEMENT SUPPLIES AND MATER	157.95
			27023	P-0000013477	IMPROVEMENT SUPPLIES AND MATER	19.41
			27220	P-0000013477	IMPROVEMENT SUPPLIES AND MATER	37.95
			27251	P-0000013477	SHACKLED KEYED PADLOCK & STEEL	31.55
			27284	P-0000013477	IMPROVEMENT SUPPLIES AND MATER	61.46
			27387	P-0000013477	IMPROVEMENT SUPPLIES AND MATER	19.42
			27409	P-0000013477	IMPROVEMENT SUPPLIES AND MATER	48.84
			27770	P-0000013477	IMPROVEMENT SUPPLIES AND MATER	81.42
			27783	P-0000013477	IMPROVEMENT SUPPLIES AND MATER	32.39
			27880	P-0000013477	IMPROVEMENT SUPPLIES AND MATER	101.84
			27896	P-0000013477	IMPROVEMENT SUPPLIES AND MATER	285.84
			27921	P-0000013477	IMPROVEMENT SUPPLIES AND MATER	-10.63
<b>Total :</b>						<b>878.55</b>
621477	10/11/2016	001566 MALLORY SAFETY & SUPPLY LLC	4144531	P-0000013635	SAFETY VESTS FOR PW CORP YARD S	655.00
				P-0000013635		
<b>Total :</b>						<b>655.00</b>
621478	10/11/2016	005254 MANSFIELD OIL COMPANY, OF GAINESVILLE	TAX RETURN		INCENTIVE-2016 -2ND QTR SALES TAX	371,330.25
<b>Total :</b>						<b>371,330.25</b>
621479	10/11/2016	005583 MARTINEZ HOMES INC	993762268		PREPAYMENT CREDIT REFUND, CLOS	8.83
<b>Total :</b>						<b>8.83</b>
621480	10/11/2016	002498 MICHAEL SEPULVEDA	REINBURSEMENT		REIMBURSEMENT FOR PARAMEDIC RI	270.00

Voucher List  
CITY OF LOMA LINDA

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621480	10/11/2016	002498	002498 MICHAEL SEPULVEDA		(Continued)	<b>Total : 270.00</b>
621481	10/11/2016	003470	MISSION LANE MAINTENCE - 618, C/O UNION	00027526	P-0000013461	City's share of the annual maintenance <b>Total : 831.00</b>
621482	10/11/2016	005585	NANCY PANOUISSI	993762748		PREPAYMENT CREDIT REFUND, CLOS <b>Total : 46.39</b>
621483	10/11/2016	001935	NARCISCO VALDOVINOS, GOLDEN WEST LAI	000445 000446 000447 000448 000449 000450	P-0000013558 P-0000013559 P-0000013558 P-0000013558 P-0000013560 P-0000013561	ANNUAL LMD LANDSCAPE MAINT CON 2016-17 CONTRACTUAL MAINT OF BAI ANNUAL LMD LANDSCAPE MAINT CON ANNUAL LMD LANDSCAPE MAINT CON BARTON MEDIAN - MISC IRRIGATION/L LMD SITES - MISC IRRIGATION/LANDS <b>Total : 15,564.00</b>
621484	10/11/2016	001613	OFFICE DEPOT, INC	864854070001 864854519001	P-0000013407 P-0000013407	CLIP BINDER, DIVIDER, PENS & PLANN FOLDING BUFFET TABLE <b>Total : 119.01</b>
621485	10/11/2016	004458	PRINTING & PROMOTION PLUS	STMT	P-0000013415	PRINTING OF BUSINESS CARDS <b>Total : 297.55</b>
621486	10/11/2016	004126	PRIORITY MAILING SYSTEMS LLC	SWINV453926		TAPE <b>Total : 58.51</b>
621487	10/11/2016	004680	RICHARD BLUM-JOHNSONT	993762801		PREPAYMENT CREDIT REFUND, CLOS <b>Total : 40.14</b>
621488	10/11/2016	001701	ROBERT L. SMITH, BYRD INDUSTRIAL ELECT	809-16	P-0000013420	WELL AND BOOSTER SERVICE REPAIR <b>Total : 630.88</b>
621489	10/11/2016	003698	SCOTT ZEHM, 2 KOI GUYS	INVOICE	P-0000013497	CITY FOUNTAIN MAINTENANCE <b>Total : 125.00</b>
621490	10/11/2016	004455	SIEMENS INDUSTRY, INC	5620011061 5620013581 5620013650	P-0000013646 P-0000013646 P-0000013646	MISC REPAIRS TO TRAFFIC SIGNALS F MISC REPAIRS TO TRAFFIC SIGNALS F MISC REPAIRS TO TRAFFIC SIGNALS F <b>Total : 5,650.00</b>

Voucher List  
CITY OF LOMA LINDA

Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621490	10/11/2016	004455 004455 SIEMENS INDUSTRY, INC	(Continued)			<b>Total : 9,106.04</b>
621491	10/11/2016	000451 SITEONE LANDSCAPE SUPPLY	77619137	P-0000013425	IRRIGATION PARTS	19.74
			77673469	P-0000013425	IRRIGATION PARTS	9.02
					<b>Total :</b>	<b>28.76</b>
621492	10/11/2016	001356 STAPLES BUSINESS ADVANTAGE	3314577784	P-0000013428	PRINTER INK	28.67
			3315249464	P-0000013428	TRI COLOR INK & STAPLE REMOVER	78.36
			3315834188	P-0000013428	BATTERIES & ANTIBACTERIAL SOAP	59.58
			3315834189	P-0000013428	BATTERIES	65.01
			3315834190	P-0000013428	AVERY METAL RIM WITH TAGS	12.72
					<b>Total :</b>	<b>244.34</b>
621493	10/11/2016	002751 SUNDOWN WINDOW TINTING	C59388		FURNISHED & INSTALLED 1 ROLLER S	331.56
					<b>Total :</b>	<b>331.56</b>
621494	10/11/2016	005584 SUSAN GURROLA	993762733		PREPAYMENT CREDIT REFUND, CLOS	16.49
					<b>Total :</b>	<b>16.49</b>
621495	10/11/2016	005582 TIMOTHY CORDOVA	993762083		PREPAYMENT REFUND CREDIT, CLOSI	35.65
					<b>Total :</b>	<b>35.65</b>
621496	10/11/2016	002151 TRUGREEN LANDSCAPE	6725034146	P-0000013694	VEGETATION CONTROL AT THE CITY V	1,965.00
					<b>Total :</b>	<b>1,965.00</b>
621497	10/11/2016	005127 VOLOGY, INC.	INV408153	P-0000013696	VMWARE SUPPORT AND SUBCRIPTIOI	6,358.51
					<b>Total :</b>	<b>6,358.51</b>
621498	10/11/2016	001977 VULCAN MATERIALS	71246556	P-0000013440	COLD MIX	220.21
			71246557	P-0000013440	BASE	434.21
			71252814	P-0000013440	ASPHALT	177.54
					<b>Total :</b>	<b>831.96</b>
621499	10/11/2016	005574 WEKA INC	PAY ESTIMATE 1	P-0000013628	CONSTRUCTION OF BENTON ST. STOF	259,008.95
					<b>Total :</b>	<b>259,008.95</b>
621500	10/11/2016	005441 WHY WAIT ELECTRONICS, LAWFORD CAMPB 00004			CLASSES	140.00

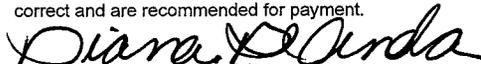
Bank code : bofa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
621500	10/11/2016	005441	005441 WHY WAIT ELECTRONICS, LAWFORD CA (Continued)			Total : 140.00
621501	10/11/2016	003359	ZERO WASTE USA INC	121661	P-0000013697 DOG WASTE BAGS	637.20
						Total : 637.20
73 Vouchers for bank code : bofa						Bank total : 764,782.10
73 Vouchers in this report						Total vouchers : 764,782.10

PAYROLL: \$292,358.67 10/06/2016

CLAIMS VOUCHER APPROVAL

I have reviewed the above listing of payments on check nos. 621429 through 621501 for a total disbursement of \$ 764,782.10, and to the best of my knowledge, based on the information provided, they are correct and are recommended for payment.

  
DIANA DE ANDA, Finance Director

Recommend that City Council approve for payment.

T. Jarb Thaipejr, City Manager

Approved by the City Council at their meeting held on 10-11-2016 and the City Treasurer is hereby directed to pay except as noted.

Rhodes Rigsby, Mayor



# City of Loma Linda Official Report

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Rhodes Rigsby, Mayor  
Phillip Dupper, Mayor pro tempore  
Ovidiu Popescu, Councilman  
Ronald Dailey, Councilman  
John Lenart, Councilman

COUNCIL AGENDA: October 11, 2016

TO: City Council

VIA: T. Jarb Thaipejr, City Manager

FROM: Pamela Byrnes-O'Camb, City Clerk

SUBJECT: Minutes of September 13, 20 and 27, 2016

Approved/Continued/Denied By City Council Date _____
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## RECOMMENDATION

It is recommended that the City Council approve the minutes of September 13, 20 and 27, 2016

City of Loma Linda

City Council Minutes

Regular Meeting of September 13, 2016

A regular meeting of the City Council was called to order by Mayor Rigsby 6:21 p.m., Tuesday, September 13, 2016, in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

Councilmen Present:	Mayor Rhodes Rigsby Mayor pro tempore Phill Dupper (Arrived 6:28 p.m.) Ovidiu Popescu Ron Dailey John Lenart
Councilman Absent:	None
Others Present:	City Manager T. Jarb Thaipejr City Attorney Richard E. Holdaway

CC-2016-082 - Closed Session (6:00 p.m.) – Conference with Legal Counsel regarding potential litigation (Government Code 54956.9d(2))

The City Council immediately recessed to consider the closed session item as listed and reconvened at 7:04 p.m. with all members present. City Attorney Holdaway announced that the City Council met with Legal Counsel and gave direction; there was no final action to report.

Councilman Lenart led the invocation and Pledge of Allegiance; no items were added or deleted and no conflicts of interest were noted.

Mayor Rigsby stated that on September 11, a 911 Remembrance was held at the Fire Station. A brief video of the event was shown,

Chief Bender noted that on August 27, a contest was held between the pastors, fire personnel and law enforcement called Belly-Ball. Don Feenstra and Pastor Mace presented a brief video, noting that the pastors won.

Susan Israel addressed the City Council pertaining to the North Central Neighborhood (bounded by Anderson Street, Van Leuven Street, Mt. View Avenue, and Redlands Boulevard) and asked about the North Central Neighborhood Committee. City Manager Thaipejr noted that upon dissolution of all redevelopment agencies in the State of California by Governor Brown, and lack of interest of the residents of the area, the North Central Neighborhood Committee was disbanded. He added that a new veterans housing project was planned for the south side of Van Leuven Street; also a storm drain was being installed from Benton Street to go under the railroad tracks and through the Van Leuven Street property to San Timoteo Creek. Ms. Israel went on to say that areas within the neighborhood have deteriorated. She also indicated that dogs confined to the front yard of a home on Van Leuven Street bark for long periods of time, particularly at bicycles and pedestrians who pass by. She referenced a petition from neighbors relating to the barking dogs. Assistant City Manager Bolowich indicated the City had not received a petition; that he would check on the licensing of the dogs; however, if they were licensed and confined to their yard, action would not be warranted.

**Scheduled And Related Items**

CC-2016-083 - Presentation by San Bernardino County Representative regarding the homeless

Mayor pro tempore Dupper indicated that the County Representative could not be present; however, he asked that due to the increase of homeless in the area, the item be discussed to provide the County with background for the formation of a committee to address related issues. He further stated that issues relating to the homeless required response from the Fire Department, Law Enforcement, and City Staff, but as a small city, resources were not available to address some of the problems such as drug use, panhandling, and mental issues. Extensive discussion ensued relating to other issues relating to the homeless, including directing them to agencies that can provide the needed services on a more long-term basis and that City Staff provide County Supervisor Josie Gonzales with information relating to law enforcement and fire calls related to the homeless.

CC-2016-084 - Public Hearing – Orchard Heights Development within the City’s Sphere of Influence on 80 acres east of California Street, south and west of the Mission Zanja Creek, west of Nevada Street and north of Barton Road

- a. Council Bill #R-2016-31 – General Plan Amendment 15-044 for 30 acres of the 80-acre site from Business Park to Low-Density Residential

- b. Council Bill #O-2016-04 (First Reading/Set Second Reading for October 11) – Pre-Zoning 15-045, establishing single-family residential (R-1) for 39 acres; Multi-/family Residential (R-3) for 18 acres; Institutional (I) for 13 acres, and General Business (C-2) for approximately 10 acres.
- c. Council Bill #R-2016-32 – Requesting LAFCO (Local Agency Formation Commission) to annex approximately 80 acres on the east and west sides of New Jersey Street between Orange Avenue and Citrus Street, including the subject property to Loma Linda
- d. Tentative Tract Map 19963 to subdivide approximately 30 acres of the 80-acre site into 95 single-family residential lots and 8 common lettered lots as a phased development
- e. Mitigated Negative Declaration

The public hearing was opened and Associate Planner Matarrita presented the report into evidence, stating that there were four applications for annexation, including a General Plan Amendment, Pre-Zoning, a Tentative Tract Map, and a request that LAFCO annex the subject site to the City.

She then showed the Tentative Tract Map which proposed development in two phases with two points of access each on Citrus Avenue and New Jersey Street; the residential lots complied with the City's Development Standards. She then showed the Preliminary Landscape Plan with open space on the perimeter of the project.

Ms. Matarrita then presented a background for the project and addressed CEQA (California Environmental Quality Act), noting that Lilburn Corporation prepared the Initial Study and responded to seven comments during the public comment period which ended on July 20. The comments were minor in nature; therefore re-circulation of the Study was not required.

She went on to say that during the Planning Commission hearing, a representative of Laura Ramirez asked that the five-acre parcel be pre-zoned General Business (C-2) rather than Multiple Family Residential (R-3) because the parcel had frontage along California Street. The Planning Commission concurred.

The Traffic Study showed that traffic generated would not be greater than the arterial threshold during peak hours. The project was consistent with the guidelines of Measure V.

Ms. Matarrita then recommended approve of the General Plan Amendment, Annexation Application, Tentative Tract Map, the Mitigated Monitoring Program, certification of the Mitigated Negative Declaration and the Zone Change.

She then responded to questions. No other public testimony was offered and the public hearing was closed.

**Motion by Dupper, seconded by Popescu and unanimously carried to adopt Council Bill #R-2016-31; introduce Council Bill #O2016-04 on First Reading and set the Second Reading for October 11; adopt Council Bill #R-2016-32; Approve Tentative Tract Map 19963; Certify the Mitigated Negative Declaration; and adopt the Mitigation Monitoring Program.**

#### **Resolution No. 2908**

A Resolution of the City Council of the City of Loma Linda, amending the Land Use Element of the adopted General Plan, east side of California Street, south and west of Mission Zanja Creek, west of Nevada Street, and north of Barton Road (GPA 15-044)

#### **Resolution No. 2909**

A Resolution of Application by the City of Loma Linda, requesting the Local Agency Formation Commission to take proceedings for the annexation of Approximately 80 acres

#### **CC-2016-085 - Public Hearing – Council Bill No. O-2016-05 (First Reading/Set Second Reading for October 11) – Amending Chapter 10.26 relating to effective period of the Parking Permit**

The public hearing was opened and Chief Bender presented the report into evidence, stating that currently the parking permits expire in December of each year; therefore residents who live in a Residential Parking Permit Area who receive their permits at the beginning of the school year, September, must renew in December, which is an inconvenience for the permit holder. It was recommended that the Residential Permit cycle follow more closely to the school year, October 1 through September 31. He then responded to questions.

No other public testimony was offered and the public hearing was closed.

**Motion by Popescu, seconded by Lenart and unanimously carried to introduce Council Bill #O-2016-05 on First Reading and set the Second Reading for October 11.**

**CC-2016-086 - Consent Calendar**

**Motion by Popescu, seconded by Lenart and unanimously carried to approve the following items:**

The Demands Register dated August 23, 2016 with commercial demands totaling \$359,989.12 and payroll demands totaling \$263,352.33.

The Demands Register dated August 31, 2016 with commercial demands totaling \$1,012,441.64.

The Demands Register dated September 13, 2016 with commercial demands totaling \$224,255.36 and payroll demands totaling \$292,379.57.

The Minutes of August 9, 2016 as presented.

The July and August 2016 Treasurer's Reports for filing.

The June & July Fire Prevention Reports and August Fire Department Report for filing.

Council Bill #R-2016-37.

**Resolution No. 2910**

A Resolution of the City Council of the City of Loma Linda, certifying industrial disability and eligibility for retirement pursuant to Government Code Sections 21154 and 21156

Appropriated \$250,000 from the Water Acquisition Fund and awarded contract for Waterline Improvements at Curtis Street, Rosarita Drive, Yardley Place, San Mateo Drive, and San Juan Street to Borden Excavating Inc. of Calimesa for \$789,540.00; for material testing to Hilltop Geotechnical, Inc. of San Bernardino in an amount not to exceed \$2,000.00; a contingency amount of \$79,000.00; Staff to provide construction management services including construction inspection.

Awarded contract for the Barton Road Turn Pocket Improvements to Tryco General Engineering of Rimforest for \$49,555.00; approved a contingency amount of \$5,000.00; for construction survey to Joseph E. Bonadiman & Associates, Inc. in an amount not to exceed \$3,200.00.

Awarded contract for Weed Abatement Services to West SWPPP of Mentone in an amount not to exceed \$25,000.00 and approved a contingency amount of \$2,500.00.

Re-appropriated \$4,800.00 for interim contract planning services.

Received the Biennial review of the City's Conflict of Interest Code pursuant to the Political Reform Act and adopted the Conflict of Interest Code to delete reference to the Battalion Chief.

The Building Permit Fee refund policy pursuant to Section 109.6 of the California Building Code.

Council Bill #R-2016-38.

**Resolution No. 2911**

A Resolution of the City Council of the City of Loma Linda, State of California, adopting the Five Year Capital Improvement Program

**New Business**

**CC-2016-087 - Accept with regret the resignation of Carlos Prieto from the Planning Commission; appoint one member to fulfill the June 30, 2018 term or declare a vacancy and direct the Clerk to advertise**

City Council interviewed candidates Larry Karpenko and Steven Hatzman, both presenting background, vision for Loma Linda, potential conflicts of interest, and responding to questions. Extensive discussion ensued.

**Motion by Dupper, seconded by Popescu and unanimously carried to accept with regret the resignation of Carlos Prieto from the Planning Commission and appoint Larry Karpenko to a June 30, 2018 Term.**

Mr. Hatzman was thanked for submitting his application.

**CC-2016-088 - League of California Cities 2016 Annual Conference Resolutions**

The resolutions were reviewed. No action was taken.

**Reports of Councilmen**

Mayor Rigsby summarized a Proclamation supporting the 16<sup>th</sup> Annual Bi-National Health Week and indicated the Proclamation would be forwarded.

Councilman Dailey asked about the Community Parade. City Manager Thaipejr responded that the Chamber of Commerce had re-organized and planned to organize the parade for 2017.

**Reports Of Officers**

City Manager Thaipejr announced the Ribbon Cutting Ceremony for the VA Outpatient Clinic on Redlands Boulevard, west of California Street for Friday, October 7 at 9:00 a.m.

The City Clerk asked for a meeting on September 20 to consider a Subordination Agreement and other documents required for funding, including HOME Funds through the County, relating to the META development on Van Leuven Street, east of Poplar Street. Councilman Dailey indicated he could not be present. Councilmen Rigsby, Dupper, Popescu and Lenart confirmed their availability.

**Motion by Dupper, seconded by Lenart and unanimously carried to schedule a meeting for 6:00 p.m., Tuesday, September 20, 2016.**

The meeting adjourned at 8:52 p.m. to Tuesday, September 20, 2016 at 6:00 p.m.

Approved at the meeting of

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City Clerk

City of Loma Linda

City Council Minutes

Adjourned Regular Meeting of September 20, 2016

An adjourned regular meeting of the City Council was called to order by Mayor Rigsby 6:02 p.m., Tuesday, September 20, 2016, in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

Councilmen Present:	Mayor Rhodes Rigsby Mayor pro tempore Phill Dupper Ovidiu Popescu John Lenart (Arrived 6:51 p.m.)
Councilman Absent:	Ron Dailey
Others Present:	City Manager T. Jarb Thaipejr City Attorney Richard E. Holdaway

No items were added or deleted; no public participation comments were offered; and no conflicts of interest were noted.

**Scheduled And Related Items**

CC-2016-089

**LLHA-2016-021 – Joint Meeting of the City Council and Loma Linda Housing Authority relating to an Intercreditor and Subordination Agreement by and among the County of San Bernardino, the City of Loma Linda, the Loma Linda Housing Authority, and Loma Linda Vets L.P., a California limited partnership**

- a. Council Bill #R-2016-39 – City Council Authorizing the execution of the Intercreditor and Subordination Agreement
- b. LLHA Bill #R-2016-05 – Housing Authority authorizing the execution of the Intercreditor and Subordination Agreement

Mark Huebsch of Stradling Yocca Carlson & Rauth, Special Counsel to the Housing Authority, presented a report, stating that last week he was contacted by a County representative with a request for subordination of covenants earlier recorded on behalf of the City and the Housing Authority relating to the development on the south side of Van Leuven Street, east of Poplar Street to a County agreement with the developer of that property, which County agreement contained affordability requirements. Discussions with the County, Staff, and outside attorneys were initiated, with staff being prepared to carry forward a proposed action under which the City and Housing Authority would subordinate covenants to the County agreement, provided that the City and Housing Authority were made third party beneficiaries of the County agreement, thus resulting in the ability of the City and Commission to count the units as restricted under the County agreements. The County agreed that 86 units would be counted for production for the City and its Housing Authority involving subordination of one moderate-income covenant for 86 very low and low covenants at no cost to the City or the Housing Authority.

In response to questions, Mr. Huebsch indicated that the County entered into an agreement some time ago with the developer; subordinating the one covenant would gain 86 covenants on units that would be developed anyway.

Kathy Brann of the County of San Bernardino Housing Authority spoke, indicating that the County entered into an agreement with the developer several months ago and it was her impression that the City and its Housing Authority had been informed. She went on to say the HOME Funds were at risk of being forfeited unless the funds were put into the subject project which would be built pursuant to prior City Council action. She also indicated the project would target military personnel and would therefore be a positive influence because of its proximity to the VA Medical Center and because on-site supportive services would be provided to include job training, monitoring medication, and implementing a standard of living to name a few.

Extensive discussion ensued relating to locating affordable housing within a particular area; the amenities that were approved and which were required for the project; existing affordable housing in the area; the City's desire to complete the approved senior housing project on the west side of Poplar Street; any deficit in very low, low and moderate income housing being extinguished or nearly extinguished; potential project impacts; the need to heavily subsidize the units; placing some affordable housing in Area D (south of Redlands Boulevard, east of California Street).

Mr. Huebsch also indicated that by subordinating, the City and its Housing Authority while not obligated to enforce, would allow the ability to do so. Ms. Brann also indicated that the County issued an RFP over a year ago; 13 projects were submitted of which the subject project was chosen based on the quality of developer META which purchased the project from Golden Eagle, the project, and management.

City Attorney Holdaway addressed various questions, including that the entitlement as to the subject property runs with the land; the project could be sold to any buyer; neither the City nor the Housing Authority could regulate rents without consent of the owner. He confirmed that three affirmative votes were required to approve the Intercreditor and Subordination Agreement. Ms. Brann confirmed that the housing was restricted to veterans because a portion of the funding came from the State of California Veterans Fund. Mr. Huebsch indicated a "yes" vote would allow the City and its Housing Authority to be third party beneficiaries and to count the units as production and allow enforcement; without a "yes" vote, there would be no ability to enforce by the City or its Housing Authority and the units could not be counted as production units.

Dick Wiley also spoke.

**Motion by Dupper, seconded by Popescu to deny the request. Motion failed with Councilmen Rigsby and Lenart supporting the request. Councilman Dailey absent.**

City Attorney Holdaway addressed various questions.

Mayor Rigsby suggested this item be considered when five members of the Council were present.

The Housing Authority Board recessed at approximately 7:17 p.m. to allow completion of the City Council Agenda.

**Consent Calendar**

CC-2016-090 – Council Bill #R-2016-32 (Revised) – Requesting LAFCO (Local Agency Formation Commission) to annex approximately 80 acres on the east and west sides of New Jersey Street between Orange Avenue and Citrus Street, including the subject property to Loma Linda

The City Clerk noted that the Resolution was adopted on September 13; subsequently LAFCO required changes to the title of the Resolution to reference the complete reorganization and to correct various citations and codes. She then recommended the Council Bill be adopted incorporating the corrections.

**Motion by Popescu, seconded by Dupper and unanimously carried to adopt Council Bill #R-2016-32 as revised. Councilman Dailey absent.**

**Resolution No. 2909**

A Resolution of Application by the City of Loma Linda, requesting the Local Agency Formation Commission to take proceedings for the reorganization to include annexation to the City of Loma Linda and Detachment from the San Bernardino County Fire Protection District and its Valley Service Zone, and County Service Area 70 of approximately 80 acres on the east and west sides of New Jersey Street between Orange Avenue and Citrus Street (Orchard Heights)

**Reports of Councilmen**

Councilman Popescu asked about the follow up relating to the dogs on Van Leuven Street. Assistant City Manager Bolowich responded that there was no record of petition or formal complaint; the dogs were licensed and confined to the property.

Councilman Lenart asked if the website contained phone numbers to call after hours to report such things as water leaks, low hanging branches, etc. City Manager Thaipejr confirmed that phone numbers and responding departments have been placed on the City's website; in addition, a consultant has been retained to update the website.

The meeting adjourned at 7:22 p.m.

Approved at the meeting of

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City Clerk

City of Loma Linda

City Council Minutes

Regular Meeting of September 27, 2016

A regular meeting of the City Council was called to order by Mayor Rigsby 7:05 p.m., Tuesday, September 27, 2016, in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

Councilmen Present:	Mayor Rhodes Rigsby Mayor pro tempore Phill Dupper Ovidiu Popescu John Lenart
Councilman Absent:	Ron Dailey
Others Present:	City Manager T. Jarb Thaipejr City Attorney Richard E. Holdaway

The invocation and Pledge of Allegiance was led by Mayor Rigsby. No items were added or deleted; no public participation comments were offered; and no conflicts of interest were noted.

**Scheduled And Related Items**

CC-2016-091

**LLHA-2016-022 – Joint Meeting of the City Council and Loma Linda Housing Authority relating to an Intercreditor and Subordination Agreement by and among the County of San Bernardino, the City of Loma Linda, the Loma Linda Housing Authority, and Loma Linda Vets L.P., a California limited partnership**

- a. Council Bill #R-2016-39 – City Council Authorizing the execution of the Intercreditor and Subordination Agreement
- b. LLHA Bill #R-2016-05 – Housing Authority authorizing the execution of the Intercreditor and Subordination Agreement

Councilman Dupper disclosed that he was employed by the County of San Bernardino, but was not related to the request under consideration.

Mark Huebsch of Stradling Yocca Carlson & Rauth presented a report, stating that the resolutions before the City Council and the Housing Authority seek approval of an Intercreditor Agreement with the County of San Bernardino; he further indicated that the Housing Authority's initial involvement consisted of the sale of land that was a portion of the footprint of a development.

He went on to say that Housing Authority and City would be able to count units under various affordability categories if the Housing Authority and City became third party beneficiaries under the County agreement with the developer; these credits would count for purposes of RHNA as well as assisting regarding any production deficit at the time. He indicated that there had been discussions with representatives of the County and discussions with representatives of the State of California; while there had been some indication that subordination of Housing Authority and City Covenants would be requested to an agreement between the State (HCD) and the developer, it appeared probable that this would not be the case, but there was not a definitive interpretation on this matter. There was thus the possibility that there could be a request by the State for subordination of the Housing Authority and City Covenants some time down the road. To address this possibility, the form of resolutions provide authorization for the Executive Director and the City Manager to execute subordination to the State if it becomes necessary. He noted that representatives of the County were present and recommended adoption of the resolutions.

Councilman Popescu stated that he contacted County representatives pertaining to process and how the veterans would be vetted and was satisfied with their response; as a result, he would vote in favor of adopted the resolutions.

Dena Fuentes, Director of County Community Development and Housing addressed the City Council, apologizing concerning the lack of communication between the County and the City and understanding the frustration of the City Council relating to the project and the funding process, and indicated that communications would improve.

She then went on to say that over \$37 million from a number of funding sources would be provided to develop and operate the project, including funds from the County Housing Authority and the County

Housing Department. Regarding the HOME Funds, \$2.1 million has been targeted for the project and of those funds, \$900,000 must be spent by September 30 or the funds would be captured by the State.

Ms. Fuentes stated further that as part of the financing structure, the County Housing Authority applied for vouchers to help finance the rents for the apartment units; that if the project did not move forward, there was no guarantee that the vouchers would be able to be reprogrammed to other projects within the County.

Councilman Dupper indicated that he spoke to County Supervisors who provided the same assurances, and that he supported City Staff on this issue. He then asked about other County support to address various issues.

In response, Ms. Fuentes indicated that the VA would provide support to all of the veterans; that there would also be on-site services to provide good conduct rules, Life Steps to assist veterans in their living environment, helping with medication, rehabilitation, and employment training. It is anticipated that job creation and development would occur and the veterans would progress to regular market-rate units.

Discussion ensued.

**Motion by Popescu, seconded by Lenart and unanimously carried to adopt Council Bill #R-2016-39 and LLHA Bill #R-2016-05 and authorize the City Manager to execute a subordination to the State if necessary. Councilman Dailey absent.**

**Resolution No. 2912**

A Resolution of the City Council of the City of Loma Linda approving and authorizing the execution of an Intercreditor and Subordination Agreement by and among the County of San Bernardino, the City of Loma Linda, the Loma Linda Housing Authority, and Loma Linda Vets., LP., a California limited partnership

**Resolution No. 32**

A Resolution of the Loma Linda Housing Authority approving and authorizing the execution of an Intercreditor and Subordination Agreement by and among the County of San Bernardino, the City of Loma Linda, the Loma Linda Housing Authority, and Loma Linda Vets., LP., a California limited partnership

**Reports of Officers**

City Manager Thaipejr reminded City Council Members of the League of California Cities meeting next week; the Chamber of Commerce State of the City luncheon on September 28; and the ribbon cutting for the VA Outpatient Clinic on Redlands Boulevard scheduled for Friday, October 7 at 9:00 a.m.

The meeting adjourned at 7:29 p.m.

Approved at the meeting of

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City Clerk



# City of Loma Linda Official Report

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Rhodes Rigsby, Mayor  
Phillip Dupper, Mayor pro tempore  
Ovidiu Popescu, Councilman  
Ronald Dailey, Councilman  
John Lenart, Councilman

COUNCIL AGENDA: October 11, 2016  
TO: City Council  
VIA: T. Jarb Thaipejr, City Manager  
FROM: Diana De Anda, Finance Director/City Treasurer   
SUBJECT: September 2016 Treasurer's Report

Approved/Continued/Denied By City Council Date _____
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## RECOMMENDATION

It is recommended that the City Council receive the report for filing.

CITY OF LOMA LINDA  
COMPOSITION OF CASH  
SEPTEMBER 2016

**DEMAND DEPOSIT ACCOUNTS**

CITY - BANK OF AMERICA - MAIN CHECKING ACCOUNT	\$	1,600,703.07
Outstanding Checks as of month-end		(612,000.90)
<b>CITY - MAIN CHECKING ACCOUNT AVAILABLE BALANCE</b>	<b>\$</b>	<b>988,702.17</b>
<b>BANK OF AMERICA - PAYROLL</b>	<b>\$</b>	<b>16,264.72</b>
HOUSING AUTHORITY - BANK OF AMERICA - CHECKING ACCOUNT		126,858.80
Outstanding Checks as of month-end		(7,870.39)
<b>HOUSING AUTHORITY - CHECKING ACCOUNT AVAILABLE BALANCE</b>	<b>\$</b>	<b>118,988.41</b>
SUCCESSOR AGENCY - BANK OF AMERICA - CHECKING ACCOUNT		60,714.42
Outstanding Checks as of month-end		(382.06)
<b>SUCCESSOR AGENCY - CHECKING ACCOUNT AVAILABLE BALANCE</b>	<b>\$</b>	<b>60,332.36</b>

**DEMAND DEPOSIT ACCOUNTS - TOTAL** **\$ 1,184,287.66**

**INVESTMENTS**

**YIELD**

LOCAL AGENCY INVESTMENT FUND (LAIF)			
CITY	pending	\$ 25,376,059.58	
CITY - former RDA Bond Proceeds	pending	4,633,792.45	
CITY -Total			30,009,852.03
SUCCESSOR RDA	pending		3,431,174.44
HOUSING AUTHORITY	pending		672,930.28
<b>INVESTMENTS TOTALS</b>			<b>\$ 34,113,956.75</b>

**OTHER CASH**

IMPREST ACCOUNT	\$	500.00
CASH ON HAND		1,350.00
<b>OTHER CASH TOTAL</b>	<b>\$</b>	<b>1,850.00</b>

**CASH AND INVESTMENTS - GRAND TOTAL** **35,300,094.41**

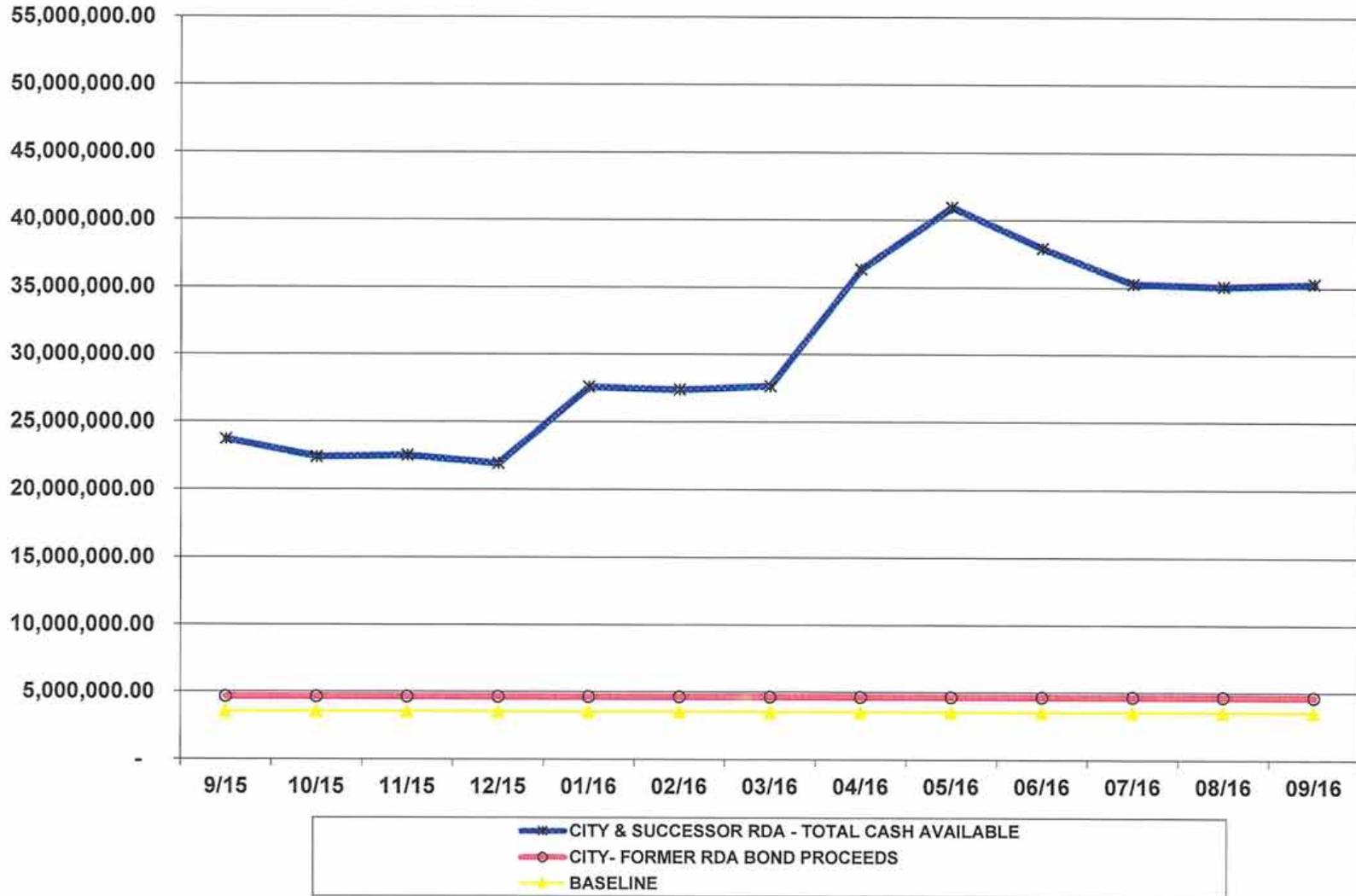
PREVIOUS MONTH 35,092,747.05

CHANGE +/-) **\$ 207,347.36**

All investments are in accordance with the City Investment Policy, and as such, sufficient funds are available to meet the cash flow requirements of Loma Linda, including the next thirty days' obligations. City and Agency funds are pooled.

  
Treasurer

CITY OF LOMA LINDA  
MONTHLY TREASURER'S REPORT 9/15 - 9/16





# City of Loma Linda Official Report

Rhodes Rigsby, Mayor  
Phillip Dupper, Mayor pro tempore  
Ovidiu Popescu, Councilmember  
Ronald Dailey, Councilmember  
John Lenart, Councilmember

COUNCIL AGENDA: October 11, 2016  
TO: City Council  
VIA: T. Jarb Thaipejr, City Manager  
FROM: Jeff Bender, Fire Chief *JTB*  
SUBJECT: September Fire Department Activity Report

Approved/Continued/Denied  
By City Council  
Date \_\_\_\_\_

## Operations Division

The Fire Department's Operations Division responded to 413 incidents in September 2016. Of the 413 incidents, 125 calls were given in Mutual/Automatic Aid. The alarm types are broken down as follows:

Fire & Rescue	Month		YTD	
Medical Aid (MA)	209	50.6%	1762	51.0%
Traffic Collision (TC)	14	3.4%	129	3.7%
<b>MA + TC</b>	<b>223</b>	<b>54.0%</b>	<b>1891</b>	<b>54.8%</b>
Hazardous Conditions	1	0.2%	37	1.1%
Hazardous Material	0	0.0%	0	0.0%
Public Assistance	37	9.0%	253	7.3%
Rescue	3	0.7%	29	0.8%
Structure Fire	2	0.5%	24	0.7%
Cooking	0	0.0%	6	0.2%
Vegetation Fire	4	1.0%	51	1.5%
Vehicle Fire	0	0.0%	11	0.3%
Refuse Fire	3	0.7%	29	0.8%
<b>All Fires</b>	<b>9</b>	<b>2.2%</b>	<b>121</b>	<b>3.5%</b>
Good Intent/Dispatched & Cancelled Enroute	119	28.8%	892	25.8%
Fire Alarm Activation*	21	5.1%	230	6.7%

\*Note: Includes accidental activation, burnt food, system malfunction, malicious, etc.

## Training Division Highlights:

- Monthly Emergency Medical Services (EMS) Training
  - Monthly EMS training, CQI
  - EMS lecture by Dr. Nguyen
  - Honor Guard training
  - Training update for new hires by BC1106
  - MT251 attended regional Haz Mat training at Stater Bros. in San Bernardino

## Public Education/Relations Detail:

- Hosted annual 9/11 Memorial ceremony

**SUBJECT: September 2016 Fire Department Activity Report Continued**

**Fire Prevention Division:**

The Fire Departments Prevention Division activity report is as follows:

Certificate Of Occupancy Inspection	
Commercial UL-300 Hood Inspections	
Construction Site Inspection	21
Fire Alarm System Test & Inspection (# of trips)	3
Fire Building Final Inspection	
Fire Flow Test (Hydrant Testing)	4
Fire Sprinkler Final – Commercial	
Fire Sprinkler Final – Residential	
Fire Sprinkler Rough – Commercial	6
Fire Sprinkler Rough – Residential	4
Fire Underground – Inspection, test, flush	4
Five Year FS System Certification – Observe Flush	
Knox Box Placement/Inspection	
New Tenant Inspection	6
Over-Head Hydro – Commercial	
Over-Head Hydro – Residential	
Plan Check Review / Project Review (hours)	71
Smoke Alarm Check	
Solar Panel Inspection	
Underground Flam. Liquid Tank Inspection	
EOC Training or Activation (hours)	
Evacuation / Fire Drills, LLUMC, Schools	
Fire Code Research (hours)	31.5
Meetings	10
Public Education (hours)	
Public Hearings / Council Meetings	
Training Classes (hours)	3
Annual Fire Inspections	2
Engine Co. Computer / RMS (Hours)	
Engine Company Follow-up Inspection (hours)	
Field Investigation / Inquiries	3
Fire / Arson / Illegal Burn Investigation	3
State Fire Marshal Permits Issued	1
State Fire Marshal Title 19 Inspections: RCF's	2
Food Truck Inspections	2
Weed Abatement Administrative Time (hours)	6
Weed Abatement, Parcels Inspected	500



# City of Loma Linda Official Report

Rhodes Rigsby, Mayor  
Phillip Dupper, Mayor pro tempore  
Ronald Dailey, Councilman  
John Lenart, Councilman  
Ovidiu Popescu, Councilman

COUNCIL AGENDA: October 11, 2016

TO: City Council

FROM: Konrad Bolowich, Assistant City Manager

SUBJECT: Appropriation for legal services related to Loma Linda Connected Community.

Approved/Continued/Denied  
By City Council  
Date \_\_\_\_\_

## **RECOMMENDATION**

It is recommended that the City Council appropriate \$10,000 for legal services related Loma Linda Connected Community Program. (LLCCP)

## **BACKGROUND**

Council has directed staff to negotiate with Allied Telesis for the operation of the Loma Linda Connected Community Program. As a portion of these negotiations, operating agreements and lease contracts are required to be drafted, the requested funds are to cover costs associated with drafting and reviewing these documents.

## **ENVIRONMENTAL**

There is no environmental impact

## **FINANCIAL IMPACT**

Funds will be appropriated from fund balance in 40-5900 and allocated to account 40-5900-1820.



# City of Loma Linda Official Report

Rhodes Rigsby, Mayor  
Phillip Dupper, Mayor pro tempore  
Ronald Dailey, Councilman  
John Lenart, Councilman  
Ovidiu Popescu, Councilman

COUNCIL AGENDA: October 11, 2016

TO: City Council

FROM: Konrad Bolowich, Assistant City Manager 

SUBJECT: Appropriation for IT Support services with Allied Telesis for LLCCP, FY 2017

Approved/Continued/Denied  
By City Council  
Date \_\_\_\_\_

## RECOMMENDATION

It is recommended that the City Council appropriate \$29,200 for support services provided for the LLCCP to cover services for August and September 2016.

## BACKGROUND

Allied Telesis is a global leader in the manufacture, installation, and operation of hardware and software in internet service provider market. They have been an integral partner with The LLCCP in the creation of, and continued operation of the program. The LLCCP is in negotiation to transfer operations of the LLCCP to Allied Telesis. In the interim, there is a requirement for desktop and help desk support as well as network administration. This appropriation is to cover costs for support services which will be provided in FY 2017 for the interim period.

## ANALYSIS

This appropriation is for support services provided on an as needed basis at an hourly. Requirements relative to Redevelopment Dissolution and need to identify an economic valuation of the program have delayed the implementation of the agreement. This support is in lieu of hiring a full time or contract employee for this transitional period. It is estimated that discussions should be concluded by mid-August 2016.

## ENVIRONMENTAL

There is no environmental impact

## FINANCIAL IMPACT

Funds will be appropriated from fund balance in 40-5900 and allocated to account 40-5900-1820.



ALLIED TELESIS PRICE QUOTE

Allied Telesis
3041 Orchard Parkway
San Jose, CA 95134
Main Office Number: (408) 519-8700
EIN/IRS Tax ID: 77-0165055

August

Quote Number Q-33916 Expiration Date 12/26/2016
OPP-ID OPP-000172357
Prepared By Vince Cordova Contact Name
E-mail vince\_cordova@alliedtelesis.com Phone
Email
Bill To Name City of Loma Linda Ship To Name City of Loma Linda
Bill To 25541 Barton Rd Ship To 25541 Barton Road
Loma Linda, CA 92354-3160 Loma Linda, California 92354
United States United States

Additional Information

Comments
Approval Notes Quote approved

Payment Terms Net 30

Quote To :
Quote To Name City of Loma Linda Quote To 25541 Barton Road
Loma Linda, California 92354
United States

Table with 8 columns: Product, Product Family, DESCRIPTION, MSRP, Sales Price, MSRP Discount %, Quantity, Total Price. Rows include AT-DSS-01 and AT-SES-01, with a TOTAL row showing USD 14,600.00.

Standard Terms & Conditions :

- 1. FOB origin via Allied Telesis' specified carrier, prepay and add.
2. This quotation is provided for information purposes only and shall not be construed as an offer to sell and is subject to change without notice.
3. Customer agrees to follow all export regulations of USA. Nuclear, biological or chemical weapon use is prohibited, diversion of Allied Telesis product, contrary to the U.S. law, is prohibited.
4. Allied Telesis offers a flexible set of services and support programs that can be tailored to meet the needs of a wide range of customers...

Latest Terms & Conditions: http://www.alliedtelesis.com/legal/salesterms



ALLIED TELESIS PRICE QUOTE

Allied Telesis  
 3041 Orchard Parkway  
 San Jose, CA 95134  
 Main Office Number: (408) 519-8700  
 EIN/IRS Tax ID: 77-0165055

*September*

Quote Number OPP-ID	Q-33917 OPP-000172358	Expiration Date	12/26/2016
Prepared By E-mail	Vince Cordova vince_cordova@alliedtelesis.com	Contact Name Phone Email	
Bill To Name Bill To	City of Loma Linda 25541 Barton Rd Loma Linda, CA 92354-3160 United States	Ship To Name Ship To	City of Loma Linda 25541 Barton Road Loma Linda, California 92354 United States

Additional Information  
 Comments

Approval Notes      Quote approved

Payment Terms      Net 30

Quote To :		Quote To	25541 Barton Road
Quote To Name	City of Loma Linda		Loma Linda, California 92354
			United States

Product	Product Family	DESCRIPTION	MSRP	Sales Price	MSRP Discount %	Quantity	Total Price
AT-DSS-01	SERVICE	Desktop Support Services	USD 120.00	USD 75.00	37.50	160.00	USD 12,000.00
AT-SES-01	SERVICE	Solution Engineering Services	USD 185.00	USD 130.00	29.73	20.00	USD 2,600.00
<b>TOTAL:</b>							<b>USD 14,600.00</b>

**Standard Terms & Conditions :**

1. FOB origin via Allied Telesis' specified carrier, prepay and add.
2. This quotation is provided for information purposes only and shall not be construed as an offer to sell and is subject to change without notice. All orders are subject to acceptance by Allied Telesis. All prices are subject to all applicable state and/or local taxes. Terms are subject to credit department approval.
3. Customer agrees to follow all export regulations of USA. Nuclear, biological or chemical weapon use is prohibited, diversion of Allied Telesis product, contrary to the U.S. law, is prohibited.
4. Allied Telesis offers a flexible set of services and support programs that can be tailored to meet the needs of a wide range of customers who wish to take additional precautions to safeguard the integrity of networked data, ensure network up time, and maximize end-user productivity while protecting their original investment well into the future. These Service Programs provide comprehensive coverage for your purchase, including advanced hardware replacement and access to no charge telephone support.

Latest Terms & Conditions: <http://www.alliedtelesis.com/legal/salesterms>



# City of Loma Linda Official Report

Rhodes Rigsby, Mayor  
Phillip Dupper, Mayor pro tempore  
Ronald Dailey, Councilman  
John Lenart, Councilman  
Ovidiu Popescu, Councilman

COUNCIL AGENDA: October 11, 2016

TO: City Council

FROM: T. Jarb Thaipejr, City Manager/Public Works Director *T.J.T.*

SUBJECT: Award Contract to Furnish and Install a Prefabricated Restroom at Hulda Crooks Park.

Approved/Continued/Denied  
By City Council  
Date \_\_\_\_\_

## **RECOMMENDATION:**

It is recommended that the City Council award a contract in an amount of \$119,322.00 to Public Restroom Company of Minden, NV for the subject project and approve a contingency amount of \$12,000.00 ( $\pm 10\%$ ). City Staff will provide project management and cause the site preparation, including building pad, foundation work and utility installation.

## **BACKGROUND:**

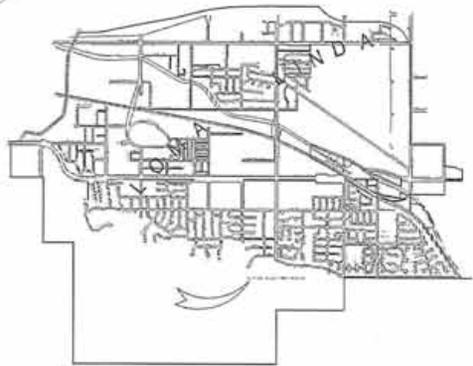
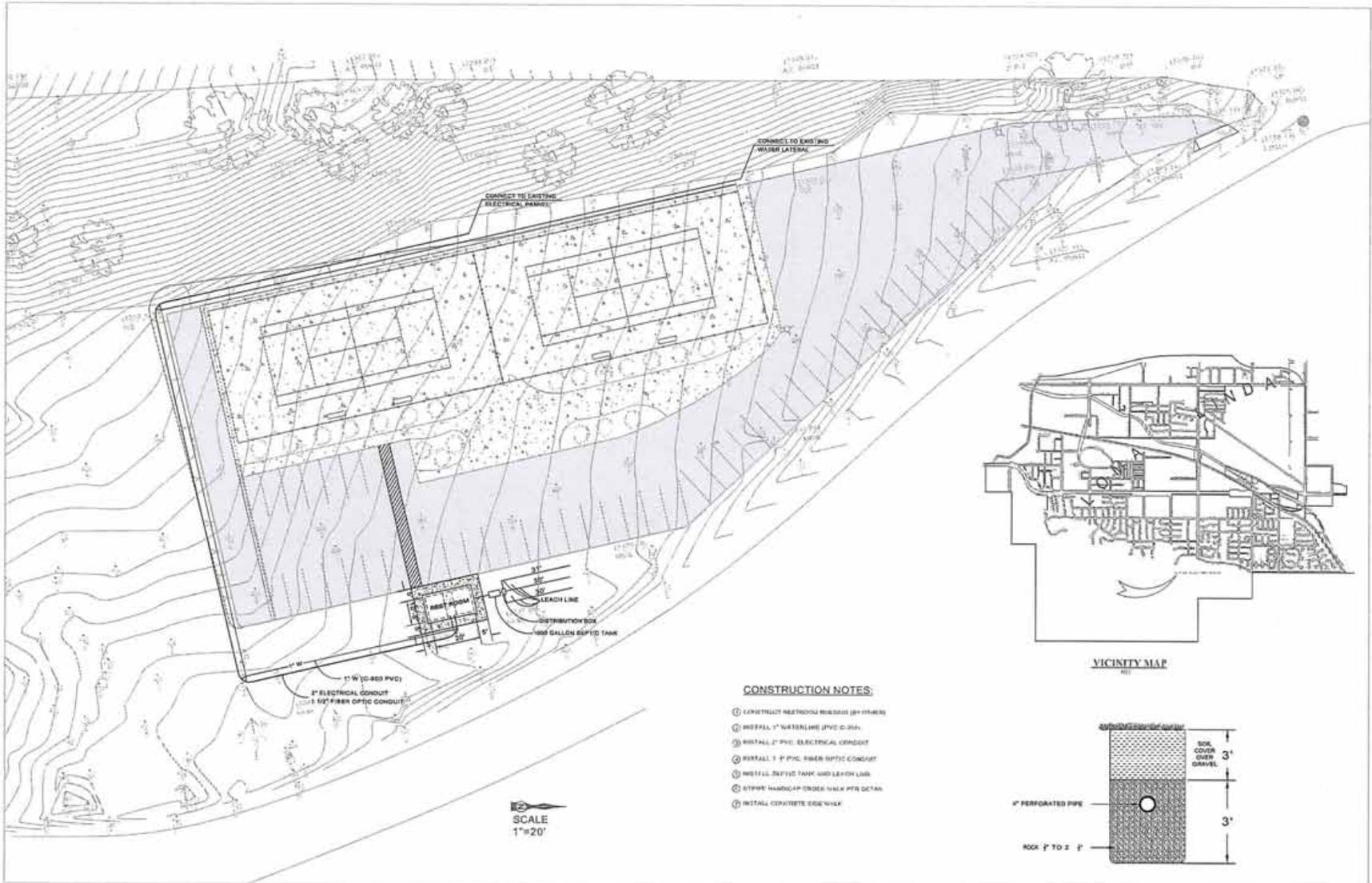
This project is on our Capital Improvement Program Projects list that was approved by City Council. The installed improvements will serve the needs of park patrons who utilize the Loma Linda Hills trail system, dog park, basketball and tennis courts. The City contracted with this company in 2008 to install a similar restroom at Bryn Mawr Veteran's Memorial Park.

## **ANALYSIS:**

City Council approved the annual budget which included this capital improvement project. Staff contacted the company that provides fully assembled, regulation compliant, restroom buildings for delivery and installation in public venues. This "Turn-key" product is delivered and installed on our prepared site. The experience we have with this company and the product is very positive. It is not unusual for a construction project to experience the need to add or reduce the quantities of work items or the scope of work as field conditions dictate. This is generally caused by unforeseen circumstances or work needed to maintain the integrity of the project. Therefore, Staff recommends an allocation of \$12,000 for such circumstances.

## **FINANCIAL IMPACT:**

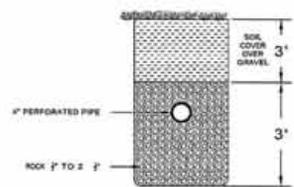
Funding is available in account number 04-5320-8500, Parks.



VICINITY MAP

**CONSTRUCTION NOTES:**

- ① CONSTRUCT RESTROOM BUILDING BY FRAMES
- ② INSTALL 1" WATER LINE (PVC 0-50)
- ③ INSTALL 1" PVC ELECTRICAL CONDUIT
- ④ INSTALL 1" PVC FIBER OPTIC CONDUIT
- ⑤ INSTALL SEPTIC TANK AND LEACH LINE
- ⑥ SET/WE HANDICAP (ORDER WALK PTH DETAIL)
- ⑦ INSTALL CONCRETE SIDE WALK



SCALE  
1" = 20'

	Prepared by <b>K.J.T.</b>	Checked by <b>J.J.T.</b>	Approved by <b>J.J.T.</b>	Date <b>11/11/2011</b>	Project Name <b>REST ROOM BUILDING AT HULDA CROOKS PARK</b>	City <b>LOMA LINDA</b>	State <b>CA</b>	County <b>SAN BERNARDINO</b>	District <b>1</b>	Sheet <b>1</b>	Scale <b>1" = 20'</b>	Title <b>DIRECTOR OF PUBLIC WORKS</b>	City Seal 	City Name <b>CITY OF LOMA LINDA</b>	Project Name <b>REST ROOM BUILDING AT HULDA CROOKS PARK</b>	Drawing No. <b>11/11/2011</b>
	I, the undersigned, hereby certify that I am a duly Licensed Professional Engineer in the State of California, and that I am the author of the above described plans, specifications, and reports, and that I am a duly Licensed Professional Engineer in the State of California, and that I am the author of the above described plans, specifications, and reports, and that I am a duly Licensed Professional Engineer in the State of California, and that I am the author of the above described plans, specifications, and reports.															



# City of Loma Linda Official Report

Rhodes Rigsby, Mayor  
Phillip Dupper, Mayor pro tempore  
Ronald Dailey, Councilman  
John Lenart, Councilman  
Ovidiu Popescu, Councilman

COUNCIL AGENDA: October 11, 2016

TO: City Council

FROM: T. Jarb Thaipejr, City Manager/Public Works Director *T.J.T.*

SUBJECT: Award Contract for Annual Tree Trimming Citywide.

Approved/Continued/Denied By City Council Date _____
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## **RECOMMENDATION:**

It is recommended that the City Council award a contract for tree trimming to West Coast Arborist, Inc. of Anaheim, CA in an amount not to exceed \$20,000.00 and authorize a contingency allocation of \$2,000.00 ( $\pm 10\%$ ). City Staff will provide project management.

## **BACKGROUND:**

The City Council approves the annual budget which includes tree trimming at citywide. In April City Council awarded a contract for tree planting to this contractor via the competitive bid process. Staff has contacted the surrounding cities of Moreno Valley and Redlands to investigate their current annual tree trimming contracts. Both cities, through the competitive bid process awarded their annual contracts to West Coast Arborist, Inc. of Anaheim, CA.

## **ANALYSIS:**

Staff has contacted West Coast Arborist, Inc. of Anaheim, CA to gauge the interest of extending the City of Redlands unit pricing to the City of Loma Linda. This piggy-back procurement process is allowed in California as long as the original contract was competitively bid and followed California law. We believe the Cities of Redlands and Moreno Valley have done so. Additionally, their budgeted contract amounts are substantially higher than ours. Therefore, we will enjoy the quantity of scale pricing. It is not unusual for a construction project to experience the need to add or reduce the quantities of work items or the scope of work as field conditions dictate. This is generally caused by unforeseen circumstances or work needed to maintain the integrity of the project. Therefore, Staff recommends an allocation of \$2,000 for such circumstances.

## **FINANCIAL IMPACT:**

Funding is available in account number 01-3200-1300, Streets.



# City of Loma Linda Official Report

Rhodes Rigsby, Mayor  
Ovidiu Popescu, Mayor pro tempore  
Ronald Dailey, Councilman  
Phillip Dupper, Councilman  
John Lenart, Councilman

COUNCIL AGENDA: October 11, 2016

TO: City Council

FROM: Barbara Nicholson, HR Analyst/Deputy City Clerk *BN*

VIA: T. Jarb Thaipejr, City Manager *T.J.T.*

SUBJECT: Amend Miscellaneous Compensation Plan

Approved/Continued/Denied By City Council Date _____
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- a. Adopt job description - Parking Enforcement/Animal Control Officer
- b. Adopt Council Bill #R-2016-41 adopting the Miscellaneous and Safety Compensation Plans as one document for fiscal years 2016-2017 pursuant to CA Code of Regulation §570.5

## RECOMMENDATION

It is recommended that the City Council approve the attached Parking Enforcement/Animal Control Officer job description and adopt Council Bill #R-2016-41 adopting the Miscellaneous and Safety Compensation Plans as one document for fiscal years 2016-2017 pursuant to CA Code of Regulation 570.5.

## BACKGROUND

Animal control services were brought back in-house in July 2013, at which time the function was combined with Code Enforcement and the Code Compliance/Animal Control Officer position was created and filled. Shortly thereafter, an Animal Control on-call program was established to cover after hours emergency calls and the current incumbent Parking Enforcement Officer stepped up to help out with that program. Over time, the incumbent in the Parking Enforcement Officer position has started assisting on animal control calls requiring more than one person.

## ANALYSIS

It is believed that the function of Parking Enforcement will not be unduly affected by the addition of the Animal Control duties. The job description attached was developed using the duties outlined in the current Parking Control Officer description with the added animal control duties, with input from the current incumbent as to the actual duties performed. The salary range for the position is recommended to be the same as the Code Compliance/Animal Control Officer at Range 18; non-exempt; and, part of the Professional and Administrative Employee Association.

The position will amend the Miscellaneous Compensation Plan and Council Bill #R-2016-41 will adopt both the Miscellaneous and Safety Compensation Plans for the 2016-2017 fiscal year as one document, satisfying the requirements of the California Code of Regulations §570.5 as required by the State and CalPERS.

## FINANCIAL IMPACT

Increase to salary and benefits equal \$3,265 annually or approximately \$2,750 for the remainder of the current fiscal year.

**CITY OF LOMA LINDA**  
**PARKING ENFORCEMENT/ANIMAL CONTROL OFFICER**

Definition

Under general direction, performs a variety of functions, including enforcement of City Municipal Code regulations and State law pertaining to parking enforcement and animal control; performs other such duties as may be assigned

Parking Control Officer Duties

1. Patrols the City on foot or City vehicle enforcing all parking regulations set forth by the California Vehicle Code and City Municipal ordinances; and provides clear communications with the general public regarding parking laws and regulations.
2. Has knowledge of City laws governing vehicular parking, including California Vehicle Code, City Municipal Code, Department manuals, and traffic control safety practices.
3. Issues citations using a hand-held computer; identifies abandoned vehicles, vehicles with multiple citations, vehicles with expired registration or other violations and coordinates towing of same.
4. Arranges for removal of unlawfully parked vehicles as authorized by state and local codes
5. Appears in court to testify on matters relating to violations of City parking laws and regulations.
6. Compiles data, drafts reports, performs research studies, and statistics on matters relating to parking control.
7. Reports traffic control and parking signs in need of repair, lost, or added to a location.
8. Conducts traffic control at collisions, fires, crime scenes, and special events or where ever traffic control is needed as requested.

Animal Control Officer Duties

Under general supervision, assists the Code Compliance/Animal Control Officer in the following:

1. Patrols City enforcing State, County, and Municipal regulations concerning the care, treatment, impounding, and quarantine of animals; picking up and impounding stray, sick, injured, unwanted, abandoned, and diseased animals; picking up and disposing of dead animals; issuing notices and citations as required; performing euthanasia of sick and/or injured animals.
2. Determines whether animals are cared for in accordance with laws and regulations; conducting investigations of aggressive animal behavior, nuisance complaints, and reports of inhumane treatment of animals, improper shelter or sanitation; obtaining documents and other evidence, interviewing witnesses and other affected parties.
3. Interprets, enforces and educates the public all City ordinances pertaining to animal control.
4. Attempts to solve neighborhoods' animal-related problems in a positive manner. Investigates complaints concerning stray, noisy, vicious, abused, neglected, or dead animals.
5. This position is also subject to frequent call-back after hours and during weekends and holidays.

General Duties

1. Assists other agencies or City departments with Parking Enforcement and Animal Control activities.
2. Maintains records and files, prepares written reports and correspondence.
3. Interfaces with the hearing officer/City prosecutor and makes court appearances, as necessary.
4. Attends meetings and participates in discussions of municipal codes and procedures.
5. Interfaces effectively with state, county, and local agencies.
6. Assists San Bernardino County Sheriff personnel in routine matters.
7. Reports suspicious activities and hazards throughout the City.
8. Performs other related duties as required.

### Education and/or Experience

Any combination of education and/or experience that has provided the knowledge, skills, and abilities necessary for satisfactory job performance. Example combinations include a high school diploma or equivalent and experience equal to two years in Animal Control and Parking Enforcement or a combination thereof that included substantial public contact.

### Knowledge, Skills, and Abilities

Skill and ability to read and interpret municipal and state codes; analyze code violations and recommend remedies; deal with individuals in potentially adversarial situations; prepare case reports; handle stress; plan, organize, prioritize, and perform duties as assigned with minimal supervision; operate standard office equipment, a personal computer, and relevant software in a PC or Mac environment; interpret and apply department policies and procedures; communicate clearly and concisely, both orally and in writing; research and compile information; maintain records, electronically and on paper; establish and maintain effective working relationships with the public and all levels of staff, management, and elected or appointed officials; adapt in a high-volume, fast-paced working atmosphere with multiple activities.

### Special Requirements

Completion of PC 832 Arrest (P.C. 832-A) within one year of hire.

Possession of or ability to obtain an appropriate valid California driver's license.

Incumbents must pass a medical examination and drug screen at time of appointment.

### Working Conditions

- Requires vision (which may be corrected) to read small print.
- Requires the mobility to stand, stoop, reach, and bend.
- Requires mobility of arms to reach and dexterity of hands to grasp and manipulate small objects.
- Requires the ability to stand for long periods.
- Requires the ability to walk long distances.
- Performs lifting, pushing, and/or pulling, which could exceed 100 lbs.
- May be required to work in inclement weather conditions.
- May work around moving traffic.
- May be required to work within enclosed spaces or at heights above ground level.
- Required to traverse hilly and rocky terrain.
- Frequently deal with irate members of the public.
- Required to attend periodic evening meetings and/or to travel within and out of City boundaries to attend meetings and conduct investigations.

### The Ideal Candidate will demonstrate

- Working knowledge of appropriate Parking Enforcement and Animal Control services, laws, and regulations.
- Ability to establish and maintain effective working relationships with those contacted in the course of work.
- Ability to perform all required duties, setting appropriate priorities, and allocate time and resources between the two disciplines, with minimal supervision.

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA, CALIFORNIA, ADOPTING THE MISCELLANEOUS AND SAFETY COMPENSATION PLANS AS ONE DOCUMENT PURSUANT TO CALIFORNIA CODE OF REGULATIONS § 570.5

WHEREAS, California Code of Regulations 570.5 requires pay rates for all city positions be approved and adopted by the governing body as one complete document; and

WHEREAS, the last modification to the Miscellaneous Pay Plan approved by the City Council on August 25, 2015 did not include the Safety Pay Plan; and

WHEREAS, Exhibit A to this resolution, City of Loma Linda 2016-2017 Pay Schedule and Exhibit combines the Miscellaneous and Safety Pay Plans into one document as required by California Code of Regulations § 570.5;

NOW, THEREFORE, be it resolved that the City Council of the City of Loma Linda does hereby approve and adopt the 2016-2017 City of Loma Linda Pay Schedule.

PASSED, APPROVED AND ADOPTED this 11th day of October 2016 by the following vote:

Ayes:  
Noes:  
Abstain:  
Absent:

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Rhodes Rigsby, Mayor

ATTEST:

---

Pamela Byrnes-O'Camb, City Clerk

**CITY OF LOMA LINDA  
COMPENSATION PLAN  
MISCELLANEOUS EMPLOYEES  
FISCAL YEAR 2016-2017**

<u>POSITION TITLE</u>	<u>PAY GRADE</u>	<u>Annual Minimum</u>	<u>Annual Maximum</u>
STUDENT INTERN	12	\$13.59/hourly	\$17.35/hourly
ADMINISTRATIVE SPECIALIST I	13	\$30,538.67	\$40,949.10
ACCOUNTING TECHNICIAN I	14	\$32,981.76	\$44,225.03
ADMINISTRATIVE SPECIALIST II	14	\$32,981.76	\$44,225.03
FIELD MAINTENANCE TECH I	15	\$35,620.30	\$47,763.03
UTILITIES AIDE	15	\$35,620.30	\$47,763.03
ACCOUNTING TECHNICIAN II	16	\$38,469.92	\$51,584.06
PARKING CONTROL OFFICER-SPECIAL EVENTS COORDINATOR	16	\$38,469.92	\$51,584.06
UTILITIES MAINTENANCE TECH I	16	\$38,469.92	\$51,584.06
ACCOUNTING SPECIALIST	17	\$41,547.51	\$55,710.78
ADMINISTRATIVE SPECIALIST III	17	\$41,547.51	\$55,710.78
TREATMENT PLANT OPERATOR I	17	\$41,547.51	\$55,710.78
CUSTOMER SERVICE/METER TECH	18	\$44,871.31	\$60,167.64
FIELD MAINTENANCE TECH II	18	\$44,871.31	\$60,167.64
STORMWATER INSPECTOR	18	\$44,871.31	\$60,167.64
CODE COMPLIANCE/ANIMAL CONTROL OFFICER	18	\$44,871.31	\$60,167.64
PARKING ENFORCEMENT/ANIMAL CONTROL OFFICER	18	\$44,871.31	\$60,167.64
ENGINEERING TECHNICIAN	19	\$48,461.01	\$64,981.03
EXECUTIVE AIDE	19	\$48,461.01	\$64,981.03
FACILITY MAINTENANCE COORDINATOR	19	\$48,461.01	\$64,981.03
FIELD MAINTENANCE TECH III	19	\$48,461.01	\$64,981.03
LEAD MECHANIC/FLEET SVCS COORDINATOR	19	\$48,461.01	\$64,981.03
PLANNING TECHNICIAN	19	\$48,461.01	\$64,981.03
SUPERVISING ACCOUNTING TECHNICIAN	19	\$48,461.01	\$64,981.03
TREATMENT PLANT OPERATOR II	19	\$48,461.01	\$64,981.03
UTILITIES MAINTENANCE TECH II	19	\$56,524.92	\$64,981.03
ASSISTANT PLANNER	20	\$52,337.89	\$70,179.53
EXECUTIVE ASSISTANT	20	\$52,337.89	\$70,179.53
HUMAN RESOURCES ANALYST-DEPUTY CITY CLERK	20	\$52,337.89	\$70,179.53
INFORMATION SYSTEMS ANALYST I	20	\$52,337.89	\$70,179.53
SENIOR CODE ENFORCEMENT OFFICER	20	\$52,337.89	\$70,179.53
TREATMENT PLANT OPERATOR III	20	\$52,337.89	\$70,179.53
UTILITIES MAINTENANCE TECH III	20	\$52,337.89	\$70,179.53
ASSOCIATE PLANNER	21	\$56,524.92	\$75,793.89
FIRE PREVENTION INSPECTOR	21	\$56,524.92	\$6,316.16
INFORMATION SYSTEMS ANALYST II	21	\$56,524.92	\$2,915.15
SENIOR ACCOUNTANT/FINANCIAL ANALYST (PT)	21	\$27.18/hourly	\$36.44/hourly
SENIOR CENTER MANAGER (P/T)	21	\$27.18/hourly	\$36.44/hourly
INFORMATION SYSTEMS ANALYST III	22	\$61,046.91	\$81,857.40

**CITY OF LOMA LINDA  
 COMPENSATION PLAN  
 MISCELLANEOUS EMPLOYEES  
 FISCAL YEAR 2016-2017**

<u>POSITION TITLE</u>	<u>PAY GRADE</u>	<u>Annual Minimum</u>	<u>Annual Maximum</u>
EMERGENCY SERVICES COCRDINATOR	22	\$61,046.91	\$81,857.40
COMMUNICATIONS INFRUSTRUCTURE INSPECTOR	23	\$65,930.66	\$88,405.98
ACCOUNTING MANAGER	24	\$71,205.11	\$95,478.45
FIELD SERVICES SUPERINTENDENT	25	\$71,205.11	\$103,116.74
INFORMATION SYSTEMS ANALYST IV	25	\$71,205.11	\$103,116.74
SENIOR PLANNER	25	\$71,205.11	\$103,116.74
UTILITY SERVICES SUPERINTENDENT	25	\$71,205.11	\$103,116.74
ASSOCIATE ENGINEER	26	\$83,053.64	\$111,366.08
CITY CLERK-HOUSING COORDINATOR	27	\$89,697.93	\$120,275.37
ASSISTANT CITY MANAGER	30	\$112,993.55	\$151,512.30
COMMUNITY DEVELOPMENT DIRECTOR	30	\$112,993.55	\$151,512.30
FINANCE DIRECTOR	30	\$112,993.55	\$151,512.30
PUBLIC WORKS DIRECTOR/CITY ENGINEER	31	\$122,033.03	\$163,633.27
FIRE CHIEF	33	\$142,339.32	\$190,861.86
CITY MANAGER	Contract		\$220,500.00
CITY COUNCIL Ordinance 732, adopted May 10, 2016	LLMC 2.12.020		\$1,066.73/monthly
Amended October 11, 2016			

**COMPENSATION CITY OF LOMA LINDA  
COMPENSATION PLAN  
SAFETY EMPLOYEES  
FISCAL YEAR 2016-2017**

<u>POSITION TITLE</u>	<u>PAY GRADE</u>	<u>Annual Minimum</u>	<u>Annual Maximum</u>
FIREFIGHTER-EMT	FIRE 1	\$57,610.39	\$75,410.11
FIRE ENGINEER	FIRE 4	\$66,691.23	\$87,296.63
FIREFIGHTER/PARAMEDIC	FIRE 4	\$66,691.23	\$87,296.63
FIRE CAPTAIN	FIRE 8	\$81,063.60	\$104,029.02
FIRE BATTALION CHIEF	FIRE 12	\$98,533.31	\$128,976.89
FIRE DIVISION CHIEF	FIRE 14	\$108,632.98	\$142,197.01



# City of Loma Linda Official Report

Rhodes Rigsby, Mayor  
Phillip Dupper, Mayor pro tempore  
Ovidiu Popescu, Councilman  
Ronald Dailey, Councilman  
John Lenart, Councilman

COUNCIL AGENDA: October 11, 2016

TO: City Council

FROM: Pamela Byrnes-O'Camb, City Clerk

VIA: T. Jarb Thaipejr, City Manager

SUBJECT: Request from Southern California Conference of Seventh Day Adventists for City water and sewer service for property located within the City's Sphere of Influence, but outside of the incorporated City boundaries (Korean Church)

Approved/Continued/Denied By City Council Date _____
--

## RECOMMENDATION

It is recommended that the City Council approve the subject Irrevocable Pre-Annexation Agreement which allows the City to provide utility services to 11475 New Jersey Street.

## BACKGROUND

City policy allows utility services, based on availability, to be provided outside the corporate City Limits. As a condition of approval, the property owner must enter into a Pre-Annexation Agreement as processed through the Local Agency Formation Commission (LAFCO). The property owner must agree to have the subject property annexed into the City at such time as annexation is proposed.

This item came before the City Council in March 2014 at which time only water service was requested. The subject Pre-Annexation Agreement replaces the recorded 2014 Agreement.

## ANALYSIS

This request is to connect to the existing water mainline and to install a sewer line that will connect to the sewer line at Barton Road and New Jersey Street. Any and all construction required to extend services shall be to City standards and under permit. There is capacity available within the existing systems to service this parcel.

## FINANCIAL IMPACT

None.

Recording Requested By And  
When Recorded Mail To:

City Clerk  
City of Loma Linda  
25541 Barton Road  
Loma Linda, CA 92354

Amending in its entirety  
Recorder No. 2014-0119304

Exempt from Recording Fee  
Government Code 6103

AN IRREVOCABLE AGREEMENT  
TO ANNEX TO THE CITY OF LOMA LINDA

(APN 0293-091-08)  
(Formerly APN 0293-091-01, 03, 06, 07)

This Agreement is made this 11<sup>th</sup> day of October 2016, between Southern California Conference of Seventh Day Adventists, hereinafter referred to as "owner," and the City of Loma Linda, hereinafter referred to as "City."

WHEREAS, owner is the legal property owner of the real property consisting of approximately 8.1 acres, located at 11475 New Jersey Street, Redlands; also referenced as San Bernardino County Tax Assessor Parcel No. 0293-091-08 (Formerly APN 0293-091-01, 03, 06, and 07), shown as Exhibit "A" attached and more fully described in Exhibit "B" attached; and

WHEREAS, the subject property is within the unincorporated area of San Bernardino County, which is a part of the City of Loma Linda Sphere of Influence; and

WHEREAS, owner has an urgent need to connect to and utilize the City of Loma Linda water system and sewer system; said systems otherwise being available only to properties within the City of Loma Linda corporate limits; and

WHEREAS, owner is desirous of annexing to the City of Loma Linda; and

WHEREAS, the City of Loma Linda is willing to consent to the connection of said property to the water main and sewer line only on the condition that the property be annexed to the City of Loma Linda at the earliest possible time; and

WHEREAS, the City of Loma Linda intends to pursue annexation of owner's property plus other property, but said annexation will cause delay, which delay would create a substantial hardship for owners of the said property; and

WHEREAS, the agreements, conditions and covenants contained herein are made for the direct benefit of the land subject to this Agreement and described herein, and shall create an equitable servitude upon the land and operate as a covenant running with the land, for the benefit of the owner of the land and his heirs, successors, and assigns;

NOW, THEREFORE, the parties do agree as follows:

1. Owner does hereby give his irrevocable consent to annex to the City of Loma Linda at such time as the annexation may be properly approved through appropriate legal proceedings, and owner does further agree to provide all reasonable cooperation and assistance to the City in the annexation proceedings. Said cooperation is contemplated to include signing any applications of consent, prepared by the City, and submitting any evidence reasonably within the control of owner to the various hearings required for the annexation. Said cooperation does not include, however, any obligation on behalf of owner to institute any litigation or judicial proceeding whatsoever to force annexation to the City of Loma Linda.

2. The City of Loma Linda does hereby agree to authorize the connection of said property, proposed to be developed on owner's property, to the water main located in New Jersey Street. Said connection to the water main shall be permitted by the City at such time as all applicable permits have been obtained and associated fees have been paid.

3. The City of Loma Linda does hereby agree to authorize the connection of said property, proposed to be developed on owner's property, to the sewer line located in Barton Road and New Jersey Street. Said connection to the sewer line shall be permitted by the City at such time as all applicable permits have been obtained and associated fees have been paid.

4. Owner agrees to pay such annexation fees and costs and other municipal charges as would ordinarily be charged in the annexation of property to the City. Said fees shall be payable when the same becomes due and payable. (In some circumstances, these fees may be borne by the City.)

5. Owner shall pay all fees and charges and make all deposits required by the City to connect to and use the water, and owner agrees to be bound by all City ordinances, rules and regulations respecting the water system.

6. Owner shall pay all fees and charges and make all deposits required by the City of connect to and use the sewer system, and owner agrees to be bound by all City ordinances, rules and regulations respecting the sewer system.

7. This Agreement shall be recorded with the Office of the Recorder of the County of San Bernardino.

8. Owner shall install any and all future improvements upon said property to the City's standards, except that County standard(s) shall apply when more restrictive than City standard(s).

9. Owner shall execute the Agreement on behalf of himself, his heirs, successors and assigns; and said agreement shall be irrevocable without the prior written consent of both parties hereto.

10. The benefit to the subject property will inure to the benefit of subsequent owners, their heirs, successors, and assigns, and the agreements, conditions, and covenants contained herein shall be binding upon them and upon the land.

EXECUTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_

SIGNATURES ON NEXT PAGE

SOUTHEASTERN CA CONFERENCE  
OF SDA

CITY OF LOMA LINDA

\_\_\_\_\_

By:

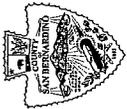
\_\_\_\_\_  
Rhodes Rigsby, Mayor

\_\_\_\_\_

Attest:

\_\_\_\_\_  
Pamela Byrnes-O-Camb, City Clerk

The Mayor and City Clerk of the City of Loma Linda have been authorized to execute this Agreement on behalf of the City of Loma Linda at a regularly held meeting of the City Council held on \_\_\_\_\_.

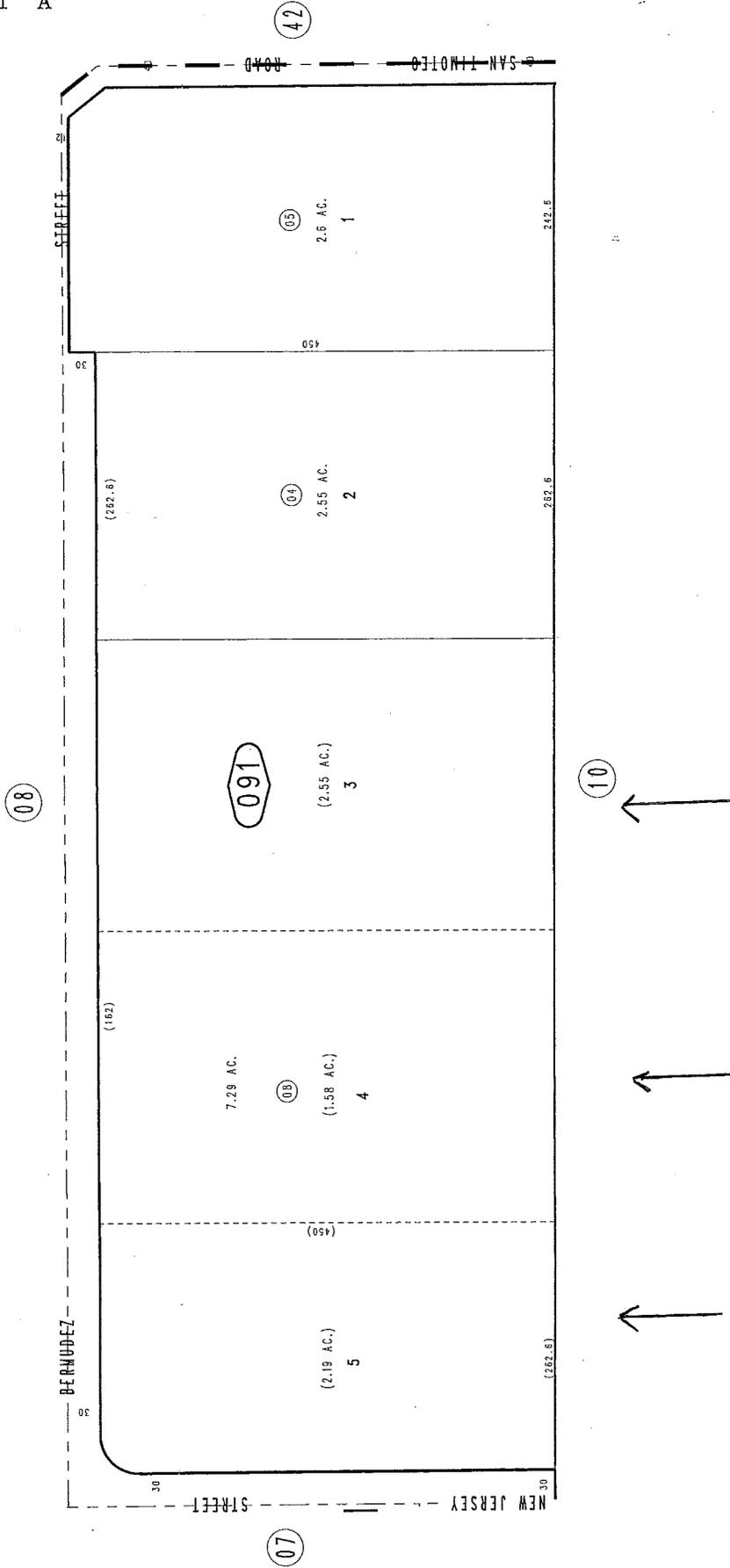


Ptn. Mrs. Bermudez Survey  
M.B. 13/35

Redlands Unified  
Tax Rate Area  
104031

0293 - U9

1"=100'  
EXHIBIT "A"



REVISED  
07/14/14 RU  
09/24/14 SW  
10/20/14 RM

Assessor's Map  
Book 0293 Page 09  
San Bernardino County

Ptn. N.W.1/4, Sec. 32  
T.1S., R.3W.

**EXHIBIT "B"**  
**(To Come)**



# City of Loma Linda Official Report

Rhodes Rigsby, Mayor  
Phillip Dupper, Mayor pro tempore  
Ovidiu Popescu, Councilman  
Ronald Dailey, Councilman  
John Lenart, Councilman

COUNCIL AGENDA: October 11, 2016  
TO: City Council  
VIA: T. Jarb Thaipejr, City Manager  
FROM: Jeff Bender, Fire Chief *JB*  
SUBJECT: VA Medical Center Fire Services Agreement

Approved/Continued/Denied  
By City Council  
Date \_\_\_\_\_

## **RECOMMENDATION**

It is recommended that the City Council approve the agreement between the City and the Veterans Administration for fire services to the VA Medical Center for the period of October 1, 2016 through September 30, 2017.

## **BACKGROUND**

The VA Medical Center has maintained a Fire Services Agreement with the City since its beginning nearly forty years ago. This agreement was put in place to assure that Fire Department could maintain appropriate resources to meet the VA Medical Center response criteria as well as provide a form of economic impact mitigation.

In FY 15/16 Revenue and Cost Specialists conducted an analysis and made recommendations for an updated and appropriate pricing methodology. That methodology was approved by both parties and adopted as the model to be followed for future agreements. Historically the VA Fire Service agreement has been based on five year terms. Thus, the formula will be reapplied with each new five year term. Years two through five of each term are adjusted slightly due estimated changes in personnel costs.

## **ANALYSIS**

The City has provided annual quotes for a 5 year term based on the approved pricing methodology. This is year two of the five year term. The price for this period accounts for a 2.5% increase in the personnel cost factor of the formula. The total price for this year is \$236,681.32.

## **FISCAL IMPACT**

The contract price of \$236,681.32 has been included in the FY 16/17 general fund budget.

**SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS**  
**OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30**

1. REQUISITION NO.  
605-17-1-6083-0004  
605-C70361

PAGE 1 OF 4

2. CONTRACT NO. VA262-16-A-0042

3. AWARD/EFFECTIVE DATE 10-01-2016

4. ORDER NO. VA262-16-A-0042  
VA262-16-J-6388

5. SOLICITATION NUMBER

6. SOLICITATION ISSUE DATE

7. FOR SOLICITATION INFORMATION CALL:

a. NAME ALFREDA HUNTER

b. TELEPHONE NO. (No Collect Calls) 909-801-5788

8. OFFER DUE DATE/LOCAL TIME

9. ISSUED BY  
Department of Veterans Affairs  
Network Contracting Office 22  
4811 Airport Plaza Drive  
Suite 600  
Long Beach CA 90815

CODE 00262

10. THIS ACQUISITION IS  
 UNRESTRICTED OR  SET ASIDE: \_\_\_\_\_ % FOR:  
 SMALL BUSINESS  WOMEN-OWNED SMALL BUSINESS (WOSB) ELIGIBLE UNDER THE WOMEN-OWNED SMALL BUSINESS PROGRAM NAICS: 922160  
 HUBZONE SMALL BUSINESS  EDWOSB SIZE STANDARD:  
 SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS  8(A)

11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED  
 SEE SCHEDULE

12. DELIVERY POINTS

13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (16 CFR 700)

13b. RATING N/A

14. METHOD OF SOLICITATION  
 RFQ  IFB  RFP

15. DELIVER TO  
Department of Veterans Affairs  
VA Loma Linda Healthcare System  
11201 Benton Street  
Loma Linda CA 92357

CODE

16. ADMINISTERED BY  
Department of Veterans Affairs  
Network Contracting Office 22  
4811 Airport Plaza Drive  
Suite 600  
Long Beach CA 90815

CODE 00262

17a. CONTRACTOR/OFFEROR CODE

FACILITY CODE

LOMA LINDA, CITY OF

25541 BARTON RD

LOMA LINDA CA 92354

TELEPHONE NO. 909-799-2852 James Bender DUNS: 07094088 DUNS+4:

18a. PAYMENT WILL BE MADE BY  
Department of Veterans Affairs  
Financial Services Center  
P.O. Box 149971  
Austin TX 78714-9971  
PHONE: (877) 353-9791 FAX:

CODE

17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER

18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED  
 SEE ADDENDUM

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	<p>FIRE PROTECTION SERVICE IN ACCORDANCE WITH BLANKET ORDERING AGREEMENT (BOA) VA262-16-A-0042.</p> <p>PERIOD OF PERFORMANCE: 01 OCT 2016 THRU 30 SEPT 2017 (OPTION YEAR ONE(1))</p> <p>ALL CORRESPONDENCE AND INVOICES SHALL INCLUDE THE FOLLOWING INFORMATION:</p> <p>1. OBLIGATION NUMBER: 605-C70361 2. VA CONTRACT NUMBER: VA262-16-J-6388 3. BOA NUMBER: VA262-16-A-0042</p> <p>(Use Reverse and/or Attach Additional Sheets as Necessary)</p>				

25. ACCOUNTING AND APPROPRIATION DATA  
605-3670162-6083-850300-2580 0100501X1

26. TOTAL AWARD AMOUNT (For Govt. Use Only)  
\$236,681.32

27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA  ARE  ARE NOT ATTACHED.

27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED. ADDENDA  ARE  ARE NOT ATTACHED.

28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN \_\_\_\_\_ COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED

29. AWARD OF CONTRACT: REF. \_\_\_\_\_ OFFER DATED \_\_\_\_\_ YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN IS ACCEPTED AS TO ITEMS:

30a. SIGNATURE OF OFFEROR/CONTRACTOR

30b. NAME AND TITLE OF SIGNER (TYPE OR PRINT)  
Rhodes L. Rigsby, Mayor

30c. DATE SIGNED  
10/4/16

31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)  
*Alfreda Hunter*

31b. NAME OF CONTRACTING OFFICER (TYPE OR PRINT)  
Alfreda Hunter  
Contracting Officer

31c. DATE SIGNED  
10/01/16

**Table of Contents**

**SECTION A** ..... **1**  
    A.1 SF 1449 SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS ..... 1  
**TASK ORDER TERMS AND CONDITIONS** ..... **3**  
    A.2 VAAR 852.232-72 ELECTRONIC SUBMISSION OF PAYMENT REQUESTS (NOV  
    2012)..... 3  
    A.3 VAAR 852.237-70 CONTRACTOR RESPONSIBILITIES (APR 1984) ..... 4

## TASK ORDER TERMS AND CONDITIONS

---

NOT SPECIFIED IN THE CONTRACT

---

<u>FAR</u> <u>Number</u>	<u>Title</u>	<u>Date</u>
852.203-70	COMMERCIAL ADVERTISING	JAN 2008
852.246-71	INSPECTION	JAN 2008

### A.2 VAAR 852.232-72 ELECTRONIC SUBMISSION OF PAYMENT REQUESTS (NOV 2012)

(a) *Definitions.* As used in this clause—

(1) *Contract financing payment* has the meaning given in FAR 32.001.

(2) *Designated agency office* has the meaning given in 5 CFR 1315.2(m).

(3) *Electronic form* means an automated system transmitting information electronically according to the

Accepted electronic data transmission methods and formats identified in paragraph (c) of this clause. Facsimile, email, and scanned documents are not acceptable electronic forms for submission of payment requests.

(4) *Invoice payment* has the meaning given in FAR 32.001.

(5) *Payment request* means any request for contract financing payment or invoice payment submitted by the contractor under this contract.

(b) *Electronic payment requests.* Except as provided in paragraph (e) of this clause, the contractor shall submit payment requests in electronic form. Purchases paid with a Government-wide commercial purchase card are considered to be an electronic transaction for purposes of this rule, and therefore no additional electronic invoice submission is required.

(c) *Data transmission.* A contractor must ensure that the data transmission method and format are through one of the following:

(1) VA's Electronic Invoice Presentment and Payment System. (See Web site at <http://www.fsc.va.gov/einvoice.asp>.)

(2) Any system that conforms to the X12 electronic data interchange (EDI) formats established by the Accredited Standards Center (ASC) and chartered by the American National Standards Institute (ANSI). The X12 EDI Web site (<http://www.x12.org>) includes additional information on EDI 810 and 811 formats.

(d) *Invoice requirements.* Invoices shall comply with FAR 32.905.

(e) *Exceptions.* If, based on one of the circumstances below, the contracting officer directs that payment requests be made by mail, the contractor shall submit payment requests by mail through the United States Postal Service to the designated agency office. Submission of payment requests by mail may be required for:

- (1) Awards made to foreign vendors for work performed outside the United States;
- (2) Classified contracts or purchases when electronic submission and processing of payment requests could compromise the safeguarding of classified or privacy information;
- (3) Contracts awarded by contracting officers in the conduct of emergency operations, such as responses to national emergencies;
- (4) Solicitations or contracts in which the designated agency office is a VA entity other than the VA Financial Services Center in Austin, Texas; or
- (5) Solicitations or contracts in which the VA designated agency office does not have electronic invoicing capability as described above.

(End of Clause)

### A.3 VAAR 852.237-70 CONTRACTOR RESPONSIBILITIES (APR 1984)

The contractor shall obtain all necessary licenses and/or permits required to perform this work. He/she shall take all reasonable precautions necessary to protect persons and property from injury or damage during the performance of this contract. He/she shall be responsible for any injury to himself/herself, his/her employees, as well as for any damage to personal or public property that occurs during the performance of this contract that is caused by his/her employees fault or negligence, and shall maintain personal liability and property damage insurance having coverage for a limit as required by the laws of the State of . Further, it is agreed that any negligence of the Government, its officers, agents, servants and employees, shall not be the responsibility of the contractor hereunder with the regard to any claims, loss, damage, injury, and liability resulting there from.

(End of Clause)



# City of Loma Linda Official Report

Rhodes Rigsby, Mayor  
Phillip Dupper, Mayor pro tempore  
Ovidiu Popescu, Councilman  
Ronald Dailey, Councilman  
John Lenart, Councilman

COUNCIL AGENDA: October 11, 2016

TO: City Council

FROM: Pamela Byrnes-O'Camb, City Clerk

VIA: T. Jarb Thaipejr, City Manager

SUBJECT: Council Bill #O-2016-04 (Second Reading/roll Call Vote) – Pre-Zoning 15-045, establishing single-family residential (R-1) for 39 acres; Multi-family Residential (R-3) for 18 acres; Institutional (I) for 13 acres, and General Business (C-2) for approximately 10 acres.

Approved/Continued/Denied By City Council Date _____
--

## RECOMMENDATION

It is recommended that the City Council

- a. Waive reading of Council Bill #O-2016-04 in its entirety;
- b. Direct the Clerk to read by title only
- c. Adopt the proposed Ordinance on roll call vote.

## BACKGROUND

On September 13, 2016, the City Council conducted a public hearing, introduced Council Bill #O-2016-04 on First Reading and set the Second Reading for October 11. In addition, the City Council approved General Plan Amendment 15-044; adopted a resolution requesting LAFCO (Local Agency Formation Commission) to annex approximately 80 acres within the City's Sphere of Influence to the City; approved Tentative Tract Map 19963, adopted a Mitigated Negative Declaration, and a Mitigation Monitoring Program, all related to the Orchard Heights Project east of California Street, south and west of the Mission Zanja Creek, west of Nevada Street and north of Barton Road.

The proposed ordinance pre-zones the subject property in conjunction with the LAFCO process to annex the area to the City. The zone change becomes effective upon annexation to the City.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA MODIFYING THE OFFICIAL ZONING MAP OF THE CITY OF LOMA LINDA TO PREZONE AN AREA GENERALLY LOCATED EAST OF CALIFORNIA STREET, SOUTH AND WEST OF THE MISSION ZANJA CREEK, WEST OF NEVADA STREET AND NORTH OF BARTON ROAD TO SINGLE FAMILY RESIDENCE (R-1) ZONE FOR 39 ACRES, MULTI FAMILY RESIDENCE (R-3) ZONE FOR 18 ACRES, INSTITUTIONAL (I) FOR 13 ACRES AND GENERAL BUSINESS (C-2) FOR 10 ACRES, FOR THE PURPOSE OF FUTURE ANNEXATION OF THE UNINCORPORATED AREA IN TO THE CITY OF LOMA LINDA CITY LIMITS.

**Section 1. Adoption of Ordinance:** The City Council of the City of Loma Linda does hereby ordain as follows:

**Section 2. Findings, Purpose, and Intent:**

A. This Ordinance is adopted by the City Council pursuant to the City's police powers to protect the health, safety, and welfare of the public.

B. The County zoning is Multiple Residential and Community Industrial. The Loma Linda General Plan (May 26, 2009) designates the subject area as Business Park and High Density Residential. Because it is in the Sphere of Influence and therefore, part of the City's planning area, the City proposes to pre-zone to establish the Single Family Residence (R-1) Zone for 39 acres, Multi Family Residence (R-3) Zone for 18 acres, Institutional (I) for 13 acres and General Business (C-2) for approximately 10 acres for areas. The City's General Plan land use designation and proposed zoning are generally commensurate with those of the County.

C. The proposed pre-zone and any future development projects would not be detrimental to the public in that the proposed zoning is appropriate and compatible with the existing single-family, commercial and institutional uses in the neighborhood. Approximately 57 acres of either vacant or agricultural and is available for development within the area, and any other improvements to the existing area are to meet the City's minimum development standards. As such, the proposed amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the City.

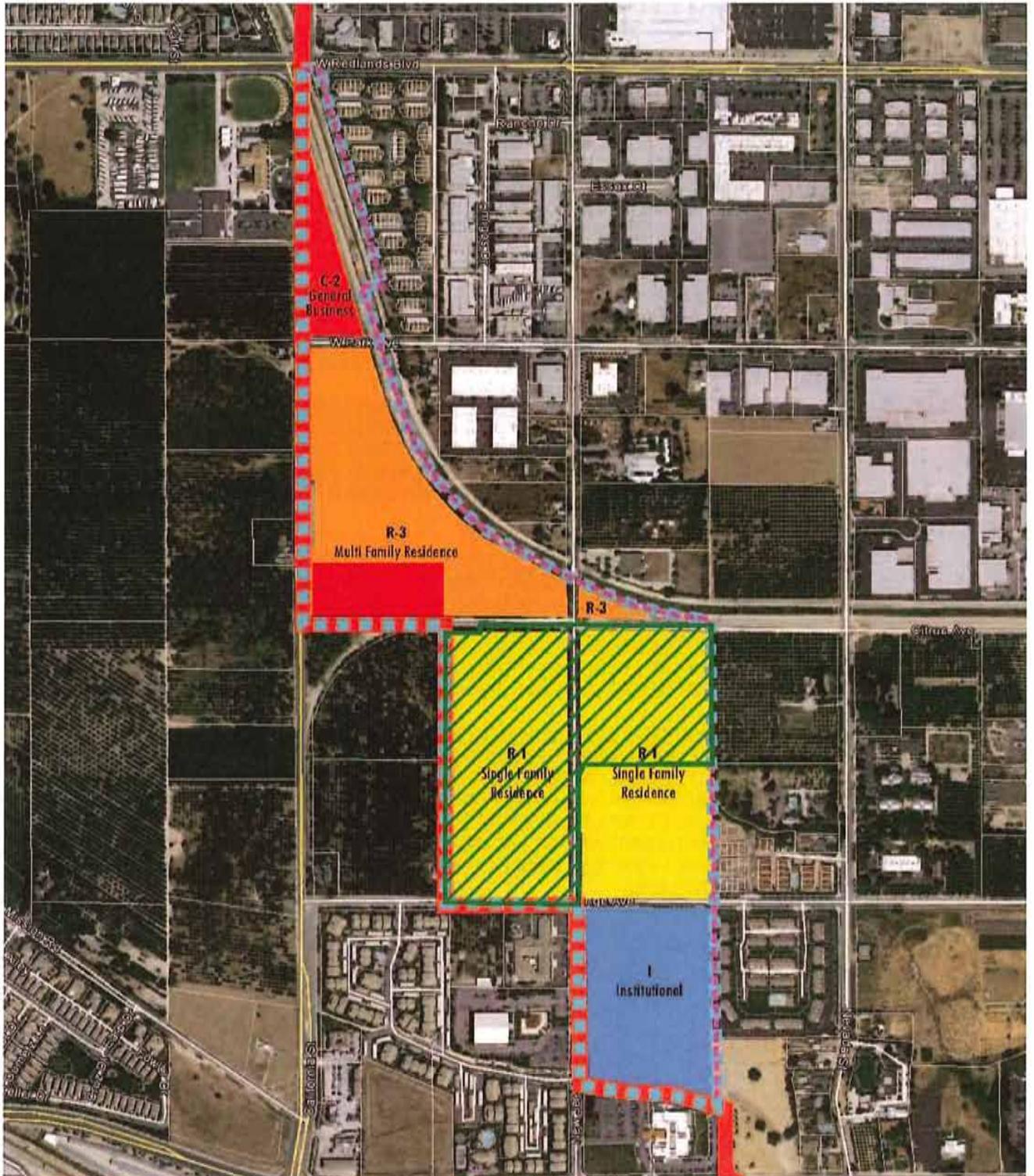
D. Due to the size and nature of the of the approximately 80-acre project site, vacant parcels, and the limited development opportunities, the balance of land uses in the City will not be adversely affected by the proposed pre-zone and annexation into the City of Loma Linda and the residents of the area will benefit from additional and enhanced services.

**Section 3. Amendment of Zoning Designations:** The Official Zoning Map of the City of Loma Linda is hereby amended to change the following described property in the City's Sphere of Influence and also known as the San Bernardino County unincorporated area per Exhibit "A" (Site/Pre-Zoning Map) and Exhibit "B" (Legal Description) attached hereto and made a part hereof.

**Section 4. Validity.** If any person shall violate any of the provisions of this ordinance, he shall be guilty of an infraction. Any person convicted of an infraction

## EXHIBIT A – PROPOSED PRE-ZONE MAP

## EXHIBIT B – LEGAL DESCRIPTION



COURSE 4. SOUTH 41°39'12" EAST A DISTANCE OF 830.34 FEET CONTINUING ALONG SAID SOUTHWESTERLY LINE OF PROPERTY TO SAN BERNARDINO COUNTY FLOOD CONTROL DISTRICT AND THE SOUTHERLY PROLONGATION THEREOF TO THE CENTERLINE OF CITRUS AVENUE;

COURSE 5. SOUTH 89°38'50" EAST A DISTANCE OF 71.30 FEET ALONG SAID CENTERLINE OF CITRUS AVENUE;

COURSE 6. NORTH 41°34'00" WEST A DISTANCE OF 225.74 FEET;

COURSE 7. NORTH 48°26'00" EAST A DISTANCE OF 15.00 FEET;

COURSE 8. NORTH 41°34'00" WEST A DISTANCE OF 236.51 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 1350.00 FEET, A RADIAL LINE TO SAID CURVE BEARS NORTH 31°11'29" EAST;

COURSE 9. SOUTHEASTERLY 142.18 FEET ALONG SAID CURVE AND THROUGH A CENTRAL ANGLE OF 06°02'04" TO THE BEGINNING OF A TANGENT LINE;

COURSE 10. SOUTH 64°50'35" EAST A DISTANCE OF 318.67 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 1450.00 FEET;

COURSE 11. SOUTHEASTERLY 386.98 FEET ALONG SAID CURVE AND THROUGH A CENTRAL ANGLE OF 15°17'29" TO A POINT IN THE NORTH LINE OF CITRUS AVENUE, SAID POINT BEING THE BEGINNING OF A NON-TANGENT LINE;

COURSE 12. SOUTH 00°20'11" WEST A DISTANCE OF 40.00 FEET TO THE CENTERLINE OF CITRUS AVENUE;

COURSE 13. SOUTH 89°39'49" EAST A DISTANCE OF 195.95 FEET TO THE EAST LINE OF THE WEST ONE-HALF (1/2) OF SAID BLOCK 6;

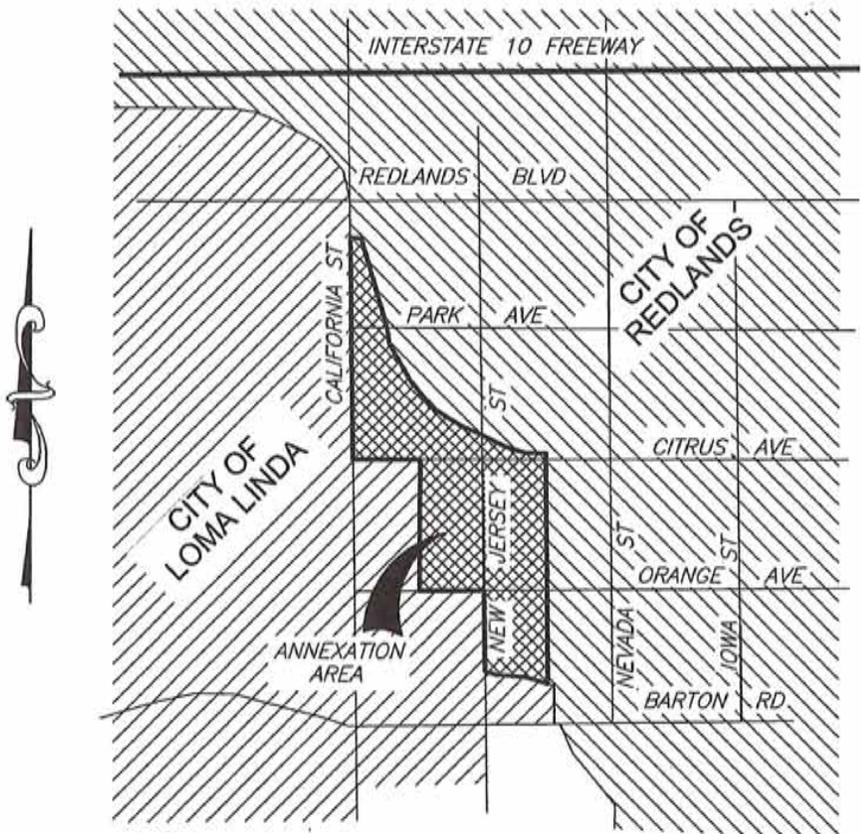
COURSE 14. SOUTH 00°26'50" EAST A DISTANCE OF 1334.42 FEET ALONG SAID EAST LINE TO THE CENTERLINE OF ORANGE AVENUE;

COURSE 15. SOUTH 00°24'04" EAST A DISTANCE OF 972.81 FEET ALONG THE EAST LINE OF WEST ONE-HALF (1/2) OF SAID BLOCK 7;

COURSE 16. NORTH 73°34'48" WEST A DISTANCE OF 119.96 FEET;

COURSE 17. NORTH 65°34'38" WEST A DISTANCE OF 91.99 FEET;

### VICINITY MAP



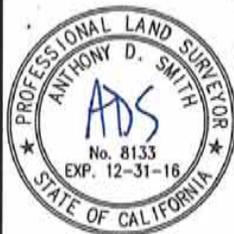
LAFCO \_\_\_\_\_

REORGANIZATION TO INCLUDE CITY OF LOMA LINDA ANNEXATION AND DETACHMENT FROM SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT, ITS VALLEY SERVICE ZONE, AND COUNTY SERVICE AREA 70

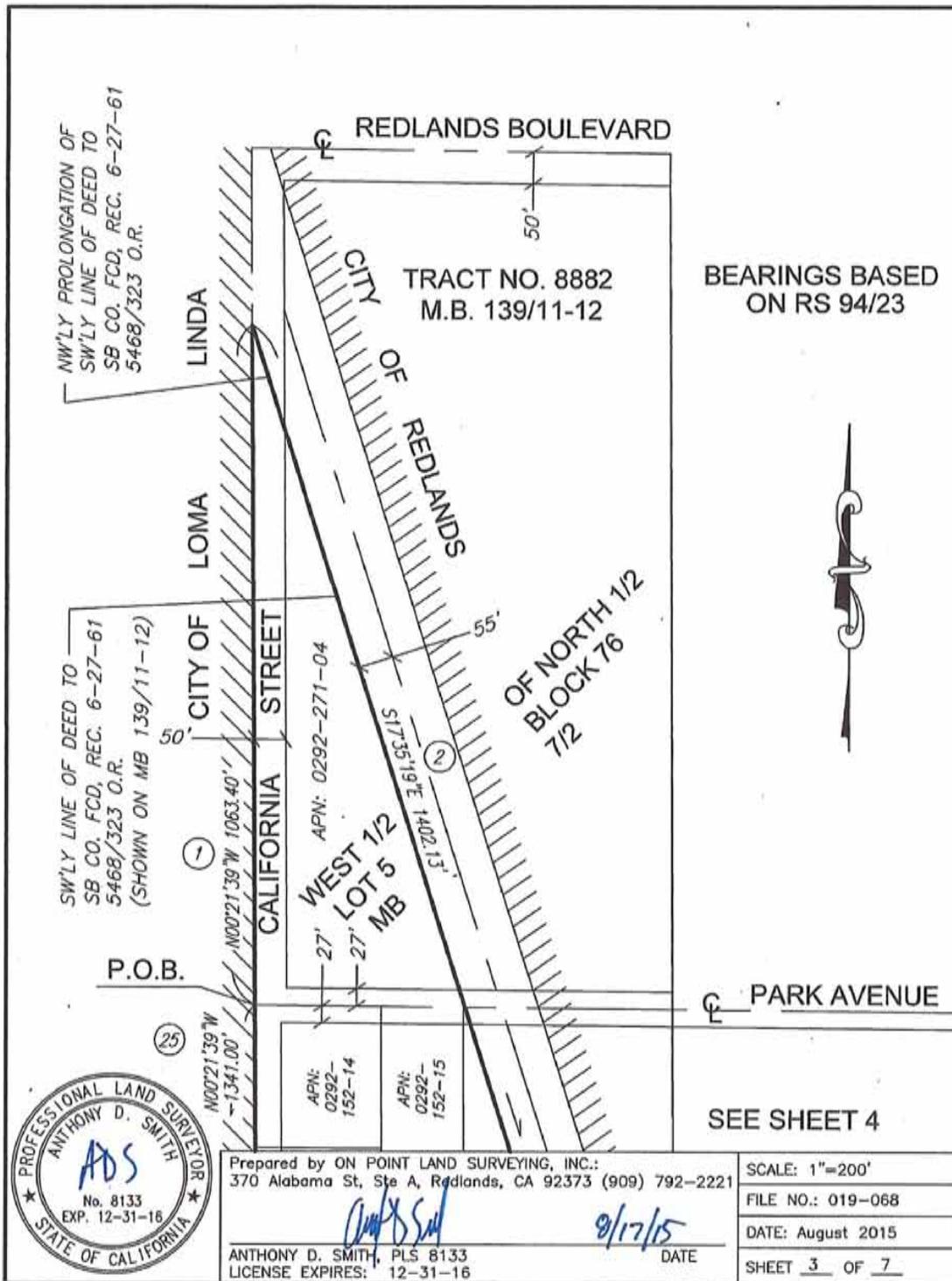
GENERAL DESCRIPTION: LOCATED EAST OF CALIFORNIA STREET, WEST OF NEVADA ST, NORTH OF BARTON RD, & SOUTH OF REDLANDS BLVD

AFFECTED AGENCIES:

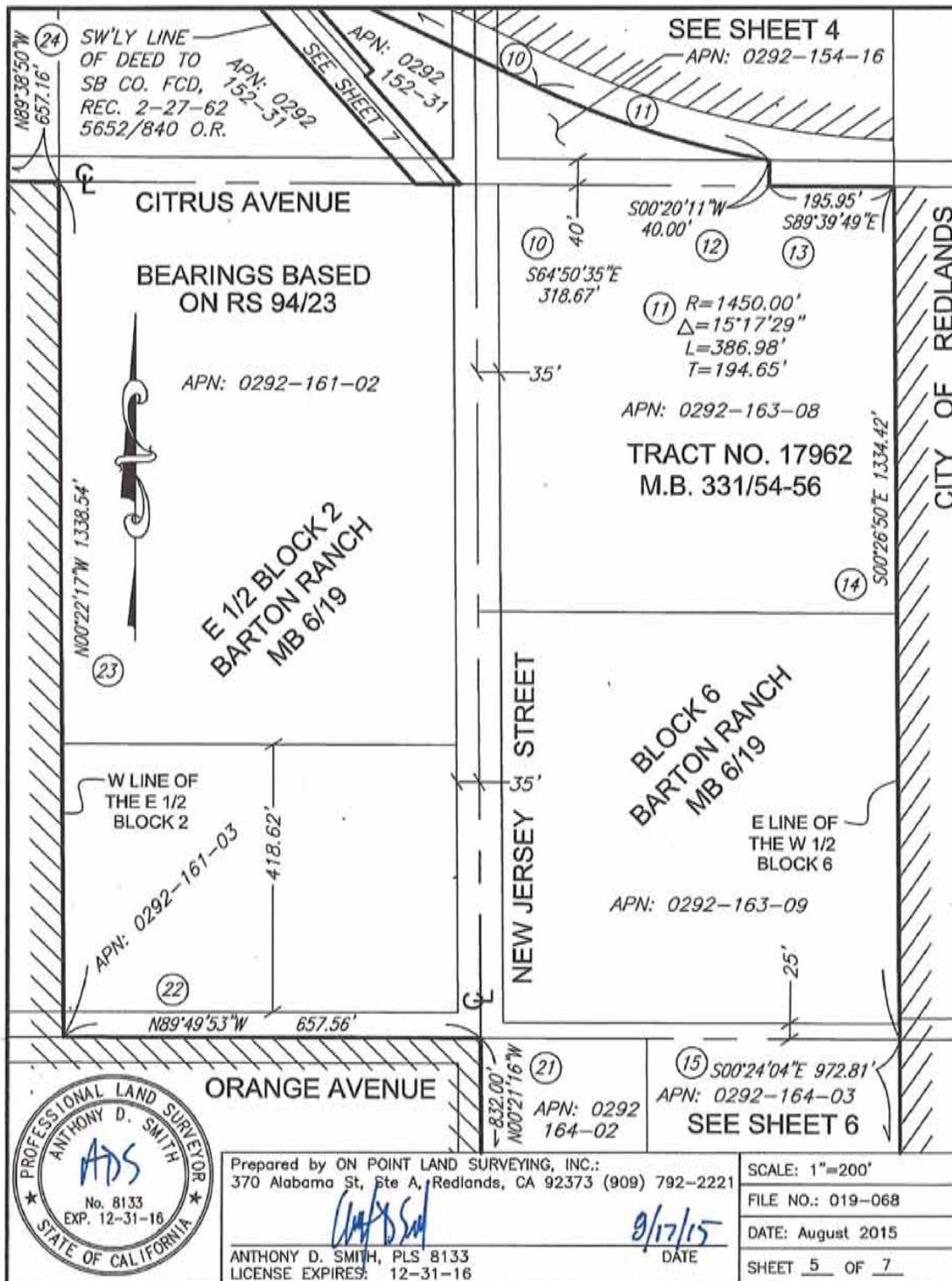
- 1) CITY OF LOMA LINDA
- 2) SBCFPD AND ITS VALLEY SERVICE ZONE
- 3) COUNTY SERVICE AREA 70

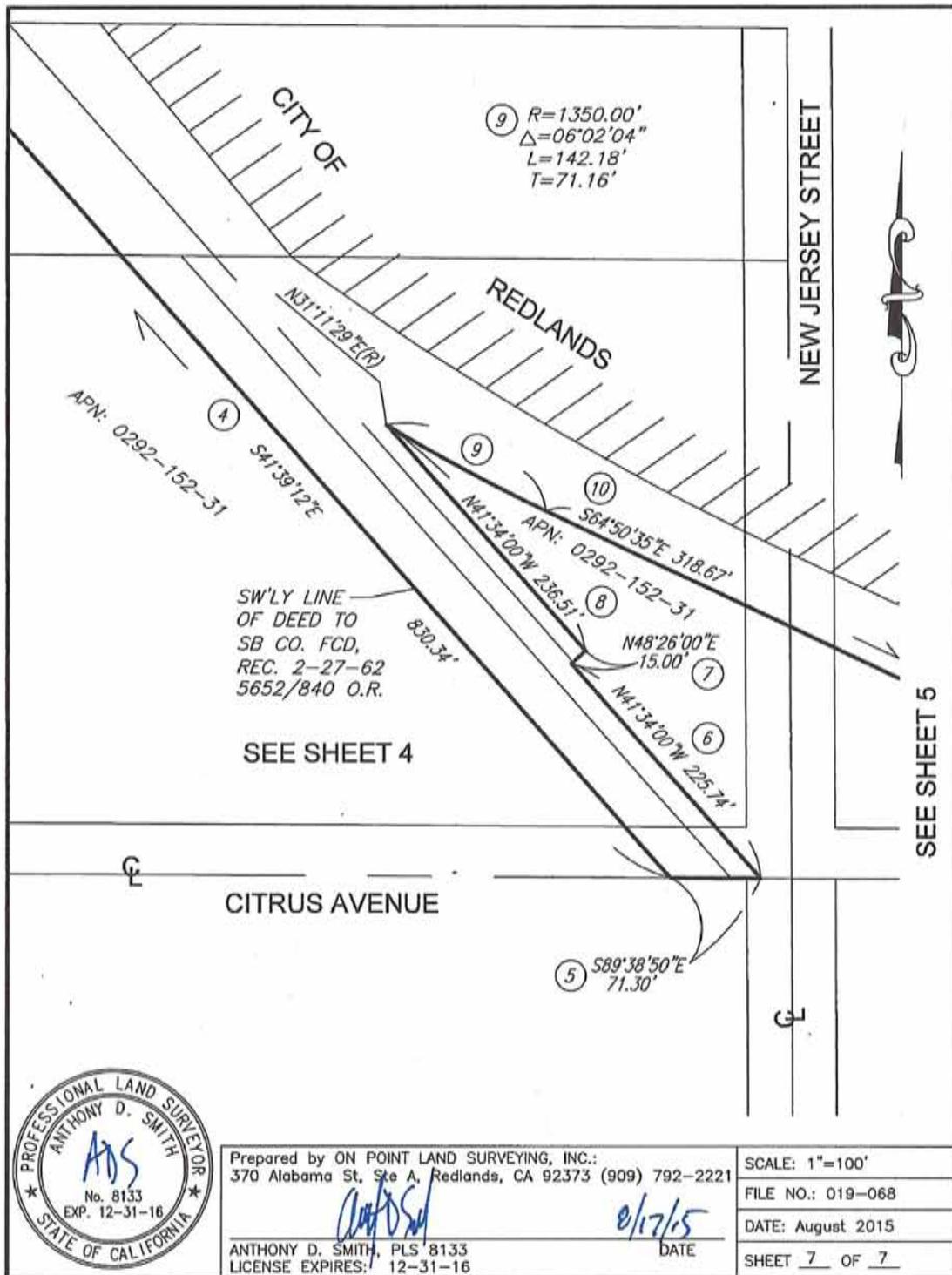


Prepared by ON POINT LAND SURVEYING, INC.: 370 Alabama St, Ste A Redlands, CA 92373 (909) 792-2221	SCALE: N.T.S.
<i>ADS</i>	FILE NO.: 019-068
ANTHONY D. SMITH, PLS 8133 LICENSE EXPIRES: 12-31-16	DATE: August 2015
DATE: 8/17/15	SHEET 1 OF 7



Prepared by ON POINT LAND SURVEYING, INC.:  
370 Alabama St, Ste A, Redlands, CA 92373 (909) 792-2221  
Anthony D. Smith  
ANTHONY D. SMITH, PLS 8133  
LICENSE EXPIRES: 12-31-16  
DATE 8/17/15







# City of Loma Linda Official Report

Rhodes Rigsby, Mayor  
Phillip Dupper, Mayor pro tempore  
Ovidiu Popescu, Councilman  
Ronald Dailey, Councilman  
John Lenart, Councilman

COUNCIL AGENDA: October 11, 2016

TO: City Council

FROM: Pamela Byrnes-O'Camb, City Clerk

VIA: T. Jarb Thaipejr, City Manager

SUBJECT: Council Bill #O-2016-05 (Second Reading/Roll Call Vote) Amending Chapter 10.26 relating to effective period of the Parking Permit

Approved/Continued/Denied By City Council Date _____
--

## RECOMMENDATION

It is recommended that the City Council:

- a. Waive reading of Council Bill #O-2016-05 in its entirety;
- b. Direct the Clerk to read by title only;
- c. Adopt the proposed Ordinance on roll call vote.

## BACKGROUND

On September 13, the City Council conducted a public hearing related to modifying the effective period of the Residential Parking Permit to correspond more closely to the academic year, which is more convenient for the affected residents. The new effective period would be October 1 through September 30.

The proposed ordinance was introduced on First Reading and the Second Reading/Roll Call Vote was scheduled for October 11.

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA AMENDING CHAPTER 10.26 OF THE LOMA LINDA MUNICIPAL CODE RELATING TO THE EFFECTIVE PERIOD OF A PARKING PERMIT

THE CITY COUNCIL OF THE CITY OF LOMA LINDA DOES HEREBY ORDAIN

AS FOLLOWS:

**Section 1.** Section C of Chapter 10.26.010 of the Loma Linda Municipal Code is hereby amended to read as follows:

Duration of Permits. Permits issued pursuant to this chapter shall remain effective for a period of October 1 of one year through September 30 of the following year, or fraction thereof, so long as the applicant continues to reside in a dwelling unit qualified for such permit, or until the permit parking zone for which such permit was issued is eliminated, whichever period of time is less.

**Section 2. Penalties.** If any person shall violate any of the provisions of this Ordinance, or fail to comply with any of the mandatory requirements of this Ordinance, he shall be guilty of an infraction. Any person convicted of an infraction under the provisions of a City Ordinance shall be punishable by (1) a fine of not more than one hundred dollars (\$100.00) for a first violation; (2) a fine not exceeding two hundred dollars (\$200.00) for a second violation of the same Ordinance within one year and (3) a fine not exceeding five hundred dollars (\$500.00) for each additional violation of the same Ordinance within one year. Each such person shall be deemed guilty of a separate offense for every day during such portion of which any violation of this Ordinance is committed, continued or permitted by such person, and shall be punishable therefore as provided by this Ordinance.

**Section 3. Validity.** If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such holding or holdings shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid.

**Section 4. Posting.** Prior to the expiration of fifteen (15) days from its passage, the City Clerk shall cause this Ordinance to be posted pursuant to law in three (3) public places designated for such purpose by the City Council.

This Ordinance was introduced at the regular meeting of the City Council of the City of Loma Linda, California, held on the 13<sup>th</sup> day of September 2016 and was adopted on the \_\_\_\_ day of \_\_\_\_\_ by the following vote to wit:

Ayes: \_\_\_\_\_  
Noes: \_\_\_\_\_  
Abstain: \_\_\_\_\_  
Absent: \_\_\_\_\_

\_\_\_\_\_  
Rhodes Rigsby, Mayor

Attest:

\_\_\_\_\_  
Pamela Byrnes-O'Camb, City Clerk

CITY OF LOMA LINDA

CITY COUNCIL AS SUCCESSOR AGENCY  
TO THE LOMA LINDA REDEVELOPMENT AGENCY

AGENDA

REGULAR MEETING OF OCTOBER 11, 2016

A regular meeting of the City Council of the City of Loma Linda as successor agency to the Loma Linda Redevelopment Agency is scheduled to be held Tuesday, October 11, 2016 in the City Council Chamber, 25541 Barton Road, Loma Linda, California. *Pursuant to Municipal Code Section 2.08.010, study session or closed session items may begin at 5:30 p.m. or as soon thereafter as possible. The public meeting begins at 7:00 p.m.*

In acting in the limited capacity of Successor Agency as provided in California Health and Safety Code §§ 34173 and 34176, the City Council expressly determines, recognizes, reaffirms, and ratifies the statutory limitation on the City and the City Council's liability with regards to the responsibilities of the former Loma Linda Redevelopment Agency under AB 1X26. Nothing herein shall be construed as an action, commitment, obligation, or debt of the City itself, or a commitment of any resources, funds, or assets of the City to fund the City's limited capacity as the Successor Agency to the Loma Linda Redevelopment Agency. Obligations of the Successor Agency shall be funded solely by those funds or resources provided for that purpose pursuant to AB 1X26 and related statutes.

Reports and Documents relating to each agenda item are on file in the Office of the City Clerk and are available for public inspection during normal business hours. The Loma Linda Branch Library is also provided an agenda packet for your convenience. The agenda and reports are also located on the City's Website at [www.lomalinda-ca.gov](http://www.lomalinda-ca.gov).

*Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office, 25541 Barton Road, Loma Linda, CA during normal business hours. Such documents are also available on the City's website at [www.lomalinda-ca.gov](http://www.lomalinda-ca.gov) subject to staff's ability to post the documents before the meeting.*

Persons wishing to speak on an agenda item, including any closed session items, are asked to complete an information card and present it to the City Clerk prior to consideration of the item. When the item is to be considered, please step forward to the podium, the Chair will recognize you and you may offer your comments. The City Council meeting is recorded to assist in the preparation of the Minutes, and you are therefore asked to give your name and address prior to offering testimony.

The Oral Reports/Public Participation portion of the agenda pertains to items NOT on the agenda and is limited to 30 minutes; 3 minutes allotted for each speaker. Pursuant to the Brown Act, no action may be taken by the City Council at this time; however, the City Council may refer your comments/concerns to staff or request that the item be placed on a future agenda.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at (909) 799-2819. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Later requests will be accommodated to the extent feasible.

**Agenda item requests for the NOVEMBER 8, 2016 meeting must be submitted in writing to the City Clerk no later than NOON, MONDAY, OCTOBER 24, 2016.**

**A.**     **Call To Order**

**B.**     **Roll Call**

**C.**     **Items To Be Added Or Deleted**

**D.**     **Oral Reports/Public Participation - Non-Agenda Items** (Limited to 30 minutes; 3 minutes allotted for each speaker)

**E.**     **Conflict of Interest** Disclosure - Note agenda item that may require member abstentions due to possible conflicts of interest

**F.**     **Scheduled Items**

1.     Council Bill #R-2016-41 – Approving a form of Preliminary Official Statement and Disclosure Certificate relating to the 2016 Tax Allocation Bonds [**Special Counsel/Financial Advisor**]

**G.**     **Consent Calendar**

2.     Demands Register
3.     Minutes of September 13, 2016

**H.**     **Old Business**

**I.**     **New Business**

**J.**     **Adjournment**



# City of Loma Linda Official Report

Rhodes Rigsby, Mayor  
Phillip Dupper, Mayor pro tempore  
Ovidiu Popescu, Councilman  
Ronald Dailey, Councilman  
John Lenart, Councilman

COUNCIL AGENDA: October 11, 2016

TO: Successor Agency to the Redevelopment Agency

FROM: Mark Huebsch, Special Counsel

VIA: T. Jarb Thaipejr, City Manager

SUBJECT: Council Bill #R-2016-41 – Approving a form of Preliminary Official Statement and Disclosure Certificate relating to the 2016 Tax Allocation Bonds

Approved/Continued/Denied  
By City Council  
Date \_\_\_\_\_

## **RECOMMENDATION**

Successor Agency adopt the Resolution as submitted herewith approving the form of preliminary official statement to deem it final under Rule 15c2-12, approving a continuing disclosure agreement, and authorizing certain other actions in connection with the issuance of tax allocation refunding bonds.

## **SUMMARY**

The Redevelopment Dissolution Act allows for the Successor Agency to the Loma Linda Redevelopment Agency (Successor Agency) to refinance outstanding tax allocation bonds to provide debt service savings. The Successor Agency has the opportunity to refinance the former Redevelopment Agency's 2003 Tax Allocation Bonds (the "2003 Bonds"), its Subordinate 2005A Tax Allocation Bonds (the "2005A Bonds"), its Subordinate 2005B Taxable Tax Allocation Bonds (the "2005B Bonds" and, together with the 2005A Bonds, the "2005 Bonds") and its 2008 Taxable Housing Tax Allocation Refunding Bonds (the "2008 Bonds") at this time. The Successor Agency previously approved the issuance of refunding bonds at its meeting of August 9, 2016 by its Resolution No. R-2016-36. The Oversight Board to the Successor Agency approved the issuance of such refunding bonds on August 10, 2016.

Following those approvals, Successor Agency staff submitted to the California Department of Finance for approval of the issuance of tax allocation refunding bonds.

Because of the favorable impact the refunding would have, staff recommends approval of the action now proposed; this would implement the action taken on August 9, 2016 which authorized issuance of tax allocation refunding bonds.

## **BACKGROUND**

Prior to dissolution under AB X1 26 and AB 1484 (the Dissolution Act), the Loma Linda Redevelopment Agency (former Agency) issued tax allocation bonds for a variety of redevelopment purposes. After the adoption of the Dissolution Act, the Successor Agency is responsible to pay bond debt service until all bonds are repaid.

Section 34177.5 of the Dissolution Act authorizes refinancing of the former Agency debt if debt service savings can be achieved.

### **REFINANCING OPPORTUNITY**

The bonded debt obligations of the former Agency are shown in the table below.

	<u>Original Principal</u>	<u>Outstanding Principal</u>	<u>Final Maturity</u>
2003 Bonds	\$12,610,000	\$ 6,120,000	2030
2005A Bonds	15,100,000	13,560,000	2030
2005B Bonds	10,435,000	6,400,000	2025
2008 Bonds	8,900,000	7,855,000	2029

Upon review of these obligations, it has been determined that refinancing all four series of outstanding tax allocation bonds is in the best interest of the Successor Agency and that, based on current market conditions, the statutory savings requirement can be met if the refinancing is approved. Staff costs related to refunding proceedings can be recovered at closing and, if applicable, through the Successor Agency's Recognized Obligation Payment Schedule as authorized by the Dissolution Act.

#### Refunding Analysis

The four series of Tax Allocation Bonds (Prior Bonds) can currently be refinanced at the present time and, based on current market conditions, provide debt service savings to the Successor Agency. These savings will increase the amount of "residual" property tax available to be redistributed to the affected taxing agencies, including the City.

Based on current interest rates, the Successor Agency can refinance the Prior Bonds at an average interest cost materially below that for the Prior Bonds; the discussion of the current interest rates and those projected for the refunding bonds is contained in a report by the Financial Advisor to the Successor Agency, A. M. Miller & Company, Inc. (the "Municipal Advisor"), a copy of which is submitted herewith. Mr. Miller has advised the City and the former redevelopment agency in connection with financial matters since 1993. The figures contained in the report by the Municipal Advisor are estimates based upon current market conditions; market conditions are subject to change, and the actual savings achieved may differ from what is described in this paragraph; however, in order for the refinancing to proceed to sale, savings must be achieved at a level complying with Section 34177.5 of the Dissolution Act. The reduction in net debt service would yield greater funding available to apply toward other enforceable obligations; by expediting the satisfaction of such other obligations, the result will be to expedite the funding of a greater share of RPTTF revenues to taxing agencies than would be achievable if the refunding were not to occur.

The Successor Agency intends to apply for bond insurance to achieve the interest rate used in the savings estimates. As of the preparation of this staff report, it is not determined whether bond insurance will be available or whether it will be economically advantageous to utilize such insurance. Whether or not insurance is available, it is believed that it will be economically advantageous/achieve significant debt service savings to proceed with refunding of the outstanding tax allocation bonds of the former Loma Linda Redevelopment Agency.

## **AUTHORIZATION AND SALE**

The Dissolution Act has added a number of steps to the traditional refinancing process, and requires more time to actually get the bonds to market. Once the Successor Agency authorizes the refinancing of the bonds by approving the resolution presented with this report, the Oversight Board will be presented with a companion resolution approving the action taken by your Board. This Oversight Board action must be submitted to and approved by the State Department of Finance (DOF). DOF can take up to 65 days from the time the Oversight Board resolution is submitted to approve the financing. As noted above, the Successor Agency (August 9) and Oversight Board (August 10) previously authorized issuance; as of the preparation of this staff report, the matter is under submittal to DOF.

The forms of Indenture of Trust, Escrow Agreement and Bond Purchase Agreement were previously approved (August 9). At that time, it was indicated that forms of Preliminary Official Statement and Continuing Disclosure Agreement would be brought to the Successor Agency at a later date for approval: those approvals are being sought at this time. The Preliminary Official Statement will be the "offering document" for the proposed 2016 refunding Bonds.

The proposed Resolution authorizes staff, in consultation with bond counsel, to revise and finalize each of the documents approved by the Resolution within the parameters set forth in the Resolution.

## **ATTACHMENTS**

Preliminary Official Statement  
Continuing Disclosure Agreement (Appendix F to Preliminary Official Statement)

RESOLUTION NO.

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY, (i) APPROVING THE FORM OF THE PRELIMINARY OFFICIAL STATEMENT FOR THE 2016 BONDS TO DEEM IT FINAL UNDER RULE 15c2-12, (ii) APPROVING A CONTINUING DISCLOSURE AGREEMENT RELATING TO THE 2016 BONDS, AND (iii) AUTHORIZING CERTAIN RELATED ACTIONS.

WHEREAS, California Health and Safety Code (Code) section 34177.5(a), enacted by AB 1484, authorizes each successor agency to refund outstanding bonds or other indebtedness of the former redevelopment agency provided that (i) the total interest cost to maturity on the refunding bonds or other indebtedness plus the principal amount of the refunding bonds or other indebtedness shall not exceed the total remaining interest cost to maturity on the bonds or other indebtedness to be refunded plus the remaining principal of the bonds or other indebtedness to be refunded, and (ii) the principal amount of the refunding bonds or other indebtedness shall not exceed the amount required to defease the refunded bonds or other indebtedness, to establish customary debt service reserves, and to pay related costs of issuance; and

WHEREAS, from time to time, the Loma Linda Redevelopment Agency ("Former Agency") issued tax allocation bonds and loans, including those bonds identified in Exhibit A hereto (which bonds as shown in Exhibit A are referred to herein as "Refunded Bonds"); and

WHEREAS, to achieve debt service savings and refund the Refunded Bonds, the Successor Agency has previously approved the issuance of its Successor Agency to the Loma Linda Redevelopment Agency Tax Allocation Refunding Bonds, Series 2016A (the "2016A Bonds") and Successor Agency to the Loma Linda Redevelopment Agency Tax Allocation Refunding Bonds, Series 2016B (the "2016B Bonds", and, together with the 2016A Bonds, the "2016 Bonds") by Resolution No. 2905, adopted August 9, 2016 (the "Initial Resolution"); and

WHEREAS, as required by Code Section 34177.5(f), the Successor Agency obtained approval from the Oversight Board by resolution of the Oversight Board adopted on August 10, 2016 to issue the 2016 Bonds; and

WHEREAS, the Successor Agency wishes at this time to approve the Preliminary Official Statement relating to the 2016 Bonds (Preliminary Official Statement), a copy of which is on file in the Office of the City Clerk, and deem the Preliminary Official Statement final within the meaning of Rule 15c2-12 of the Security and Exchange Act of 1934 (Rule 15c2-12); and

WHEREAS, the Successor Agency wishes at this time to approve the form of the Continuing Disclosure Agreement relating to the 2016 Bonds (Continuing Disclosure Agreement), a copy of which is on file in the Office of the City Clerk; and

WHEREAS, initially capitalized terms used in this Resolution without definition have the meanings set forth in the Ordinance;

NOW THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY:

Section 1. The Preliminary Official Statement, in the form presented at this meeting and on file in the Office of the City Clerk, is hereby approved and deemed final for the purposes of Rule 15c2-12. The Underwriter is hereby authorized to distribute the Preliminary Official Statement to prospective purchasers of the 2016 Bonds in substantially the form hereby approved, together with such additions thereto and changes therein as are determined necessary by any Authorized Signatory (defined below) to make the Preliminary Official Statement final as of its date for purposes of Rule 15c2-12, including, but not limited to, such additions and changes as are necessary to make all information set forth therein accurate and not misleading. The following officials of the City of Loma Linda are designated as Authorized Signatories for purposes of this Resolution (individually, an Authorized Signatory; collectively, the Authorized Signatories): the Mayor, the City Manager, the Assistant City Manager, and the Finance Director/Treasurer.

Section 2. The preparation and delivery of an Official Statement, and its use by the Successor Agency and the Underwriter, in connection with the offering and sale of the 2016 Bonds, is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be requested by Bond Counsel, Disclosure Counsel or the Underwriter and approved by any Authorized Signatory, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Signatories and any of them, acting individually, are hereby authorized and directed to execute the final Official Statement and any amendment or supplement thereto, in the name of and on behalf of the Successor Agency, and thereupon to cause the final Official Statement and any such amendment or supplement to be delivered to the Underwriter.

Section 3. The Continuing Disclosure Agreement in substantially the form submitted at this meeting and made a part hereof as though set forth in full herein and on file in the Office of the City Clerk, is hereby approved. Each of the Authorized Signatories, acting singly, is hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement in substantially the form presented at this meeting with such changes, insertions and omissions as may be requested by Bond Counsel and approved by said Authorized Signatory, said execution being conclusive evidence of such approval.

Section 4. Each of the Authorized Signatories, acting singly, be and each of them hereby is authorized and directed to execute and deliver any and all documents and instruments, relating to the 2016 Bonds, and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the Indenture, the Bond Purchase Contract, the Escrow Agreements, the Irrevocable Refunding Instructions, the Continuing Disclosure Agreement, the Ordinance, this Resolution and any such instruments.

Resolution No.  
Page 3

Section 5. All actions heretofore taken by any officers, employees or agents of the City with respect to the issuance, delivery and sale of the 2016 Bonds or any of the documents referenced herein, are hereby approved, confirmed and ratified.

Section 6. This resolution shall take effect immediately upon its adoption.

**APPROVED AND ADOPTED** this 11th day of October 2016 by the following vote:

Ayes:  
Noes:  
Absent:  
Abstain:

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Rhodes Rigsby, Chair  
Successor Agency to the Loma  
Linda Redevelopment Agency

ATTEST:

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Secretary  
Successor Agency to the Loma Linda  
Redevelopment Agency

**EXHIBIT A**  
**REFUNDED BONDS**

1. \$12,610,000 Loma Linda Redevelopment Agency 2003 Tax Allocation Bonds (Loma Linda Redevelopment Project) issued pursuant to that certain Indenture of Trust between the Former Agency and U.S. Bank National Association, dated as of May 1, 2003.
  
2. \$15,100,000 Loma Linda Redevelopment Agency, Subordinate 2005A Tax Allocation Bonds (Loma Linda Redevelopment Project), issued pursuant to that certain Indenture of Trust between the Former Agency and U.S. Bank National Association dated as of November 1, 2005.
  
3. \$10,435,000 Loma Linda Redevelopment Agency Subordinate 2005B Taxable Tax Allocation Bonds (Loma Linda Redevelopment Project), issued pursuant to that certain Indenture of Trust between the Former Agency and U.S. Bank National Association, dated as of November 1, 2005.
  
4. \$8,900,000 Loma Linda Redevelopment Agency, 2008 Taxable Housing Tax Allocation Bonds (Loma Linda Redevelopment Project) issued pursuant to that certain Indenture of Trust between the Former Agency and U.S. Bank National Association, dated as of March 1, 2009.

PRELIMINARY OFFICIAL STATEMENT DATED \_\_\_\_\_, 2016

NEW ISSUE—BOOK-ENTRY ONLY

Rating: S&P “\_\_\_”

See the caption “CONCLUDING INFORMATION—Ratings”

*In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California (“Bond Counsel”), under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the 2016A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the 2016 Bonds is exempt from State of California personal income tax. See the caption “TAX MATTERS” with respect to tax consequences concerning the 2016 Bonds.*

\$ \_\_\_\_\_  
SUCCESSOR AGENCY TO THE  
LOMA LINDA REDEVELOPMENT AGENCY  
TAX ALLOCATION REFUNDING BONDS,  
SERIES 2016A

\$ \_\_\_\_\_  
SUCCESSOR AGENCY TO THE  
LOMA LINDA REDEVELOPMENT AGENCY  
TAX ALLOCATION REFUNDING BONDS,  
SERIES 2016B (FEDERALLY TAXABLE)

Dated: Closing Date

Due: August 1, as shown on the inside front cover page

The Successor Agency to the Loma Linda Redevelopment Agency Tax Allocation Refunding Bonds, Series 2016A (the “2016A Bonds”) and the Successor Agency to the Loma Linda Redevelopment Agency Tax Allocation Refunding Bonds, Series 2016B (Federally Taxable) (the “2016B Bonds” and, together with the 2016A Bonds, the “2016 Bonds”) will be delivered as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), and will be available to ultimate purchasers (“Beneficial Owners”) in integral multiples of \$5,000 under the book-entry system maintained by DTC. Beneficial Owners will not be entitled to receive delivery of bonds representing their ownership interest in the 2016 Bonds. The principal of, premium if any, and interest (which interest is due February 1 and August 1 of each year, commencing February 1, 2017) on the 2016 Bonds will be payable by U.S. Bank National Association, as trustee (the “Trustee”), to DTC for subsequent disbursement to DTC Participants, so long as DTC or its nominee remains the registered owner of the 2016 Bonds. See the caption “THE 2016 BONDS—Book-Entry System.”

The 2016 Bonds are being issued pursuant to an Indenture of Trust, dated as of \_\_\_\_\_ 1, 2016 (the “Indenture”), by and between the Trustee and the Successor Agency to the Loma Linda Redevelopment Agency (the “Agency”): (i) to refund certain bonds of the former Loma Linda Redevelopment Agency (the “Former Agency”) currently outstanding in the aggregate principal amount of \$ \_\_\_\_\_, as described under the caption “REFUNDING PLAN”; (ii) [to purchase a municipal bond insurance policy (the “Policy”) from \_\_\_\_\_ (“\_\_\_” or the “Insurer”) to guarantee the payment of principal of and interest on the 2016 Bonds; (iii) to purchase a municipal bond debt service reserve insurance policy (the “Reserve Policy”) from the Insurer for deposit in the Reserve Account; and (iv) to pay certain costs of issuance of the 2016 Bonds.

**The 2016 Bonds are subject to optional redemption and mandatory sinking fund redemption prior to maturity. See the caption “THE 2016 BONDS—Redemption.”**

The 2016 Bonds are payable from and secured by the Pledged Tax Revenues deposited in the Redevelopment Property Tax Trust Fund on a subordinate basis to certain bonds currently outstanding in the aggregate principal amount of \$ \_\_\_\_\_ and certain other ongoing obligations of the Agency, as more fully described under the caption “SECURITY FOR THE 2016 BONDS—Obligations with Senior Right to Payment—Tax Sharing Agreements” and “—Statutory Pass-Through Amounts.” Taxes levied on the property within the Project Area on that portion of the taxable valuation over and above the taxable valuation of the base year property tax roll, will be deposited in the Redevelopment Obligation Retirement Fund and administered by the Agency and the Trustee in accordance with the Indenture.

**This cover page of the Official Statement contains information for quick reference only. It is not a complete summary of the 2016 Bonds. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. Attention is hereby directed to certain risk factors more fully described herein.**

The 2016 Bonds are not a debt of the City of Loma Linda, the State of California, or any of its political subdivisions, and neither said City, said State, nor any of its political subdivisions is liable hereon, nor in any event shall the 2016 Bonds be payable out of any funds or properties other than those of the Agency. The 2016 Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The principal of and interest on the 2016 Bonds are payable solely from the Pledged Tax Revenues allocated to the Agency from the Project Area (all as defined herein and in the Indenture) and other funds as set forth in the Indenture.

[INSURER LANGUAGE]

[INSURER LOGO]

*The 2016 Bonds are offered, when, as and if issued, subject to the approval of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, as Bond Counsel and Disclosure Counsel to the Agency. Certain legal matters will be passed on for the Agency by the City Attorney of the City of Loma Linda, as counsel to the Agency, for the Underwriter by its counsel, Jones Hall, A Professional Law Corporation, San Francisco, California, and for the Trustee by its counsel. It is anticipated that the 2016 Bonds will be available for delivery through the facilities of DTC on or about November 10, 2016.*

\* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy them be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.



NEWCOMB WILLIAMS

**FINANCIAL GROUP**

Securities offered through Stinson Securities, LLC

Dated: \_\_\_\_\_, 2016

**MATURITY SCHEDULES**

\$ \_\_\_\_\_<sup>\*</sup>  
**SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY  
TAX ALLOCATION REFUNDING BONDS, SERIES 2016A**

Base CUSIP<sup>†</sup> \_\_\_\_\_

<i>Maturity Date (August 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>CUSIP<sup>†</sup></i>
	\$	%	%		

\$ \_\_\_\_\_ % Term 2016A Bonds due August 1, 20\_\_ - Yield: \_\_%, Price \_\_, CUSIP<sup>†</sup> \_\_

\$ \_\_\_\_\_<sup>\*</sup>  
**SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY  
TAX ALLOCATION REFUNDING BONDS, SERIES 2016B (FEDERALLY TAXABLE)**

<i>Maturity Date (August 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Price</i>	<i>CUSIP<sup>†</sup></i>
	\$	%	%		

\$ \_\_\_\_\_ % Term 2016B Bonds due August 1, 20\_\_ - Yield: \_\_%, Price \_\_, CUSIP<sup>†</sup> \_\_

<sup>\*</sup> Preliminary, subject to change.

<sup>†</sup> CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright© 2016 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. Neither the Agency nor the Underwriter takes any responsibility for the accuracy of such numbers.

**SUCCESSOR AGENCY TO THE  
LOMA LINDA REDEVELOPMENT AGENCY  
Loma Linda, California**

**AGENCY MEMBERS AND CITY COUNCIL**

Rhodes Rigsby, *Agency Chairman and City Mayor*  
Phill Dupper, *Agency Vice Chairman and City Mayor Pro Tempore*  
Ovidiu Popescu, *Agency Member and City Council Member*  
Ronald Dailey, *Agency Member and City Council Member*  
John Lenart, *Agency Member and City Council Member*

**AGENCY STAFF AND CITY STAFF**

T. Jarb Thaipejr, *Executive Director and City Manager*  
Diana De Anda, *Finance Director/Treasurer*  
Pamela Byrnes-O'Camb, *Agency Secretary and City Clerk*

**SPECIAL SERVICES**

**Bond Counsel**

Stradling Yocca Carlson & Rauth, a Professional Corporation  
Newport Beach, California

**Agency Counsel**

Robbins & Holdaway, Inc.  
Ontario, California

**Independent Municipal Advisor**

A.M. Miller & Co., Inc.  
San Diego, California

**Fiscal Consultant**

DHA Consulting, LLC  
Long Beach, California

**Trustee**

U.S. Bank National Association  
Los Angeles, California

**Verification Agent**

The Arbitrage Group  
Buhl, Alabama

## GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

**No Offering May Be Made Except by this Official Statement.** No dealer, broker, salesperson or other person has been authorized by the Agency or the Underwriter to give any information or to make any representations with respect to the 2016 Bonds other than as contained in this Official Statement, and, if given or made, such other information or representation must not be relied upon as having been given or authorized by the Agency or the Underwriter.

**Use of Official Statement.** This Official Statement is submitted in connection with the sale of the 2016 Bonds described in this Official Statement and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement does not constitute a contract between any 2016 Bond owner and the Agency or the Underwriter.

**Preparation of this Official Statement.** The information contained in this Official Statement has been obtained from sources that are believed to be reliable, but this information is not guaranteed as to accuracy or completeness. The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

**Estimates and Forecasts.** When used in this Official Statement and in any continuing disclosure made by the Agency, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," "forecast," "expect," "intend" and similar expressions identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the 2016 Bonds will, under any circumstances, create any implication that there has been no change in the affairs of the Agency or the other parties described in this Official Statement, since the date of this Official Statement.

**Document Summaries.** All summaries of the Indenture or other documents contained in this Official Statement are made subject to the provisions of such documents and do not purport to be complete statements of any or all such provisions. All references in this Official Statement to the Indenture and such other documents are qualified in their entirety by reference to such documents, which are on file with the Agency.

**No Unlawful Offers or Solicitations.** This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

**No Registration with the SEC.** The issuance and sale of the 2016 Bonds have not been registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon exemptions provided thereunder by Sections 3(a)(2) and 3(a)(12), respectively, for the issuance and sale of municipal securities.

**Public Offering Prices.** The Underwriter may offer and sell the 2016 Bonds to certain dealers and dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside cover page of this Official Statement, and the Underwriter may change such public offering prices from time to time.

**Website.** The City of Loma Linda maintains an Internet website. However, the information maintained on such website is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the 2016 Bonds.

[[Insurer] (the "Insurer") makes no representation regarding the 2016 Bonds or the advisability of investing in the 2016 Bonds. In addition, the Insurer has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding Insurer, supplied by Insurer and presented under the caption "[BOND INSURANCE]."]

[MAP OF PROJECT AREA]

## TABLE OF CONTENTS

<p>INTRODUCTORY STATEMENT.....1</p> <p style="padding-left: 20px;">Authority and Purpose .....1</p> <p style="padding-left: 20px;">The City and the Agency .....1</p> <p style="padding-left: 20px;">The Redevelopment Plan .....2</p> <p style="padding-left: 20px;">Tax Allocation Financing.....3</p> <p style="padding-left: 20px;">Security for the 2016 Bonds.....4</p> <p style="padding-left: 20px;">Coverage .....5</p> <p style="padding-left: 20px;">Obligations with Senior Right to Payment.....5</p> <p style="padding-left: 20px;">Bond Insurance .....5</p> <p style="padding-left: 20px;">Reserve Policy .....5</p> <p style="padding-left: 20px;">Tax Matters .....5</p> <p style="padding-left: 20px;">Further Information.....5</p> <p>REFUNDING PLAN.....6</p> <p style="padding-left: 20px;">The Refunded Bonds.....6</p> <p style="padding-left: 20px;">Verification of Mathematical Computations.....7</p> <p style="padding-left: 20px;">Sources and Uses of Funds .....7</p> <p>THE 2016 BONDS .....7</p> <p style="padding-left: 20px;">Authority for Issuance.....7</p> <p style="padding-left: 20px;">Description of the 2016 Bonds.....8</p> <p style="padding-left: 20px;">Book-Entry System.....8</p> <p style="padding-left: 20px;">Redemption .....8</p> <p style="padding-left: 20px;">Annual Debt Service.....13</p> <p>SECURITY FOR THE 2016 BONDS .....14</p> <p style="padding-left: 20px;">General.....14</p> <p style="padding-left: 20px;">Security of Bonds; Equal Security .....15</p> <p style="padding-left: 20px;">Redevelopment Obligation Retirement Fund; Special Fund; Deposit of Pledged Tax Revenues.....16</p> <p style="padding-left: 20px;">Deposit of Amounts by Trustee .....17</p> <p style="padding-left: 20px;">Tax Increment Financing .....18</p> <p style="padding-left: 20px;">Recognized Obligation Payment Schedule .....20</p> <p style="padding-left: 20px;">Last and Final Recognized Obligation Payment Schedule.....23</p> <p style="padding-left: 20px;">Obligations with Senior Right to Payment.....24</p> <p style="padding-left: 20px;">Subordinate Obligations.....26</p> <p style="padding-left: 20px;">Limitation on Additional Indebtedness.....26</p> <p>[BOND INSURANCE].....27</p> <p>PROPERTY TAXATION IN CALIFORNIA.....27</p> <p style="padding-left: 20px;">Property Tax Collection and Distribution Procedures.....27</p> <p style="padding-left: 20px;">Unitary Property.....29</p> <p style="padding-left: 20px;">Article XIII A of the State Constitution .....30</p> <p style="padding-left: 20px;">Appropriations Limitation – Article XIII B .....31</p> <p style="padding-left: 20px;">Debt Service Overrides .....31</p> <p style="padding-left: 20px;">Appeals of Assessed Values.....31</p> <p style="padding-left: 20px;">Proposition 8 .....32</p> <p style="padding-left: 20px;">Propositions 218 and 26.....32</p> <p style="padding-left: 20px;">Future Initiatives .....33</p> <p>THE SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY .....33</p> <p style="padding-left: 20px;">Agency Powers .....33</p> <p>THE PROJECT AREA .....34</p> <p style="padding-left: 20px;">Project Area Characteristics.....35</p> <p style="padding-left: 20px;">Levy and Collection.....36</p> <p style="padding-left: 20px;">Assessment Appeals.....37</p> <p>PLEDGED TAX REVENUES .....39</p> <p style="padding-left: 20px;">Projected Pledged Tax Revenues .....39</p> <p style="padding-left: 20px;">Debt Service Coverage.....42</p>	<p>RISK FACTORS .....44</p> <p style="padding-left: 20px;">Reduction in Taxable Value .....44</p> <p style="padding-left: 20px;">Challenges to Dissolution Act .....44</p> <p style="padding-left: 20px;">Risks to Real Estate Market.....45</p> <p style="padding-left: 20px;">Reduction in Inflation Rate.....45</p> <p style="padding-left: 20px;">Levy and Collection of Taxes.....46</p> <p style="padding-left: 20px;">State Budget Issues.....46</p> <p style="padding-left: 20px;">Recognized Obligation Payment Schedule.....47</p> <p style="padding-left: 20px;">Santa Ana Unified School District Case .....49</p> <p style="padding-left: 20px;">Last and Final Recognized Obligation Payment Schedule .....49</p> <p style="padding-left: 20px;">Parity Debt Issued Without Reserve .....50</p> <p style="padding-left: 20px;">Bankruptcy and Foreclosure .....51</p> <p style="padding-left: 20px;">Estimated Revenues.....51</p> <p style="padding-left: 20px;">Hazardous Substances .....52</p> <p style="padding-left: 20px;">Natural Disasters .....52</p> <p style="padding-left: 20px;">Changes in the Law .....53</p> <p style="padding-left: 20px;">Investment Risk.....53</p> <p style="padding-left: 20px;">Secondary Market.....53</p> <p style="padding-left: 20px;">IRS Audit of Tax-Exempt Bond Issues .....53</p> <p style="padding-left: 20px;">Loss of Tax Exemption.....54</p> <p style="padding-left: 20px;">Bonds Are Limited Obligations.....54</p> <p style="padding-left: 20px;">Bond Insurance.....54</p> <p style="padding-left: 20px;">Limitations on Remedies .....55</p> <p>TAX MATTERS .....55</p> <p style="padding-left: 20px;">2016A Bonds.....55</p> <p style="padding-left: 20px;">2016B Bonds.....57</p> <p>CONTINUING DISCLOSURE.....57</p> <p>CONCLUDING INFORMATION .....58</p> <p style="padding-left: 20px;">Underwriting .....58</p> <p style="padding-left: 20px;">Fiscal Consultant .....58</p> <p style="padding-left: 20px;">Independent Municipal Advisor .....58</p> <p style="padding-left: 20px;">Legal Opinion.....59</p> <p style="padding-left: 20px;">Litigation .....59</p> <p style="padding-left: 20px;">Ratings.....59</p> <p style="padding-left: 20px;">Miscellaneous.....60</p> <p>APPENDIX A FISCAL CONSULTANT’S REPORT.....A-1</p> <p>APPENDIX B SUMMARY OF THE INDENTURE .....B-1</p> <p>APPENDIX C FORMS OF BOND COUNSEL OPINIONS.....C-1</p> <p>APPENDIX D BOOK-ENTRY ONLY SYSTEM.....D-1</p> <p>APPENDIX E COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2015.....E-1</p> <p>APPENDIX F FORM OF CONTINUING DISCLOSURE AGREEMENT.....F-1</p> <p>APPENDIX G SPECIMEN MUNICIPAL BOND INSURANCE POLICY .....G-1</p>
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**SUCCESSOR AGENCY TO THE LOMA LINDA  
REDEVELOPMENT AGENCY  
TAX ALLOCATION REFUNDING BONDS,  
SERIES 2016A**

\$ \_\_\_\_\_ \*

**SUCCESSOR AGENCY TO THE LOMA  
LINDA REDEVELOPMENT AGENCY  
TAX ALLOCATION REFUNDING BONDS,  
SERIES 2016B (FEDERALLY TAXABLE)**

**INTRODUCTORY STATEMENT**

This Official Statement, including the cover page and the appendices, is provided to furnish information in connection with the sale by the Successor Agency to the Loma Linda Redevelopment Agency (the "Agency") of its \$ \_\_\_\_\_ \* Tax Allocation Refunding Bonds, Series 2016A (the "2016A Bonds") and its \$ \_\_\_\_\_ \* Tax Allocation Refunding Bonds, Series 2016B (Federally Taxable) (the "2016B Bonds" and, together with the 2016A Bonds, the "2016 Bonds").

**Authority and Purpose**

The 2016 Bonds are being issued pursuant to the Constitution and laws of the State of California (the "State"), including Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Bond Law"), the Dissolution Act (defined under the caption "—The City and the Agency"), the Oversight Board Action (defined under the caption "THE 2016 BONDS—Authority for Issuance") and an Indenture of Trust, dated as of \_\_\_\_\_ 1, 2016 (the "Indenture"), by and between the Agency and U.S. Bank National Association, as trustee (the "Trustee"). See the caption "THE 2016 BONDS—Authority for Issuance."

The 2016 Bonds are being issued: (i) to refund certain bonds of the former Loma Linda Redevelopment Agency (the "Former Agency") currently outstanding in the aggregate principal amount of \$ \_\_\_\_\_ \*, as described under the caption "REFUNDING PLAN;" (ii) [to purchase [a municipal bond insurance policy (the "Policy") from \_\_\_\_ ("\_\_\_\_" or the "Insurer") to guarantee the payment of principal of and interest on the 2016 Bonds; (iii) to purchase a municipal bond debt service reserve insurance policy (the "Reserve Policy") from the Insurer for deposit in the Reserve Account; and (iii)] to pay certain costs of issuance of the 2016 Bonds. See the caption "SOURCES AND USES OF FUNDS."

Section 34177.5 of the Dissolution Act authorizes the Agency to issue bonds for limited purposes only, including for the purpose of refunding bonds and other obligations of the Former Agency for debt service savings. The 2016 Bonds are being issued for this purpose.

As permitted by the Dissolution Act, the 2016 Bonds are payable from and secured by the Pledged Tax Revenues derived from the Project Area (as such term is defined under the caption "—The City and the Agency") and deposited in the Redevelopment Property Tax Trust Fund (also referred to herein as the "RPTTF") on a subordinate basis to certain ongoing obligations of the Agency, as more fully described under the caption "SECURITY FOR THE 2016 BONDS— Obligations with Senior Right to Payment—*Tax Sharing Agreements*" and "—*Statutory Pass-Through Amounts*."

**The City and the Agency**

The City Council of the City of Loma Linda (the "City") acts as the governing body of the Agency and staff of the City provides administrative support for the Agency. The City encompasses approximately 7.6 square miles. As of January 1, 2016, the City had a population of approximately 24,649. The City is located approximately 60 miles east of the City of Los Angeles, in proximity to Interstate 10. Incorporated in 1970, the City operates as a chartered city under California law. The City has a City Council/City Manager form of

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\* Preliminary, subject to change.

government, with the Mayor and four Council Members elected at large for four-year terms. See "THE SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY" herein.

The Former Agency was established pursuant to the California Community Redevelopment Law (the "Redevelopment Law"), codified in Part 1 of Division 24 of the California Health and Safety Code. The Agency was activated on February 27, 1979, by City Ordinance No. 207. The Project Area consists of three component areas resulting from a series of actions by the City Council of the City, and includes those redevelopment projects formerly known as Loma Linda Redevelopment Project No. 1 ("Project No. 1") and Loma Linda Redevelopment Project No. 2 ("Project No. 2") as follows: (i) that area included as Project No. 1 as approved by Ordinance No. 226 adopted by the City Council of the City on July 15, 1980 ("Component Area No. 1"); (ii) that area designated as Project No. 2 as approved by Ordinance No. 374 adopted by the City Council of the City on May 12, 1987 ("Component Area No. 2"); and (iii) that area added to Project No. 1 by that amendment to Project No. 1 as approved by Ordinance No. 508 adopted by the City Council of the City on December 13, 1994 ("Component Area No. 3"); each of such areas as so included or added within the Project Area as described by the foregoing items (i) through (iii) shall constitute a "Component Area." Project No. 1 and Project No. 2 were merged and amended under Ordinance No. 591 adopted by the City Council of the City on September 26, 2000; as so merged, the territory of Project No. 1 and Project No. 2 constitutes the "Project Area."

The Project Area consists of approximately 2,122 acres and is made up of commercial, industrial, housing and public land uses, including the City's Civic Center.

On June 28, 2011, Assembly Bill No. 26 ("AB X1 26") was enacted as Chapter 5, Statutes of 2011, together with a companion bill, Assembly Bill No. 27 ("AB X1 27"). A lawsuit entitled *California Redevelopment Association, et al. v. Matosantos, et al.*, was brought in the State Supreme Court challenging the constitutionality of AB X1 26 and AB X1 27. In a published decision (53 Cal. 4th 231 (Dec. 29, 2011)), the State Supreme Court largely upheld AB X1 26, invalidated AB X1 27, and held that AB X1 26 may be severed from AB X1 27 and enforced independently. As a result of AB X1 26 and the decision of the State Supreme Court, as of February 1, 2012, all redevelopment agencies in the State, including the Former Agency, were dissolved, and successor agencies were designated as successor entities to the former redevelopment agencies to expeditiously wind down the affairs of the former redevelopment agencies.

The primary provisions of AB X1 26 relating to the dissolution and winding down of former redevelopment agency affairs are Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health & Safety Code of the State, as amended on June 27, 2012 by Assembly Bill No. 1484 ("AB 1484"), enacted as Chapter 26, Statutes of 2012 and as further amended on September 22, 2015 by Senate Bill 107 ("SB 107"), enacted as Chapter 325, Statutes of 2015 (collectively, as amended from time to time, the "Dissolution Act").

On January 10, 2012, pursuant to Resolution No. 2722 and Section 34173 of the Dissolution Act, the City Council of the City elected to serve as the governing body of the successor agency to the Former Agency. Subdivision (g) of Section 34173 of the Dissolution Act, which was added by AB 1484, expressly affirms that the Agency is a separate public entity from the City, that the two entities shall not merge and that the liabilities of the Former Agency will not be transferred to the City, nor will the assets of the Former Agency become assets of the City.

### **The Redevelopment Plan**

Pledged Tax Revenues are derived from the Project Area.

The Redevelopment Plan for the Project Area contained separate time and financial limitations applicable to each of the Component Areas thereof; however, SB 107, which became effective on September 22, 2015, amended the Dissolution Act to provide that the time limits for receiving property tax

revenues and the limitation on the amount of property tax revenues that may be received by the Former Agency and the Agency set forth in the Redevelopment Plan are not effective for purposes of paying the Agency's enforceable obligations. The projections set forth in this Official Statement and in the Fiscal Consultant's Report attached to this Official Statement as Appendix A do not exceed the original time limitations set forth in the Redevelopment Plan for the Project Area. Even if the projections did exceed the original time limitations set forth in the Redevelopment Plan, such limitations would not be effective. The Redevelopment Plan and the Project Area are discussed in more detail under the caption "THE PROJECT AREA."

Pursuant to the Indenture, the Agency will deposit moneys constituting Pledged Tax Revenues promptly upon receipt from the Project Area into the Redevelopment Obligation Retirement Fund established within the Redevelopment Property Tax Trust Fund pursuant to Section 34170.5(b) of the Dissolution Act. Moneys held in the Redevelopment Obligation Retirement Fund will be transferred to the Trustee at the times specified in the Indenture to make payments of principal of and interest on the 2016 Bonds, all as described under the caption "SECURITY FOR THE 2016 BONDS."

### **Tax Allocation Financing**

Prior to the enactment of AB X126, the Redevelopment Law authorized the financing of redevelopment projects through the use of tax increment revenues. This method provided that the taxable valuation of the property within a redevelopment project area on the property tax roll last equalized prior to the effective date of the ordinance which adopts the redevelopment plan becomes the base year valuation. Assuming that the taxable valuation never drops below the base year level, the taxing agencies thereafter received that portion of the taxes produced by applying then current tax rates to the base year valuation, and the redevelopment agency was allocated the remaining portion produced by applying then current tax rates to the increase in valuation over the base year. Such incremental tax revenues allocated to a redevelopment agency were authorized to be pledged to the payment of agency obligations.

Section 34177.5 of the Dissolution Act authorizes the Agency to issue bonds for limited purposes only, including for the purpose of refunding bonds and other obligations of the Former Agency for debt service savings. The 2016 Bonds are being issued for this purpose. Agency bonds issued pursuant to Section 34177.5(a) of the Dissolution Act may be secured by a pledge of moneys deposited from time to time in a Redevelopment Property Tax Trust Fund held by a county auditor-controller with respect to a successor agency, which are equivalent to the tax increment revenues that were formerly allocated under the Redevelopment Law to the redevelopment agency and formerly authorized under the Redevelopment Law to be used for the financing of redevelopment projects.

Under the Indenture, Pledged Tax Revenues consist of all taxes that were eligible for allocation to the Former Agency with respect to the Project Area and are allocated to the Agency pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Redevelopment Law and Section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable State laws, and that are deposited in the RPTTF, excluding (i) payments required by Tax Sharing Agreements that have not been subordinated to the 2016 Bonds, and (ii) all Statutory Pass-Through Amounts unless such payments are subordinated to payments on the 2016 Bonds or any additional Bonds or to the payments owed under any Parity Debt Instrument pursuant to Sections 33607.5(e) of the Redevelopment Law and 34177.5(c) of the Dissolution Act. See the caption "SECURITY FOR THE 2016 BONDS—Tax Increment Financing." See the captions "SECURITY FOR THE 2016 BONDS—Obligations with Senior Right to Payment—*Tax Sharing Agreements*" and "*—Statutory Pass-Through Amounts*" for definitions of these terms and a description of these obligations.

Successor agencies have no power to levy property taxes and must look specifically to the allocation of taxes as described above. See the caption "RISK FACTORS."

## Security for the 2016 Bonds

The Dissolution Act requires the Auditor-Controller of the County of San Bernardino (the "County Auditor-Controller") to determine the amount of property taxes that would have been allocated to the Former Agency had the Former Agency not been dissolved pursuant to the operation of AB X1 26, using current assessed values on the last equalized roll on August 20, and to deposit such amount in the Redevelopment Property Tax Trust Fund pursuant to the Dissolution Act. Section 34177.5(g) of the Dissolution Act provides that any bonds authorized to be issued by the Agency will be considered indebtedness incurred by the dissolved Former Agency, with the same legal effect as if such bonds had been issued prior to the effective date of AB X1 26, in full conformity with the applicable provisions of the Redevelopment Law that existed prior to that date, and will be included in the Agency's Recognized Obligation Payment Schedule. See Appendix B and the caption "SECURITY FOR THE 2016 BONDS—Recognized Obligation Payment Schedule."

The Dissolution Act further provides that bonds authorized to be issued by the Agency will be secured by a pledge of, and lien on, and will be repaid from moneys deposited from time to time in, the Redevelopment Property Tax Trust Fund, and that property tax revenues pledged to any bonds authorized under the Dissolution Act, such as the 2016 Bonds, are taxes allocated to the Agency pursuant to the provisions of the Redevelopment Law and the State Constitution which provided for the allocation of tax increment revenues under the Redevelopment Law, as described in the foregoing paragraph.

In accordance with the Dissolution Act, the 2016 Bonds are payable from and secured by, and Pledged Tax Revenues include, all taxes that were eligible for allocation to the Former Agency with respect to the Project Area and are allocated to the Agency pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Redevelopment Law and Section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable State laws, and that are deposited in the RPTTF, excluding (i) payments required by Tax Sharing Agreements that have not been subordinated to the 2016 Bonds, and (ii) all Statutory Pass-Through Amounts unless such payments are subordinated to payments on the 2016 Bonds or any additional Bonds or to the payments owed under any Parity Debt Instrument pursuant to Sections 33607.5(e) of the Redevelopment Law and 34177.5(c) of the Dissolution Act.

The 2016 Bonds are payable from and equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues and the moneys in the Special Fund (as defined in Appendix B), and the 2016 Bonds will also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account (including any subaccounts therein); provided that amounts held in the Reserve Account (or subaccounts therein) will secure only the issue to which such account or subaccount relates to the extent specifically provided for in the Indenture and any Supplemental Indenture, as applicable, without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Taxes levied on the property within the Project Area on that portion of the taxable valuation over and above the taxable valuation of the applicable base year property tax roll with respect to the various territories within the Project Area, to the extent that such taxes constitute Pledged Tax Revenues as described in this Official Statement, will be deposited in the Redevelopment Property Tax Trust Fund for transfer by the County Auditor-Controller to the Agency's Redevelopment Obligation Retirement Fund on January 2 and June 1 of each year (adjusted for holidays and weekends) to the extent required for payments listed in the Agency's Recognized Obligation Payment Schedule in accordance with the requirements of the Dissolution Act. See the caption "SECURITY FOR THE 2016 BONDS—Recognized Obligation Payment Schedule." Moneys deposited by the County Auditor-Controller into the Agency's Redevelopment Obligation Retirement Fund will be transferred by the Agency to the Trustee for deposit in the Debt Service Fund established under the Indenture and administered by the Trustee in accordance with the Indenture.

The Agency has no power to levy property taxes and must look specifically to the allocation of taxes as described above. See the caption "RISK FACTORS."

## **Coverage\***

Assuming no future growth or diminishment in assessed value, the Agency projects that coverage on the 2016 Bonds will not fall below [\_\_\_\_\_] times. [The Agency projects coverage to generally increase over time beginning in Fiscal Year 2018-19, and beginning in Fiscal Year [\_\_\_\_\_] , coverage does not fall below [\_\_\_\_\_] times. See Tables 9 and 10 under the caption “PLEDGED TAX REVENUES—Debt Service Coverage.”]

## **Obligations with Senior Right to Payment**

The use of tax increment revenues from the Project Area to pay debt service on the 2016 Bonds is subject to the prior pledge or priority of payment of certain obligations with a prior claim on tax increment revenues to the 2016 Bonds. See the captions “SECURITY FOR THE 2016 BONDS—Obligations with Senior Right to Payment—*Tax Sharing Agreements*” and “—*Statutory Pass-Through Amounts*” for a description of each of these senior obligations.

## **Bond Insurance**

The scheduled payment of the principal of and interest on the 2016 Bonds will be insured by the Policy to be issued by the Insurer concurrently with the issuance of the Bonds. See the caption “BOND INSURANCE.” A specimen of the Policy is set forth in Appendix G

## **Reserve Policy**

[A Reserve Account for the 2016 Bonds is established pursuant to the Indenture in an amount equal to the Reserve Requirement of \$\_\_\_\_\_.\* [The Insurer has committed to issue, simultaneously with the issuance of the 2016 Bonds, the Reserve Policy in the principal amount of the Reserve Requirement for deposit in the Reserve Account. See the caption “SECURITY FOR THE 2016 BONDS—Deposit of Amounts by Trustee—*Reserve Account*.”]

The Agency is not obligated: (i) to make any additional deposits into the Reserve Account in the event that the Insurer defaults on its obligation to make payments under the Reserve Policy; or (ii) to replace the Reserve Policy in the event of a rating downgrade or the withdrawal of a rating of the Insurer.]]

## **Tax Matters**

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California (“Bond Counsel”), under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the 2016A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the 2016 Bonds is exempt from State of California personal income tax. See “TAX MATTERS” with respect to tax consequences concerning the 2016 Bonds.

## **Further Information**

Brief descriptions of the 2016 Bonds, the Indenture, the Agency, the Former Agency and the City are included in this Official Statement. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to the Indenture, the Bond Law, the Redevelopment Law, the Dissolution Act, the Constitution and the laws of the State as well as the proceedings of the Former Agency, the Agency and the

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\* Preliminary, subject to change.

City are qualified in their entirety by reference to such documents. References herein to the 2016 Bonds are qualified in their entirety by the form thereof included in the Indenture and the information with respect thereto included herein.

Capitalized terms used herein and not defined have the meanings set forth in Appendix B.

## REFUNDING PLAN

### The Refunded Bonds

The Agency expects to apply a portion of the proceeds of the 2016 Bonds, together with other available funds, to refund on a current basis all amounts payable pursuant to the debt obligations described in the following table, which are referred to collectively in this Official Statement as the "Refunded Bonds."

<i>Dated Date</i>	<i>Refunded Bonds</i>	<i>Refunded Amount<sup>*</sup></i>	<i>Redemption Date<sup>*</sup></i>	<i>CUSIP<sup>†</sup> of Longest Maturity</i>		
<i>To be refunded with 2016A Bond Proceeds</i>						
1.	5/7/2003	\$12,610,000	2003 Tax Allocation Refunding Bonds	\$6,120,000	12/12/2016	541904CR7
		<b>Subtotal</b>		<b>\$6,120,000</b>		
<i>To be refunded with 2016B Bond Proceeds</i>						
2.	12/14/2005	\$15,100,000	Subordinate 2005A Tax Allocation Bonds	\$13,560,000	12/12/2016	541904DL9
3.	12/14/2005	\$10,435,000	Subordinate 2005B Taxable Tax Allocation Bonds	\$5,905,000	12/12/2016	541904DR6
4.	4/8/2009	\$8,900,000	2008 Taxable Housing Tax Allocation Bonds	\$7,265,000	12/12/2016	541904DY1
		<b>Subtotal</b>		<b>\$26,730,000</b>		
		<b>Total:</b>		<b>\$32,850,000</b>		

Pursuant to separate escrow agreements, each dated as of the Closing Date (collectively, the "Escrow Agreements"), by and between the Agency and the respective trustees for the Refunded Bonds (in such capacity, the "Escrow Bank"), the Agency will cause a portion of the proceeds of the 2016 Bonds to be delivered to the Escrow Bank for deposit in the applicable escrow funds established under the Escrow Agreements (each, an "Escrow Fund" and collectively, the "Escrow Funds"). Such amounts to be delivered by or on behalf of the Agency to the Escrow Bank on the Closing Date, together with amounts transferred from funds and accounts established in connection with each series of the Refunded Bonds, will be held in cash and invested in Federal Securities in amounts sufficient to pay principal and accrued interest and thereby redeem all of the Refunded Bonds on the dates shown in the above table (each, a "Redemption Date").

Sufficiency of the deposits in each Escrow Fund for such purposes will be verified by The Arbitrage Group, Buhl, Alabama (the "Verification Agent"). Assuming the accuracy of such computations, as a result of the deposit and application of funds as provided in the Escrow Agreements, the applicable series of Refunded Bonds will be defeased pursuant to the provisions of the indentures under which they were issued as of the date of issuance of the 2016 Bonds.

<sup>\*</sup> Preliminary, subject to change.

<sup>†</sup> CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ. Copyright© 2016 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. Neither the Agency nor the Underwriter takes any responsibility for the accuracy of such numbers.

The amounts held by the Escrow Bank in each Escrow Fund are pledged solely to the redemption of the applicable series of outstanding Refunded Bonds. Neither the moneys deposited in the Escrow Funds nor the interest on the invested moneys will be available for the payments of principal of and interest on the 2016 Bonds.

**Verification of Mathematical Computations**

Upon issuance of the 2016 Bonds, the Verification Agent will deliver a report on the mathematical accuracy of certain computations based upon certain information and assertions provided to it by the Underwriter relating to the adequacy of the cash to be deposited in the respective Escrow Funds to pay the Redemption Price of the applicable series of Refunded Bonds.

**Sources and Uses of Funds**

The estimated sources and uses of funds are summarized as follows:

	<i>2016A Bonds</i>	<i>2016B Bonds</i>	<i>Total</i>
<b>Sources<sup>(1)</sup>:</b>			
Principal Amount of 2016 Bonds	\$	\$	\$
Plus Prior Reserve Funds			
Plus Other Moneys <sup>(2)</sup>			
Plus/Less Original Issue Premium/Discount			
<b>Total Sources:</b>	<u>\$</u>	<u>\$</u>	<u>\$</u>
<b>Uses<sup>(1)</sup>:</b>			
Refunded Bonds Escrow Funds	\$	\$	\$
Costs of Issuance Fund <sup>(3)</sup>			
Underwriter's Discount			
<b>Total Uses:</b>	<u>\$</u>	<u>\$</u>	<u>\$</u>

<sup>(1)</sup> Amounts rounded to nearest dollar.

<sup>(2)</sup> Reflects moneys held in funds and accounts established in connection with the Refunded Bonds.

<sup>(3)</sup> Includes fees and expenses of Bond and Disclosure Counsel, Independent Municipal Advisor, Fiscal Consultant, Trustee, Escrow Agent and Verification Agent, printing expenses, rating agency fees, [premiums for the Policy and Reserve Policy] and other miscellaneous costs.

**THE 2016 BONDS**

**Authority for Issuance**

The 2016 Bonds were authorized for issuance pursuant to the Indenture, the Bond Law, and the Dissolution Act. Direction to undertake the issuance of the 2016 Bonds and the execution of the related documents was authorized by the Agency pursuant to a resolution adopted on August 9, 2016, and by the Oversight Board of the Agency pursuant to a resolution adopted on August 10, 2016 (the "Oversight Board Action").

Written notice of the Oversight Board Action was provided to the State Department of Finance (the "DOF"). On \_\_\_\_\_, 2016, the DOF provided a letter to the Agency stating that based on the DOF's review and application of the law, the Oversight Board Action approving the 2016 Bonds is approved by the DOF.

Section 34177.5(e) of the Dissolution Act provides that notwithstanding any other law, an action to challenge the issuance of bonds (such as the 2016 Bonds), the incurrence of indebtedness, the amendment of an enforceable obligation, or the execution of a financing agreement authorized under Section 34177.5, must

be brought within 30 days after the date on which the oversight board approves the resolution of the successor agency approving such financing. Such challenge period expired with respect to the 2016 Bonds and the Oversight Board Action on September 10, 2016.

### **Description of the 2016 Bonds**

The 2016 Bonds will be issued in fully-registered form without coupons in integral multiples of \$5,000 for each maturity, initially in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), as registered owner of all 2016 Bonds. See the caption “—Book-Entry System.” The 2016 Bonds will be dated the Closing Date and mature on August 1 in the years and in the amounts shown on the inside front cover page of this Official Statement. Interest on the 2016 Bonds will be calculated at the rates shown on the inside cover page of this Official Statement, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2017 (each, an “Interest Payment Date”).

Each 2016 Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless: (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it will bear interest from such Interest Payment Date; or (b) it is authenticated on or before the first Record Date, in which event it will bear interest from the Closing Date; provided, however, that if, as of the date of authentication of any 2016 Bond, interest thereon is in default, such 2016 Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the 2016 Bonds (including the final interest payment upon maturity or redemption) is payable when due by check or draft of the Trustee mailed on the Interest Payment Date to the Owner thereof at such Owner’s address as it appears on the Registration Books at the close of business on the preceding Record Date; provided that at the written request of the Owner of at least \$1,000,000 aggregate principal amount of either the 2016A Bonds or the 2016B Bonds, which written request is on file with the Trustee as of any Record Date, interest on such 2016A Bonds or such 2016B Bonds will be paid on the succeeding Interest Payment Date to such account in the United States as shall be specified in such written request. The principal of the 2016 Bonds and any premium upon redemption, are payable in lawful money of the United States of America upon presentation and surrender thereof at the Principal Corporate Trust Office of the Trustee.

### **Book-Entry System**

DTC will act as securities depository for the 2016 Bonds. The 2016 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the 2016 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See Appendix D for further information with respect to DTC and its book-entry system.

### **Redemption**

**Optional Redemption.** The 2016A Bonds maturing on or prior to August 1, 20\_\_ are not subject to optional redemption. The 2016A Bonds maturing on or after August 1, 20\_\_, are subject to optional redemption prior to their respective maturity dates as a whole, or in part by lot, on any date on or after August 1, 20\_\_, by such maturity or maturities as the Agency may direct (or in absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption will be at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium.

(ii) The Series 2016B Bonds are subject to optional redemption prior to their respective maturity dates as a whole, or in part by lot, on any date before \_\_\_\_, 1, 20\_\_, by such maturity or maturities as shall be directed by the Agency (or in absence of such direction, pro rata by maturity and by lot within a maturity),

from any source of available funds. Such optional redemption shall be at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, together with the Make Whole Premium (as such term is defined herein).

The term "Make-Whole Premium" means, with respect to any Series 2016B Bond to be redeemed, an amount provided to the Trustee by the Agency which has been calculated by an Independent Banking Institution (as such term is defined herein) to be equal to the positive difference, if any, between:

(1) The sum of the present values, calculated as of the date fixed for redemption of:

(A) Each interest payment that, but for the redemption, would have been payable on the Series 2016B Bond or portion thereof being redeemed on each regularly scheduled Interest Payment Date occurring after the date fixed for redemption through the maturity date of such Series 2016B Bond (excluding any accrued interest for the period prior to the date fixed for redemption); provided, that if the date fixed for redemption is not a regularly scheduled Interest Payment Date with respect to such Series 2016B Bond, the amount of the next regularly scheduled interest payment will be reduced by the amount of interest accrued on such Series 2016B Bond to the date fixed for redemption; plus

(B) The principal amount that, but for such redemption, would have been payable on the maturity date of the Series 2016B Bond or portion thereof being redeemed; minus

(2) The principal amount of the Series 2016B Bond or portion thereof being redeemed.

The present values of the interest and principal payments referred to in clause (1) above will be determined by discounting the amount of each such interest and principal payment from the date that each such payment would have been payable but for the redemption to the date fixed for redemption on a semiannual basis (assuming a 360-day year consisting of twelve (12) 30-day months) at a discount rate equal to the Comparable Treasury Yield (as such defined herein), plus \_\_\_ basis points.

The term "Comparable Treasury Yield" means the yield which represents the weekly average yield to maturity for the preceding week appearing in the most recently published statistical release designated "H.15(519) Selected Interest Rates" under the heading "Treasury Constant Maturities," or any successor publication selected by the Independent Banking Institution that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded United States Treasury securities adjusted to constant maturity, for the maturity corresponding to the remaining term to maturity of the Series 2016B Bond being redeemed. The Comparable Treasury Yield will be determined as of the fifteenth day immediately preceding the applicable date fixed for redemption. If the H.15(519) statistical release sets forth a weekly average yield for United States Treasury securities that have a constant maturity that is the same as the remaining term to maturity of the Series 2016B Bond being redeemed, then the Comparable Treasury Yield will be equal to such weekly average yield. In all other cases, the Comparable Treasury Yield will be calculated by interpolation on a straight-line basis, between the weekly average yields on the United States Treasury securities that have a constant maturity (i) closest to and greater than the remaining term to maturity of the Series 2016B Bond being redeemed; and (ii) closest to and less than the remaining term to maturity of the Series 2016B Bond being redeemed. Any weekly average yields calculated by interpolation will be rounded to the nearest 1/100th of 1%, with any figure of 1/200th of 1% or above being rounded upward.

If, and only if, weekly average yields for United States Treasury securities for the preceding week are not available in the H.15(519) statistical release or any successor publication, then the Comparable Treasury Yield will be the rate of interest per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price (each as defined herein) as of the date fixed for redemption.

“Comparable Treasury Issue” means the United States Treasury security selected by the Independent Banking Institution as having a maturity comparable to the remaining term to maturity of the Series 2016B Bond being redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term to maturity of the Series 2016B Bond being redeemed.

“Independent Banking Institution” means an investment banking institution of national standing which is a primary United States government securities dealer in the City of New York designated by the Agency (which may be one of the underwriters of the Series 2016B Bonds). If the Agency fails to appoint an Independent Banking Institution at least 45 days prior to the date fixed for redemption, or if the Independent Banking Institution appointed by the Agency is unwilling or unable to determine the Comparable Treasury Yield, the Comparable Treasury Yield will be determined by an Independent Banking Institution designated by the Agency.

“Comparable Treasury Price” means, with respect to any date on which a Series 2016B Bond or portion thereof is being redeemed, either: (I) the average of five Reference Treasury Dealer quotations for the date fixed for redemption, after excluding the highest and lowest such quotations; and (II) if the Independent Banking Institution is unable to obtain five such quotations, the average of the quotations that are obtained. The quotations will be the average, as determined by the Independent Banking Institution, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of principal amount) quoted in writing to the Independent Banking Institution, at 5:00 p.m. New York City time on the fifteenth day preceding the date fixed for redemption.

“Reference Treasury Dealer” means a primary United States Government securities dealer in the United States appointed by the Agency and reasonably acceptable to the Independent Banking Institution (which may be one of the underwriters of the Series 2016B Bonds). If the Agency fails to select the Reference Treasury Dealers within a reasonable period of time, the Agency will select the Reference Treasury Dealers.

**Mandatory Sinking Fund Redemption.** The 2016A Bonds that are Term Bonds maturing August 1, 20\_\_ and August 1, 20\_\_ are also subject to mandatory redemption in whole, or in part by lot, on August 1 in each year, commencing August 1, 20\_\_ and August 1, 20\_\_, respectively, as set forth below, from sinking fund payments made by the Agency to the Principal Account pursuant to the Indenture, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following table[s]; provided however, that (y) in lieu of redemption thereof such 2016A Term Bonds may be purchased by the Agency pursuant to the Indenture, and (z) if some but not all of such 2016A Term Bonds have been redeemed pursuant to subsection (a) above, the total amount of all future sinking fund payments will be reduced by the aggregate principal amount of such 2016A Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Agency (notice of which determination will be given by the Agency to the Trustee).

**2016A Term Bonds of 20\_\_**

<i>Sinking Fund Redemption Date (August 1)</i>	<i>Principal Amount to be Redeemed</i>
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(maturity)

**2016A Term Bonds of 20\_\_**

<i>Sinking Fund Redemption Date (August 1)</i>	<i>Principal Amount to be Redeemed</i>
--	--

(maturity)

The 2016B Bonds that are Term Bonds maturing August 1, 20\_\_ and August 1, 20\_\_ are also subject to mandatory redemption in whole, or in part by lot, on August 1 in each year, commencing August 1, 20\_\_ and August 1, 20\_\_, respectively, as set forth below, from sinking fund payments made by the Agency to the Principal Account pursuant to the Indenture, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following tables; provided however, that (y) in lieu of redemption thereof such 2016B Term Bonds may be purchased by the Agency pursuant to the Indenture, and (z) if some but not all of such 2016B Term Bonds have been redeemed pursuant to subsection (a) above, the total amount of all future sinking fund payments will be reduced by the aggregate principal amount of such 2016B Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Agency (notice of which determination will be given by the Agency to the Trustee).

**2016B Term Bonds of 20\_\_**

<i>Sinking Fund Redemption Date (August 1)</i>	<i>Principal Amount to be Redeemed</i>
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(maturity)

**2016B Term Bonds of 20\_\_**

<i>Sinking Fund Redemption Date (August 1)</i>	<i>Principal Amount to be Redeemed</i>
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(maturity)

**Notice of Redemption; Rescission.** The Trustee on behalf and at the expense of the Agency will mail (by first class mail, postage prepaid) notice of any redemption at least twenty (20) but not more than sixty (60) days prior to the redemption date, (i) [to any Insurer and] to the Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) to the Securities Depositories and one or more Information Services designated in a Written Request of the Agency filed with the Trustee; but such mailing will not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein will affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice will state the redemption date and the redemption price, will state, in the case of a redemption pursuant to (a) above, that such redemption is conditioned upon the timely delivery of the redemption price by the Agency to the Trustee for deposit in the Redemption Account, will designate the CUSIP number of the 2016 Bonds to be redeemed, will state the individual number of each Bond to be redeemed or will state that all Bonds between two stated numbers (both inclusive) or all of the 2016 Bonds Outstanding are to be redeemed, and will require that such Bonds be then surrendered at the Principal Corporate Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

The Agency will have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption will be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the 2016 Bonds then called for redemption, and such cancellation will not constitute an Event of Default under the Indenture. The Agency and the Trustee will have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee will mail notice of such rescission of redemption in the same manner and to the same recipients as the original notice of redemption was sent.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose will, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, the 2016 Bonds being redeemed with the proceeds of such check or other transfer.

***Partial Redemption of Bonds.*** In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the Agency will execute and the Trustee will authenticate and deliver to the Owner thereof, at the expense of the Agency, a new Bond or Bonds of the same interest rate and maturity, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

***Effect of Redemption.*** From and after the date fixed for redemption, if funds available for the payment of the redemption price of and interest on the 2016 Bonds so called for redemption have been duly deposited with the Trustee, such Bonds so called will cease to be entitled to any benefit under the Indenture other than the right to receive payment of the redemption price and accrued interest to the redemption date, and no interest will accrue thereon from and after the redemption date specified in such notice.

***Manner of Redemption.*** Whenever any Bonds or portions thereof are to be selected for redemption by lot, the Trustee will make such selection, in such manner as the Trustee deems appropriate, and will notify the Agency thereof to the extent Bonds are no longer held in book-entry form. In the event of redemption by lot of Bonds, the Trustee will assign to each Bond then Outstanding a distinctive number for each \$5,000 of the principal amount of each such Bond. The 2016 Bonds to be redeemed will be the 2016 Bonds to which were assigned numbers so selected, but only so much of the principal amount of each such Bond of a denomination of more than \$5,000 will be redeemed as will equal \$5,000 for each number assigned to it and so selected. All Bonds redeemed or purchased pursuant to the Indenture will be cancelled and destroyed.

***Purchase in Lieu of Redemption.*** In lieu of redemption of the Term Bonds pursuant to the Indenture or a Supplemental Indenture, amounts on deposit in the Special Fund or in the Principal Account may also be used and withdrawn by the Agency and the Trustee, respectively, at any time, upon the Written Request of the Agency, for the purchase of the Term Bonds at public or private sale as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as the Agency may in its discretion determine. The par amount of any Term Bonds so purchased by the Agency in any twelve-month period ending on August 1 in any year will be credited towards and will reduce the par amount of the Term Bonds required to be redeemed pursuant to the Indenture on August 1 in each year; provided that evidence satisfactory to the Trustee of such purchase has been delivered to the Trustee by said August 1.

**Annual Debt Service**

The table below sets forth debt service on the 2016 Bonds.\*

Payment Date	2016A Bonds			2016B Bonds		
	Principal	Interest	Total	Principal	Interest	Total
	\$	\$	\$	\$	\$	\$
Total	\$	\$	\$	\$	\$	\$

Source: The Underwriter.

\* Preliminary, subject to change.

## SECURITY FOR THE 2016 BONDS

### General

The Dissolution Act requires the County Auditor-Controller to determine the amount of property taxes that would have been allocated to the Former Agency (pursuant to subdivision (b) of Section 16 of Article XVI of the State Constitution) had the Former Agency not been dissolved pursuant to the operation of AB X1 26, using current assessed values on the last equalized roll on August 20, and to deposit such amount in the Redevelopment Property Tax Trust Fund for the Agency established and held by the County Auditor-Controller pursuant to the Dissolution Act. Section 34177.5(g) of the Dissolution Act provides that any bonds authorized thereunder to be issued by the Agency will be considered indebtedness incurred by the dissolved Former Agency, with the same legal effect as if the bonds had been issued prior to the effective date of AB X1 26, in full conformity with the applicable provision of the Redevelopment Law that existed prior to that date, will be included in the Agency's Recognized Obligation Payment Schedule and will be secured by a pledge of, and lien on, and will be repaid from moneys deposited from time to time in the Redevelopment Property Tax Trust Fund established pursuant to the Dissolution Act. Property tax revenues pledged to any bonds authorized to be issued by the Agency under the Dissolution Act, including the 2016 Bonds, are taxes allocated to the Agency pursuant to subdivision (b) of Section 33670 of the Redevelopment Law and Section 16 of Article XVI of the State Constitution. See Appendix B and the caption "—Recognized Obligation Payment Schedule."

Pursuant to Section 33670(b) of the Redevelopment Law and Section 16 of Article XVI of the State Constitution, and as provided in the redevelopment plans for the Project Area, taxes levied upon taxable property in the Project Area each year by or for the benefit of the State, any city, county, district, or other public corporation (herein sometimes collectively called "taxing agencies") after the effective date of the ordinance approving the applicable redevelopment plan, or the respective effective dates of ordinances approving amendments to the redevelopment plan that added territory to the Project Area are to be divided as follows:

(a) To Taxing Agencies: That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the Project Area as shown upon the assessment roll used in connection with the taxation of such property by such taxing agency last equalized prior to the effective date of the ordinance adopting the applicable redevelopment plan, or the respective effective dates of ordinances approving amendments thereto that added territory to the Project Area (each, a "base year valuation"), will be allocated to, and when collected will be paid into, the funds of the respective taxing agencies as taxes by or for the taxing agencies on all other property are paid; and

(b) To the Former Agency/Agency: Except for that portion of the taxes in excess of the amount identified in (a) above which is attributable to a tax rate levied by a taxing agency for the purpose of producing revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness approved by the voters of the taxing agency on or after January 1, 1989 for the acquisition or improvement of real property, which portion shall be allocated to, and when collected shall be paid into, the fund of that taxing agency (as discussed under the caption "PROPERTY TAXATION IN CALIFORNIA—Article XIII A of the State Constitution"), that portion of the levied taxes each year in excess of such amount, annually allocated within the redevelopment plan limit, when collected will be paid into a special fund of the Former Agency. Section 34172(c) of the Dissolution Act provides that, for purposes of Section 16 of Article XVI of the State Constitution, the Redevelopment Property Tax Trust Fund will be deemed to be a special fund of the Agency to pay the debt service on indebtedness incurred by the Former Agency or the Agency to finance or refinance the redevelopment projects of the Former Agency.

That portion of the levied taxes described in paragraph (b) above, less amounts deducted pursuant to Section 34183(a) of the Dissolution Act for permitted administrative costs of the County Auditor-Controller

(as discussed under the caption “PROPERTY TAX COLLECTION IN CALIFORNIA—Property Tax Collection and Distribution Procedures—*Property Tax Administrative Costs*”), constitutes the amount required under the Dissolution Act to be deposited by the County Auditor-Controller into the Redevelopment Property Tax Trust Fund. In addition, Section 34183 of the Dissolution Act effectively eliminates the January 1, 1989 date referred to in paragraph (b) above and provides that debt service override revenues approved by the voters for the purpose of supporting pension programs or capital projects or programs related to the State Water Project that are not pledged to or not needed for debt service on Agency debt will be allocated and paid to the entity that levies the override.

The San Bernardino Valley Municipal Water District levies a tax rate override in the Project Area that is not applied to debt service. The County has allocated revenues from this and other override rates levied by taxing agencies to the Agency’s RPTTF; investors should assume that the County will discontinue this practice in the future. There is the possibility that the Agency could be called upon in the future to repay amounts attributable to the application of an override rate; the potential of repayment of amounts is not reflected in projections of tax revenues (see, for example, Table 7 under the caption “PLEDGED TAX REVENUES—Projected Pledged Tax Revenues.”

See also APPENDIX A—“FISCAL CONSULTANT’S REPORT,” Section VI, Tax Allocation and Disbursement—Tax Rates. However, override revenues are not reflected in the projections of Pledged Tax Revenues set forth in this Official Statement or the Fiscal Consultant’s Report; such projections are limited to the 1% general tax levy. See APPENDIX A—“FISCAL CONSULTANT’S REPORT,” Section VII, Tax Increment Projections.

Subject to the prior application and lien in favor of the senior Tax Sharing Agreements, if any, and Statutory Pass-Through Amounts (as described under the captions “—Obligations with Senior Right to Payment—*Tax Sharing Agreements*” and “—*Statutory Pass-Through Amounts*”), the 2016 Bonds are payable from and secured by deposits into the Redevelopment Property Tax Trust Fund to be derived from the Project Area. See the caption “—Security of Bonds; Equal Security.”

The Agency has no power to levy and collect taxes, and various factors beyond its control could affect the amount of Pledged Tax Revenues available in any fiscal year (defined as July 1 through June 30) to pay the principal of and interest on the 2016 Bonds. See the captions “—Tax Increment Financing,” “—Recognized Obligation Payment Schedule,” “PROPERTY TAXATION IN CALIFORNIA” and “RISK FACTORS.”

The 2016 Bonds are not a debt of the City, the State, or any of its political subdivisions, and neither said City, said State, nor any of its political subdivisions is liable thereon, nor in any event will the 2016 Bonds be payable out of any funds or properties other than those of the Agency. The 2016 Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

### **Security of Bonds; Equal Security**

Pursuant to Section 34177.5(g) of the Dissolution Act, except as provided in the Indenture, the 2016 Bonds will be equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues and the moneys in the Special Fund, and the 2016 Bonds will also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account (including any subaccounts therein); provided that amounts held in the Reserve Account (or subaccounts therein) shall secure only the issue to which such account or subaccount relates to the extent specifically provided for in the Indenture and any Supplemental Indenture, as applicable, without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Pledged Tax Revenues, which constitute the amounts deposited in the Redevelopment Property Tax Trust Fund that are not pledged to other obligations of the Former Agency or the Agency, and such moneys, no funds or properties of the Agency shall be pledged to,

or otherwise liable for, the payment of principal of or interest or redemption premium (if any) on the 2016 Bonds.

As defined in the Indenture, "Pledged Tax Revenues" means all taxes that were eligible for allocation to the Former Agency with respect to the Project Area, less amounts disbursed by the County for administrative costs (other than those of the Agency), and are allocated to the Agency pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Redevelopment Law and Section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable State laws and that are deposited in the Redevelopment Property Tax Trust Fund, excluding (i) payments required by Tax Sharing Agreements that have not been subordinated to the 2016 Bonds, and (ii) all Statutory Pass-Through Amounts unless such payments are subordinated to payments on the 2016 Bonds or any additional Bonds or to the payments owed under any Parity Debt Instrument pursuant to Sections 33607.5(e) of the Redevelopment Law and 34177.5(c) of the Dissolution Act. See Appendix B.

Taxes levied on the property within the Project Area on that portion of the taxable valuation over and above the taxable valuation of the applicable base year property tax roll with respect to the various territories within the Project Area, to the extent that they constitute Pledged Tax Revenues as described below, will be deposited in the Redevelopment Property Tax Trust Fund for transfer by the County Auditor-Controller to the Agency's Redevelopment Obligation Retirement Fund on January 2 and June 1 of each year (adjusted for holidays and weekends) to the extent required for payments listed in the Agency's approved Recognized Obligation Payment Schedule in accordance with the requirements of the Dissolution Act. See the caption "—Recognized Obligation Payment Schedule." Moneys deposited by the County Auditor-Controller into the Agency's Redevelopment Obligation Retirement Fund will be transferred by the Agency to the Trustee for deposit in the Debt Service Fund established under the Indenture and administered by the Trustee in accordance with the Indenture.

In consideration of the acceptance of the 2016 Bonds by those who shall hold the same from time to time, the Indenture will be deemed to be and will constitute a contract between the Agency and the Owners from time to time of the 2016 Bonds, and the covenants and agreements set forth in the Indenture to be performed on behalf of the Agency will be for the equal and proportionate benefit, security and protection of all Owners of the 2016 Bonds without preference, priority or distinction as to security or otherwise of any of the 2016 Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided.

Under the Dissolution Act, Pledged Tax Revenues derived from one Component Area and deposited in the Redevelopment Property Tax Trust Fund are available to pay debt service on the obligations incurred with respect to other Component Areas of the Agency.

### **Redevelopment Obligation Retirement Fund; Special Fund; Deposit of Pledged Tax Revenues**

The Agency has established the Redevelopment Obligation Retirement Fund pursuant to Section 34170.5(a) of the Dissolution Act. The Indenture establishes a special fund to be held by the Agency within the Redevelopment Obligation Retirement Fund to be known as the "Special Fund." The Special Fund will be held by the Agency separate and apart from other funds of the Agency.

The Agency will deposit all of the Pledged Tax Revenues received into the Special Fund promptly upon receipt thereof by the Agency. All Pledged Tax Revenues received by the Agency in excess of the amount required to make the deposits required by the Indenture in order to pay debt service on the 2016 Bonds and to make any other payments due under the Indenture, and except as may be provided to the contrary in the Indenture or in any Supplemental Indenture or Parity Debt Instrument, will be released from the pledge and lien of the Indenture and will be applied in accordance with the Redevelopment Law, including but not limited to the payment of debt service on any Subordinate Debt. Prior to the payment in full of the principal of and interest and redemption premium (if any) on the 2016 Bonds and the payment in full of all other amounts

payable under the Indenture and under any Supplemental Indentures or other Parity Debt Instrument, the Agency will not have any beneficial right or interest in the moneys on deposit in the Special Fund, except as may be provided in the Indenture and in any Supplemental Indenture or other Parity Debt Instrument.

### **Deposit of Amounts by Trustee**

There has been established under the Indenture a trust fund to be known as the Debt Service Fund, which will be held by the Trustee in trust. If Parity Debt is issued, the Trustee will establish subaccounts within each fund for each issue of Parity Debt, including a separate subaccount of the Reserve Account as security for Parity Debt pursuant to a Supplemental Indenture to the extent provided under the Indenture, if applicable. Moneys in the Special Fund will be transferred by the Agency to the Trustee in the following amounts, at the following times, and deposited by the Trustee in the following respective special accounts, which are established in the Debt Service Fund pursuant to the Indenture, and in the following order of priority (provided further that, if on the fifth Business Day prior to the date the Agency is required to transfer amounts on deposit in the Special Fund to the Trustee there are not amounts on deposit therein sufficient to make the following deposits, taking into account amounts required to be transferred with respect to Parity Debt other than Bonds, the Agency will immediately notify the Trustee of the amount of any such insufficiency):

**Interest Account.** On or before the fifth Business Day preceding each Interest Payment Date and each interest payment date for any Parity Debt, commencing with the Interest Payment Date of February 1, 2017, the Agency will withdraw from the Special Fund and transfer to the Trustee, for deposit in the Interest Account (and applicable subaccounts therein) an amount which when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. All moneys in the Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying the interest on the 2016 Bonds as it will become due and payable (including accrued interest on any Bonds redeemed prior to maturity pursuant to the Indenture).

**Principal Account.** On or before the fifth Business Day preceding August 1 in each year (or other principal payment date for any Parity Debt) beginning August 1, 2017, the Agency will withdraw from the Special Fund and transfer to the Trustee for deposit in the Principal Account (and applicable subaccounts therein) an amount which, when added to the amount then contained in the Principal Account, will be equal to the principal becoming due and payable on the Outstanding Serial Bonds and Outstanding Term Bonds, including pursuant to mandatory sinking account redemption, on the next August 1. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on the next August 1 on all of the Outstanding Serial Bonds and Outstanding Term Bonds. All moneys in the Principal Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Serial Bonds and the Term Bonds, including by mandatory sinking account redemption, as the same will become due and payable.

**Reserve Account.** The Indenture establishes a separate account in the Debt Service Fund known as the "Reserve Account," solely as security for payments on the 2016 Bonds payable by the Agency pursuant to the Indenture, which will in each case be held by the Trustee in trust for the benefit of the Owners of the 2016 Bonds, provided separate subaccounts may be established in the Reserve Account as separate security for any future issue of Parity Debt. The Reserve Requirement for the 2016 Bonds will be satisfied by the delivery of the Reserve Policy by the Insurer to the Trustee on the Closing Date. The Agency will have no obligation to replace the Reserve Policy or to fund the Reserve Account with cash if, at any time that the 2016 Bonds are Outstanding, amounts are not available under the Reserve Policy other than in connection with a draw on the Reserve Policy. The Trustee will draw on the Reserve Policy in accordance with its terms and conditions and the terms of the Indenture.

The term "Reserve Requirement" means \$ \_\_\_\_\_,\* which is equal, as of the date of issuance of the 2016 Bonds, and with respect to the 2016 Bonds, and each series of Parity Debt issued pursuant to a Supplemental Indenture, to the lesser of:

- (i) 125% of the average annual debt service with respect to that series of the 2016 Bonds,
- (ii) Maximum Annual Debt Service with respect to that series of the 2016 Bonds, or
- (iii) with respect to an individual series of Bonds, 10% of the original principal amount of a series of Bonds (or, if such series of Bonds has more than a de minimis amount of original issue discount or premium, 10% of the issue price of such series of Bonds);

provided, that in no event will the Agency, in connection with the issuance of Parity Debt pursuant to a Supplemental Indenture be obligated to deposit an amount in the Reserve Account which is in excess of the amount permitted by the applicable provisions of the Code to be so deposited from the proceeds of tax-exempt bonds without having to restrict the yield of any investment purchased with any portion of such deposit and, in the event the amount of any such deposit into the Reserve Account is so limited, the Reserve Requirement shall, in connection with the issuance of such Parity Debt pursuant to a Supplemental Indenture, be increased only by the amount of such deposit as permitted by the Code; and, provided further that the Agency may meet all or a portion of the Reserve Requirement by depositing a Qualified Reserve Account Credit Instrument meeting the requirements of the Indenture.

The amounts available under the Reserve Policy will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts or for the retirement of all the 2016 Bonds then Outstanding.

The Trustee will comply with all documentation relating to the Reserve Policy as required to maintain the Reserve Policy in full force and effect and as required to receive payments thereunder in the event and to the extent required to make any payment when and as required under the Indenture. The Agency has no obligation to replace the Reserve Policy or to fund the Reserve Account with cash if, at any time that the 2016 Bonds are Outstanding, amounts are not available under the Reserve Policy.

See Appendix B under the captions "SECURITY OF BONDS; FLOW OF FUNDS—Deposit of Amounts by Trustee—*Reserve Account*" for further information with respect to the procedure for drawing upon the Reserve Policy.

### **Tax Increment Financing**

**General.** Prior to the enactment of AB X1 26, the Redevelopment Law authorized the financing of redevelopment projects through the use of tax increment revenues. This method provided that the taxable valuation of the property within a redevelopment project area on the property tax roll last equalized prior to the effective date of the ordinance which adopts the redevelopment plan becomes the base year valuation. Assuming that the taxable valuation never dropped below the base year level, the taxing agencies thereafter received that portion of the taxes produced by applying then current tax rates to the base year valuation, and the redevelopment agency was allocated the remaining portion produced by applying then current tax rates to the increase in valuation over the base year. Such incremental tax revenues allocated to a redevelopment agency were authorized to be pledged to the payment of agency obligations.

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\* Preliminary, subject to change.

The Dissolution Act authorizes refunding bonds, including the 2016 Bonds, to be secured by a pledge of moneys deposited from time to time in a Redevelopment Property Tax Trust Fund held by a county auditor-controller with respect to a successor agency, which are equivalent to the tax increment revenues that were formerly allocated under the Redevelopment Law to the redevelopment agency and formerly authorized under the Redevelopment Law to be used for the financing of redevelopment projects, less amounts deducted pursuant to Section 34183(a) of the Dissolution Act for permitted administrative costs of the county auditor-controller. Under the Indenture, Pledged Tax Revenues consist of the amounts deposited from time to time in the Redevelopment Property Tax Trust Fund established pursuant to and as provided in the Dissolution Act less payments on Statutory Pass-Through Amounts (as such terms are defined under the caption “—*Tax Sharing*”). Successor agencies have no power to levy property taxes and must look specifically to the allocation of taxes as described above. See the caption “RISK FACTORS.”

The Dissolution Act combines the property tax revenues derived from the Project Area, including all of the Component Areas, into a *single trust fund*, the Redevelopment Property Tax Trust Fund, to repay indebtedness of the former redevelopment agency or the successor agency. To the extent that the documents governing outstanding bonds of a redevelopment agency have pledged revenues derived from a specific project area, the Dissolution Act states that “It is the intent ... that pledges of revenues associated with enforceable obligations of the former redevelopment agencies are to be honored. It is intended that the cessation of any redevelopment agency will not affect either the pledge, the legal existence of that pledge, or the stream of revenues available to meet the requirements of the pledge.” The Agency believes that all of the Pledged Tax Revenues from the Project Area will secure all of the 2016 Bonds.

***Tax Sharing.*** The Redevelopment Law authorized redevelopment agencies to make payments to school districts and other taxing agencies to alleviate any financial burden or detriments to such taxing agencies caused by a redevelopment project. The Former Agency entered into two agreements for this purpose (the “Tax Sharing Agreements”). Additionally, Sections 33607.5 and 33607.7 of the Redevelopment Law required mandatory tax sharing applicable to redevelopment projects adopted after January 1, 1994, or amended thereafter in certain manners specified in such statutes (such payments and the 33676 Amounts (defined below) are referred to herein and in the Indenture as the “Statutory Pass-Through Amounts”). Further, certain taxing agencies receive payments from the tax revenues generated from the Project Area pursuant to Section 33676 of the Redevelopment Law (the “33676 Amounts”). The Dissolution Act requires county auditor-controllers to distribute from the Redevelopment Property Tax Trust Fund amounts required to be distributed under the Tax Sharing Agreements and for Statutory Pass-Through Amounts to the taxing entities on each January 2 and June 1 before amounts are distributed by the County Auditor-Controller from the Redevelopment Property Tax Trust Fund to the Agency’s Redevelopment Obligation Retirement Fund, unless: (i) pass-through payment obligations have been made subordinate to debt service payments for the bonded indebtedness of the Former Agency, as succeeded to by the Agency; (ii) the Agency has reported, no later than the December 1 and May 1 preceding the applicable January 2 or June 1 distribution date, that the total amount available to the Agency from the Redevelopment Property Tax Trust Fund allocation to the Agency’s Redevelopment Obligation Retirement Fund from other funds transferred from the Former Agency and from funds that have or will become available through asset sales and all redevelopment operations is insufficient to fund the Agency’s enforceable obligations, pass-through payments and the Agency’s administrative cost allowance for the applicable ROPS Period (defined in the Indenture as each annual period beginning on July 1 of any calendar year and ending on June 30 of the next calendar year, or such other period as provided in the Dissolution Act); and (iii) the State Controller has concurred with the Agency that there are insufficient funds for such purposes.

If the requirements set forth in clauses (i) through (iii) of the foregoing paragraph have been met, the Dissolution Act provides for certain modifications in the distributions otherwise calculated to be distributed on the applicable January 2 or June 1 property tax distribution date (as adjusted for weekends and holidays). To provide for calculated shortages to be paid to the Agency for enforceable obligations, the amount of the deficiency will first be deducted from the residual amount otherwise calculated to be distributed to the taxing entities under the Dissolution Act after payment of the Agency’s enforceable obligations, pass-through

payments and the Agency's administrative cost allowance. If such residual amount is exhausted, the amount of the remaining deficiency will be deducted from amounts available for distribution to the Agency for administrative costs for the applicable ROPS Period in order to fund the enforceable obligations. Finally, funds required for servicing bond debt may be deducted from the amounts to be distributed under Tax Sharing Agreements and for Statutory Pass-Through Amounts, in order to be paid to the Agency for enforceable obligations, but only after the amounts described in the previous two sentences have been exhausted. The Dissolution Act provides for a procedure by which the Agency may make Statutory Pass-Through Amounts subordinate to the 2016 Bonds. The Agency has not undertaken the requisite procedures to obtain such subordination of the Statutory Pass-Through Amounts and, therefore, Statutory Pass-Through Amounts are senior to the 2016 Bonds. See the caption "THE PROJECT AREA." The Agency cannot guarantee that the process prescribed by the Dissolution Act of administering the Pledged Tax Revenues and the subordinations provided in the Tax Sharing Agreements will effectively result in adequate Pledged Tax Revenues for the payment of principal and interest on the 2016 Bonds when due. See the captions "*—Tax Sharing Agreements*" and "*—Recognized Obligation Payment Schedule*" and the caption "RISK FACTORS—Recognized Obligation Payment Schedule." See also the caption "THE PROJECT AREA" for additional information regarding the Tax Sharing Agreements and the Statutory Pass-Through Amounts applicable to the Agency and the revenues derived from the Project Area.

***Elimination of Housing Set-Aside.*** Before the dissolution of the Former Agency, the Redevelopment Law required the Former Agency to set aside not less than 20% of the gross tax increment with respect to the Project Area, referred to as the "Housing Set-Aside," in the Low- and Moderate-Income Housing Fund (the "Housing Fund") to be expended for low and moderate income housing purposes. Generally, the Former Agency was authorized to use the Housing Set-Aside to pay debt service on bonds solely to the extent that the proceeds of such bonds were used to finance or refinance low and moderate income housing projects. The Former Agency could not pledge, and did not use, the Housing Set-Aside to pay debt service on other obligations. In contrast, under the Redevelopment Law, the Former Agency was authorized to use the portion of tax increment that was not part of the Housing Set-Aside (the "80 Percent Portion") to pay debt service on all bonds and other indebtedness of the Former Agency incurred to finance or refinance redevelopment projects for the Project Area, subject to limitations set forth in the indentures or other governing documents.

The Dissolution Act has eliminated the Housing Fund and the requirement to deposit the Housing Set-Aside into such fund. None of the property tax revenues deposited in the Redevelopment Property Tax Trust Fund are designated as the Housing Set-Aside. The Redevelopment Property Tax Trust Fund flow of funds under the Dissolution Act makes no distinction between bonds that were, in whole or in part, secured by and payable from the Housing Set-Aside, such as the 2008 Bonds, and bonds that were solely secured by and payable from the 80 Percent Portion. In effect, after the Former Agency's dissolution, all of the Agency's outstanding bonds are paid from Redevelopment Property Tax Trust Fund disbursements without distinction between obligations related to housing and non-housing projects. Debt service payments for the 2008 Bonds were originally payable from a pledge of Housing Set-Aside moneys.

### **Recognized Obligation Payment Schedule**

Before each June 1 property tax distribution date, with respect to each fiscal year, the Dissolution Act requires successor agencies to prepare and approve, and submit to the successor agency's oversight board and the DOF for approval, a Recognized Obligation Payment Schedule pursuant to which enforceable obligations (as such term is defined in the Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. As defined in the Dissolution Act, "enforceable obligation" includes bonds, including the required debt service, reserve set-asides and any other payments required under the indenture or similar documents governing the issuance of the outstanding bonds of the former redevelopment agency, as well as other obligations such as loans, judgments or settlements against the former redevelopment agency, any legally binding and enforceable agreement that is not otherwise void as violating the debt limit or public policy, contracts necessary for the administration or operation of the successor agency, and amounts borrowed from the Housing Fund. The Dissolution Act permits a successor

agency to request additional amounts on a Recognized Obligation Payment Schedule to fund a reserve when required by a bond indenture or when the next property tax allocation will be insufficient to pay all enforceable obligations due under the provisions of the bonds for the next payment due in the following half of the calendar year.

Under the Dissolution Act, the categories of sources of payments for enforceable obligations listed on a Recognized Obligation Payment Schedule are the following: (i) bond proceeds; (ii) reserve balances; (iii) administrative cost allowance; (iv) the Redevelopment Property Tax Trust Fund (but only to the extent that no other funding source is available or when payment from property tax revenues is required by an enforceable obligation or otherwise required under the Dissolution Act); or (v) other revenue sources (including rents, concessions, asset sale proceeds, interest earnings, and any other revenues derived from the former redevelopment agency, as approved by its oversight board).

The Dissolution Act provides that, commencing on the date that the first Recognized Obligation Payment Schedule is valid, only those payments listed in the Recognized Obligation Payment Schedule may be made by the Agency from the funds specified in the Recognized Obligation Payment Schedule. Each annual Recognized Obligation Payment Schedule may be amended once, provided that (i) the Agency submits the amendment to the DOF no later than October 1, (ii) the Oversight Board makes a finding that the amendment is necessary for the payment of approved enforceable obligations during the second half of the Recognized Obligation Payment Schedule period (from January 1 to June 30, inclusive), and (iii) the Agency may only amend the amount requested for payment of approved enforceable obligations. The DOF shall notify the Agency and the County Auditor-Controller as to whether the Agency's requested amendment is approved at least 15 days before the January 2 property tax distribution.

The Recognized Obligation Payment Schedule must be submitted by the Agency, after approval by the Oversight Board, to the County Administrative Officer, the County Auditor-Controller, the DOF and the State Controller by February 1 in each year, commencing February 1, 2016. If the Agency does not submit an Oversight Board-approved Recognized Obligation Payment Schedule by such deadline, the City will be subject to a civil penalty equal to \$10,000 per day for every day that the schedule is not submitted. Additionally, the Agency's administrative cost allowance will be reduced by 25% for any fiscal year for which the Agency does not submit an Oversight Board-approved Recognized Obligation Payment Schedule within 10 days of the February 1 deadline. If the Agency fails to submit a Recognized Obligation Payment Schedule by the February 1 deadline, any creditor of the successor agency or the department or any affected taxing entity shall have standing to, and may request a writ of mandate to, require the Agency to immediately perform this duty. For additional information regarding procedures under the Dissolution Act relating to late Recognized Obligation Payment Schedules and implications thereof on the 2016 Bonds, see the caption "RISK FACTORS—Recognized Obligation Payment Schedule."

With respect to each Recognized Obligation Payment Schedule submitted by the Agency, the Dissolution Act requires the DOF to make a determination of the enforceable obligations and the amounts and funding sources available to pay approved enforceable obligations no later than April 15. Within five business days of the determination by the DOF, the Agency may request additional review by the DOF and an opportunity to meet and confer on disputed items, if any. The DOF will notify the Agency and the County Auditor-Controller as to the outcome of its review at least 15 days before the June 1 property tax distribution date preceding the applicable Recognized Obligation Payment Schedule period. Additionally, the County Auditor-Controller may review a submitted Recognized Obligation Payment Schedule and object to the inclusion of any items that are not demonstrated to be enforceable obligations and may object to the funding source proposed for any items, provided that the County Auditor-Controller must provide notice of any such objections to the Agency, the Oversight Board and the DOF at least 60 days prior to the next June 1 property tax distribution date.

The Agency has submitted each Oversight Board-approved Recognized Obligation Payment Schedule to the DOF on or before the statutory deadline. Further, the Agency's debt service obligations have been

consistently approved by the DOF and the County Auditor-Controller has timely distributed sufficient Redevelopment Property Tax Trust Fund moneys to enable the Agency to meet its debt service obligations on a timely basis.

See the caption “—Last and Final Recognized Obligation Payment Schedule” for a description of the Last and Final Recognized Obligation Payment Schedule authorized by the Dissolution Act pursuant to SB 107.

In connection with the allocation and distribution by the County Auditor-Controller of property tax revenues deposited in the Redevelopment Property Tax Trust Fund, under the Dissolution Act the County Auditor-Controller must prepare estimates of the amounts of: (i) property tax to be allocated and distributed; and (ii) the amounts of pass-through payments to be made for the upcoming fiscal year, and provide those estimates to the entities receiving the distributions and to the DOF by no later than October 1 and April 1 of each year, as applicable. If, after receiving such estimate from the County Auditor-Controller, the Agency determines and reports, no later than December 1 or May 1, as applicable, that the total amount available to the Agency from the Redevelopment Property Tax Trust Fund allocation to the Agency’s Redevelopment Obligation Retirement Fund, from other funds transferred from the Former Agency and from funds that have or will become available through asset sales and all redevelopment operations, is insufficient to fund the payment of pass-through obligations, Agency enforceable obligations listed on the Recognized Obligation Payment Schedule and the Agency’s administrative cost allowance, the County Auditor-Controller must notify the State Controller and the DOF by no later than 10 days from the date of the Agency’s notification. If the State Controller concurs that there are insufficient funds to pay required debt service, and if the Agency’s tax sharing obligations described in Section 38183(a)(1) of the Dissolution Act have been subordinated to the Agency’s enforceable obligations, then the Dissolution Act provides for certain adjustments to be made to the estimated distributions, as described in more detail under the caption “—Tax Increment Financing.”

The Dissolution Act provides that any bonds authorized to be issued by the Agency will be considered indebtedness incurred by the dissolved Former Agency, with the same legal effect as if such bonds had been issued prior to the effective date of AB X1 26, in full conformity with the applicable provision of the Redevelopment Law that existed prior to such date, will be included in the Agency’s Recognized Obligation Payment Schedule and will be secured by a pledge of, and lien on, and will be repaid from moneys deposited from time to time in the Redevelopment Property Tax Trust Fund established pursuant to the Dissolution Act. Additionally, if an enforceable obligation provides for an irrevocable commitment of property tax revenue and where allocation of revenues is expected to occur over time, the Dissolution Act provides that a successor agency may petition the DOF to provide written confirmation that its determination of such enforceable obligation as approved in a Recognized Obligation Payment Schedule is final and conclusive, and reflects the DOF’s approval of subsequent payments made pursuant to the enforceable obligation. If the confirmation is granted by the DOF, then the DOF’s review of such payments in each future Recognized Obligation Payment Schedule will be limited to confirming that they are required by the prior enforceable obligation.

The Agency has covenanted to take all actions required under the Dissolution Act to include in Recognized Obligation Payment Schedules for each ROPS Period: (i) scheduled debt service on the 2016 Bonds and any Parity Debt and any amount required under the Indenture or any Parity Debt Instrument to replenish the Reserve Account established thereunder or the reserve account established under any Parity Debt Instrument, (ii) amounts required to be reserved for Bond debt service due in subsequent ROPS Periods pursuant to the Indenture; and (iii) amounts due [to the 2016 Insurer under the Indenture or] under the 2016 Reserve Account Agreement, or to any insurer under an insurance or surety bond agreement relating to any Parity Debt, so as to enable the County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund to the Agency’s Redevelopment Obligation Retirement Fund on each January 2 and June 1 amounts required for the Agency to pay principal of, and interest on, the 2016 Bonds coming due in the respective ROPS Period and to pay amounts owed to any Insurer, as well as the other amounts set forth above.

Further, in order to ensure that amounts are available for the Trustee to pay debt service on all Outstanding Bonds and all amounts due and owing [to the 2016 Insurer under the Indenture or] under the 2016 Reserve Account Agreement or to any other insurer of any Parity Debt on a timely basis, on or before each February 1 following the Closing Date (or at such other time as may be required by the Dissolution Act), for so long as any Bonds are outstanding, the Agency covenants in the Indenture to submit an Oversight Board-approved Recognized Obligation Payment Schedule to the DOF and to the County Auditor-Controller that will include requests for allocation to the Agency of (i) (1) on each January 2, interest due on the following February 1, and an amount equal to one-half of all principal coming due on all Outstanding Bonds for the Bond Year in which such January 2 occurs, plus (2) on each June 1, interest due on the following August 1 and an amount equal to one-half of all principal coming due on all Outstanding Bonds for the Bond Year in which such June 1 occurs, as well as (3) all amounts due and owing [to the 2016 Insurer under the Indenture or] under the 2016 Reserve Account Agreement or to any other Insurer, and (ii) any amount required to cure any deficiency in the Reserve Account pursuant to the Indenture (including any amounts required due to a draw on the Qualified Reserve Account Credit Instrument as well as all amounts due and owing [to the 2016 Insurer under the Indenture or] under the 2016 Reserve Account Agreement).

In the event the provisions set forth in the Dissolution Act as of the Closing Date of the 2016 Bonds that relate to the filing of Recognized Obligation Payment Schedules are amended or modified in any manner, the Indenture requires the Agency to take all such actions as are necessary to comply with such amended or modified provisions so as to ensure the timely payment of debt service on the 2016 Bonds and, if the timing of distributions of the Redevelopment Property Tax Trust Fund is changed, the Agency will deposit the first Pledged Tax Revenues distributed to the Agency in each Bond Year, up to the full amount of annual debt service coming due in such Bond Year and the next Bond Year, in the Special Fund. See Appendix B.

#### **Last and Final Recognized Obligation Payment Schedule**

SB 107 amended the Dissolution Act to permit a successor agency to submit a Last and Final Recognized Obligation Payment Schedule (a "Last and Final ROPS") for approval by the oversight board and the DOF if: (i) the successor agency's only remaining debt is administrative costs and payments pursuant to enforceable obligations with defined payment schedules, (ii) all remaining obligations have been previously listed on a Recognized Obligation Payment Schedule and approved by the DOF, and (iii) the successor agency is not a party to outstanding or unresolved litigation. The Last and Final ROPS must list the remaining enforceable obligations of the successor agency in the following order: (A) enforceable obligations to be funded from the Redevelopment Property Tax Trust Fund, (B) enforceable obligations to be funded from bond proceeds or other legally or contractually dedicated or restricted funding sources, and (C) loans or deferrals authorized for repayment to the city that created the redevelopment agency or the successor to the former redevelopment agency's housing functions and assets. The Last and Final ROPS must also include the total outstanding obligation and a schedule of remaining payments for each enforceable obligation described in (A) and (B) above, and the total outstanding obligation and an interest rate of 4%, for any loans or deferrals listed pursuant to (C) above. The Last and Final ROPS shall also establish the maximum amount of Redevelopment Property Tax Trust Fund moneys to be distributed to the successor agency for each remaining fiscal year until all obligations have been fully paid. The DOF approval is required for any Last and Final ROPS to become effective. The county auditor-controller shall also review the Last and Final ROPS and provide any objection to the inclusion of any items or amounts to the DOF. Successor agencies may only amend an approved Last and Final ROPS twice. Commencing on the effective date of the approved Last and Final ROPS, the successor agency shall not prepare or transmit annual Recognized Obligation Payment Schedules.

After the Last and Final ROPS is approved by the DOF, the county auditor-controller shall continue to allocate moneys in the successor agency's Redevelopment Property Tax Trust Fund pursuant to Section 34183 of the Dissolution Act; however, the county auditor-controller shall allocate such moneys in each fiscal period, after deducting the county auditor-controller's administrative costs, in the following order of priority: (A) pass-through payments pursuant to Section 34183(a)(1) of the Dissolution Act, (B) scheduled debt service

payments on tax allocation bonds listed and approved in the Last and Final ROPS, (C) scheduled payments on revenue bonds listed and approved in the Last and Final ROPS, but only to the extent the revenues pledged for them are insufficient to make the payments and only if the successor agency's tax increment revenues were also pledged for the repayment of bonds, (D) scheduled payments for debts and obligations listed and approved in the Last and Final ROPS to be paid from the Redevelopment Property Tax Trust Fund, (E) payments listed and approved on the Last and Final ROPS that were authorized but unfunded in prior periods, (F) repayment of loans and deferrals to the city that created the redevelopment agency or the successor to the former redevelopment agency's housing functions and assets that are listed and approved on the Last and Final ROPS, and (G) any moneys remaining in the Redevelopment Property Tax Trust Fund after the payments and transfers described in (A) to (F), above, shall be distributed to taxing entities in accordance with Section 34183(a)(4) of the Dissolution Act.

If the successor agency reports to the county auditor-controller that the total available amounts in the Redevelopment Property Tax Trust Fund will be insufficient to fund the successor agency's current or future fiscal year obligations, and if the county auditor-controller concurs that there are insufficient funds to pay the required obligations, the county auditor-controller may distribute funds pursuant to Section 34183(b) of the Dissolution Act. See the caption "—Tax Increment Financing."

The Agency covenants in the Indenture to provide the Trustee and each Insurer of [Outstanding 2016 Bonds or] Parity Debt with copies of (a) any Request for Last and Final ROPS Approval submitted by the Agency and (b) any and all correspondence received from the DOF regarding a Request for Last and Final ROPS Approval, upon receipt thereof. In the event that the Agency and the DOF schedule a meeting or telephone conference to discuss a written denial by the DOF of a Request for Last and Final ROPS Approval, the Agency shall timely notify the Trustee and each Insurer of [Outstanding 2016 Bonds or] Parity Debt of such meeting or telephone conference. The Trustee will, and, if the subject of the meet and confer could impact the payment of or security for Insured Bonds or Policy Costs, each potentially affected Insurer will, have the right to participate in the meeting or telephone conference either by appearance with the Agency or through written submission as determined by the Trustee and such Insurer. In the event the Agency receives a denial of a Request for Last and Final ROPS Approval, whether relating to Insured Bonds or not, and such denial could delay the receipt of tax revenues necessary to pay debt service, Policy Costs, or other amounts owing to an Insurer, the Agency agrees to cooperate in good faith with the Insurer and the Insurer shall receive prompt notice of any such event and shall be permitted to attend any meetings with the Agency and the DOF relating to such event and to discuss such matters with the DOF directly.

### **Obligations with Senior Right to Payment**

***Tax Sharing Agreements.*** Pursuant to Section 33401 of the Redevelopment Law as in effect at the time of adoption of the Project Area, a redevelopment agency was authorized to enter into an agreement to pay tax increment revenues to any taxing agency that has territory located within a redevelopment project area in an amount which in the agency's determination is appropriate to alleviate any financial burden or detriment caused by the redevelopment project. These agreements normally provide for a pass-through of tax increment revenue directly to the affected taxing agency, and, are called "Tax Sharing Agreements."

So long as any 2016 Bonds are Outstanding, the Agency covenants to not enter into any new agreement or amend any existing agreement with any other taxing agency entered into (i) pursuant to Section 33401 of the Redevelopment Law or (ii) which operates as a waiver of the Agency's right to receive Tax Increment Revenues under the Redevelopment Plan, unless the Agency's obligations under such agreements are made expressly subordinate and junior to the Agency's obligations under the Indenture and the 2016 Bonds.

The Former Agency entered into two Tax Sharing Agreements whereby portions of the taxes which would otherwise be allocated and paid to the Agency as described above are required to be paid to certain entities.

1. Component Area No. 1.

The Former Agency entered into an agreement with the County of San Bernardino (the "County"), requiring the Agency to pay a portion of tax increment revenues generated in Component Area No. 1 to the County General Fund, the County Flood Control District and the County Free Library System. The County General Fund, the County Flood Control District, and the County Public Library (collectively, "County Districts") are entitled to receive total pass-throughs of their shares of the annual tax increment revenue attributable to an increase in assessed valuation, exclusive of moneys attributable to overrides established for the benefit of entities other than the County Districts. The shares for the County Districts for Fiscal Year 2015-16 were approximately 16.1%, 2.9% and 1.6%, respectively. Once the Former Agency received \$7,739,000 from the County share, which threshold was reached by the 2011-12 tax year, the County began retaining 100% of its share in fiscal year 2012-13 (the share that the County would have received had Component Area No. 1 not been established); it is assumed that these payments will continue. See APPENDIX A—"FISCAL CONSULTANT'S REPORT," Section VIII, Project Area Obligations—Negotiated Tax Sharing Payments—County Agreement.

2. Component Area No. 2.

The Former Agency entered into an agreement with the Redlands Unified School District ("RUSD") dated as of June 30, 1987 (the "RUSD Agreement"), requiring the Agency to pay a portion of the tax increment revenues generated in the Project No. 2 Component Area to the RUSD. The percentage of tax increment payable to the RUSD is subject to revision from time to time based upon the development of certain surplus RUSD property (the "District Property").

Under the RUSD Agreement, the RUSD's share of tax increment revenues from the Project No. 2 Component Area is 33.56% (the "RUSD Share"). Until the District Property is sold or leased for development, RUSD receives 10% of the RUSD Share of the "Remaining Increment", which is calculated as Tax Increment generated by all property in Project No. 2, excluding the District Property. The RUSD Agreement further provided as follows: (i) if the District Property is sold or leased for development prior to July, 1997, the RUSD receives 10% of the RUSD Share of Remaining Increment plus 70% of the Tax Increment generated by the District Property (the "District Property Increment"); (ii) if the District Property is not substantially developed by July, 1997, the Agency is required to pay RUSD an amount equal to 60% of the District Property Increment, and none of the Remaining Increment; and (iii) if the District Property is substantially developed prior to July, 1997, RUSD will receive 50% of the District Property Increment plus 50% of the RUSD Share of the Remaining Increment. The Former Agency determined and the Agency has confirmed that: (i) the District Property was not sold or leased for development prior to July, 1997, and (ii) the District Property was not substantially developed by July, 1997. Given the status of development as of the tenth anniversary of the RUSD Agreement, the obligation of the Agency under the RUSD Agreement is limited to payment of an amount equal to 60% of the District Property Increment computed after deducting an amount equal to a 20% housing set-aside deposit, yielding a percentage of 48%. See APPENDIX A—"FISCAL CONSULTANT'S REPORT," Section VIII, Project Area Obligations—Negotiated Tax Sharing Payments—RUSD Agreement.

The Agency's obligations pursuant to the Tax Sharing Agreements are payable from moneys deposited in the Redevelopment Property Tax Trust Fund. Amounts payable by the Agency pursuant to the Tax Sharing Agreements have been deducted from the projections of Pledged Tax Revenues set forth in this Official Statement and the Fiscal Consultant's Report attached as Appendix A. The Agency's obligations under the Tax Sharing Agreements are further described in the Fiscal Consultant's Report attached as Appendix A.

***Statutory Pass-Through Amounts.*** The Agency is obligated to make certain tax sharing payments to taxing agencies as described below under the subheadings "*—AB 1290 Statutory Pass-Through,*" "*—SB 211 Triggered Statutory Pass-Through*" and "*—33676 Amounts.*" These payment obligations are referred to

collectively in this Official Statement as the “Statutory Pass-Through Amounts.” Pursuant to the Dissolution Act, all Statutory Pass-Through Amounts are paid to taxing agencies by the County Auditor-Controller before any Redevelopment Property Tax Trust Fund moneys are distributed to the Agency for payment of Agency obligations unless such Statutory Pass-Through Amounts have been subordinated to Agency indebtedness. The Agency has not taken any action to subordinate the Statutory Pass-Through Amounts to the 2016 Bonds.

*AB 1290 Statutory Pass-Through.* Redevelopment plans that were adopted on or after January 1, 1994 were subject to the statutory pass-through requirements of Assembly Bill (“AB”) 1290 which provided for payments to taxing agencies calculated pursuant to specific statutory formulas, set forth in Health and Safety Code Section 33607.5. Pursuant to AB 1290, the Component Areas are subject to the AB 1290 Statutory Pass-Through Amounts. The projections of Statutory Pass-Through Amounts, tax revenues available for debt service and Pledged Tax Revenues in Table 7 take such payments into account. See also APPENDIX A—“FISCAL CONSULTANT’S REPORT,” Section VIII, Project Area Obligations—Statutory Tax Sharing Payments.

*SB 211 Triggered Statutory Pass-Through.* A statutory pass-through obligation could also be triggered by amendments to pre-AB 1290 redevelopment plans to increase the tax increment revenue limit, extend the time for the incurrence of debt or to extend the duration of the redevelopment plan. This provision applied when SB 211 was adopted by the State Legislature, enabling the Former Agency to adopt a summary ordinance electing to eliminate the debt incurrence time limitations for qualifying Redevelopment Plans adopted before January 1, 1994 for Component Area No. 1 and Component Area No. 2. See APPENDIX A—“FISCAL CONSULTANT’S REPORT,” Section VIII, Project Area Obligations—Statutory Tax Sharing Payments.

These tax sharing payments continue for the life of the Project Area. Because the Agency has not requested any subordination, the Fiscal Consultant has deducted the projected Statutory Pass-Through Amounts in connection with its calculation of Pledged Tax Revenues (see the Fiscal Consultant’s Report attached hereto as Appendix A and the projections of Pledged Tax Revenues set forth in Tables 7 and 8).

*33676 Amounts.* Prior to the enactment of AB 1290, redevelopment project areas adopted between January 1, 1985 and January 1, 1994 were subject to payments to schools and to other affected taxing agencies that elected to receive tax revenue payments set forth under Section 33676 of the Redevelopment Law (“33676 Amounts”). The annual payments represent that portion of property taxes that are, or otherwise would be, calculated annually pursuant to subdivision (f) of Section 110.1 of the Revenue and Taxation Code (and referred to as the 2% inflation allocation). As with Statutory Pass-Through Amounts, the County Auditor-Controller administers the payment of 33676 Amounts and such 33676 Amounts are deducted from the tax revenues included in the definition of Pledged Tax Revenues under the Indenture. Only Component Area No. 2 is subject to the 2% inflation allocation to qualifying affected taxing entities. The County makes payments of 33676 Amounts as to Component Area No. 2; the projections of Gross Tax Revenues in Table 7 take such amounts into account. See also APPENDIX A—“FISCAL CONSULTANT’S REPORT,” Section VIII, Project Area Obligations—33676 or 2.0% Payments.

### **Subordinate Obligations**

The Agency has various significant enforceable obligations that are, or will be, listed on the Agency’s Recognized Obligation Payment Schedules and paid from moneys deposited in the Agency’s Redevelopment Property Tax Trust Fund from time to time. The Agency has determined that these obligations are either subordinate to the 2016 Bonds or not secured by a pledge of Pledged Tax Revenues.

### **Limitation on Additional Indebtedness**

*Parity Obligations.* The Agency may issue or incur additional bonds or incur other loans, advances or indebtedness payable from Pledged Tax Revenues on a parity with the 2016 Bonds (collectively, “Parity

Debt”) to refund any outstanding Bonds or Parity Debt in such principal amount as will be determined by the Agency. The Agency may issue and deliver any such Parity Debt subject to the following specific conditions:

(a) No event of default under the Indenture or under any Parity Debt Instrument has occurred and is continuing unless such event of default will be cured by the issuance of such Parity Debt;

(b) The Parity Debt has been issued in accordance with the requirements of Section 34177.5 of the Dissolution Act, (or any comparable provision of any successor statute);

(c) A Supplemental Indenture will have been adopted which will (i) if the obligation being refunded had a reserve fund, determine the applicable reserve requirement and the amount, if any, to be deposited from the proceeds of sale of such Parity Debt in a separate account of the Reserve Account to be held as separate security for such Series or Series of Parity Debt; (ii) designate accounts in the Debt Service Fund and accounts therein including the Reserve Account to be applicable to such Parity Bonds; and (iii) such other provisions that are appropriate or necessary and are not inconsistent with the provisions hereof; and

(d) The Agency will deliver to the Trustee a Written Certificate of the Agency certifying that the conditions precedent to the issuance of such Parity Debt set forth above have been satisfied.

**Subordinate Obligations.** The Indenture permits the Agency to issue or incur Subordinate Debt in such principal amount as may be determined by the Agency. Such Subordinate Debt may be payable from any assets or property of the Agency, including Pledged Tax Revenues, on a subordinate basis to the payment of debt service on the 2016 Bonds.

#### [BOND INSURANCE]

[TO COME]

### PROPERTY TAXATION IN CALIFORNIA

#### Property Tax Collection and Distribution Procedures

**Classification.** In the State, property which is subject to *ad valorem* taxes is classified as “secured” or “unsecured.” Secured and unsecured property is entered on separate parts of the assessment roll maintained by county assessors. The secured classification includes property on which any property tax levied by a county becomes a lien on that property. A tax levied on unsecured property does not become a lien against the taxed unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens on the secured property arising pursuant to State law, regardless of the time of the creation of other liens. See the caption “RISK FACTORS—Bankruptcy and Foreclosure” for certain limitations on the priority of secured tax liens under federal law, however.

Generally, *ad valorem* taxes are collected by a county for the benefit of the various taxing agencies (cities, schools and special districts) that share in the *ad valorem* tax (each, a taxing entity) and successor agencies eligible to receive distributions from the respective Redevelopment Property Tax Trust Fund.

**Collections.** The method of collecting delinquent taxes is substantially different for secured and unsecured property. Counties have four ways of collecting unsecured personal property taxes: (i) initiating a civil action against the taxpayer; (ii) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (iii) filing a certificate of delinquency for recording in the county recorder’s office to obtain a lien on certain property of the taxpayer; and (iv) seizing and selling personal property, improvements or possessory interests belonging or assessed to the assessee. The

exclusive means of enforcing the payment of delinquent taxes with respect to property on the secured roll is the sale of the property securing the taxes to the State for the amount of taxes which are delinquent.

**Penalty.** A 10% penalty is added to delinquent taxes which have been levied with respect to property on the secured roll. In addition, property on the secured roll on which taxes are delinquent is declared in default by operation of law and declaration of the tax collector on or about June 30 of each fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is deeded to the State and then is subject to sale by the county tax collector. A 10% penalty also applies to delinquent taxes with respect to property on the unsecured roll, and further, an additional penalty of 1.5% per month accrues with respect to such taxes beginning on varying dates related to the tax bill mailing date.

**Delinquencies.** The valuation of property is determined as of the January 1 lien date as equalized in August of each year and equal installments of taxes levied upon secured property become delinquent on the following December 10 and April 10. Taxes on unsecured property are due January 1 and become delinquent August 31. Although the Board of Supervisors of the County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"), as provided for in Section 4701 *et seq.* of the State Revenue and Taxation Code commencing with fiscal year 1993-94 with respect to public agencies which receive *ad valorem* tax revenues, the City, the Former Agency and the Agency are not participants in the Teeter Plan. See "THE PROJECT AREA—Levy and Collection." Therefore, delinquencies in the payment of property taxes could have an adverse effect on the Agency's ability to make timely debt service payments. See Table 5 under the caption "THE PROJECT AREA—Levy and Collection" for historic property tax collection rates within the Project Area.

**Supplemental Assessments.** California Revenue and Taxation Code Section 75.70 provides for the supplemental assessment and taxation of property as of the occurrence of a change of ownership or completion of new construction. Prior to the enactment of this law, the assessment of such changes was permitted only as of the next tax lien date following the change, which delayed the realization of increased property taxes from the new assessments for up to 14 months. Revenue and Taxation Code Section 75.70 provides increased revenue to the Redevelopment Property Tax Trust Fund to the extent that supplemental assessments of new construction or changes of ownership occur within the boundaries of the Project Area subsequent to the January 1 lien date. To the extent that such supplemental assessments occur within the Project Area, Pledged Tax Revenues may increase. However, because supplemental assessments cannot be accurately projected, no provision has been made by the Fiscal Consultant to reflect the impact of supplemental assessments on Pledged Tax Revenues. See Appendix A.

**Property Tax Administrative Costs.** In 1990, the State Legislature enacted Senate Bill ("SB") 2557 (Chapter 466, Statutes of 1990) which allows counties to charge for the cost of assessing, collecting and allocating property tax revenues to local government jurisdictions in proportion to the tax-derived revenues allocated to each. SB 1559 (Chapter 697, Statutes of 1992) explicitly includes redevelopment agencies among the jurisdictions which are subject to such charges. In addition, Sections 34182(e) and 34183(a) of the Dissolution Act allow administrative costs of the County Auditor-Controller for the cost of administering the provisions of the Dissolution Act, as well as the foregoing SB 2557 amounts, to be deducted from property tax revenues before moneys are deposited into the Redevelopment Property Tax Trust Fund. Since Fiscal Year 2011-12, the County's administrative charge to the Agency for the Project Area has averaged approximately 1.28% of gross tax increment revenues received by the Agency in each Fiscal Year.

**Tax Sharing Agreements.** Prior to 1994, under the Redevelopment Law, a redevelopment agency could enter into an agreement to pay tax increment revenues to any taxing agency that has territory located within a redevelopment project in an amount which in the redevelopment agency's determination was appropriate to alleviate any financial burden or detriment caused by the redevelopment project. Such agreements normally provide for payment or pass-through of tax increment revenue directed to the affected

taxing agency, and, therefore, are commonly referred to as pass-through agreements or tax sharing agreements. The Agency's agreements with affected taxing agencies are referred to herein as "Tax Sharing Agreements." See the caption "SECURITY FOR THE 2016 BONDS—Obligations with Senior Right to Payment—*Tax Sharing Agreements*" for a discussion of Tax Sharing Agreements for the Project Area. See also the caption "" for additional discussion of the treatment of Tax Sharing Agreements under the Dissolution Act.

***Statutory Pass-Through Amounts.*** The payment of Statutory Pass-Through Amounts results from: (i) redevelopment plan amendments which add territory in existing project areas on or after January 1, 1994; and (ii) redevelopment plan amendments which eliminate one or more limitations within a redevelopment plan (such as the removal of the time limit on the establishment of loans, advances and indebtedness). The calculation of the amount due to affected taxing entities is described in Sections 33607.5 and 33607.7 of the Redevelopment Law. See the captions "THE PROJECT AREA" and "SECURITY FOR THE 2016 BONDS—Tax Increment Financing" for further information regarding the applicability of the statutory pass-through provisions of the Redevelopment Law and the Dissolution Act to the Project Area.

***33676 Amounts.*** The Agency is required to pay certain inflationary increases in tax increment revenues referred to herein as 33676 Amounts to certain educational taxing agencies. See the caption "SECURITY FOR THE 2016 BONDS—Obligations with Senior Right to Payment—*Statutory Pass-Through Amounts*" for a discussion of the Agency's obligation to pay 33676 Amounts.

***Recognized Obligation Payment Schedule.*** The Dissolution Act provides that, commencing on the date that the first Recognized Obligation Payment Schedule is valid, only those payments listed in the Recognized Obligation Payment Schedule may be made by the Agency from the funds specified in the Recognized Obligation Payment Schedule. The DOF defines the fiscal year by the period of expenditure (July 1 through June 30), with funding for the period from July 1 to December 31 coming from revenues received on June 1 of the prior fiscal year and revenues for the period from January 1 through June 30 coming from revenues received on January 2. Before each June 1 property tax distribution date, with respect to each fiscal year, the Dissolution Act requires successor agencies to prepare and approve, and submit to the successor agency's oversight board and the DOF for approval, a Recognized Obligation Payment Schedule pursuant to which enforceable obligations (as defined in the Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. Pledged Tax Revenues will not be distributed from the Redevelopment Property Tax Trust Fund by the County Auditor-Controller to the Agency's Redevelopment Obligation Retirement Fund without a duly approved and effective Recognized Obligation Payment Schedule obtained in sufficient time prior to each June 1 property tax distribution date. See the caption "SECURITY FOR THE 2016 BONDS—Recognized Obligation Payment Schedule" and "RISK FACTORS—Recognized Obligation Payment Schedule." See also "SECURITY FOR THE 2016 BONDS—Last and Final Recognized Obligation Payment Schedule" for a description of the Last and Final ROPS authorized by the Dissolution Act pursuant to SB 107.

## **Unitary Property**

AB 2890 (Statutes of 1986, Chapter 1457) provides that, commencing with State Fiscal Year 1988-89, assessed value derived from State-assessed unitary property (consisting mostly of operational property owned by utility and railroad companies) is to be allocated county-wide as follows: (i) each tax rate area will receive the same amount from each assessed utility received in the previous fiscal year unless the applicable county-wide values are insufficient to do so, in which case values will be allocated to each tax rate area on a pro rata basis; and (ii) if values to be allocated are greater than in the previous fiscal year, each tax rate area will receive a pro rata share of the increase from each assessed utility according to a specified formula. Additionally, the lien date on State-assessed property was changed from March 1 to January 1.

AB 454 (Statutes of 1987, Chapter 921) further modified Chapter 1457 regarding the distribution of tax revenues derived from property assessed by the State Board of Equalization. AB 454 provides for the consolidation of all State-assessed property, except for regulated railroad property, into a single tax rate area in

each county. AB 454 further provides for a new method of establishing tax rates on State-assessed property and distribution of property tax revenue derived from State-assessed property to taxing jurisdictions within each county in accordance with a new formula. Railroads will continue to be assessed and revenues allocated to all tax rate areas where railroad property is located. The intent of AB 2890 and AB 454 is to provide redevelopment agencies with their appropriate share of revenue generated from property assessed by the State Board of Equalization.

The County Auditor-Controller allocated approximately \$115,000 of unitary tax revenue to the Project Area for Fiscal Year 2015-16. Pledged Tax Revenues from unitary property are assumed for purposes of gross tax increment projections to be available in the amount of \$113,691 per Fiscal Year, without inflation. See Table 5; see also, APPENDIX A—"FISCAL CONSULTANT'S REPORT," Section VI—Tax Allocation and Disbursement; Historical Tax Revenues.

### **Article XIII A of the State Constitution**

On June 6, 1978, State voters approved an amendment (commonly known as Proposition 13 or the Jarvis-Gann Initiative) which added Article XIII A to the State Constitution. Article XIII A limits the amount of *ad valorem* taxes on real property to 1% of "full cash value" of such property, as determined by the county assessor. Article XIII A defines "full cash value" to mean "the county assessor's valuation of real property as shown on the State Fiscal Year 1975-76 tax bill under 'full cash value,' or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment." Furthermore, the "full cash value" of all real property may be increased to reflect the rate of inflation, as shown by the consumer price index, not to exceed 2% per year, or may be reduced.

Article XIII A has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by substantial damage, destruction or other factors, and to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster and in other special circumstances.

Article XIII A: (i) exempts from the 1% tax limitation taxes to pay debt service on: (a) indebtedness approved by the voters prior to July 1, 1978; or (b) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voters voting on the proposition; (ii) requires a vote of two-thirds of the qualified electorate to impose special taxes, or certain additional *ad valorem* taxes; and (iii) requires the approval of two-thirds of all members of the State Legislature to change any State tax laws resulting in increased tax revenues.

The validity of Article XIII A has been upheld by both the State Supreme Court and the United States Supreme Court.

In the general election held on November 4, 1986, voters of the State approved two measures, Propositions 58 and 60, which further amended Article XIII A. Proposition 58 amended Article XIII A to provide that the terms "purchase" and "change of ownership," for the purposes of determining full cash value of property under Article XIII A, do not include the purchase or transfer of: (1) real property between spouses; and (2) the principal residence and the first \$1,000,000 of other property between parents and children. This amendment to Article XIII A may reduce the rate of growth of local property tax revenues.

Proposition 60 amended Article XIII A to permit the State Legislature to allow persons over the age of 55 who sell their residence and buy or build another of equal or lesser value within two years in the same county to transfer the old residence assessed value to the new residence. As a result of the State Legislature's action, the growth of property tax revenues may decline.

Legislation enacted by the State Legislature to implement Article XIII A provides that all taxable property is shown at full assessed value as described above. In conformity with this procedure, all taxable

property value included in this Official Statement is shown at 100% of assessed value and all general tax rates reflect the \$1 per \$100 of taxable value (except as noted). Tax rates for voter-approved bonded indebtedness and pension liabilities are also applied to 100% of assessed value.

### **Appropriations Limitation – Article XIII B**

On November 6, 1979, State voters approved Proposition 4 (also known as the Gann Initiative), which added Article XIII B to the State Constitution. Article XIII B limits the annual appropriations of the State and its political subdivisions to the level of appropriations for the prior fiscal year, as adjusted for changes in the cost of living, population and services rendered by the government entity. The “base year” for establishing such appropriations limit is State Fiscal Year 1978-79, and the limit is to be adjusted annually to reflect changes in population, consumer prices and certain increases in the cost of services provided by these public agencies.

Section 33678 of the Redevelopment Law provides that the allocation of taxes to a redevelopment agency for the purpose of paying principal of, or interest on, loans, advances, or indebtedness is not deemed to be the receipt by an agency of proceeds of taxes levied by or on behalf of an agency within the meaning of Article XIII B, nor will such portion of taxes be deemed receipt of proceeds of taxes by, or an appropriation subject to the limitation of, any other public body within the meaning or for the purpose of the Constitution and laws of the State, including Section 33678 of the Redevelopment Law. The constitutionality of Section 33678 has been upheld in two State appellate court decisions. On the basis of these decisions, the Agency does not believe that it is subject to Article XIII B and has not adopted an appropriations limit.

### **Debt Service Overrides**

On November 8, 1988, the voters of the State approved Proposition 87, which amended Article XVI, Section 16 of the State Constitution to provide that property tax revenue attributable to the imposition of taxes on property within a redevelopment project area for the purpose of paying debt service on certain bonded indebtedness issued by a taxing entity (not the Former Agency or the Agency) and approved by the voters of the taxing entity after January 1, 1989 will be allocated solely to the payment of such indebtedness, and *not* to redevelopment agencies. SB 107, which became effective on September 22, 2015, amended Section 34183(a)(1) of the Dissolution Act to provide that such debt service override revenues approved by the voters for the purpose of supporting pension programs or capital projects or programs related to the State Water Project that are not pledged to or not needed for debt service on Agency debt will be allocated and paid to the entity that levies the override. There can be no assurance the County’s current method of applying this provision of SB 107 will not change in the future. See the captions “SECURITY FOR THE BONDS—General” and “THE PROJECT AREA—Levy and Collection.”

### **Appeals of Assessed Values**

Pursuant to State law, a property owner may apply for a reduction of the property tax assessment for such owner’s property by filing a written application, in a form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board. A property owner may also informally request a reduction; see APPENDIX A—“FISCAL CONSULTANT’S REPORT,” Section V—Assessment Appeals—Filed Assessment Appeals.

In the County, a property owner desiring to reduce the assessed value of such owner’s property in any one year must submit an application to the County Assessment Appeals Board (the “Appeals Board”). Applications for any tax year must be submitted by November 30 of such tax year. Following a review of each application by the staff of the County Assessor’s Office, the staff makes a recommendation to the Appeals Board on each application which has not been rejected for incompleteness or untimeliness or withdrawn. The Appeals Board holds a hearing and either reduces or confirms the assessment. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal’s filing date. Any reduction in

the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level for fiscal years following the year for which the reduction application is filed. However, if the taxpayer establishes through proof of comparable values that the property continues to be overvalued (known as “ongoing hardship”), the Assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year as well. Appeals for reduction in the “base year” value of an assessment, which generally must be made within three years of the date of change in ownership or completion of new construction that determined the base year, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. Moreover, in the case of any reduction in any one year of assessed value granted for “ongoing hardship” in the then current year, and also in any cases involving stipulated appeals for prior years relating to base year and personal property assessments, the property tax revenues from which Pledged Tax Revenues are derived attributable to such properties will be reduced in the then current year. In practice, such a reduced assessment may remain in effect beyond the year in which it is granted. See Appendix A for information regarding the appeals pending with respect to the assessed valuations of the top ten property owners within the Project Area.

### **Proposition 8**

Proposition 8, approved in 1978 (California Revenue and Taxation Code Section 51(b)), provides for the assessment of real property at the lesser of its originally determined (base year) full cash value compounded annually by the inflation factor, or its full cash value as of the lien date, taking into account reductions in value due to damage, destruction, obsolescence or other factors causing a decline in market value. Reductions pursuant to Proposition 8 may be initiated by the County Assessor or requested by the property owner, and such reductions apply only to a single tax year.

After a roll reduction is granted pursuant to Proposition 8, the property is reviewed on an annual basis to determine its full cash value and the valuation is adjusted accordingly. This may result in further reductions or in value increases. Such increases must be in accordance with the full cash value of the property and may exceed the maximum annual inflationary growth rate allowed on other properties under Article XIII A of the State Constitution. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A.

The County Assessor has the ability to use Proposition 8 criteria to apply blanket reductions in valuation to classes of property affected by particular negative economic conditions. The Agency is aware that the County Assessor made such reductions to assessed values of residential property in the Project Area and the City generally during a real estate recession starting in 2008, with values continuing to decline through 2012-13, a portion of which reductions have now been restored. See APPENDIX A—“FISCAL CONSULTANT’S REPORT,” Section IV—Taxable Values and Historical Revenues—Assessed Values and Real Estate Market. See also “—Appeals of Assessed Values,” above. There can be no assurance that such reductions will not be made in the future. See the caption “THE PROJECT AREA,” including Table 2, for further information with respect to reductions in assessed value within the Project Area which manifested themselves during the 2008-09 through 2012-13 period.

For a summary of the recent history of Proposition 8 reductions in the Project Area, see “THE PROJECT AREA—Assessment Appeals.”

### **Propositions 218 and 26**

On November 5, 1996, State voters approved Proposition 218—Voter Approval for Local Government Taxes—Limitation on Fees, Assessments, and Charges—Initiative Constitutional Amendment. Proposition 218 added Articles XIIC and XIID to the State Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges. On November 2, 2010, California voters approved Proposition 26, the “Supermajority Vote to Pass

New Taxes and Fees Act.” Proposition 26 amended Article XIII C of the State Constitution by adding an expansive definition for the term “tax,” which previously was not defined under the State Constitution. Pledged Tax Revenues securing the 2016 Bonds are derived from property taxes which are outside the scope of taxes, assessments and property-related fees and charges which are limited by Proposition 218 and outside of the scope of taxes which are limited by Proposition 26.

### **Future Initiatives**

Articles XIII A, XIII B, XIII C and Article XIII D to the State Constitution and certain other propositions affecting property tax levies were each adopted as measures which qualified for the ballot pursuant to the State’s initiative process. From time to time other initiative measures could be adopted that further affect Agency revenues or the Agency’s ability to expend revenues.

### **THE SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY**

The Former Agency was established pursuant to the Redevelopment Law and was activated by Ordinance No. 207 adopted by the City Council on February 27, 1979, at which time the City Council declared itself to be the governing board of the Former Agency. Project implementation and administration of the Former Agency was provided by the governing board of the Former Agency, consisting of the Members of the City Council.

On June 28, 2011, AB X1 26 was enacted as Chapter 5, Statutes of 2011, together with a companion bill, AB X1 27. A lawsuit entitled *California Redevelopment Association, et al. v. Matosantos, et al.*, was brought in the State Supreme Court challenging the constitutionality of AB X1 26 and AB X1 27. In a published decision (53 Cal. 4th 231 (Dec. 29, 2011)), the State Supreme Court largely upheld AB X1 26, invalidated AB X1 27, and held that AB X1 26 may be severed from AB X1 27 and enforced independently. As a result of AB X1 26 and the decision of the State Supreme Court, as of February 1, 2012, all redevelopment agencies in the State, including the Former Agency, were dissolved, and successor agencies were designated as successor entities to the former redevelopment agencies to expeditiously wind down the affairs of the former redevelopment agencies.

On January 10, 2012, pursuant to Resolution No. 2722 and Section 34173 of the Dissolution Act, the City Council of the City elected to serve as the Successor Agency to the Loma Linda Redevelopment Agency. Subdivision (g) of Section 34173 of the Dissolution Act, added by AB 1484, expressly affirms that the Agency is a separate public entity from the City, that the two entities shall not merge and that the liabilities of the Former Agency will not be transferred to the City nor will the assets of the Former Agency become assets of the City; however, the assets and liabilities of the Former Agency were transferred by operation of law to the Agency on February 1, 2012.

The Agency is governed by a five-member Board of Directors (the “Board”) which consists of the members of the City Council of the City. The Mayor chairs the Board; the Executive Director of the Agency directs the administrative activities of the Agency and makes recommendations to the Board, and the City Attorney serves as legal counsel to the Agency.

### **Agency Powers**

All powers of the Agency are vested in its five-member Board, consisting of the elected City Council members. Pursuant to the Dissolution Act, the Agency is a separate public body from the City and successor to the organizational status of the Former Agency, but without any legal authority to participate in redevelopment activities except to complete any work related to an approved enforceable obligation. The Agency is tasked with expeditiously winding down the affairs of the Former Agency pursuant to the procedures and provisions of the Dissolution Act. Under the Dissolution Act, many Agency actions are

subject to approval by the Oversight Board, as well as review by the DOF. The State has strict laws regarding public meetings (known as the Ralph M. Brown Act) which generally make all Agency and Oversight Board meetings open to the public in a similar manner as City Council meetings.

Previously, Section 33675 of the Redevelopment Law required the Former Agency to file not later than the first day of October of each year with the County Auditor of a statement of indebtedness certified by the chief fiscal officer of the Former Agency for each redevelopment plan which provides for the allocation of taxes (i.e., the Redevelopment Plan). The statement of indebtedness was required to contain the date on which the bonds were delivered, the principal amount, term, purposes and interest rate of the bonds and the outstanding balance and amount due on the bonds. Similar information was required to be given for each loan, advance or indebtedness that the Former Agency had incurred or entered into which is payable from tax increment. Section 33675 also provided that payments of tax increment revenues from the County Auditor-Controller to the Former Agency could not exceed the amounts shown on the Former Agency's statement of indebtedness. The Dissolution Act eliminates this requirement and provides that, commencing on the date that the first Recognized Obligation Payment Schedule is valid thereunder, the Recognized Obligation Payment Schedule supersedes the statement of indebtedness previously required under the Redevelopment Law, and that, commencing on such date, the statement of indebtedness will no longer be prepared nor have any effect under the Redevelopment Law. See the caption "SECURITY FOR THE 2016 BONDS—Recognized Obligation Payment Schedule."

### **THE PROJECT AREA**

Under the Redevelopment Law, a city or county that activated a redevelopment agency was required to adopt, by ordinance, a redevelopment plan for each redevelopment project to be undertaken by the redevelopment agency. A redevelopment agency could only undertake those activities within a redevelopment project specifically authorized in the adopted redevelopment plan. A redevelopment plan is a legal document, the content of which is largely prescribed in the Redevelopment Law, rather than a "plan" in the customary sense of the word. Each redevelopment plan was originally to include separate time and financial limitations applicable to the Project Area. SB 107, which became effective September 22, 2015, amended the Dissolution Act to provide that the time limits for receiving property tax revenues and the limitation on the amount of property tax revenues that may be received by the Former Agency and the Agency set forth in the Redevelopment Plan are not effective for purposes of paying the Agency's enforceable obligations. The projections set forth in this Official Statement and in the Fiscal Consultant's Report attached to this Official Statement as Appendix A do not exceed the original time limitations set forth in the Redevelopment Plan for the Project Area. Even if the projections did exceed the original time limitations set forth in the Redevelopment Plan, such limitations would not be effective. See also "—Project Area Characteristics" for additional information regarding the Project Area, including information on land use, assessed valuation and property ownership, assessed valuation and Pledged Tax Revenues generated within the Project Area.

**Project Area Characteristics**

A breakdown of the taxable valuations in the Project Area for Fiscal Year 2016-17 is set forth in the below table:

**Table 1**  
**SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY**  
**Assessed Values by Component Area**  
**(Fiscal Year 2016-17)**

<i>Description</i>	<i>Project No. 1</i>	<i>Project No. 1 Added Area<sup>(1)</sup></i>	<i>Project No. 2</i>	<i>Total</i>
Total Values	\$ 570,304,382	\$ 71,151	\$ 300,132,464	\$ 870,507,997
Base Year Value	<u>73,021,144</u>	<u>385,625</u>	<u>27,963,457</u>	<u>101,370,226</u>
Incremental Value	\$ 497,283,238	\$ (314,474)	\$ 272,169,007	\$ 769,137,771
% of Total	64.7%	0.0%	35.4%	100.0%

<sup>(1)</sup> Taxable value for the area that was added to Project No. 1 in 1994 are below such area's base year assessed valuation and are not projected to generate tax increment revenues.

Source: San Bernardino County Auditor-Controller; DHA Consulting, LLC.

Taxable values for the Project Area for the current and past ten fiscal years are set forth in the below table.

**Table 2**  
**SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY**  
**Historic Taxable Values**

<i>Fiscal Year</i>	<i>Secured Value</i>	<i>Unsecured Value</i>	<i>Assessed Value</i>	<i>Percentage Change</i>	<i>Incremental Value Over Base Year<sup>(1)</sup></i>	<i>Percentage Change</i>
2006-07	\$665,401,568	\$18,660,173	\$684,061,741	N/A	\$582,691,515	N/A
2007-08	772,528,747	19,944,945	792,473,692	15.85%	691,103,466	18.61%
2008-09	813,933,388	24,474,901	838,408,289	5.80	737,038,063	6.65
2009-10	739,125,023	25,994,492	765,119,515	-8.74	663,749,289	-9.94
2010-11	695,273,756	28,198,617	723,472,373	-5.44	622,102,147	-6.27
2011-12	693,944,119	25,835,793	719,779,912	-0.51	618,409,686	-0.59
2012-13	702,474,067	22,881,660	725,355,727	0.77	623,985,501	0.90
2013-14	715,470,339	22,081,611	737,551,950	1.68	636,181,724	1.95
2014-15	775,441,949	22,105,447	797,547,396	8.13	696,177,170	9.43
2015-16	810,440,763	20,044,309	830,485,072	4.13	729,114,846	4.73
2016-17	851,447,360	19,060,637	870,507,997	4.82	769,137,771	5.49

<sup>(1)</sup> Taxable value over base year value of \$101,370,226.

Source: San Bernardino County Auditor-Controller's Office.

The top ten taxpayers for the Project Area in the current fiscal year are set forth in the below table.

**Table 3**  
**SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY**  
**Top Ten Taxpayers For The Project Area**  
**(Fiscal Year 2016-17)**

<i>No.</i>	<i>Assessee</i>	<i>Predominant Uses</i>	<i>No. of Assmts</i>	<i>2016-17 Assessed Value</i>	<i>Percentage of Total Assessed Value<sup>(1)</sup></i>	<i>Percentage of Total Increment</i>
1	Drc Industrial Cbc II LP <sup>(2)</sup>	Office/R & D Business Park	44	\$ 31,905,305	3.7%	4.15%
2	Loma Linda Heritage Associates	Apartments	1	27,992,030	3.2	3.64
3	WI Loma Linda LLC <sup>(3)</sup>	Undeveloped	1	13,979,718	1.6	1.82
5	Loma Linda University <sup>(4)</sup>	Residential/Commercial	162	13,868,175	1.6	1.80
4	Oasis Townhomes LLC	Apartments	3	13,164,951	1.5	1.71
6	Chancellor Properties LLC	Assisted Living	6	12,794,710	1.5	1.66
7	Loma Linda Plaza Partners	Retail/Commercial	2	12,322,854	1.4	1.60
8	DRC 17 Mountain View <sup>(2)</sup>	Office Building	1	12,235,730	1.4	1.59
9	Emerikeyt Palms at Loma Linda Inc.	Assisted Living	2	11,241,499	1.3	1.46
10	Monterey Pines, LLC	Apartments	2	10,996,749	1.3	1.43
		Total	224	\$ 160,501,721	18.4%	20.87%

<sup>(1)</sup> Total 2016-17 assessed value equals \$870,507,997 and incremental value is \$769,137,771.

<sup>(2)</sup> Formerly General American Life Insurance Co.

<sup>(3)</sup> Location of the new Veteran's Hospital, which improvement value is not reflected on the tax roll as of July 2016.

<sup>(4)</sup> A majority of the holdings for Loma Linda University are wholly or partially tax exempt. Amount shown is the taxable portion only.

Source: DHA Consulting, LLC; San Bernardino County Assessor's Records.

The assessed valuation of the Project Area for the current fiscal year by land use category is set forth in the below table.

**Table 4**  
**SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY**  
**Assessed Values By Land Use**  
**(Fiscal Year 2016-17)**

<i>Category</i>	<i>No. of Assessments<sup>(1)</sup></i>	<i>% of Total Assessments</i>	<i>Total Value</i>	<i>% of Total Value</i>
Residential	2,596	81.3%	\$ 632,009,477	72.6%
Commercial	76	2.4	129,336,638	14.9
Industrial	67	2.1	34,505,584	4.0
Recreational	1	0.0	575,923	0.1
Institutional	16	0.5	260,028	0.0
Vacant Land	204	6.4	39,384,845	4.5
State Assessed (SBE)	1	0.0	14,285	0.0
Unsecured	174	5.4	19,060,637	2.2
Other	60	1.9	15,360,580	1.8
Total	3,195	100.0%	\$ 870,507,997	100.0%

<sup>(1)</sup> Includes the number of secured and unsecured assessments, which totals more than the number of parcels in the Project Area.

Source: DHA Consulting, LLC; San Bernardino County Assessor's Records.

### Levy and Collection

The following table sets forth property tax levy and collections in the Project Area from Fiscal Year 2011-12 through 2015-16. The Agency is not a participant in the Teeter Plan alternative method for collection

of taxes and, therefore, the receipt of property taxes is subject to delinquencies. See “PROPERTY TAXATION IN CALIFORNIA—Property Tax Collection and Distribution Procedures—Delinquencies.” Historically, about 14% of all property tax revenue the Agency receives is attributable to an override rate, which additional revenues are not included in the enclosed tax increment revenue projections. See “SECURITY FOR THE 2016 BONDS—General” for additional information on this issue. For comparison with estimated future revenues, Table 5 below shows the historical amounts of the computed tax levy attributable to 1.0 percent taxes and the amounts attributable to the override rate. Actual tax collections shown combine both the 1.0 percent tax levy and the override rate revenue.

**Table 5**  
**SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY**  
**Historical Tax Levies and Tax Increment Collections**  
**(Fiscal Years 2010-11 to 2015-16)**

<i>Fiscal Year</i>	<i>Computed Levy at 1.0%</i>	<i>Add Override Revenue</i>	<i>Total Computed Levy<sup>(1)</sup></i>	<i>Tax Collections without Unitary or Supplemental<sup>(2)(3)</sup></i>	<i>% of Levy Received<sup>(3)</sup></i>	<i>Tax Collections Gross All Revenues<sup>(2)(4)</sup></i>	<i>% of Levy Received<sup>(4)</sup></i>
2011-12	\$6,184,097	\$1,004,916	\$7,189,013	\$7,171,730	99.8%	\$7,244,705	100.8%
2012-13	6,239,855	1,013,976	7,253,831	6,806,796	93.8	7,537,537	103.9
2013-14	6,361,817	1,033,795	7,395,613	7,414,787	100.3	7,535,591	101.9
2014-15	6,961,772	1,131,288	8,093,060	7,958,094	98.3	8,149,137	100.7
2015-16	7,291,148	1,184,812	8,475,960	8,434,597	99.5	8,811,350	104.0

<sup>(1)</sup> Estimated based upon County of San Bernardino Auditor Controller Reports of incremental assessed values, excluding unitary revenue, which totaled about \$115,000 for 2015-16.

<sup>(2)</sup> Amounts shown are based on amounts reported as actually collected by the County for the Project Area. The Agency no longer actually receives all revenues collected but just enough to pay its enforceable obligations, including the Bonds.

<sup>(3)</sup> Collection amounts exclude unitary revenues and supplemental revenues.

<sup>(4)</sup> Collection amounts include all revenues collected by the County for the Project Area.

Source: DHA Consulting, LLC; County.

See also APPENDIX A—“FISCAL CONSULTANT’S REPORT,” Section VI, Tax Allocation and Disbursement—Historical Tax Revenues.

### Assessment Appeals

Property taxable values determined by the County Assessor may be subject to an appeal by the property owner. There are two basic types of assessment appeals provided for under California law. The first type of appeal, commonly referred to as a base year assessment appeal, involves a dispute on the valuation assigned by the Assessor immediately subsequent to a change in ownership or completion of new construction. If the base year value assigned by the Assessor is reduced, the valuation of the property cannot increase in subsequent years more than 2% annually unless and until another change in ownership and/or additional new construction activity occurs. The second type of appeal, commonly referred to as a Proposition 8 appeal, can result if factors occur causing a decline in the market value of the property to a level below the property’s then current taxable value.

Assessment appeals are annually filed with the County Assessment Appeals Board for a hearing and resolution. The resolution of an appeal may result in a reduction to the Assessor’s original taxable value and a tax refund to the property owner. A property owner can file for a regular assessment appeal with the County between July 2 and November 30. Revenue and Taxation Code Section 1604 allows up to two years for an assessment appeal to be decided. Appeals to assessed values in the Project Area may be filed from time to time in the future. The Agency cannot predict the extent of these appeals or their likelihood of success. See discussion under the captions “PROPERTY TAXATION IN CALIFORNIA—Appeals of Assessed Values” and “—Proposition 8.”

The Fiscal Consultant researched the status of assessment appeals filed by property owners in the Project Area based upon information available as of [June 30], 2016. The Fiscal Consultant's estimates are based upon the historical averages of successful appeals and amounts of value reductions. Actual appeals, reductions and refunds may vary from historical averages. The Fiscal Consultant's estimated reductions in values are not reflected in its projections.

The following table summarizes the potential losses for the Project Area that are incorporated into the Fiscal Consultant's projections:

**Table 6**  
**SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY**  
**Assessed Valuation Appeals**

<i>Description</i>	<i>2011-12</i>	<i>2012-13</i>	<i>2013-14</i>	<i>2014-15</i>	<i>2015-16<sup>(1)</sup></i>	<i>Total</i>
<b>Appeal History<sup>(1)</sup></b>						
<b>Number of Appeals:</b>						
Total Filed	16	19	11	15	22	83
Resolved To Date	16	19	11	8	1	55
Resolved Appeals with Reductions	1	6	4	2	0	13
% Appeals Resulting in Reductions	6.3%	31.6%	36.4%	25.0%	0.0%	23.6%
<b>Valuation Impact:</b>						
Total Filed/Assessed Value	24,429,009	25,862,132	21,112,531	28,828,199	32,459,792	\$132,691,663
Resolved To Date	24,429,009	25,862,132	21,112,531	9,934,200	780,000	\$82,117,872
Resolved Appeals with Reductions	59,469	14,949,696	5,726,244	580,168	0	\$21,315,577
Value Change	(16,009)	(1,654,130)	(1,197,722)	(115,168)	0	(\$2,983,029)
% Reduction/Successful Appeals	-26.9%	-11.1%	-20.9%	-19.9%	0.0%	-14.0%
% Reduction/All Resolved Appeals	-0.1%	-6.4%	-5.7%	-1.2%	0.0%	-3.6%
<b>Pending Appeals</b>						
Number of Appeals Outstanding	-	-	-	7	21	28
Value of Appeals Outstanding	-	-	-	18,893,999	31,679,792	\$50,573,791
Percentage of total Project Value						5.8%
Potential Reduction						(\$50,573,791)
Average Reduction Ratio (from above)						-3.6%
Estimated Resolved Value						\$48,736,638
<b>Estimated Reduction</b>						(\$1,837,153)
<b>Estimated Refunds</b>						(\$18,372)

<sup>(1)</sup> Information through June 30, 2016. Appeals for the 2016-17 fiscal year, if any, will be filed by taxpayers throughout the winter of 2016. Source: DHA Consulting, LLC, San Bernardino County Assessor's Office.

Tax refunds payable from resolved appeals (to the extent applicants are not delinquent in their property tax payments) are deducted by the County Auditor-Controller from current year gross property taxes before the County's allocation to the RPTTF.

The Fiscal Consultant has reviewed assessment appeals data from San Bernardino County in an effort to disclose the potential impact that pending appeals may have on the projected Tax Revenues. Within the Project Area, 28 appeals representing properties having assessed values, as aggregated, of approximately \$50.6 million. If these appeals are resolved consistent with the trend since 2011-12, the assessments would be reduced by an average of 3.6%, causing an assessed value reduction of approximately \$3.0 million, equating to about \$30,000 in taxes. The Agency cannot assure that the historical pattern will be followed; it is thus possible that reduction of assessed values could negatively impact Pledged Tax Revenues. See APPENDIX A—"FISCAL CONSULTANT'S REPORT."

Actual resolutions of appeals are determined by a number of factors, including vacancy and rental rates, circumstances of hardship and other real estate comparables, all of which are unique to the individual assessment. Therefore, actual reductions, if any, may be higher or lower than the reductions which are estimated above. An appeal may be withdrawn by the applicant, the Appeals Board may deny or modify the

appeal at hearing or by stipulation, or the final value may be adjusted to an amount other than the stated opinion of value. See “—Project Area Characteristics” above for a summary of historical assessed property valuations in the Project Area. For more information about appeals and the Fiscal Consultant’s assumptions, see the Fiscal Consultant’s Report attached to this Official Statement as Appendix A.

### **PLEGGED TAX REVENUES**

Pledged Tax Revenues will be deposited in the Redevelopment Obligation Retirement Fund, and then transferred by the Agency to the Trustee for deposit into the Debt Service Fund administered by the Trustee and applied to the payment of the principal of and interest on the 2016 Bonds.

#### **Projected Pledged Tax Revenues**

The Agency has retained DHA Consulting, LLC to provide projections of taxable valuation and Pledged Tax Revenues from developments in the Project Area. The Agency believes that the assumptions (set forth in the footnotes below and in Appendix A) upon which the projections are based are reasonable; however, some assumptions may not materialize and unanticipated events and circumstances may occur. See the caption “RISK FACTORS.” Therefore, the actual Pledged Tax Revenues received during the forecast period may vary from the projections and the variations may be material. A summary of the projected total taxable valuation and Pledged Tax Revenues for the Project Area is set forth in the following tables. The projections set forth in Table 7 assume no growth in assessed value. The projections set forth in Table 8 assume assessed value growth at 2% in Fiscal Year 2017-18 and thereafter.

SB 107, which became effective September 22, 2015, amended the Dissolution Act to provide that the time limits for receiving property tax revenues and the limitation on the amount of property tax revenues that may be received by the Former Agency and the Agency set forth in the Redevelopment Plans are not effective for purposes of paying the Agency’s enforceable obligations. The projections set forth below in this Official Statement and in the Fiscal Consultant’s Report attached to this Official Statement as Appendix A do not exceed the original time limitations set forth in the Redevelopment Plans for the Project Area. Even if the projections did exceed the original time limitations set forth in the Redevelopment Plan, such limitations would not be effective.

**Table 7**  
**SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY**  
**Tax Increment Projection<sup>(1)</sup>**  
**(0.0% Trended Growth)**

Fiscal Year	Total Value <sup>(2)</sup>	Less Base Year Valuation (\$101,370,226)	Gross Tax Revenues <sup>(3)</sup>	Administrative Charge	33676 Payments <sup>(4)</sup>	County Pass-Through <sup>(5)</sup>	RUSD Pass Through <sup>(5)</sup>	AB 1290 Pass Through <sup>(6)</sup>	Net Tax Revenue
2016-17	\$870,507,997	\$769,137,771	\$7,808,213	\$97,603	\$12,164	\$1,026,687	\$75,350	\$590,739	\$6,005,672
2017-18	870,507,997	769,137,771	7,808,213	97,603	12,764	1,026,687	75,350	590,739	6,005,072
2018-19	870,507,997	769,137,771	7,808,213	97,603	13,376	1,026,687	75,350	590,739	6,004,460
2019-20	870,507,997	769,137,771	7,808,213	97,603	14,000	1,026,687	75,350	590,739	6,003,836
2020-21	870,507,997	769,137,771	7,808,213	97,603	14,636	1,026,687	75,350	590,739	6,003,199
2021-22	870,507,997	769,137,771	7,808,213	97,603	15,286	1,026,687	75,350	590,739	6,002,550
2022-23	870,507,997	769,137,771	7,808,213	97,603	15,948	1,026,687	75,350	590,739	6,001,888
2023-24	870,507,997	769,137,771	7,808,213	97,603	16,623	1,026,687	75,350	590,739	6,001,212
2024-25	870,507,997	769,137,771	7,808,213	97,603	17,312	1,026,687	75,350	590,739	6,000,523
2025-26	870,507,997	769,137,771	7,808,213	97,603	18,015	1,026,687	75,350	590,739	5,999,820
2026-27	870,507,997	769,137,771	7,808,213	97,603	18,732	1,026,687	75,350	590,739	5,999,103
2027-28	870,507,997	769,137,771	7,808,213	97,603	19,463	1,026,687	75,350	590,739	5,998,372
2028-29	870,507,997	769,137,771	7,808,213	97,603	20,209	1,026,687	75,350	590,739	5,997,626
2029-30	870,507,997	769,137,771	7,808,213	97,603	20,970	1,026,687	75,350	590,739	5,996,866
2030-31	870,507,997	769,137,771	7,808,213	97,603	21,746	1,026,687	75,350	590,739	5,996,090

<sup>(1)</sup> Includes assessed values and revenues for all components of the Project Area, including Component Area No. 1, where the current assessed value for that area is below the base year assessed value.

<sup>(2)</sup> Based on County-reported assessed values for Fiscal Year 2016-17, which values are assumed to remain constant over the term of the revenue estimates.

<sup>(3)</sup> Revenues generated based on a 1.0% tax rate and an estimate for unitary revenue. Supplemental and other potential adjustments to tax revenues are not included.

<sup>(4)</sup> Two percent inflationary payments (33676 Amounts) are applicable in Component Area No. 2 for the County Superintendent of Schools and the Community College District. These payments may or may not increase if values/revenues are flat in the Project Area.

<sup>(5)</sup> The Agency has a written Tax Sharing Agreement (pass-through) with the County in Component Area No. 1 and with RUSD in Component Area No. 2. The agreement with the County provides that the County receives 100% of its share of tax increment, while the agreement with RUSD provides for payments based on the current assessed value of a particular property, as specified in such agreement.

<sup>(6)</sup> The Agency is obligated to make statutory pass-through payments for all Component Areas that generate tax increment revenues to taxing entities with which the Agency does not already have a pass-through agreement. Two percent inflationary payments, or 33676 Amounts, do not count as offsets for this purpose.

Source: DHA Consulting, LLC; San Bernardino County Auditor-Controller's Office.

**Table 8**  
**SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY**  
**Tax Increment Projection<sup>(1)</sup>**  
**(2.0% Trended Growth)**

Fiscal Year	Total Value <sup>(2)</sup>	Less Base Year Valuation (\$101,370,226)	Gross Tax Revenues <sup>(3)</sup>	Administrative Charge	33676 Payments <sup>(4)</sup>	County Pass-Through <sup>(5)</sup>	RUSD Pass Through <sup>(5)</sup>	AB 1290 Pass Through <sup>(5)</sup>	Net Tax Revenue
2016-17	\$ 870,507,997	\$ 769,137,771	\$ 7,808,213	\$ 97,603	\$ 12,164	\$ 1,026,687	\$ 75,350	\$ 590,739	\$ 6,005,672
2017-18	887,536,659	786,166,433	7,978,486	99,731	12,764	1,049,711	76,857	638,043	6,101,380
2018-19	904,905,893	803,535,667	8,152,164	101,902	13,376	1,073,196	78,394	686,294	6,199,002
2019-20	922,622,513	821,252,287	8,329,315	104,116	14,000	1,097,150	79,962	735,510	6,298,577
2020-21	940,693,464	839,323,238	8,510,009	106,375	14,636	1,121,584	81,561	785,710	6,400,143
2021-22	959,125,835	857,755,609	8,694,318	108,679	15,286	1,146,506	83,192	836,914	6,503,740
2022-23	977,926,854	876,556,628	8,882,312	111,029	15,948	1,171,927	84,856	889,142	6,609,410
2023-24	997,103,892	895,733,666	9,074,067	113,426	16,623	1,197,856	86,553	942,415	6,717,193
2024-25	1,016,664,472	915,294,246	9,269,656	115,871	16,623	1,224,304	88,284	996,753	6,827,131
2025-26	1,036,616,263	935,246,037	9,469,157	118,364	16,623	1,251,281	90,050	1,052,178	6,939,268
2026-27	1,056,967,089	955,596,863	9,672,649	120,908	16,623	1,278,797	91,851	1,108,712	7,053,648
2027-28	1,077,724,933	976,354,707	9,880,210	123,503	16,623	1,306,864	93,688	1,166,376	7,170,316
2028-29	1,098,897,933	997,527,707	10,091,922	126,149	16,623	1,335,492	95,562	1,225,193	7,289,317
2029-30	1,120,494,393	1,019,124,167	10,307,869	128,848	16,623	1,364,692	97,473	1,285,187	7,410,698
2030-31	1,142,522,783	1,041,152,557	10,528,134	131,602	16,623	1,394,477	99,423	1,346,380	7,534,507

<sup>(1)</sup> Includes assessed values and revenues for all components of the Project Area, including Component Area No. 1, where the current assessed value for that area is below the base year assessed value.

<sup>(2)</sup> Based on County-reported assessed values for Fiscal Year 2016-17, increasing at 2.0% per annum thereafter.

<sup>(3)</sup> Revenues generated based on a 1.0% tax rate and an estimate for unitary revenue. Supplemental and other potential adjustments to tax revenues are not included.

<sup>(4)</sup> Two percent inflationary payments (33676 Amounts) are applicable in Component Area No. 2 for the County Superintendent of Schools and the Community College District.

<sup>(5)</sup> The Agency has a written Tax Sharing Agreement (pass-through) with the County in Component Area No. 1 and with RUSD in Component Area No. 2. The agreement with the County provides that the County receives 100% of its share of tax increment, while the agreement with RUSD provides for payments based on the current assessed value of a particular property, as specified in such agreement.

<sup>(6)</sup> The Agency is obligated to make statutory pass-through payments for all Component Areas that generate tax increment revenues to taxing entities with which the Agency does not already have a pass-through agreement. Two percent inflationary payments, or 33676 Amounts, do not count as offsets for this purpose.

Source: DHA Consulting, LLC; San Bernardino County Auditor-Controller's Office.

## Debt Service Coverage

Set forth below is the estimated all-in debt service coverage for the Senior Obligations and 2016 Bonds using actual Fiscal Year 2015-16 Pledged Tax Revenues assuming no growth in tax increment revenues in Fiscal Year 2016-17 and thereafter, through maturity of the 2016 Bonds.

**Table 9**  
**SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY**  
**Estimated All-In Debt Service Coverage (2016 Bonds)**  
**Assumes No Value Growth**  
**(000s Omitted)**

<i>Fiscal Year Ending June 30</i>	<i>Tax Increment Revenues Available for Debt Service on Senior Obligations and Bonds<sup>(1)</sup></i>	<i>Debt Service on Senior Obligations<sup>(2)</sup></i>	<i>Debt Service on 2016 Bonds<sup>(3)*</sup></i>	<i>Total Payments For All-In Debt Service Coverage Calculation<sup>(4)*</sup></i>	<i>All-In Debt Service Coverage<sup>(5)*</sup></i>
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					

<sup>(1)</sup> See Table 7.

<sup>(2)</sup> Reflects debt service on Senior Obligations. See the captions "SECURITY FOR THE 2016 BONDS—Obligations with Senior Right to Payment—Tax Sharing Agreements" and "—Statutory Pass-Through Amounts."

<sup>(3)</sup> Reflects debt service on 2016 Bonds payable in calendar year that begins in such Fiscal Year.

<sup>(4)</sup> Reflects sum of debt service on Senior Obligations and debt service on 2016 Bonds.

<sup>(5)</sup> Tax Increment Revenues Available for Debt Service on Senior Obligations and 2016 Bonds divided by Total Payments For All-In Debt Service Coverage Calculation.

Source: Tax Increment Revenues information provided by DHA Consulting, LLC; 2016 Bonds debt service provided by the Underwriter.

Set forth below is the estimated all-in debt service coverage for the Senior Obligations and 2016 Bonds using actual Fiscal Year 2015-16 Pledged Tax Revenues and assuming 2% growth in tax increment revenues in Fiscal Year 2016-17 through maturity of the 2016 Bonds.

**Table 10**  
**SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY**  
**Estimated All-In Debt Service Coverage (2016 Bonds)**  
**Assumes 2% Value Growth**  
**(000s Omitted)**

<i>Fiscal Year Ending June 30</i>	<i>Tax Increment Revenues Available for Debt Service on Senior Obligations and Bonds<sup>(1)</sup></i>	<i>Debt Service on Senior Obligations<sup>(2)</sup></i>	<i>Debt Service on 2016 Bonds<sup>(3)*</sup></i>	<i>Total Payments For All-In Debt Service Coverage Calculation<sup>(4)</sup></i>	<i>All-In Debt Service Coverage<sup>(5)</sup></i>
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					

(1) See Table 8.

(2) Reflects debt service on Senior Obligations. See the captions "SECURITY FOR THE 2016 BONDS—Obligations with Senior Right to Payment—Tax Sharing Agreements" and "—Statutory Pass-Through Amounts."

(3) Reflects debt service on 2016 Bonds payable in calendar year that begins in such Fiscal Year.

(4) Reflects sum of debt service on Senior Obligations and debt service on 2016 Bonds.

(5) Tax Increment Revenues Available for Debt Service on Senior Obligations and 2016 Bonds divided by Total Payments For All-In Debt Service Coverage Calculation.

Source: DHA Consulting, LLC; 2016 Bonds debt service provided by the Underwriter.

## **RISK FACTORS**

*The following information must be considered by prospective investors in evaluating the 2016 Bonds. However, the following does not purport to be an exhaustive listing of risks and other considerations which may be relevant to investing in the 2016 Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of any such risks.*

### **Reduction in Taxable Value**

Pledged Tax Revenues allocated to the Redevelopment Property Tax Trust Fund are determined by the amount of incremental taxable value in the Project Area and the current rate or rates at which property in the Project Area is taxed. The reduction of taxable values of property in the Project Area caused by economic factors beyond the Agency's control, such as relocation out of the Project Area by one or more major tenants, sale of property to a government entity or non-profit corporation exempt from property taxation or the complete or partial destruction of such property caused by, among other eventualities, earthquake or other natural disaster, could cause a reduction in the Pledged Tax Revenues that provide for the repayment of and secure the 2016 Bonds. Such reduction in Pledged Tax Revenues could have an adverse effect on the Agency's ability to make timely payments of principal of and interest on the 2016 Bonds.

As described in greater detail under the caption "PROPERTY TAXATION IN CALIFORNIA—Article XIII A of the State Constitution," Article XIII A provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflation rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index, comparable local data or any reduction in the event of declining property value caused by damage, destruction or other factors (as described above). Such measure is computed on a calendar year basis. Any resulting reduction in the full cash value base over the term of the 2016 Bonds could reduce Pledged Tax Revenues securing the 2016 Bonds.

In addition to the other limitations on and required application under the Dissolution Act of Pledged Tax Revenues on deposit in the Redevelopment Property Tax Trust Fund, as described in this Official Statement, the State electorate or Legislature could adopt a constitutional or legislative property tax reduction with the effect of reducing Pledged Tax Revenues allocated to the Redevelopment Property Tax Trust Fund and available to the Agency. For example, the Dissolution Act authorizes counties to pay county administrative fees incurred to administer the Dissolution Act prior to depositing any moneys in the Redevelopment Property Tax Trust Fund for distribution to successor agencies, although such moneys may previously have been pledged to bondholders. Although the federal and State Constitutions include clauses generally prohibiting the Legislature's impairment of contracts, there are also recognized exceptions to these prohibitions. There is no assurance that the State electorate or Legislature will not at some future time approve additional limitations that could reduce the Pledged Tax Revenues and adversely affect the source of repayment and security of the 2016 Bonds. Also, see the caption "—Challenges to Dissolution Act" below.

### **Challenges to Dissolution Act**

Several successor agencies, cities and other entities have filed judicial actions challenging the legality of various provisions of the Dissolution Act. One such challenge is an action filed on August 1, 2012, by Syncora Guarantee Inc. and Syncora Capital Assurance Inc. (collectively, "Syncora") against the State, the State Controller, the State Director of Finance, and the Auditor-Controller of San Bernardino County on his own behalf and as the representative of all other County Auditors in the State (Superior Court of the State of California, County of Sacramento, Case No. 34-2012-80001215). Syncora is a monoline financial guaranty insurer domiciled in the State of New York and has provided bond insurance and other related insurance policies for bonds issued by former California redevelopment agencies.

The complaint alleged that the Dissolution Act, and specifically the “Redistribution Provisions” thereof (i.e., California Health and Safety Code sections 34172(d), 34174, 34177(d), 34183(a)(4), and 34188) violate the “contract clauses” of the United States and California Constitutions (U.S. Const. art. 1, §10, cl.1; Cal. Const. art. 1, §9) because they unconstitutionally impair the contracts among the former redevelopment agencies, bondholders and Syncora. The complaint also alleged that the Redistribution Provisions violate the “Takings Clauses” of the United States and California Constitutions (U.S. Const. amend. V; Cal Const. art. 1 § 19) because they unconstitutionally take and appropriate bondholders’ and Syncora’s contractual right to critical security mechanisms without just compensation.

After hearing by the Sacramento County Superior Court on May 3, 2013, the Superior Court ruled that Syncora’s constitutional claims based on contractual impairment were premature because no obligations were impaired. The Superior Court also held that Syncora’s takings claims, to the extent based on the same arguments, were also premature. Pursuant to a Judgment stipulated to by the parties, the Superior Court on October 3, 2013, entered its order dismissing the action. The Judgment, however, provides that Syncora preserves its rights to reassert its challenges to the Dissolution Act in the future. The Agency does not guarantee that any reassertion of challenges by Syncora or that the final results of any of the judicial actions brought by others challenging the Dissolution Act will not result in an outcome that may have a material adverse effect on the Agency’s ability to timely pay debt service on the 2016 Bonds.

### **Risks to Real Estate Market**

The Agency’s ability to make payments on the 2016 Bonds is dependent upon the economic strength of the Project Area. The general economy of the Project Area is subject to all of the risks generally associated with urban real estate markets. Real estate prices and development may be adversely affected by changes in general economic conditions, fluctuations in the real estate market and interest rates, unexpected increases in development costs, the supply of or demand for competitive properties in such area, the market value of property in the event of sale or foreclosure and other similar factors. Furthermore, real estate development within the Project Area could be adversely affected by limitations of infrastructure or future governmental policies, including governmental policies to restrict or control development, changes in real estate tax rates and other operating expenses, zoning laws and laws relating to threatened and endangered species and hazardous materials and fiscal policies, as well as natural disasters (including, without limitation, earthquakes, wildfires and floods), which may result in uninsured losses. In addition, if there is a decline in the general economy of the Project Area, the owners of property within the Project Area may be less able or less willing to make timely payments of property taxes or may petition for reduced assessed valuation causing a delay or interruption in the receipt of Pledged Tax Revenues by the Agency from the Project Area.

Because assessed values do not necessarily indicate fair market values, the declines in fair market values in recent years may have been even greater than the declines in assessed valuations, although it is also possible that market values could be greater than assessed valuations at any given time. No assurance can be given that the individual parcel owners will pay property taxes in the future or that they will be able to pay such taxes on a timely basis. See the caption “—Bankruptcy and Legal Delays” for a discussion of certain limitations on the City’s ability to pursue judicial proceedings with respect to delinquent parcels.

### **Reduction in Inflation Rate**

As described in greater detail above, Article XIII A of the State Constitution provides that the full cash value of real property used in determining taxable value may be adjusted from year to year to reflect the rate of inflation, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. Such measure is computed on a calendar year basis. Because Article XIII A limits inflationary assessed value adjustments to the lesser of the actual inflationary rate or 2%, there have been years in which the assessed values were adjusted by actual inflationary rates, which were less than 2%. The State Board of Equalization directed county assessors to use 1.998% as the inflation factor for purposes of preparing the 2015-16 tax roll.

The Agency is unable to predict if any adjustments to the full cash value of real property within the Project Area, whether an increase or a reduction, will be realized in the future.

### **Levy and Collection of Taxes**

The Agency has no independent power to levy or collect property taxes. Any reduction in the tax rate or the implementation of any constitutional or legislative property tax decrease could reduce the Pledged Tax Revenues, and accordingly, could have an adverse impact on the security for and the ability of the Agency to repay the 2016 Bonds.

Likewise, delinquencies in the payment of property taxes by the owners of land in the Project Area, and the impact of bankruptcy proceedings on the ability of taxing agencies to collect property taxes, could have an adverse effect on the Agency's ability to make timely payments on the 2016 Bonds. As discussed under the caption "PROPERTY TAXATION IN CALIFORNIA—Property Tax Collection and Distribution Procedures—*Delinquencies*," the Agency does not participate in the County Teeter Plan with respect to the collection and distribution of taxes. Therefore, delinquencies in the payment of property taxes could have an adverse effect on the Agency's ability to pay the principal of and interest on the 2016 Bonds. See Table 5 under the caption "THE PROJECT AREA—Levy and Collection."

### **State Budget Issues**

AB X1 26 and AB 1484 were enacted by the State Legislature and Governor as trailer bills necessary to implement provisions of the State's budget acts for its Fiscal Years 2011-12 and 2012-13, respectively, as efforts to address structural deficits in the State general fund budget. In general terms, these bills implemented a framework to transfer cash assets previously held by redevelopment agencies to cities, counties, and special districts to fund core public services, with assets transferred to schools offsetting State general fund costs (then projected savings of \$1.5 billion).

SB 107, which makes extensive amendments to the Dissolution Act, was enacted following the adoption of the Fiscal Year 2015-16 Budget, after having initially been presented as AB 113, a trailer bill to the Fiscal Year 2015-16 Budget. SB 107 changes the process for submitting Recognized Obligation Payment Schedules from a six-month to an annual process, authorizes successor agencies to submit and obtain DOF approval of a Last and Final ROPS to govern all remaining payment obligations of the successor agency, alters the provisions governing the distribution of Redevelopment Property Tax Trust Fund moneys attributable to pension and State Water Project tax rate overrides, and eliminates the impact of financial and time limitations in redevelopment plans for purposes of paying enforceable obligations, among other changes to the Dissolution Act. These statutory amendments impact the manner in which successor agencies claim Redevelopment Property Tax Trust Fund moneys for enforceable obligations and, for some successor agencies, impact the amount of Redevelopment Property Tax Trust Fund moneys that will be available for payment of the Agency's enforceable obligations.

There can be no assurance that additional legislation will not be enacted in the future to additionally implement provisions relating to the State budget or otherwise that may affect successor agencies or tax increment revenues, including Pledged Tax Revenues.

Information about the State budget and State spending is available at various State maintained websites. Text of the Fiscal Year 2016-17 Budget and other documents related to the State budget may be found at the website of the State Department of Finance, [www.dof.ca.gov](http://www.dof.ca.gov). A nonpartisan analysis of the budget and the proposed budget is posted by the Legislative Analyst's Office at [www.lao.ca.gov](http://www.lao.ca.gov). In addition, various State official statements, many of which contain a summary of the current and past State budgets may be found at the website of the State Treasurer, [www.treasurer.ca.gov](http://www.treasurer.ca.gov).

*None of the websites or webpages referenced above is in any way incorporated into this Official Statement. They are cited for informational purposes only. The Agency cannot make any representation whatsoever as to the accuracy or completeness of any of the information on such websites.*

### **Recognized Obligation Payment Schedule**

The Dissolution Act provides that, commencing on the date that the first Recognized Obligation Payment Schedule is valid thereunder, only those obligations listed in the Recognized Obligation Payment Schedule may be paid by the Agency from the funds specified in the Recognized Obligation Payment Schedule. Before each June 1 property tax distribution date, with respect to each fiscal year, the Dissolution Act requires successor agencies to prepare and approve, and submit to the successor agency's oversight board and the DOF for approval, a Recognized Obligation Payment Schedule pursuant to which enforceable obligations (as described under the caption "SECURITY FOR THE 2016 BONDS—Recognized Obligation Payment Schedule") of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. Pledged Tax Revenues will not be distributed from the Redevelopment Property Tax Trust Fund by the County Auditor-Controller to the Agency's Redevelopment Obligation Retirement Fund without a duly approved and effective Recognized Obligation Payment Schedule obtained in sufficient time prior to each June 1 property tax distribution date. See the caption "SECURITY FOR THE 2016 BONDS—Recognized Obligation Payment Schedule" and "PROPERTY TAXATION IN CALIFORNIA—Property Tax Collection and Distribution Procedures—*Recognized Obligation Payment Schedule*." If the Agency were to fail to file a Recognized Obligation Payment Schedule with respect to a fiscal year, the availability of Pledged Tax Revenues to the Agency could be adversely affected for such period.

In the event that a successor agency fails to submit to the DOF an oversight board-approved Recognized Obligation Payment Schedule complying with the provisions of the Dissolution Act within five business days of the date upon which the Recognized Obligation Payment Schedule is to be used to determine the amount of property tax allocations, the DOF may determine if any amount should be withheld by the applicable county auditor-controller for payments for enforceable obligations from distribution to taxing entities pursuant to clause (iv) below, pending approval of a Recognized Obligation Payment Schedule. Upon notice provided by the DOF to the county auditor-controller of an amount to be withheld from allocations to taxing entities, the county auditor-controller must distribute to taxing entities any moneys in the Redevelopment Property Tax Trust Fund in excess of the withholding amount set forth in the notice, and the county auditor-controller must distribute withheld funds to the successor agency only in accordance with a Recognized Obligation Payment Schedule when and as approved by the DOF.

Typically, under the Redevelopment Property Tax Trust Fund distribution provisions of the Dissolution Act, the county auditor-controller is to distribute funds on each January 2 and June 1 (adjusted for weekends and holidays) in the following order specified in Section 34183 of the Dissolution Act:

(i) First, to each local agency and school entity, to the extent applicable, amounts required for pass-through payments that such entity would have received under provisions of the Redevelopment Law, as those provisions read on January 1, 2011, including pursuant to the Tax Sharing Agreements and Statutory Pass-Through Amounts. Pension or State Water Project override revenues that are not pledged to or not needed for debt service on Agency debt will be allocated and paid to the entity that levies the override;

(ii) Second, to the Agency for payments listed in its Recognized Obligation Payment Schedule;

(iii) Third, to the Agency for the administrative cost allowance, as defined in the Dissolution Act;  
and

(iv) Fourth, the remainder is distributed to the taxing entities in an amount proportionate to such taxing entity's share of property tax revenues in the tax rate area in such Fiscal Year (without adjustment for pass-through obligations).

If the Agency does not submit an Oversight Board-approved Recognized Obligation Payment Schedule within five business days of the date upon which the Recognized Obligation Payment Schedule is to be used to determine the amount of property tax allocations and the DOF does not provide a notice to the County Auditor-Controller to withhold funds from distribution to taxing entities, amounts in the Redevelopment Property Tax Trust Fund for such fiscal year would be distributed to taxing entities pursuant to clause (iv) above. However, the Agency has covenanted to take all actions required under the Dissolution Act to include: (i) scheduled debt service on the 2016 Bonds and any Parity Debt and any amount required under the Indenture or any Parity Debt Instrument to replenish the Reserve Account established thereunder or the reserve account established under any Parity Debt Instrument, (ii) amounts required to be reserved for Bond debt service due in subsequent ROPS Periods pursuant to the Indenture, and (iii) amounts due [to the 2016 Insurer under the Indenture or] under the 2016 Reserve Account Agreement, or to any insurer under an insurance or surety bond agreement relating to any Parity Debt, in Recognized Obligation Payment Schedules for each ROPS Period so as to enable the County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund to the Agency's Redevelopment Obligation Retirement Fund on each January 2 and June 1 amounts required for the Agency to pay principal of, and interest on, the 2016 Bonds coming due in the respective ROPS Period and to pay amounts owed to any Insurer, as well as the other amounts set forth above.

In order to ensure that amounts are available for the Trustee to pay debt service on all Outstanding Bonds and all amounts due and owing [to the 2016 Insurer under the Indenture or] under the 2016 Reserve Account Agreement or to any other insurer of any Parity Debt on a timely basis, on or before each February 1 following the Closing Date (or at such other time as may be required by the Dissolution Act), for so long as any Bonds are outstanding, the Agency covenants in the Indenture to submit an Oversight Board-approved Recognized Obligation Payment Schedule to the DOF and to the County Auditor-Controller that will include requests for allocation to the Agency of (i) (1) on each January 2, interest due on the following February 1, and an amount equal to one-half of all principal coming due on all Outstanding Bonds for the Bond Year in which such January 2 occurs, plus (2) on each June 1, interest due on the following August 1 and an amount equal to one-half of all principal coming due on all Outstanding Bonds for the Bond Year in which such June 1 occurs, as well as (3) all amounts due and owing [to the 2016 Insurer under the Indenture or] under the 2016 Reserve Account Agreement or to any other Insurer, and (ii) any amount required to cure any deficiency in the Reserve Account pursuant to the Indenture (including any amounts required due to a draw on the Qualified Reserve Account Credit Instrument as well as all amounts due and owing [to the 2016 Insurer under the Indenture or] under the 2016 Reserve Account Agreement

In the event the provisions set forth in the Dissolution Act as of the Closing Date of the 2016 Bonds that relate to the filing of Recognized Obligation Payment Schedules are amended or modified in any manner, the Indenture requires the Agency to take all such actions as are necessary to comply with such amended or modified provisions so as to ensure the timely payment of debt service on the 2016 Bonds and, if the timing of distributions of the Redevelopment Property Tax Trust Fund is changed, the Agency will deposit the first Pledged Tax Revenues distributed to the Agency in each Bond Year, up to the full amount of annual debt service coming due in such Bond Year and the next Bond Year, in the Special Fund. See Appendix B.

AB 1484 also added new provisions to the Dissolution Act implementing certain penalties in the event that the Agency does not timely submit a Recognized Obligation Payment Schedule by the deadline specified in the Dissolution Act. Specifically, a Recognized Obligation Payment Schedule must be submitted by the Agency, after approval by the Oversight Board, to the County Administrative Officer, the County Auditor-Controller, the DOF and the State Controller no later than each February 1, commencing February 1, 2016 with respect to each subsequent fiscal year. If the Agency does not submit an Oversight Board-approved Recognized Obligation Payment Schedule by such deadline, the City will be subject to a civil penalty equal to \$10,000 per day for every day the schedule is not submitted to the DOF. Additionally, the Agency's administrative cost allowance is reduced by 25% for any fiscal year for which the Agency does not submit an Oversight Board-approved Recognized Obligation Payment Schedule within 10 days of the February 1 deadline. If the Agency fails to submit a Recognized Obligation Payment Schedule by the February 1 deadline, any creditor of the successor agency or the department or any affected taxing entity shall have

standing to, and may request a writ of mandate to, require the Agency to immediately perform this duty. For additional information regarding procedures under the Dissolution Act relating to late Recognized Obligation Payment Schedules and implications thereof on the 2016 Bonds, see the caption “SECURITY FOR THE 2016 BONDS—Recognized Obligation Payment Schedule.”

### **Santa Ana Unified School District Case**

The Fourth District of the California Court of Appeal has rendered a decision in *Santa Ana Unified School District vs. Orange County Development Agency* (the “Santa Ana USD Case”) which involves the allocation of tax increment revenues pursuant to Section 33676(a) of the Redevelopment Law as it existed before the passage of AB 1290 (which is discussed under the caption “SECURITY FOR THE 2016 BONDS—Obligations with Senior Right to Payment—Statutory Pass-Through Amounts.” Generally, before AB 1290, Section 33676(a) provided that, prior to the adoption of a redevelopment plan (or an amendment adding territory to a project area), under certain conditions, “any affected taxing agency may elect, and every school and community college district shall elect, to be allocated all or any portion of the tax revenues” derived based on an annual adjustment of the base year assessed value of real properties in the project area (or the added territory). The words “every school and community college district shall elect” were added pursuant to a 1984 amendment. The amount of property taxes that a taxing entity may receive under the former Section 33676(a) is derived by increasing the base year value of taxable real property in the project area (or the added territory) by an inflationary factor of not greater than 2% per year (the “2% Allocation”). In effect, the 2% Allocation reduced the tax increment revenues that a redevelopment agency received from the project area (or, if applicable, an added area to the project area).

In the Santa Ana USD Case, the redevelopment plan at issue was adopted in 1986. In 1996, the Santa Ana Unified School District (“Santa Ana USD”) adopted a resolution electing to be paid its share of the 2% Allocation. The Orange County Development Agency took the position that Santa Ana USD was not entitled to the 2% Allocation because the election to receive such allocation should have been made before the adoption of the redevelopment plan for the project area. In turn, Santa Ana USD argued that the mandatory nature of the words “shall elect” in the statute made the allocation mandatory with respect to a school district. The lower court ruled in favor of Santa Ana USD. In an opinion published June 29, 2001, the Court of Appeal affirmed. As a result, Santa Ana USD received the award it had requested, i.e., its share of the 2% Allocation from 1996, the year Santa Ana USD made the Section 33676 election. The State Supreme Court denied review of the Santa Ana USD Case on September 19, 2001. The case affects redevelopment agencies, such as the Agency, which amended or added territory between the years 1983 to 1994. See the caption “SECURITY FOR THE 2016 BONDS—Obligations with Senior Right to Payment—Statutory Pass-Through Amounts—33676 Amounts.” In connection with adoption of Project No. 2, adopted May 12, 1987, the Former Agency had no agreement with either the San Bernardino Community College District (“CCD”) or the San Bernardino County Superintendent of Schools (“Superintendent”), and neither of those two entities submitted a resolution electing to receive payments under Health and Safety Code section 33676. The County has made inflationary payments to the CCD and the Superintendent and the projections of 33676 Payments in Table 7 and Table 8 assume that such payments will continue. See also APPENDIX A—“FISCAL CONSULTANT’S REPORT,” Section VIII, Project Area Obligations—33676 or 2.0% Payments.

### **Last and Final Recognized Obligation Payment Schedule**

SB 107 amended the Dissolution Act to permit certain successor agencies with limited remaining obligations to submit a Last and Final ROPS for approval by the oversight board and the DOF. The Last and Final ROPS must list the remaining enforceable obligations of the successor agency, including the total outstanding obligation amount and a schedule of remaining payments for each enforceable obligation. The Last and Final ROPS shall also establish the maximum amount of Redevelopment Property Tax Trust Fund moneys to be distributed to the successor agency for each remaining fiscal year until all obligations have been fully paid.

Any revenues, interest, and earnings of the successor agency, including proceeds from the disposition of real property, that are not authorized for use pursuant to the approved Last and Final ROPS shall be remitted to the county auditor-controller for distribution to the affected taxing entities. A successor agency shall not expend more than the amount approved for each enforceable obligation listed on the approved Last and Final ROPS and once the successor agency has received Redevelopment Property Tax Trust Fund moneys equal to the amount of the total outstanding obligations approved in the Last and Final ROPS, the county auditor-controller will not allocate further Redevelopment Property Tax Trust Fund moneys to the successor agency.

Successor agencies may only amend an approved Last and Final ROPS twice. If the Agency prepares and obtains DOF approval of a Last and Final ROPS and subsequently amends the Last and Final ROPS two times, the Agency may be unable to make unexpected or unscheduled reserve deposits or payments due to the Insurer or other insurers of Bonds or other Parity Debt. However, the Agency covenants in the Indenture to provide the Trustee and each insurer of Outstanding 2016 Bonds or Parity Debt with copies of (a) any Request for Last and Final ROPS Approval and (b) any and all correspondence received from the DOF regarding a Request for Last and Final ROPS Approval, upon receipt thereof. In the event that the Agency and the DOF schedule a meeting or telephone conference to discuss a written denial by the DOF of a Request for Last and Final ROPS Approval, the Agency will timely notify the Trustee and each insurer of Outstanding 2016 Bonds or Parity Debt of such meeting or telephone conference. The Trustee will, and, if the subject of the meet and confer could impact the payment of or security for insured Bonds or Policy Costs, each potentially affected insurer will, have the right to participate in the meeting or telephone conference either by appearance with the Agency or through written submission as determined by the Trustee and such insurer. In the event the Agency receives a denial of a Request for Last and Final ROPS Approval, whether relating to insured Bonds or not, and such denial could delay the receipt of tax revenues necessary to pay debt service, Policy Costs, or other amounts owing to an insurer, the Agency agrees to cooperate in good faith with the insurer and the insurer shall receive prompt notice of any such event and shall be permitted to attend any meetings with the Agency and the DOF relating to such event and to discuss such matters with the DOF directly.

See the caption "SECURITY FOR THE 2016 BONDS—Last and Final Recognized Obligation Payment Schedule" for a discussion of the requirements for a Last and Final ROPS and the mechanics for allocation of Redevelopment Property Tax Trust Fund moneys pursuant to an approved Last and Final ROPS.

#### **Parity Debt Issued Without Reserve**

The Indenture permits the issuance of Parity Debt, subject to compliance with certain requirements. See the caption "SECURITY FOR THE 2016 BONDS—Limitation on Additional Indebtedness." If such Parity Debt is issued in the form of Bonds pursuant to a Supplemental Indenture, the Indenture requires the amount on deposit in the Reserve Account to equal the Reserve Requirement; however, the Agency may issue Parity Debt in a form other than Bonds, pursuant to a Parity Debt Instrument that is not a Supplemental Indenture, without satisfying the Reserve Requirement. In the event Pledged Tax Revenues are insufficient to pay debt service on all Bonds and Parity Debt, the likelihood of a default by the Agency under such Parity Debt Instrument would be higher than the likelihood of default by the Agency under the Indenture or a Supplemental Indenture, because moneys held in the Reserve Account would only be available to make payments on the 2016 Bonds and Parity Debt issued under a Supplemental Indenture, not to make payments on Parity Debt issued under another Parity Debt Instrument.

The Agency's ability to issue Parity Debt is limited to refundings of Outstanding 2016 Bonds and other Parity Debt. The Agency projects that sufficient Pledged Tax Revenues will be available to make debt service payments on the 2016 Bonds. See Tables 7 and 8 under the caption "PLEGGED TAX REVENUES—Projected Pledged Tax Revenues."

## **Bankruptcy and Foreclosure**

The payment of the property taxes from which Pledged Tax Revenues are derived and the ability of the County to foreclose the lien of a delinquent unpaid tax may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights (such as the Soldiers' and Sailors' Relief Act of 1940 discussed below) or by the laws of the State relating to judicial foreclosure. In addition, the prosecution of a foreclosure action could be delayed due to crowded local court calendars or delays in the legal process. The various legal opinions to be delivered concurrently with the delivery of the 2016 Bonds (including Bond Counsel's approving legal opinions) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases.

Although bankruptcy proceedings would not cause the liens to become extinguished, bankruptcy of a property owner could result in a delay in prosecuting superior court foreclosure proceedings because federal bankruptcy laws may provide for an automatic stay of foreclosure and sale of tax sale proceedings. Such delay would increase the possibility of delinquent tax installments not being paid in full and thereby increase the likelihood of a delay or default in payment of the principal of and interest on the 2016 Bonds. Moreover, if the value of the subject property is less than the lien of property taxes, such excess could be treated as an unsecured claim by the bankruptcy court. Further, should remedies be exercised under the federal bankruptcy laws, payment of property taxes may be subordinated to bankruptcy law priorities. Thus, certain claims may have priority over property taxes in a bankruptcy proceeding even though they would not outside of a bankruptcy proceeding.

In addition, the United States Bankruptcy Code might prevent moneys on deposit in the Redevelopment Obligation Retirement Fund from being applied to pay interest on the 2016 Bonds and/or to redeem 2016 Bonds if bankruptcy proceedings were brought by or against a landowner and if the court found that any of such landowner had an interest in such moneys within the meaning of Section 541(a)(1) of the United States Bankruptcy Code.

Other laws generally affecting creditors' rights or relating to judicial foreclosure may affect the ability to enforce payment of property taxes or the timing of enforcement thereof. For example, the Soldiers and Sailors Civil Relief Act of 1940 affords protections such as a stay in enforcement of the foreclosure covenant, a six-month period after termination of military service to redeem property sold to enforce the collection of a tax or assessment and a limitation on the interest rate on the delinquent tax or assessment to persons in military service if a court concludes that the ability to pay such taxes or assessments is materially affected by reason of such service.

As discussed under the caption "PROPERTY TAXATION IN CALIFORNIA—Property Tax Collection and Distribution Procedures—*Delinquencies*," while the County has implemented a Teeter Plan with respect to the collection and distribution of taxes, the Agency is not a participant. Therefore, delinquencies in the payment of property taxes could have an adverse effect on the Agency's ability to make timely debt service payments.

## **Estimated Revenues**

In estimating that Pledged Tax Revenues will be sufficient to pay debt service on the 2016 Bonds, the Agency has made certain assumptions with regard to present and future assessed valuation in the Project Area, future tax rates and percentage of taxes collected. The Agency believes these assumptions to be reasonable, but there is no assurance that these assumptions will be realized. To the extent that assessed valuations and tax rates are less than expected, the Pledged Tax Revenues available to pay debt service on the 2016 Bonds will be less than those projected and such reduced Pledged Tax Revenues may be insufficient to provide for the payment of principal of, premium (if any) and interest on the 2016 Bonds.

## **Hazardous Substances**

While governmental taxes, assessments, and charges are a common claim against the value of a taxable parcel, other less common claims may be relevant. One example is a claim with regard to a hazardous substance.

The presence of hazardous substances on a parcel may result in a reduction in the value of a parcel. In general, the owners and operators of a taxable parcel may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws, but State and local laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner (or operator) is obligated to remedy a hazardous substance condition of property whether or not the owner (or operator) has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the taxable parcels be affected by a hazardous substance is to reduce the marketability and value of the parcel by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

Further, it is possible that liabilities may arise in the future with respect to any of the taxable parcels resulting from the existence, currently, on the parcel of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently, on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly affect the value of the property that is realizable upon a delinquency and foreclosure.

## **Natural Disasters**

The Project Area, like all California communities, may be subject to unpredictable seismic activity, fires, windstorms floods or other natural disasters. Southern California is a seismically active area. Seismic activity represents potential risk for damage to buildings, roads, bridges and property within the Project Area in the event of an earthquake. There is significant potential for destructive ground shaking during the occurrence of a major seismic event. In addition, land susceptible to seismic activity may be subject to liquefaction during the occurrence of such an event.

In the event of a severe earthquake, fire, windstorm, flood or other natural disaster, there may be significant damage to both property and infrastructure in the Project Area. As a result, property owners may be unable or unwilling to pay their property taxes when due. In addition, the value of land in the Project Area could be reduced in the aftermath of such a natural disaster. Such a reduction of assessed valuations could result in a reduction of the Pledged Tax Revenues that secure the 2016 Bonds and in the proceeds of foreclosure sales in the event of delinquencies in the payment of Pledged Tax Revenues.

The nearest known fault to Loma Linda is the San Jacinto Fault, the most historically active fault zone in Southern California. The San Jacinto Fault crosses the southwest corner of the City and is outside the Project Area. Since 1986, there have been eight notable earthquakes in Southern California, each having a magnitude of five or greater on the Richter Scale. None of these resulted in injury or damage in the City. The City is within Seismic Zone 4 of the 1997 Uniform Building Code. According to the Division of Mines and Geology, the San Jacinto Fault is the only active fault in the City.

The southerly half of the City, which includes portions of the Project Area, is considered to be outside the 500-year floodplain, as shown on the Flood Insurance Rate Map (FIRM) dated March 18, 1996. The northerly portion of City is considered to be protected from the 100-year flood by a Federal flood protection

system currently under construction. Upon certification of completion of this project by the U.S. Army Corps of Engineers, the Agency anticipates the revised FIRM will show the entire City to be free of flood risk.

### **Changes in the Law**

There can be no assurance that the State electorate will not at some future time adopt initiatives or that the State Legislature will not enact legislation that will amend the Dissolution Act, the Redevelopment Law or other laws or the Constitution of the State resulting in a reduction of Pledged Tax Revenues, which could have an adverse effect on the Agency's ability to pay debt service on the 2016 Bonds.

The Dissolution Act is new and implementation of its provisions have been and will be subject to differing interpretations by different stakeholders, including the DOF, the State Controller, oversight boards, successor agencies, auditor-controllers, and others, and the Dissolution Act could be subject to further legislative action or judicial review. The Agency cannot predict outcomes, or the impact, of any such interpretations or reviews, on availability of Pledged Tax Revenues to pay the 2016 Bonds.

### **Investment Risk**

Funds held under the Indenture are required to be invested in Permitted Investments as provided under the Indenture. See Appendix B for a summary of the definition of Permitted Investments. The funds and accounts of the Agency, into which a portion of the proceeds of the 2016 Bonds will be deposited and into which Pledged Tax Revenues are deposited, may be invested by the Agency in any investment authorized by law. All investments, including the Permitted Investments and those authorized by law from time to time for investments by municipalities, contain a certain degree of risk. Such risks include, but are not limited to, a lower rate of return than expected and loss or delayed receipt of principal.

Further, the Agency cannot predict the effects on the receipt of Pledged Tax Revenues if the County were to suffer significant losses in its portfolio of investments or if the County or the City were to become insolvent or declare bankruptcy. See Appendix E for information regarding the City's finances. See also the caption "—Bankruptcy and Foreclosure."

### **Secondary Market**

There can be no guarantee that there will be a secondary market for the 2016 Bonds, or, if a secondary market exists, that the 2016 Bonds can be sold for any particular price. Although the Agency has committed to provide certain financial and operating information on an annual basis, there can be no assurance that such information will be available to Bondowners on a timely basis. See the caption "CONTINUING DISCLOSURE" and Appendix F. Any failure to provide annual financial information, if required, does not give rise to monetary damages but merely an action for specific performance. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon the then prevailing circumstances. Such prices could be substantially different from the original purchase price.

### **IRS Audit of Tax-Exempt Bond Issues**

The Internal Revenue Service has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the 2016A Bonds will be selected for audit by the Internal Revenue Service. It is also possible that the market value of the 2016A Bonds might be affected as a result of such an audit of the 2016A Bonds (or by an audit of similar municipal obligations).

## **Loss of Tax Exemption**

As discussed under the caption "TAX MATTERS," in order to maintain the exclusion from gross income for federal income tax purposes of the interest on the 2016A Bonds, the Agency has covenanted in the Indenture and the Tax Certificate relating to the 2016A Bonds not to take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of interest on the 2016A Bonds under Section 103 of the Internal Revenue Code of 1986, as amended. Interest on the 2016A Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date of issuance, as a result of acts or omissions of the Agency subsequent to the issuance of the 2016A Bonds in violation of such covenants with respect to the 2016A Bonds. Should such an event of taxability occur, the 2016A Bonds are not subject to redemption by reason thereof and will remain outstanding until maturity or unless earlier redeemed pursuant to the redemption provisions of the Indenture.

## **Bonds Are Limited Obligations**

Neither the faith and credit nor the taxing power of the Agency (except to the limited extent set forth in the Indenture), the City, the State or any political subdivision thereof is pledged to the payment of the 2016 Bonds. The 2016 Bonds are special obligations of the Agency; and, except as provided in the Indenture, they are payable solely from Pledged Tax Revenues. Pledged Tax Revenues could be insufficient to pay debt service on the 2016 Bonds as a result of delinquencies in the payment of property taxes or the insufficiency of proceeds derived from the sale of land within the Project Area following a delinquency in the payment of the applicable property taxes. As discussed under the caption "PROPERTY TAXATION IN CALIFORNIA—Property Tax Collection and Distribution Procedures—*Delinquencies*," although the County has implemented a Teeter Plan with respect to the collection and distribution of taxes, the Agency is not a participant. Therefore, delinquencies in the payment of property taxes could have an adverse effect on the Agency's ability to make timely debt service payments on the 2016 Bonds. The Agency has no obligation to pay debt service on the 2016 Bonds in the event of insufficient Pledged Tax Revenues, except to the extent that money is available for such purpose in the Redevelopment Obligation Retirement Fund, the Debt Service Fund and the Reserve Account.

## **Bond Insurance**

[In the event of default of the payment of the scheduled principal of or interest on the 2016 Bonds when all or some becomes due, the Trustee on behalf of any owner of the 2016 Bonds shall have a claim under the Policy for such payments. The Insurer may direct and must consent to any remedies with respect to the 2016 Bonds and the Insurer's consent may be required in connection with amendments to any applicable documents relating to the 2016 Bonds. See Appendix B—"SUMMARY OF THE INDENTURE—Security of Bonds; Flow of Funds—Provisions Relating to the 2016A Bond Insurance Policy" and "—Provisions relating to the 2016B Bond Insurance Policy."

The long-term ratings on the 2016 Bonds are dependent in part on the financial strength of the Insurer and its claims paying ability. The Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Insurer and the ratings on the 2016 Bonds will not be subject to downgrade and such event could adversely affect the market price of the 2016 Bonds or the marketability (liquidity) for the 2016 Bonds. See "CONCLUDING INFORMATION—Ratings" herein.

The obligations of the Insurer are unsecured contractual obligations and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the Agency nor the Underwriter has made independent investigation into the claims paying ability of the Insurer and no assurance or representation regarding the financial strength or projected financial

strength of the Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the Agency to make the payments on the 2016 Bonds and the claims paying ability of the Insurer, particularly over the life of the investment. See “BOND INSURANCE” herein for further information regarding the Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Insurer.]

### **Limitations on Remedies**

Remedies available to the Owners of the 2016 Bonds may be limited by a variety of factors and may be inadequate to assure the timely payment of principal of and interest on the 2016 Bonds or to preserve the tax-exempt status of the 2016 Bonds.

Bond Counsel has limited its opinions as to the enforceability of the 2016 Bonds and of the Indenture to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or other similar laws affecting generally the enforcement of creditors’ rights, by equitable principles and by the exercise of judicial discretion. The lack of availability of certain remedies or the limitation of remedies may entail risks of delay, limitation or modification of the rights of the Owners.

Enforceability of the rights and remedies of the Owners of the 2016 Bonds, and the obligations incurred by the Agency, may become subject to the United States Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting the enforcement of creditors’ rights generally, now or hereafter in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the federal Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against governmental entities in the State. See the caption “—Bankruptcy and Foreclosure.”

## **TAX MATTERS**

### **2016A Bonds**

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the 2016A Bonds is excluded from gross income for federal income tax purposes, and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the 2016A Bonds is exempt from State of California personal income tax. Bond Counsel notes that, with respect to corporations, interest on the 2016A Bonds might be included as an adjustment in the calculation of alternative minimum taxable income.

The difference between the issue price of a 2016A Bond (the first price at which a substantial amount of the 2016A Bonds of the same series and maturity is to be sold to the public) and the stated redemption price at maturity (to the extent that such issue price is lower than the stated redemption price at maturity) with respect to such 2016A Bond constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to the owner of the 2016A Bond before receipt of cash attributable to such excludable income (with respect to the 2016A Bonds). The amount of original issue discount deemed received by the owner of a 2016A Bond will increase the owner’s basis in the 2016A Bond. In the opinion of Bond Counsel original issue discount that accrues to the owner of a 2016A Bond is excluded from the gross income of such owner for federal income tax purposes, is not an item of tax

preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, and is exempt from State of California personal income tax.

Bond Counsel's opinion as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on the 2016A Bonds is based upon certain representations of fact and certifications made by the Agency and City and others and is subject to the condition that the Agency and City comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the 2016A Bonds to assure that interest (and original issue discount) will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the 2016A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the 2016A Bonds. The Agency and City have covenanted to comply with all such requirements.

The amount by which a 2016A Bond Owner's original basis for determining gain or loss on sale or exchange of the applicable 2016A Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable 2016A Bond premium, which must be amortized under Section 171 of the Code; such amortizable 2016A Bond premium reduces the 2016A Bond Owner's basis in the applicable 2016A Bond (and the amount of tax-exempt interest received on the 2016A Bond), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of 2016A Bond premium may result in a 2016A Bond Owner realizing a taxable gain when a 2016A Bond is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the 2016A Bond to the Owner. Purchasers of 2016A Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable 2016A Bond premium.

Bond Counsel's opinions may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. Bond Counsel has not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Indenture and the Tax Certificate permit certain actions to be taken or to be omitted if a favorable opinion of Bond Counsel is provided with respect thereto. Bond Counsel expresses no opinion as to the effect on the exclusion from gross income for federal income tax purposes of interest (and original issue discount) with respect to any 2016A Bond if any such action is taken or omitted based upon the advice of counsel other than Stradling Yocca Carlson & Rauth, a Professional Corporation.

The Internal Revenue Service (the "IRS") has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the 2016A Bonds will be selected for audit by the IRS. It is also possible that the market value of the 2016A Bonds might be affected as a result of such an audit of the 2016A Bonds (or by an audit of similar securities). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, Congress or the IRS might not change the Code (or interpretation thereof) subsequent to the issuance of the 2016A Bonds to the extent that it adversely affects the exclusion from gross income of interest (and original issue discount) on the 2016A Bonds or their market value.

SUBSEQUENT TO THE ISSUANCE OF THE 2016A BONDS THERE MIGHT BE FEDERAL, STATE, OR LOCAL STATUTORY CHANGES (OR JUDICIAL OR REGULATORY INTERPRETATIONS OF FEDERAL, STATE, OR LOCAL LAW) THAT AFFECT THE FEDERAL, STATE, OR LOCAL TAX TREATMENT OF THE 2016A BONDS OR THE MARKET VALUE OF THE 2016A BONDS. LEGISLATIVE CHANGES HAVE BEEN INTRODUCED IN CONGRESS, WHICH, IF ENACTED, WOULD RESULT IN ADDITIONAL FEDERAL INCOME OR STATE TAX BEING IMPOSED ON OWNERS OF TAX-EXEMPT STATE OR LOCAL OBLIGATIONS, SUCH AS THE 2016A BONDS. THE INTRODUCTION OR ENACTMENT OF ANY OF SUCH CHANGES COULD ADVERSELY AFFECT THE MARKET VALUE OR LIQUIDITY OF THE 2016A BONDS. NO ASSURANCE CAN BE GIVEN THAT SUBSEQUENT TO THE ISSUANCE OF THE 2016A BONDS SUCH CHANGES (OR OTHER CHANGES) WILL NOT BE INTRODUCED OR ENACTED OR INTERPRETATIONS WILL NOT

OCCUR. BEFORE PURCHASING ANY OF THE 2016A BONDS, ALL POTENTIAL PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING POSSIBLE STATUTORY CHANGES OR JUDICIAL OR REGULATORY CHANGES OR INTERPRETATIONS, AND THEIR COLLATERAL TAX CONSEQUENCES RELATING TO THE 2016A BONDS.

Although Bond Counsel has rendered an opinion that the interest (and original issue discount) due on the 2016A Bonds is excluded from gross income for federal income tax purposes provided that the Agency and City continue to comply with certain requirements of the Code, the ownership of the 2016A Bonds and the accrual or receipt of interest (and original issue discount) on the 2016A Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences. Accordingly, before purchasing any of the 2016A Bonds, all potential purchasers should consult their tax advisors with respect to collateral tax consequences with respect to the 2016A Bonds.

### **2016B Bonds**

In the opinion of Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, interest on the 2016B Bonds is exempt from State of California personal income tax.

The difference between the issue price of a 2016B Bond (the first price at which a substantial amount of the 2016B Bonds of the same series and maturity is to be sold to the public) and the stated redemption price at maturity (to the extent that such issue price is lower than the stated redemption price at maturity) with respect to such 2016B Bond constitutes original issue discount. Original issue discount accrues under a constant yield method. The amount of original issue discount deemed received by the 2016B Bond Owner will increase the 2016B Bond Owner's basis in the 2016B Bond.

The amount by which a 2016B Bond Owner's original basis for determining gain or loss on sale or exchange of the applicable 2016B Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable 2016B Bond premium, which a 2016B Bond holder may elect to amortize under Section 171 of the Code; such amortizable 2016B Bond premium reduces the 2016B Bond Owner's basis in the applicable 2016B Bond (and the amount of taxable interest received), and is deductible for federal income tax purposes. The basis reduction as a result of the amortization of 2016B Bond premium may result in a 2016B Bond Owner realizing a taxable gain when a 2016B Bond is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the 2016B Bond to the Owner. Purchasers of 2016B Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable 2016B Bond premium.

The federal tax and State of California personal income tax discussion set forth above is included for general information only and may not be applicable depending upon an owner's particular situation. The ownership and disposal of the 2016B Bonds and the accrual or receipt of interest (and original issue discount) on the 2016B Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences. Accordingly, before purchasing any of the 2016B Bonds, all potential purchasers should consult their tax advisors with respect to collateral tax consequences relating to the 2016B Bonds.

Copies of the proposed forms of opinions of Bond Counsel are attached hereto as Appendix C.

### **CONTINUING DISCLOSURE**

The Agency has covenanted in a Continuing Disclosure Agreement for the benefit of the holders and Beneficial Owners of the 2016 Bonds to provide certain financial information and operating data relating to the Agency by not later than April 1 following the end of the Agency's Fiscal Year (currently its Fiscal Year ends on June 30) (the "Annual Report"), commencing with the report for Fiscal Year ending June 30, 2016, and to provide notices of the occurrence of certain enumerated events. The Annual Report and the notices of

enumerated events will be filed by the Agency with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures ("EMMA"), maintained on the Internet at <http://emma.msrb.org/>. The specific nature of the information to be contained in the Annual Report and the notice of material events is set forth in Appendix F. These covenants have been made in order to assist the Underwriter in complying with subsection (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission.

The City's audited financial statements and certain annual financial information and operating data for the City and the Former Agency for Fiscal Years 2012 and 2015 were filed approximately five months after the required filing dates. In addition, certain housing tax revenue and tax increment revenue information for Fiscal Years 2011 through 2015 was omitted from continuing disclosure annual report filings of the Former Agency and the Agency. The City also did not timely file notice of two bond insurer upgrades in 2013 and 2014. The City filed the omitted information with EMMA in August 2016.

Except as disclosed in the prior paragraph, neither the Agency nor the City has in the past five years failed to comply with any previous continuing disclosure undertaking in any material respect. The Agency has retained U.S. Bank National Association as dissemination agent to ensure compliance with its continuing disclosure filings going forward.

## **CONCLUDING INFORMATION**

### **Underwriting**

The 2016 Bonds are being purchased by Newcomb Williams Financial Group, Securities offered through Stinson Securities, LLC (collectively, the "Underwriter") pursuant to a Bond Purchase Agreement, dated the date hereof (the "Purchase Agreement"), by and between the Underwriter and the Agency. The Underwriter have agreed to purchase the 2016 Bonds at a price of \$ \_\_\_\_\_ (being the aggregate principal amount thereof, plus/less a net original issue premium/discount of \$ \_\_\_\_\_ and less an Underwriter's discount of \$ \_\_\_\_\_). The Purchase Agreement provides that the Underwriter will purchase all of the 2016 Bonds if any are purchased. The obligation to make such purchase is subject to certain terms and conditions set forth in the Purchase Agreement, the approval of certain legal matters by counsel and certain other conditions.

The initial public offering prices stated on the inside front cover page of this Official Statement may be changed from time to time by the Underwriter. The Underwriter may offer and sell the 2016 Bonds to certain dealers (including dealers depositing 2016 Bonds into investment trusts), dealer banks, banks acting as agents and others at prices lower than said public offering prices.

### **Fiscal Consultant**

The Agency has retained the firm of DHA Consulting, LLC to act as the Fiscal Consultant for the Agency with respect to the Project Area. As part of the duties of Fiscal Consultant, the Fiscal Consultant has prepared a Fiscal Consultant Report concerning the Agency, the Project Area and current and expected development activity therein. The full text of the Fiscal Consultant Report is attached hereto as APPENDIX A—"FISCAL CONSULTANT'S REPORT."

### **Independent Municipal Advisor**

The Agency has retained A.M. Miller & Co., San Diego, California (the "Independent Municipal Advisor") to assist the Agency in matters relating to the planning, structuring, and sale of the 2016 Bonds and the preparation of this Official Statement, and to provide general Independent Municipal Advisory services to the Agency with respect to the sale of the 2016 Bonds. The Independent Municipal Advisor provides Independent Municipal Advisory services only and does not engage in the underwriting, marketing, or trading

of municipal securities or other negotiable instruments. The payment of fees of the Independent Municipal Advisor is contingent upon the closing of the 2016 Bond transaction.

### **Legal Opinion**

The opinions of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California (“Bond Counsel”), approving the validity of the 2016 Bonds and stating that interest on the 2016A Bonds is excluded from gross income for federal income tax purposes and that interest on the 2016 Bonds is exempt from California personal income taxes under present State income tax laws will be furnished to the purchasers at the time of delivery of the 2016 Bonds at the expense of the Agency.

Copies of the proposed forms of Bond Counsel’s final approving opinions with respect to the 2016 Bonds are attached hereto as Appendix C. The legal opinions are only as to legality and are not intended to be nor are they to be interpreted or relied upon as a disclosure document or an express or implied recommendation as to the investment quality of the 2016 Bonds.

Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will be passed on for the Agency by Stradling Yocca Carlson & Rauth, a Professional Corporation, as Disclosure Counsel, and by the City Attorney of the City of Loma Linda, as counsel to the Agency. Bond Counsel and Disclosure Counsel will receive compensation contingent upon the sale and delivery of the 2016 Bonds. From time to time, Bond Counsel represents the Underwriter in connection with matters unrelated to the 2016 Bonds.

In addition, certain legal matters will be passed on for the Underwriter by Jones Hall, A Professional Law Corporation, San Francisco, California, as Underwriter’s Counsel, and for the Trustee by its counsel.

### **Litigation**

There is no action, suit or proceeding known to the Agency to be pending and notice of which has been served upon and received by the Agency, or threatened, restraining or enjoining the execution or delivery of the 2016 Bonds or the Indenture, the existence of the Agency, or in any way contesting or affecting the validity of the foregoing or any proceedings of the Agency taken with respect to any of the foregoing.

### **Ratings**

S&P Global Ratings, a Standard & Poor’s Financial Services LLC business (“S&P”) is expected to assign a[n insured] rating of “\_\_\_” to the 2016 Bonds based upon the delivery of the Policy by the Insurer at the time of issuance of the 2016 Bonds and an underlying rating of “\_\_\_” to the 2016 Bonds without regard to the issuance of the Policy. There is no assurance that any credit rating given to the 2016 Bonds will be maintained for any period of time or that the ratings may not be lowered or withdrawn entirely by S&P if, in the judgment of S&P, circumstances so warrant. Any downward revision or withdrawal of such ratings may have an adverse effect on the market price of the 2016 Bonds. Such ratings reflect only the views of S&P and an explanation of the significance of such ratings may be obtained from S&P. Generally, rating agencies base their ratings on information and materials furnished to them (which may include information and material from the Agency that is not included in this Official Statement) and on investigations, studies and assumptions by the rating agencies.

The Agency makes no representation as to the Insurer’s creditworthiness and no representation that the Insurer’s credit rating will be maintained in the future. S&P has previously taken action to downgrade the ratings of certain municipal bond insurers and has published various releases outlining the processes that S&P intends to follow in evaluating the ratings of financial guarantors. For some financial guarantors, the result of such evaluations could be a rating affirmation, a change in rating outlook, a review for downgrade or a downgrade. Potential investors are directed to S&P for additional information on S&P’s evaluations of the

financial guaranty industry and individual financial guarantors, including the Insurer. See the caption "BOND INSURANCE" for further information relating to the Insurer.

**Miscellaneous**

All of the preceding summaries of the Indenture, the Bond Law, the Dissolution Act, the Redevelopment Law, other applicable legislation, the Redevelopment Plan for the Project Area, agreements and other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the Agency for further information in connection therewith.

This Official Statement does not constitute a contract with the purchasers of the 2016 Bonds. Any statements made in this Official Statement involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement by the Finance Director/Treasurer of the City of Loma Linda, acting as the Finance Director/Treasurer of the Agency, has been duly authorized by the Agency.

SUCCESSOR AGENCY TO THE LOMA LINDA  
REDEVELOPMENT AGENCY

By: \_\_\_\_\_  
Finance Director/Treasurer of  
the City of Loma Linda

**APPENDIX A**  
**FISCAL CONSULTANT'S REPORT**

## **APPENDIX B**

### **SUMMARY OF THE INDENTURE**

*The following is a brief summary of certain provisions of the Indenture of Trust (the "Indenture") authorizing the 2016 Bonds that are not otherwise described in the text of this Official Statement. Such summary is not intended to be definitive, and reference is made to the actual Indenture (copies of which may be obtained from the Trustee) for the complete terms thereof.*

## APPENDIX C

### FORMS OF BOND COUNSEL OPINIONS

*Upon issuance of the 2016A Bonds, Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel, proposes to render its final approving opinion in substantially the following form:*

\_\_\_\_\_, 2016

Successor Agency to the Loma Linda Redevelopment Agency  
Loma Linda, California

*Re:     \$\_\_\_\_\_ Successor Agency to the Loma Linda Redevelopment Agency Tax Allocation  
          Refunding Bonds, Series 2016A*

Dear Honorable Members of the Successor Agency:

We have examined the Constitution and the laws of the State of California, a certified record of the proceedings of the Successor Agency to the Loma Linda Redevelopment Agency (the "Agency") taken in connection with the authorization and issuance of the Agency's Tax Allocation Refunding Bonds, Series 2016A, in the aggregate principal amount of \$\_\_\_\_\_ (the "Series 2016A Bonds"), and such other information and documents as we consider necessary to render this opinion. In rendering this opinion, we have relied upon certain representations of fact and certifications made by the Agency, the Trustee, the Underwriter of the Series 2016A Bonds and others. We have not undertaken to verify through independent investigation the accuracy of the representations and certifications relied upon by us.

The Series 2016A Bonds have been issued by the Agency pursuant to the Constitution and laws of the State of California (the "State"), including Article 11 of Chapter 3 (Commencing with Section 53580) of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law"), Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code of the State of California (as amended from time to time, the "Dissolution Act"), an ordinance of the Agency adopted on August 9, 2016, a resolution adopted by the Oversight Board of the Agency adopted on August 10, 2016, and in accordance with an Indenture of Trust dated as of \_\_\_\_ 1, 2016 (the "Indenture"), by and between the Agency and U.S. Bank National Association, as Trustee. All terms not defined herein shall have the meanings ascribed to those terms in the Indenture.

The Series 2016A Bonds are dated as of their date of delivery, and mature on the dates and bear interest at the rates per annum set forth in the Indenture. The Series 2016A Bonds are registered bonds in the form set forth in the Indenture, redeemable in the amounts, at the times and in the manner provided for in the Indenture.

Based upon our examination of the foregoing, and in reliance thereon and on all matters of fact as we deem relevant under the circumstances, and upon consideration of applicable laws, we are of the opinion that:

(1) The Series 2016A Bonds have been duly and validly authorized by the Agency and are legal, valid and binding special obligations of the Agency, secured and payable solely from Pledged Tax Revenues (as defined in the Indenture) and other sources as and to the extent provided for in the Indenture. The Series 2016A Bonds are special obligations of the Agency but are not a debt of the City of Loma Linda, the County of San Bernardino, the State of California or any other political subdivision thereof within the meaning of any constitutional or statutory limitation, and none of the City of Loma Linda, the County of San Bernardino, the

State of California, or any other of its political subdivisions, except the Agency, is liable for the payment thereof.

(2) The Indenture has been duly authorized by the Agency, is valid and binding upon the Agency, is enforceable in accordance with its terms and creates a valid pledge of that which the Indenture purports to pledge.

(3) Under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Series 2016A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals and corporations; however, with respect to corporations, such interest (and original issue discount) may be included as an adjustment in the calculation of alternative minimum taxable income which may affect the alternative minimum tax liability of such corporations.

(4) Interest (and original issue discount) on the Series 2016A Bonds is exempt from State of California personal income tax.

(5) The difference between the issue price of a Series 2016A Bond (the first price at which a substantial amount of the Series 2016A Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity with respect to such Series 2016A Bond (to the extent the redemption price at maturity is greater than the issue price) constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Series 2016A Bond owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Series 2016A Bond owner will increase the Series 2016A Bond owner's basis in the applicable Series 2016A Bond. Original issue discount that accrues for the Series 2016A Bond owner is excluded from the gross income of such owner for federal income tax purposes, is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals or corporations (as described in paragraph (3) above) and is exempt from State of California personal income tax.

(6) The amount by which a Series 2016A Bond owner's original basis for determining loss on sale or exchange in the applicable Series 2016A Bond (generally the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium which must be amortized under Section 171 of the Internal Revenue Code of 1986, as amended (the "Code"); such amortizable bond premium reduces the bond owner's basis in the applicable Series 2016A Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of bond premium may result in a Series 2016A Bond owner realizing a taxable gain when a Series 2016A Bond is sold by the owner for an amount equal to or less (under certain circumstances) than the original cost of the Series 2016A Bond to the owner.

The opinions expressed in paragraphs (3) and (5) above as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on the Series 2016A Bonds are subject to the condition that the Agency complies with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2016A Bonds to assure that such interest (and original issue discount) will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the Series 2016A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2016A Bonds. The Agency has covenanted to comply with all such requirements. Except as set forth in paragraphs (3), (4), (5) and (6) above, we express no opinion as to any tax consequences related to the Series 2016A Bonds.

Certain agreements, requirements and procedures contained or referred to in the Indenture and the Tax Certificate executed by the Agency with respect to the Series 2016A Bonds may be changed and certain actions may be taken or omitted, under the circumstances and subject to the terms and conditions set forth in such documents, upon the advice or with the approving opinion of counsel nationally recognized in the area of

tax-exempt obligations. We express no opinion as to the effect on exclusion from gross income for federal income tax purposes of the interest (and original issue discount) on any Series 2016A Bonds if any such change occurs or action is taken or omitted upon advice or approval of bond counsel other than Stradling Yocca Carlson & Rauth, a Professional Corporation.

With respect to the opinions expressed herein, the rights and obligations under the Indenture are subject to bankruptcy, insolvency, moratorium and other laws affecting the enforcement of creditors' rights, to the application of equitable principles if equitable remedies are sought, to the limitations on legal remedies against public agencies in the State of California and to limitations on rights of indemnity by principles of public policy.

The opinions expressed herein and the exclusion of interest on the Series 2016A Bonds from gross income for federal income tax purposes may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. Our engagement as bond counsel to the Agency terminates upon the issuance of the Series 2016A Bonds.

The opinions expressed herein are based upon our analysis and interpretation of existing laws, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities.

Our opinion is limited to matters governed by the laws of the State of California and federal law. We assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

We express no opinion herein as to the accuracy, completeness or sufficiency of the Official Statement relating to the Series 2016A Bonds or other offering material relating to the Series 2016A Bonds and expressly disclaim any duty to advise the owners of the Series 2016A Bonds with respect to matters contained in the Official Statement.

Respectfully submitted,

*Upon issuance of the 2016A Bonds, Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel, proposes to render its final approving opinion in substantially the following form:*

\_\_\_\_\_, 2016

Successor Agency to the Loma Linda Redevelopment Agency  
Loma Linda, California

*Re:     \$\_\_\_\_\_ Successor Agency to the Loma Linda Redevelopment Agency Tax Allocation  
Refunding Bonds, Series 2016B (Federally Taxable)*

Dear Honorable Members of the Successor Agency:

We have examined the Constitution and the laws of the State of California, a certified record of the proceedings of the Successor Agency to the Loma Linda Redevelopment Agency (the "Agency") taken in connection with the authorization and issuance of the Agency's Tax Allocation Refunding Bonds, Series 2016B (Federally Taxable), in the aggregate principal amount of \$\_\_\_\_\_ (the "Series 2016B Bonds"), and such other information and documents as we consider necessary to render this opinion. In rendering this opinion, we have relied upon certain representations of fact and certifications made by the Agency, the Trustee, the Underwriter of the Series 2016B Bonds and others. We have not undertaken to verify through independent investigation the accuracy of the representations and certifications relied upon by us.

The Series 2016B Bonds have been issued by the Agency pursuant to the Constitution and laws of the State of California (the "State"), including Article 11 of Chapter 3 (Commencing with Section 53580) of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law"), Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code of the State of California (as amended from time to time, the "Dissolution Act"), an ordinance of the Agency adopted on August 9, 2016, a resolution adopted by the Oversight Board of the Agency adopted on August 10, 2016, and in accordance with an Indenture of Trust dated as of \_\_\_\_\_ 1, 2016 (the "Indenture"), by and between the Agency and U.S. Bank National Association, as trustee. All terms not defined herein shall have the meanings ascribed to those terms in the Indenture.

The Series 2016B Bonds are dated as of their date of delivery, and mature on the dates and bear interest at the rates per annum set forth in the Indenture. The Series 2016B Bonds are registered bonds in the form set forth in the Indenture, redeemable in the amounts, at the times and in the manner provided for in the Indenture.

Based on our examination as bond counsel of existing law, certified copies of such legal proceedings and such other proofs as we deem necessary to render this opinion, we are of the opinion, as of the date hereof and under existing law, that:

(1) The Series 2016B Bonds have been duly and validly authorized by the Agency and are legal, valid and binding special obligations of the Agency, secured and payable solely from Pledged Tax Revenues (as defined in the Indenture) and other sources as and to the extent provided for in the Indenture. The Series 2016B Bonds are special obligations of the Agency but are not a debt of the City of Loma Linda, the County of San Bernardino, the State of California or any other political subdivision thereof within the meaning of any constitutional or statutory limitation, and none of the City of Loma Linda, the County of San Bernardino, the State of California, or any other of its political subdivisions, except the Agency, is liable for the payment thereof.

(2) The Indenture has been duly authorized by the Agency, is valid and binding upon the Agency, is enforceable in accordance with its terms and creates a valid pledge of that which the Indenture purports to pledge.

(3) Under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Series 2016B Bonds is not excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code").

(4) Interest (and original issue discount) on the Series 2016B Bonds is exempt from personal income taxes imposed in the State of California.

(5) Except for certain exceptions, the difference between the issue price of a Series 2016B Bond (the first price at which a substantial amount of the Series 2016B Bonds of a maturity is to be sold to the public) and the stated payment price at maturity with respect to such Series 2016B Bond (to the extent that the stated redemption price at maturity is greater than the issue price) constitutes original issue discount. Original issue discount accrues under a constant yield method. The amount of original issue discount deemed received by a Series 2016B Bond owner will increase the Series 2016B Bond owner's basis in the applicable Series 2016B Bond.

Except as expressly set forth in paragraphs (3), (4) and (5), we express no opinion regarding any tax consequences with respect to the Series 2016B Bonds. Potential purchasers should consult their independent tax advisors with respect to the tax consequences relating to the Series 2016B Bonds and the taxpayer's particular circumstances.

With respect to the opinions expressed herein, the rights and obligations under the Indenture are subject to bankruptcy, insolvency, moratorium and other laws affecting the enforcement of creditors' rights, to the application of equitable principles if equitable remedies are sought, to the limitations on legal remedies against public agencies in the State of California and to limitations on rights of indemnity by principles of public policy.

The opinions expressed herein are based upon our analysis and interpretation of existing laws, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities.

Our opinion is limited to matters governed by the laws of the State of California and federal law. We assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

We express no opinion herein as to the accuracy, completeness or sufficiency of the Official Statement relating to the Series 2016B Bonds or other offering material relating to the Series 2016B Bonds and expressly disclaim any duty to advise the owners of the Series 2016B Bonds with respect to matters contained in the Official Statement.

Respectfully submitted,

## APPENDIX D

### BOOK-ENTRY ONLY SYSTEM

*The information in this Appendix concerning The Depository Trust Company ("DTC"), New York, New York, and DTC's book-entry system has been obtained from DTC and the Agency takes no responsibility for the completeness or accuracy thereof. The Agency cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the 2016 Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the 2016 Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the 2016 Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.*

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the 2016 Bonds. The 2016 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the 2016 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com). The information set forth on such website is not incorporated herein by reference.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2016 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2016 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the 2016 Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2016 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2016 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2016 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2016 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the 2016 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2016 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Agency as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium (if any), and interest payments on the 2016 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Agency or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Agency, subject to any statutory or regulatory requirements as may be in effect from time to time. Principal, premium (if any), and interest payments with respect to the 2016 Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Agency or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2016 Bonds at any time by giving reasonable notice to the Agency or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates representing the 2016 Bonds are required to be printed and delivered.

The Agency may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, representing the 2016 Bonds will be printed and delivered to DTC in accordance with the provisions of the Indenture.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Agency believes to be reliable, but the Agency takes no responsibility for the accuracy thereof.

**APPENDIX E**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR  
FISCAL YEAR ENDED JUNE 30, 2015**

## APPENDIX F

### FORM OF CONTINUING DISCLOSURE AGREEMENT

*Upon the issuance of the 2016 Bonds, the Agency proposes to enter into a Continuing Disclosure Agreement in substantially the following form:*

This Continuing Disclosure Agreement (the "Disclosure Agreement") is executed and delivered by the Successor Agency to the Loma Linda Redevelopment Agency (the "Agency") in connection with the issuance of the \$\_\_\_\_\_ Successor Agency to the Loma Linda Redevelopment Agency Tax Allocation Refunding Bonds, Series 2016A (the "2016A Bonds") and the \$\_\_\_\_\_ Successor Agency to the Loma Linda Redevelopment Agency Tax Allocation Refunding Bonds, Series 2016B (Federally Taxable) (the "2016B Bonds" and, together with the 2016A Bonds, the "Bonds"). The Bonds are being issued pursuant to an Indenture of Trust, dated as of \_\_\_\_\_ 1, 2016 (the "Indenture"), by and between U.S. Bank National Association, as trustee (the "Trustee") and the Agency. The Agency covenants and agrees as follows:

1. Purpose of this Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Agency for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

Annual Report. The term "Annual Report" means any Annual Report provided by the Agency pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

Beneficial Owner. The term "Beneficial Owner" means any person which: (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Bonds for federal income tax purposes.

Dissemination Agent. The term "Dissemination Agent" means, initially, U.S. Bank National Association, or any successor Dissemination Agent designated in writing by the Agency and which has filed with the Agency a written acceptance of such designation.

EMMA. The term "EMMA" means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the Internet at <http://emma.msrb.org/>.

Fiscal Year. The term "Fiscal Year" means the one-year period ending on the last day of June of each year.

Holder. The term "Holder" means a registered owner of the Bonds.

Listed Events. The term "Listed Events" means any of the events listed in Sections 5(a) and (b) of this Disclosure Agreement.

Official Statement. The term "Official Statement" means the Official Statement dated \_\_\_\_\_, 2016 relating to the Bonds.

Participating Underwriter. The term “Participating Underwriter” means Newcomb Williams Financial Group Securities offered through Stinson Securities, LLC, the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

Rule. The term “Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

3. Provision of Annual Reports.

(a) The Agency shall, or upon delivery of the Annual Report to the Dissemination Agent (if other than the Agency), shall cause the Dissemination Agent to, provide not later than April 1 following the end of its Fiscal Year (commencing with Fiscal Year 2015-16) to EMMA an Annual Report relating to the immediately preceding Fiscal Year which is consistent with the requirements of Section 4 of this Disclosure Agreement, which Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement.

(b) Not later than fifteen (15) business days prior to each April 1, the Agency shall provide the Annual Report to the Dissemination Agent (if other than the Agency). If the Agency is unable to provide to EMMA an Annual Report by the date required in subsection (a), the Agency shall, or shall cause the Dissemination Agent to, send a notice to EMMA in a timely manner in the form prescribed by the Municipal Securities Rulemaking Board.

(c) The Dissemination Agent shall: (i) determine each year prior to April 1 the then-applicable rules and electronic format prescribed by the Municipal Securities Rulemaking Board for the filing of annual continuing disclosure reports; and (ii) if the Dissemination Agent is other than the Agency, certify to the Agency that the Annual Report has been filed with the Municipal Securities Rulemaking Board pursuant to this Disclosure Agreement, and stating, to the extent that it can confirm such filing of the Annual Report, the date that it was filed.

4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) the audited financial statements of the Agency for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Agency’s audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they come available;

(b) information for the most recent Fiscal Year substantially in the format set forth in the Official Statement under the heading “PLEDGED TAX REVENUES—Projected Pledged Tax Revenues;”

(c) information with respect to pending and successful appeals of assessed values in the Project Area, but only if (1) such information is collected and made available to the Agency by the County and (2) total appeals exceed, in the aggregate, 5% of assessed value in the Project Area;

(d) a summary of Agency indebtedness payable from tax increment generated in the Project Area, including the amount outstanding as of June 30 of the most recent fiscal year, and information about any new Parity Debt (as defined in the Indenture relating to the Bonds);

(e) during any period that the Agency and the Project Area do not participate in the Teeter Plan, a summary of tax increment levies, collections and delinquencies in the Project Area;

(f) a summary of incremental assessed values in substantially the form of the table in the Official Statement;

(g) a summary of Pledged Tax Revenues and debt service coverage for the most recent fiscal year in substantially the form of the tables under the caption "PLEDGED TAX REVENUES—Debt Service Coverage" of the Official Statement; and

(h) a statement of the balance in the Reserve Account established under the Indenture and the Reserve Requirement both as of June 30 of the most recently-completed fiscal year.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Agency or related public entities, which have been submitted to EMMA; provided, that if any document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board; and provided further, that the Agency shall clearly identify each such document so included by reference.

5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Agency shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) Business Days after the occurrence of the event:

1. principal and interest payment delinquencies;
2. unscheduled draws on debt service reserves reflecting financial difficulties;
3. unscheduled draws on credit enhancements reflecting financial difficulties;
4. substitution of credit or liquidity providers, or their failure to perform;
5. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability or Notices of Proposed Issue (IRS Form 5701 TEB);
6. tender offers;
7. defeasances;
8. ratings changes; and
9. bankruptcy, insolvency, receivership or similar proceedings.

Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Pursuant to the provisions of this Section 5, the Agency shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in Section 5(a)(5), other notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds;

2. modifications to the rights of Bond holders;

3. bond calls;

4. release, substitution or sale of property securing repayment of the Bonds;

5. non-payment related defaults;

6. the consummation of a merger, consolidation, or acquisition involving the Agency or the sale of all or substantially all of the assets of the Agency, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and

7. appointment of a successor or additional trustee or the change of the name of a trustee.

(c) If the Agency determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the Agency shall file a notice of such occurrence with EMMA in a timely manner not more than ten (10) Business Days after the occurrence of the event.

(c) If the Agency determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, and if the Dissemination Agent is other than the Agency, the Agency shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to file a notice of such occurrence on EMMA in an electronic format as prescribed by the Municipal Securities Rulemaking Board in a timely manner not more than ten (10) Business Days after the event. Notwithstanding the foregoing, notice of Listed Events described in Sections 5(a)(7) and 5(b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Owners of affected Bonds pursuant to the Indenture.

(d) If the Agency determines that a Listed Event under Section 5(b) would not be material under applicable federal securities laws and if the Dissemination Agent is other than the Agency, the Agency shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence.

(e) The Agency hereby agrees that the undertaking set forth in this Disclosure Agreement is the responsibility of the Agency and, if the Dissemination Agent is other than the Agency, the Dissemination Agent shall not be responsible for determining whether the Agency's instructions to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

6. Customarily Prepared and Public Information. Upon request, the Agency shall provide to any person financial information and operating data regarding the Agency which is customarily prepared by the Agency and is publicly available.

7. Termination of Obligation. The Agency's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Agency shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Agency may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that, in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule, and provided further that the Dissemination Agent shall have first consented to any amendment that modifies or increases its duties or obligations hereunder.

9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Agency chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Agency shall not thereby have any obligation under this Disclosure Agreement to update such information or include it in any future notice of occurrence of a Listed Event.

10. Default. In the event of a failure of the Agency to comply with any provision of this Disclosure Agreement, any Holders or Beneficial Owners of at least 50% aggregate principal amount of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Agency to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Agency or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

No Holder or Beneficial Owner of the Bonds may institute such action, suit or proceeding to compel performance unless they shall have first delivered to the Agency satisfactory written evidence of their status as such, and a written notice of and request to cure such failure, and the Agency shall have refused to comply therewith within a reasonable time.

11. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Agency, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

12. Dissemination Agent. The Agency may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the form or content of any notice or report prepared by the Agency pursuant to this Disclosure Agreement. The Dissemination Agent may resign by providing thirty days' written notice to the Agency and the Trustee. The Dissemination Agent shall not be responsible for the content of any report or notice prepared by the Issuer and shall have no duty to review any information provided to it by the Agency. The Dissemination Agent shall have no duty to prepare any information report, nor shall the Dissemination Agent be responsible for filing any report not provided to it by the Issuer in a timely manner and in a form suitable for filing.

13. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Agency agrees, to the extent permitted by law, to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall be paid compensation by the Agency for its services provided hereunder in accordance with its schedule of fees as amended from time to time and all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. In performing its duties hereunder, the Dissemination Agent shall not be deemed to be acting in

any fiduciary capacity for the Agency, the Owners, or any other party. The obligations of the Agency under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

14. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given to the Dissemination Agent (if other than the Agency) at such address provided by the Dissemination Agent to the Agency, and to the Agency as follows: Agency of Loma Linda, 25542 Barton Road, Loma Linda, California 92354, Attention: Finance Director.

Dated: \_\_\_\_\_, 2016

SUCCESSOR AGENCY TO THE LOMA LINDA  
REDEVELOPMENT AGENCY

By: \_\_\_\_\_  
Its: Executive Director

**APPENDIX G**

**SPECIMEN MUNICIPAL BOND INSURANCE POLICY**

## APPENDIX F

### FORM OF CONTINUING DISCLOSURE AGREEMENT

*Upon the issuance of the 2016 Bonds, the Agency proposes to enter into a Continuing Disclosure Agreement in substantially the following form:*

This Continuing Disclosure Agreement (the "Disclosure Agreement") is executed and delivered by the Successor Agency to the Loma Linda Redevelopment Agency (the "Agency") in connection with the issuance of the \$ \_\_\_\_\_ Successor Agency to the Loma Linda Redevelopment Agency Tax Allocation Refunding Bonds, Series 2016A (the "2016A Bonds") and the \$ \_\_\_\_\_ Successor Agency to the Loma Linda Redevelopment Agency Tax Allocation Refunding Bonds, Series 2016B (Federally Taxable) (the "2016B Bonds" and, together with the 2016A Bonds, the "Bonds"). The Bonds are being issued pursuant to an Indenture of Trust, dated as of \_\_\_\_\_ 1, 2016 (the "Indenture"), by and between U.S. Bank National Association, as trustee (the "Trustee") and the Agency. The Agency covenants and agrees as follows:

1. Purpose of this Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Agency for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

Annual Report. The term "Annual Report" means any Annual Report provided by the Agency pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

Beneficial Owner. The term "Beneficial Owner" means any person which: (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Bonds for federal income tax purposes.

Dissemination Agent. The term "Dissemination Agent" means, initially, U.S. Bank National Association, or any successor Dissemination Agent designated in writing by the Agency and which has filed with the Agency a written acceptance of such designation.

EMMA. The term "EMMA" means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access System for municipal securities disclosures, maintained on the Internet at <http://emma.msrb.org/>.

Fiscal Year. The term "Fiscal Year" means the one-year period ending on the last day of June of each year.

Holder. The term "Holder" means a registered owner of the Bonds.

Listed Events. The term "Listed Events" means any of the events listed in Sections 5(a) and (b) of this Disclosure Agreement.

Official Statement. The term "Official Statement" means the Official Statement dated \_\_\_\_\_, 2016 relating to the Bonds.

Participating Underwriter. The term “Participating Underwriter” means Newcomb Williams Financial Group Securities offered through Stinson Securities, LLC, the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

Rule. The term “Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

3. Provision of Annual Reports.

(a) The Agency shall, or upon delivery of the Annual Report to the Dissemination Agent (if other than the Agency), shall cause the Dissemination Agent to, provide not later than April 1 following the end of its Fiscal Year (commencing with Fiscal Year 2015-16) to EMMA an Annual Report relating to the immediately preceding Fiscal Year which is consistent with the requirements of Section 4 of this Disclosure Agreement, which Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement.

(b) Not later than fifteen (15) business days prior to each April 1, the Agency shall provide the Annual Report to the Dissemination Agent (if other than the Agency). If the Agency is unable to provide to EMMA an Annual Report by the date required in subsection (a), the Agency shall, or shall cause the Dissemination Agent to, send a notice to EMMA in a timely manner in the form prescribed by the Municipal Securities Rulemaking Board.

(c) The Dissemination Agent shall: (i) determine each year prior to April 1 the then-applicable rules and electronic format prescribed by the Municipal Securities Rulemaking Board for the filing of annual continuing disclosure reports; and (ii) if the Dissemination Agent is other than the Agency, certify to the Agency that the Annual Report has been filed with the Municipal Securities Rulemaking Board pursuant to this Disclosure Agreement, and stating, to the extent that it can confirm such filing of the Annual Report, the date that it was filed.

4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) the audited financial statements of the Agency for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Agency’s audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they come available;

(b) information for the most recent Fiscal Year substantially in the format set forth in the Official Statement under the heading “PLEDGED TAX REVENUES—Projected Pledged Tax Revenues;”

(c) information with respect to pending and successful appeals of assessed values in the Project Area, but only if (1) such information is collected and made available to the Agency by the County and (2) total appeals exceed, in the aggregate, 5% of assessed value in the Project Area;

(d) a summary of Agency indebtedness payable from tax increment generated in the Project Area, including the amount outstanding as of June 30 of the most recent fiscal year, and information about any new Parity Debt (as defined in the Indenture relating to the Bonds);

(e) during any period that the Agency and the Project Area do not participate in the Teeter Plan, a summary of tax increment levies, collections and delinquencies in the Project Area;

(f) a summary of incremental assessed values in substantially the form of the table in the Official Statement;

(g) a summary of Pledged Tax Revenues and debt service coverage for the most recent fiscal year in substantially the form of the tables under the caption "PLEDGED TAX REVENUES—Debt Service Coverage" of the Official Statement; and

(h) a statement of the balance in the Reserve Account established under the Indenture and the Reserve Requirement both as of June 30 of the most recently-completed fiscal year.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Agency or related public entities, which have been submitted to EMMA; provided, that if any document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board; and provided further, that the Agency shall clearly identify each such document so included by reference.

#### 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Agency shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) Business Days after the occurrence of the event:

1. principal and interest payment delinquencies;
2. unscheduled draws on debt service reserves reflecting financial difficulties;
3. unscheduled draws on credit enhancements reflecting financial difficulties;
4. substitution of credit or liquidity providers, or their failure to perform;
5. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability or Notices of Proposed Issue (IRS Form 5701 TEB);
6. tender offers;
7. defeasances;
8. ratings changes; and
9. bankruptcy, insolvency, receivership or similar proceedings.

Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Pursuant to the provisions of this Section 5, the Agency shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

1. unless described in Section 5(a)(5), other notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds;

2. modifications to the rights of Bond holders;

3. bond calls;

4. release, substitution or sale of property securing repayment of the Bonds;

5. non-payment related defaults;

6. the consummation of a merger, consolidation, or acquisition involving the Agency or the sale of all or substantially all of the assets of the Agency, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and

7. appointment of a successor or additional trustee or the change of the name of a trustee.

(c) If the Agency determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the Agency shall file a notice of such occurrence with EMMA in a timely manner not more than ten (10) Business Days after the occurrence of the event.

(c) If the Agency determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, and if the Dissemination Agent is other than the Agency, the Agency shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to file a notice of such occurrence on EMMA in an electronic format as prescribed by the Municipal Securities Rulemaking Board in a timely manner not more than ten (10) Business Days after the event. Notwithstanding the foregoing, notice of Listed Events described in Sections 5(a)(7) and 5(b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Owners of affected Bonds pursuant to the Indenture.

(d) If the Agency determines that a Listed Event under Section 5(b) would not be material under applicable federal securities laws and if the Dissemination Agent is other than the Agency, the Agency shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence.

(e) The Agency hereby agrees that the undertaking set forth in this Disclosure Agreement is the responsibility of the Agency and, if the Dissemination Agent is other than the Agency, the Dissemination Agent shall not be responsible for determining whether the Agency's instructions to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

6. Customarily Prepared and Public Information. Upon request, the Agency shall provide to any person financial information and operating data regarding the Agency which is customarily prepared by the Agency and is publicly available.

7. Termination of Obligation. The Agency's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Agency shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Agency may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that, in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule, and provided further that the Dissemination Agent shall have first consented to any amendment that modifies or increases its duties or obligations hereunder.

9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Agency chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Agency shall not thereby have any obligation under this Disclosure Agreement to update such information or include it in any future notice of occurrence of a Listed Event.

10. Default. In the event of a failure of the Agency to comply with any provision of this Disclosure Agreement, any Holders or Beneficial Owners of at least 50% aggregate principal amount of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Agency to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Agency or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

No Holder or Beneficial Owner of the Bonds may institute such action, suit or proceeding to compel performance unless they shall have first delivered to the Agency satisfactory written evidence of their status as such, and a written notice of and request to cure such failure, and the Agency shall have refused to comply therewith within a reasonable time.

11. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Agency, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

12. Dissemination Agent. The Agency may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement; and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the form or content of any notice or report prepared by the Agency pursuant to this Disclosure Agreement. The Dissemination Agent may resign by providing thirty days' written notice to the Agency and the Trustee. The Dissemination Agent shall not be responsible for the content of any report or notice prepared by the Issuer and shall have no duty to review any information provided to it by the Agency. The Dissemination Agent shall have no duty to prepare any information report, nor shall the Dissemination Agent be responsible for filing any report not provided to it by the Issuer in a timely manner and in a form suitable for filing.

13. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Agency agrees, to the extent permitted by law, to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall be paid compensation by the Agency for its services provided hereunder in accordance with its schedule of fees as amended from time to time and all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. In performing its duties hereunder, the Dissemination Agent shall not be deemed to be acting in

any fiduciary capacity for the Agency, the Owners, or any other party. The obligations of the Agency under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

14. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given to the Dissemination Agent (if other than the Agency) at such address provided by the Dissemination Agent to the Agency, and to the Agency as follows: Agency of Loma Linda, 25542 Barton Road, Loma Linda, California 92354, Attention: Finance Director.

Dated: \_\_\_\_\_, 2016

SUCCESSOR AGENCY TO THE LOMA LINDA  
REDEVELOPMENT AGENCY

By: \_\_\_\_\_  
Its: Executive Director



# City of Loma Linda Official Report

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Rhodes Rigsby, Mayor  
Phill Dupper, Mayor pro tempore  
Ovidiu Popescu, Councilman  
Ronald Dailey, Councilman  
John Lenart, Councilman

SUCCESSOR AGENCY AGENDA: October 11, 2016

TO: City Council

SUBJECT: Demands Register

Approved/Continued/Denied By City Council Date _____
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## RECOMMENDATION

It is recommended that the City Council, as the Successor Agency to the Redevelopment Agency, approve the attached list of demands for payment.

Bank code : bofasa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
1221	9/27/2016	000266 ROBBINS & HOLDAWAY, A PROFESSIONAL CC	31786		PROFESSIONAL/LEGAL SERVICES	41.56
<b>Total :</b>						<b>41.56</b>
1222	9/27/2016	001799 STRADLING, Yocca, Carlson, & Rauth	313634-0000		LEGAL ADMIN	340.50
<b>Total :</b>						<b>340.50</b>
<b>2 Vouchers for bank code : bofasa</b>						<b>Bank total : 382.06</b>
<b>2 Vouchers in this report</b>						<b>Total vouchers : 382.06</b>

CLAIMS VOUCHER APPROVAL

I have reviewed the above listing of payments on check nos.  
1221 through 1222 for a total  
disbursement of \$ 382.06, and to the best of  
my knowledge, based on the information provided, they are  
correct and are recommended for payment.

  
DIANA DE ANDA, Finance Director

Recommend that City Council approve for payment.

T. Jarb Thaipejr, City Manager

Approved by the City Council at their meeting held on  
10-11-2016 and the City Treasurer is hereby directed  
to pay except as noted.

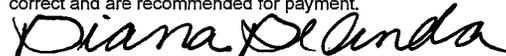
Rhodes Rigsby, Mayor

Bank code : bofasa

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
1223	10/11/2016	004631 DHA CONSULTING, LLC	16-0901	P-0000013595	Successor Agency Consultant Service -	1,196.25
<b>Total :</b>						<b>1,196.25</b>
1 Vouchers for bank code : bofasa						<b>Bank total : 1,196.25</b>
1 Vouchers in this report						<b>Total vouchers : 1,196.25</b>

CLAIMS VOUCHER APPROVAL

I have reviewed the above listing of payments on check nos.  
1223 through 1223 for a total  
disbursement of \$ 1,196.25, and to the best of  
my knowledge, based on the information provided, they are  
correct and are recommended for payment.

  
DIANA DE ANDA, Finance Director

Recommend that City Council approve for payment.

T. Jarb Thaipejr, City Manager

Approved by the City Council at their meeting held on  
10-11-2016 and the City Treasurer is hereby directed  
to pay except as noted.

Rhodes Rigsby, Mayor



# City of Loma Linda Official Report

Rhodes Rigsby, Mayor  
Phill Dupper, Mayor pro tempore  
Ovidiu Popescu, Councilman  
Ronald Dailey, Councilman  
John Lenart, Councilman

SUCCESSOR AGENCY AGENDA: October 11, 2016  
TO: City Council  
VIA: T. Jarb Thaipejr, City Manager  
FROM: Pamela Byrnes-O'Camb, City Clerk  
SUBJECT: Minutes of September 13, 2016

Approved/Continued/Denied By City Council Date _____
--

## RECOMMENDATION

It is recommended that the City Council as the Successor Agency to the Redevelopment Agency approve the Minutes of September 13, 2016.

City of Loma Linda

City Council as Successor Agency  
To the Loma Linda Redevelopment Agency

Minutes

Regular Meeting of September 13, 2016

A regular meeting of the City Council as Successor Agency to the Loma Linda Redevelopment Agency was called to order by Mayor Rigsby at 8:52 p.m., Tuesday, September 13, 2016, in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

Councilmen Present:	Mayor Rhodes Rigsby Mayor pro tempore Phill Dupper Ovidiu Popescu Ron Dailey John Lenart
Councilmen Absent:	None
Others Present:	Assistant City Manager Konrad Bolowich City Attorney Richard Holdaway

No items were added or deleted; no public participation comments were offered upon invitation of the Chair; and no conflicts of interest were noted.

**SA-2016-17 - Consent Calendar**

**Motion by Dupper, seconded by Dailey and unanimously carried to approve the following items:**

The Demands Register dated August 17, 2016 with commercial demands totaling \$1,771.30.

The Minutes of August 9, 2016 as presented.

The meeting adjourned at 8:53 p.m.

Approved at the meeting of \_\_\_\_\_, 2016.

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City Clerk

LOMA LINDA HOUSING AUTHORITY

AGENDA

REGULAR MEETING OF OCTOBER 11, 2016

A regular meeting of the Housing Authority of the City of Loma Linda is scheduled to be held at 7:00 p.m. or as soon thereafter as possible, Tuesday, October 11, 2016 in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

Reports and Documents relating to each agenda item are on file in the Office of the City Clerk and are available for public inspection during normal business hours. The Loma Linda Branch Library is also provided an agenda packet for your convenience. The agenda and reports are also located on the City's Website at [www.lomalinda-ca.gov](http://www.lomalinda-ca.gov).

*Materials related to an item on this Agenda submitted to the Housing Authority Board after distribution of the agenda packet are available for public inspection in the City Clerk's Office, 25541 Barton Road, Loma Linda, CA during normal business hours. Such documents are also available on the City's website at [www.lomalinda-ca.gov](http://www.lomalinda-ca.gov) subject to staff's ability to post the documents before the meeting.*

Persons wishing to speak on an agenda item are asked to complete an information card and present it to the City Clerk prior to consideration of the item. When the item is to be considered, please step forward to the podium, the Chair will recognize you and you may offer your comments. The Housing Authority meeting is recorded to assist in the preparation of the Minutes, and you are therefore asked to give your name and address prior to offering testimony.

The Oral Reports/Public Participation portion of the agenda pertains to items NOT on the agenda and is limited to 30 minutes; 3 minutes allotted for each speaker. Pursuant to the Brown Act, no action may be taken by the Housing Authority at this time; however, the Housing Authority Board may refer your comments/concerns to staff or request that the item be placed on a future agenda.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk at (909) 799-2819. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Later requests will be accommodated to the extent feasible.

**Agenda item requests for the NOVEMBER 8, 2016 meeting must be submitted in writing to the City Clerk no later than NOON, MONDAY, OCTOBER 24, 2016**

**A. Call To Order**

**B. Roll Call**

**C. Items To Be Added Or Deleted**

**D. Oral Reports/Public Participation - Non-Agenda Items (Limited to 30 minutes; 3 minutes allotted for each speaker)**

**E. Conflict of Interest Disclosure** - Note agenda item that may require member abstentions due to possible conflicts of interest

**F.**     **Scheduled Items**

**G.**     **Consent Calendar**

1.     Demands Register
2.     Minutes of September 13, 20 and 27, 2016
3.     LLHA Bill #R-2016-06 –Approving the Homebuyer Loan Agreement for the purchase of 25530 Portola Loop by David Lightbourne [**Secretary**]

**H.**     **Chair and Member Reports**

**I.**     **Reports of Officers**

**J.**     **Adjournment**



# City of Loma Linda Official Report

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Rhodes Rigsby, Chairman  
Phill Dupper, Vice-Chairman  
Ovidiu Popescu, Member  
Ronald Dailey, Member  
John Lenart, Member

HOUSING AUTHORITY AGENDA: October 11, 2016  
TO: Board Members  
SUBJECT: Demands Register

Approved/Continued/Denied By City Council Date _____
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## **RECOMMENDATION**

It is recommended that the Housing Authority Board approve the attached list of demands for payment.

vchlist  
09/21/2016 2:45:43PM

Voucher List  
CITY OF LOMA LINDA  
09-27-2016 HA

Page: 1

Bank code : bofaha

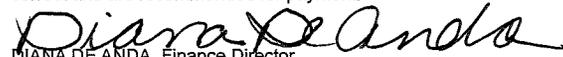
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
1772	9/27/2016	000110 BURTRONICS BUSINESS SYSTEM	PREVIEW 18629-HA	P-0000013486	PRINTING OVERAGES	14.64
<b>Total :</b>						<b>14.64</b>
1773	9/27/2016	002021 EQUIFAX INFORMATION SERVICES	9901208	P-0000013370	CREDIT REPORT	26.06
<b>Total :</b>						<b>26.06</b>
1774	9/27/2016	000266 ROBBINS & HOLDAWAY, A PROFESSIONAL CC 31797			PROFESSIONAL/LEGAL SERVICES	124.69
<b>Total :</b>						<b>124.69</b>
1775	9/27/2016	001799 STRADLING, YOCCA, CARLSON, & RAUTH	313629-0000 313630-0006		PROFESSIONAL/LEGAL SERVICE PROFESSIONAL/LEGAL SERVICE	1,409.40 5,045.60
<b>Total :</b>						<b>6,455.00</b>
<b>4 Vouchers for bank code : bofaha</b>						<b>Bank total : 6,620.39</b>
<b>4 Vouchers in this report</b>						<b>Total vouchers : 6,620.39</b>

Bank code : bofaha

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
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CLAIMS VOUCHER APPROVAL

I have reviewed the above listing of payments on check nos.  
1772 through 1775 for a total  
disbursement of \$ 6,620.39, and to the best of  
my knowledge, based on the information provided, they are  
correct and are recommended for payment.

  
DIANA DE ANDA, Finance Director

Recommend that City Council approve for payment.

T. Jarb Thaipejr, City Manager

Approved by the City Council at their meeting held on  
10-11-2016 and the City Treasurer is hereby directed  
to pay except as noted.

Rhodes Rigsby, Mayor

vchlist  
10/03/2016 8:21:26AM

Voucher List  
CITY OF LOMA LINDA  
09-30-2016 HA

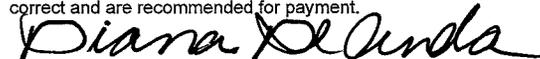
Page: 1

Bank code : bofaha

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
1776	9/22/2016	005456 THE STRICKLER ASSOCIATION	LL 1006	P-0000013436	BLANKET PURCHASE ORDER	1,375.00
<b>Total :</b>						<b>1,375.00</b>
<b>1 Vouchers for bank code :</b> bofaha						<b>Bank total :</b> 1,375.00
<b>1 Vouchers in this report</b>						<b>Total vouchers :</b> 1,375.00

CLAIMS VOUCHER APPROVAL

I have reviewed the above listing of payments on check nos.  
1776 through 1776 for a total  
disbursement of \$ 1,375.00, and to the best of  
my knowledge, based on the information provided, they are  
correct and are recommended for payment.

  
DIANA DE ANDA, Finance Director

Recommend that City Council approve for payment.

T. Jarb Thaipejr, City Manager

Approved by the City Council at their meeting held on  
10-11-2016 and the City Treasurer is hereby directed  
to pay except as noted.

Rhodes Rigsby, Mayor

vchlist  
 10/06/2016 12:41:43PM

Voucher List  
 CITY OF LOMA LINDA  
 10-11-2016 HA

Bank code : bofaha

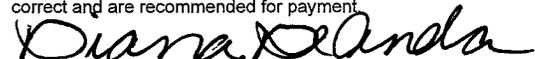
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
1777	10/4/2016	002713 PREFERRED MANAGEMENT GROUP	25613		HOA DUES-25613 PROSPECT/OCT 2016	135.00
					<b>Total :</b>	<b>135.00</b>
1778	10/6/2016	005395 USBANK EQUIPMENT FINANCE	314368549-HA	P-0000013487	EQUIPMENT LEASE NEW AGREEMENT	41.79
					<b>Total :</b>	<b>41.79</b>
1779	10/11/2016	000110 BURTRONICS BUSINESS SYSTEM	AR12756 HA	P-0000013681	FREIGHT FOR TONER CARTRIDGES	0.11
			AR12758 HA	P-0000013681	FREIGHT FOR TONER CARTRIDGES	0.11
			AR15575 HA	P-0000013681	FREIGHT FOR TONER CARTRIDGES	0.33
					<b>Total :</b>	<b>0.55</b>
1780	10/11/2016	003647 MID-CENTURY INSURANCE CO	A735921223		POLICY #93133-22-39 INSURANCE PRE	1,126.87
					<b>Total :</b>	<b>1,126.87</b>
1781	10/11/2016	000868 SBC TAX COLLECTOR	20160204657		2016 ANNUAL SECURED PROPERTY TAX	1,079.87
					<b>Total :</b>	<b>1,079.87</b>
1782	10/11/2016	001356 STAPLES BUSINESS ADVANTAGE	3314577784-HA	P-0000013428	PRINTER INK	28.66
					<b>Total :</b>	<b>28.66</b>
1783	10/11/2016	005456 THE STRICKLER ASSOCIATION	LL1007	P-0000013436	CONSULTING SERVICES FOR HOUSING	2,310.00
					<b>Total :</b>	<b>2,310.00</b>
1784	10/11/2016	005127 VOLOGY, INC.	INV408153 HA	P-0000013696	VMWARE SUPPORT AND SUBSCRIPTION	91.49
					<b>Total :</b>	<b>91.49</b>
<b>8 Vouchers for bank code :</b>		<b>bofaha</b>			<b>Bank total :</b>	<b>4,814.23</b>
<b>8 Vouchers in this report</b>					<b>Total vouchers :</b>	<b>4,814.23</b>

Bank code : bofaha

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
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CLAIMS VOUCHER APPROVAL

I have reviewed the above listing of payments on check nos.  
1777 through 1784 for a total  
disbursement of \$ 4,814.23, and to the best of  
my knowledge, based on the information provided, they are  
correct and are recommended for payment

  
DIANA DE ANDA, Finance Director

Recommend that City Council approve for payment.

T. Jarb Thaipejr, City Manager

Approved by the City Council at their meeting held on  
10-11-2016 and the City Treasurer is hereby directed  
to pay except as noted.

Rhodes Rigsby, Mayor



# City of Loma Linda Official Report

Rhodes Rigsby, Chairman  
Phill Dupper, Vice-Chairman  
Ovidiu Popescu, Member  
Ronald Dailey, Member  
John Lenart, Member

HOUSING AUTHORITY AGENDA: October 11, 2016  
TO: Housing Authority Members  
VIA: T. Jarb Thaipejr, Executive Director  
FROM: Pamela Byrnes-O'Camb, Secretary  
SUBJECT: Minutes of September 13, 20, and 27, 2016

Approved/Continued/Denied By: Housing Authority Date _____
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## RECOMMENDATION

It is recommended that the Housing Authority Board approve the Minutes of Setember 13, 20 and 27, 2016.

Loma Linda Housing Authority

Minutes

Regular Meeting of September 13, 2016

A regular meeting of the Loma Linda Housing Authority was called to order by Chairman Rigsby at 8:53 p.m., Tuesday, September 13, 2016, in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

Board Members Present:	Chairman Rhodes Rigsby Vice-Chairman Phill Dupper Ovidiu Popescu Ron Dailey John Lenart
Board Members Absent:	None
Others Present:	Assistant Executive Director Konrad Bolowich General Counsel Richard Holdaway

No items were added or deleted; no public participation comments were offered upon invitation of the Chair; and no conflicts of interest were noted.

LLHA-2016-020 - Consent Calendar

**Motion by Lenart, seconded by Dupper and unanimously carried to approve the following items:**

The Demands Register dated August 23, 2016 with commercial demands totaling \$4,888.97.

The Demands Register dated August 31, 2016 with commercial demands totaling \$2,408.6.

The Demands Register dated September 13, 2016 with commercial demands totaling \$176.79.

The Minutes of August 9, 2016 as presented.

The meeting adjourned at 8:53 p.m.

Approved at the meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary

Loma Linda Housing Authority

Minutes

An Adjourned Regular Meeting of September 20, 2016

An adjourned regular meeting of the Loma Linda Housing Authority was called to order by Chairman Rigsby at 6:02 p.m., Tuesday, September 20, 2016, in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

Board Members Present:	Chairman Rhodes Rigsby Vice-Chairman Phill Dupper Ovidiu Popescu John Lenart
Board Members Absent:	Ron Dailey
Others Present:	Assistant Executive Director Konrad Bolowich General Counsel Richard Holdaway

No items were added or deleted; no public participation comments were offered upon invitation of the Chair; and no conflicts of interest were noted.

**Scheduled Items**

CC-2016-089

**LLHA-2016-021 – Joint Meeting of the City Council and Loma Linda Housing Authority relating to an Intercreditor and Subordination Agreement by and among the County of San Bernardino, the City of Loma Linda, the Loma Linda Housing Authority, and Loma Linda Vets L.P., a California limited partnership**

- a. Council Bill #R-2016-39 – City Council Authorizing the execution of the Intercreditor and Subordination Agreement
- b. LLHA Bill #R-2016-05 – Housing Authority authorizing the execution of the Intercreditor and Subordination Agreement

Mark Huebsch of Stradling Yocca Carlson & Rauth, Special Counsel to the Housing Authority, presented a report, stating that last week he was contacted by a County representative with a request for subordination of covenants earlier recorded on behalf of the City and the Housing Authority relating to the development on the south side of Van Leuven Street, east of Poplar Street to a County agreement with the developer of that property, which County agreement contained affordability requirements. Discussions with the County, Staff, and outside attorneys were initiated, with staff being prepared to carry forward a proposed action under which the City and Housing Authority would subordinate covenants to the County agreement, provided that the City and Housing Authority were made third party beneficiaries of the County agreement, thus resulting in the ability of the City and Commission to count the units as restricted under the County agreements. The County agreed that 86 units would be counted for production for the City and its Housing Authority involving subordination of one moderate-income covenant for 86 very low and low covenants at no cost to the City or the Housing Authority.

In response to questions, Mr. Huebsch indicated that the County entered into an agreement some time ago with the developer; subordinating the one covenant would gain 86 covenants on units that would be developed anyway.

Kathy Brann of the County of San Bernardino Housing Authority spoke, indicating that the County entered into an agreement with the developer several months ago and it was her impression that the City and its Housing Authority had been informed. She went on to say the HOME Funds were at risk of being forfeited unless the funds were put into the subject project which would be built pursuant to prior City Council action. She also indicated the project would target military personnel and would therefore be a positive influence because of its proximity to the VA Medical Center and because on-site supportive services would be provided to include job training, monitoring medication, and implementing a standard of living to name a few.

Extensive discussion ensued relating to locating affordable housing within a particular area; the amenities that were approved and which were required for the project; existing affordable housing in the area; the City's desire to complete the approved senior housing project on the west side of Poplar Street; any deficit in very low, low and moderate income housing being extinguished or nearly extinguished; potential project impacts; the need to heavily subsidize the units; placing some affordable housing in Area D (south of Redlands Boulevard, east of California Street).

Mr. Huebsch also indicated that by subordinating, the City and its Housing Authority while not obligated to enforce, would allow the ability to do so. Ms. Brann also indicated that the County issued an RFP over a year ago; 13 projects were submitted of which the subject project was chosen based on the quality of developer META which purchased the project from Golden Eagle, the project, and management.

City Attorney Holdaway addressed various questions, including that the entitlement as to the subject property runs with the land; the project could be sold to any buyer; neither the City nor the Housing Authority could regulate rents without consent of the owner. He confirmed that three affirmative votes were required to approve the Intercreditor and Subordination Agreement. Ms. Brann confirmed that the housing was restricted to veterans because a portion of the funding came from the State of California Veterans Fund. Mr. Huebsch indicated a "yes" vote would allow the City and its Housing Authority to be third party beneficiaries and to count the units as production and allow enforcement; without a "yes" vote, there would be no ability to enforce by the City or its Housing Authority and the units could not be counted as production units.

Dick Wiley also spoke.

**Motion by Dupper, seconded by Popescu to deny the request. Motion failed with Councilmen Rigsby and Lenart supporting the request. Councilman Dailey absent.**

City Attorney Holdaway addressed various questions.

Mayor Rigsby suggested this item be considered when five members of the Council were present.

The meeting adjourned at 7:17 p.m.

Approved at the meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary

Loma Linda Housing Authority

Minutes

A Regular Meeting of September 27, 2016

An adjourned regular meeting of the Loma Linda Housing Authority was called to order by Chairman Rigsby at 7:05 p.m., Tuesday, September 27, 2016, in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

Board Members Present:	Chairman Rhodes Rigsby Vice-Chairman Phill Dupper Ovidiu Popescu John Lenart
Board Members Absent:	Ron Dailey
Others Present:	Assistant Executive Director Konrad Bolowich General Counsel Richard Holdaway

No items were added or deleted; no public participation comments were offered upon invitation of the Chair; and no conflicts of interest were noted.

**Scheduled Items**

CC-2016-090

**LLHA-2016-022 – Joint Meeting of the City Council and Loma Linda Housing Authority relating to an Intercreditor and Subordination Agreement by and among the County of San Bernardino, the City of Loma Linda, the Loma Linda Housing Authority, and Loma Linda Vets L.P., a California limited partnership**

- a. Council Bill #R-2016-39 – City Council Authorizing the execution of the Intercreditor and Subordination Agreement
- b. LLHA Bill #R-2016-05 – Housing Authority authorizing the execution of the Intercreditor and Subordination Agreement

Councilman Dupper disclosed that he was employed by the County of San Bernardino, but was not related to the request under consideration.

Mark Huebsch of Stradling Yocca Carlson & Rauth presented a report, stating that the resolutions before the City Council and the Housing Authority seek approval of an Intercreditor Agreement with the County of San Bernardino; he further indicated that the Housing Authority's initial involvement consisted of the sale of land that was a portion of the footprint of a development.

He went on to say that Housing Authority and City would be able to count units under various affordability categories if the Housing Authority and City became third party beneficiaries under the County agreement with the developer; these credits would count for purposes of RHNA as well as assisting regarding any production deficit at the time. He indicated that there had been discussions with representatives of the County and discussions with representatives of the State of California; while there had been some indication that subordination of Housing Authority and City Covenants would be requested to an agreement between the State (HCD) and the developer, it appeared probable that this would not be the case, but there was not a definitive interpretation on this matter. There was thus the possibility that there could be a request by the State for subordination of the Housing Authority and City Covenants some time down the road. To address this possibility, the form of resolutions provide authorization for the Executive Director and the City Manager to execute subordination to the State if it becomes necessary. He noted that representatives of the County were present and recommended adoption of the resolutions.

Councilman Popescu stated that he contacted County representatives pertaining to process and how the veterans would be vetted and was satisfied with their response; as a result, he would vote in favor of adopted the resolutions.

Dena Fuentes, Director of County Community Development and Housing addressed the City Council, apologizing concerning the lack of communication between the County and the City and understanding the frustration of the City Council relating to the project and the funding process, and indicated that communications would improve.

She then went on to say that over \$37 million from a number of funding sources would be provided to develop and operate the project, including funds from the County Housing Authority and the County

Housing Department. Regarding the HOME Funds, \$2.1 million has been targeted for the project and of those funds, \$900,000 must be spent by September 30 or the funds would be captured by the State.

Ms. Fuentes stated further that as part of the financing structure, the County Housing Authority applied for vouchers to help finance the rents for the apartment units; that if the project did not move forward, there was no guarantee that the vouchers would be able to be reprogrammed to other projects within the County.

Councilman Dupper indicated that he spoke to County Supervisors who provided the same assurances, and that he supported City Staff on this issue. He then asked about other County support to address various issues.

In response, Ms. Fuentes indicated that the VA would provide support to all of the veterans; that there would also be on-site services to provide good conduct rules, Life Steps to assist veterans in their living environment, helping with medication, rehabilitation, and employment training. It is anticipated that job creation and development would occur and the veterans would progress to regular market-rate units.

Discussion ensued.

**Motion by Popescu, seconded by Lenart and unanimously carried to adopt Council Bill #R-2016-39 and LLHA Bill #R-2016-05 and authorize the City Manager to execute a subordination to the State if necessary. Councilman Dailey absent.**

**Resolution No. 2912**

A Resolution of the City Council of the City of Loma Linda approving and authorizing the execution of an Intercreditor and Subordination Agreement by and among the County of San Bernardino, the City of Loma Linda, the Loma Linda Housing Authority, and Loma Linda Vets., LP., a California limited partnership

**Resolution No. 32**

A Resolution of the Loma Linda Housing Authority approving and authorizing the execution of an Intercreditor and Subordination Agreement by and among the County of San Bernardino, the City of Loma Linda, the Loma Linda Housing Authority, and Loma Linda Vets., LP., a California limited partnership

The meeting adjourned at 7:22 p.m.

Approved at the meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary



# City of Loma Linda Official Report

Rhodes Rigsby, Chairman  
Phillip Dupper, Vice-Chairman  
Ovidiu Popescu, Member  
Ronald Dailey, Member  
John Lenart, Member

HOUSING AUTHORITY AGENDA: October 11, 2016

TO: Housing Authority  
FROM: Pamela Byrnes-O'Camb, Secretary *pbo*  
VIA: T. Jarb Thaipejr, Executive Director

SUBJECT: LLHA Bill #R-2016-06 - Approving the Homebuyer Loan Agreement between the Loma Linda Housing Authority and David Lightbourne in connection with the sale of 25530 Portola Loop from Mark Boyer and Robin Escobar to David Lightbourne

Approved/Continued/Denied By Housing Authority Date _____
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## RECOMMENDATION

It is recommended that the Housing Authority Board adopt LLHA Bill #R-2016-06.

## BACKGROUND

The single family residential property known as 25530 Portola Loop (the "Property") was sold by the Housing Authority to Mark Boyer and Robin Escobar ("Current Owner") in August, 2012. At that time, the Property was subject to covenants which limit the occupancy of the Property to a household of Low Income, with the additional requirement that the cost for the Property not exceed Affordable Housing Cost as determined in accordance with Health & Safety Code Section 50052.5. Current Owner has indicated to the Housing Authority that it desires to sell the Property, and that Current Owner has entered into a purchase and sale agreement as to the Property (the "Purchase and Sale Agreement") with David Lightbourne (the "Buyer"). An independent consultant experienced in affordable housing and income qualifications has reviewed the eligibility of Buyer as a purchaser/owner of the Property and has determined that Buyer qualifies.

In connection with the proposed sale of the Property by Current Owner to Buyer, two existing loans made by the Housing Authority to Current Owner would be extinguished; in their place, two new loans would be made by the Housing Authority to Buyer, each of which would be secured by a deed of trust as to the Property. In addition, the Housing Authority would fund Twelve Thousand Dollars (\$12,000.00) to the Current Owner as an accommodation in order to facilitate the sale. The terms of such loans and payment are more fully set forth in an instrument entitled "Homebuyer Loan Agreement" (the "HLA") in the form submitted herewith.

Under the HLA, the existing affordability covenants would remain in effect.

The HLA provides for monthly payments which will conform to Affordable Housing Cost for Lower Income Households as set by the State Department of Housing and Community Development (HCD) under Health and Safety Code Sections 50052.5, 50079.5, and related regulations. The loans made under the HLA have been structured in an effort to maximize the return to the Housing Authority (in order that

repayments will offset the payment to Current Owner and to provide resources for ongoing Housing Authority activities).

### **ANALYSIS**

Housing Authority financing of the Property under the HLA will retain the affordability covenant, provide the Buyer within the lower income category the opportunity to purchase a home, and would provide a revenue source for the Housing Authority by way of monthly payments.

### **FINANCIAL IMPACT**

Sale of the Property subject to the loans as provided under the HLA will provide the Housing Authority with revenue over time in the form of monthly payments of principal and interest. The loans by the Housing Authority would involve an initial cash outlay by the Housing Authority of \$12,000, as noted above; however, this amount would be more than recouped by the repayments of the loans.

**RESOLUTION NO. \_\_\_\_**

**A RESOLUTION OF THE LOMA LINDA HOUSING AUTHORITY APPROVING A HOMEBUYER LOAN AGREEMENT WITH DAVID LIGHTBOURNE**

(25530 Portola Loop)

WHEREAS, California Health and Safety Code Sections 33334.2 and 33334.6 authorized and directed the Loma Linda Redevelopment Agency (the "Former Agency") to expend a certain percentage of all taxes which are allocated to the Former Agency pursuant to Section 33670 for the purposes of increasing, improving and preserving the community's supply of low and moderate income housing available at affordable housing cost to persons and families of low- and moderate-income, lower income, and very low income;

WHEREAS, pursuant to applicable law the Former Agency established a Low and Moderate Income Housing Fund (the "Housing Fund");

WHEREAS, pursuant to California Health and Safety Code Section 33334.2(e), in carrying out its affordable housing activities, the Former Agency was authorized to provide subsidies to or for the benefit of very low income and lower income households, or persons and families of low or moderate income, to the extent those households cannot obtain housing at affordable costs on the open market, and to provide financial assistance for the construction and rehabilitation of housing which will be made available at an affordable housing cost to such persons;

WHEREAS, ABx1 26, as adopted by the California Legislature in 2011 (the "2011 Dissolution Act") dissolved redevelopment agencies throughout the State of California, including without limitation the Former Agency. Under the 2011 Dissolution Act, housing assets, such as the interests of the Former Agency were transferred to governmental entities as designated pursuant to the 2011 Dissolution Act;

WHEREAS, acting as prescribed by the 2011 Dissolution Act, the City of Loma Linda (the "City") (i) elected to act as the successor agency to the Former Agency (acting in such capacity, the "Successor Agency") and (ii) designated the Loma Linda Housing Authority (the "Authority") to receive the housing assets of the Former Agency, including without limitation real property located at 25530 Portola Loop (the "Property");

WHEREAS, an oversight board (the "Oversight Board") has been established, acting under the 2011 Dissolution Act, for the Successor Agency. At its meeting of March 20, 2012, by its Resolution No. 2012-004, the Oversight Board approved and affirmed the transfer of the housing assets of the Former Agency to the Authority, including without limitation the Property;

WHEREAS, following the transfer of housing assets of the Former Agency, the Authority entered into an agreement, dated as of June 12, 2012 (the "Housing Disposition Agreement") with Mary Boyer, a single man, and Robin Escobar, a single woman (herein, collectively, "Seller") under which the Seller agreed to purchase the Property, including a dwelling unit located thereon. Under the Housing Disposition Agreement, the Property was restricted to occupancy and ownership to households which at the time of purchase were households having an income not exceeding eighty percent (80%) of areawide median income, as further described at Health & Safety Code Section

50079.5 ("Low Income Households") at a housing cost not in excess of the maximum housing cost permitted under California Health & Safety Code Section 50052.5 for a Low Income Household ("Affordable Housing Cost"). The Property was made subject to long-term covenants to assure that the Property would be maintained as an affordable housing resource. The conveyance of the Property from the Authority was made by a certain "Grant Deed Containing Resale Restrictions" which was recorded among the official land records of the County Recorder of the County of San Bernardino ("Official Records") on August 14, 2012 as Document No. 2012-0324767 (the "Grant Deed Containing Restrictions"). The Property remains subject to those restrictions. The Property was sold subject to loans made by the Authority to Seller (the "Authority 2012 Loans");

WHEREAS, under the Grant Deed Containing Restrictions, the Property is required to remain owner-occupied by households who, at the time of purchase, qualify as Low Income Households and at a price which does not exceed Affordable Housing Cost, for a period commencing as of August 14, 2012 and continuing until the forty-fifth (45th) anniversary thereof, namely, August 14, 2057; the period described thereby constitutes the "Affordability Period";

WHEREAS, Seller has entered into an agreement entitled "Purchase and Sale Agreement" dated as of September 29, 2016 (the "Purchase Agreement") with David Lightbourne ("Buyer" or "Program Participant") under which Seller will sell the Property to the Program Participant for a purchase price of One Hundred Forty Three Thousand Six Hundred Fifty Seven Dollars (\$143,657.00) (the "Purchase Price") under terms and conditions more particularly set forth in the Purchase Agreement, and a draft agreement entitled "Homebuyer Loan Agreement" dated as of October 11, 2016 between the Authority and Program Participant (the "Homebuyer Loan Agreement"). A copy of each of the Homebuyer Loan Agreement and the Purchase Agreement is on file with the Authority Secretary;

WHEREAS, Program Participant has provided financial information to the Authority and has represented that Program Participant is a low income household;

WHEREAS, in connection with the proposed sale by Seller to Buyer, Seller and Buyer have proposed that the Authority originate new loans in the combined amount of One Hundred Forty Two Thousand One Hundred Fifty Seven (\$142,157.00)(the "Authority Loan Amount") to Buyer, and that the Authority authorize the expenditure of the sum of Twelve Thousand Dollars (\$12,000.00)(the "Authority Accommodation Amount") to Seller (less Seller's costs of sale), the latter in consideration of the payments Seller has previously made to Authority and to induce Seller to effect the sale of the Property to Buyer. The Authority Accommodation Amount exceeds the amount of principal previously paid down against the Authority 2012 Loans by Seller;

WHEREAS, in connection with the sale by Seller to Buyer under the Purchase and Sale Agreement, the Authority will release and reconvey the deeds of trust securing repayment of the Authority 2012 Loans and the Authority 2012 Loans will thereupon be deemed cancelled;

WHEREAS, under the Homebuyer Loan Agreement, the Authority will record deeds of trust as to the Property in the amount of the Authority Loan Amount ("Authority Deeds of Trust"), and affordability covenants in place as to the Property will remain in full force and effect and will be

extended to the extent necessary that affordability covenants remain in effect until the later to occur of August 14, 2057 or the satisfaction in full of the Authority Deeds of Trust;

WHEREAS, the terms of the Authority Loans are set forth in the draft Homebuyer Loan Agreement;

WHEREAS, the Program Participant has acknowledged and agreed that the use of the Property will continue to be restricted to "Low Income Households" (households having an income of not to exceed eighty percent (80%) of median income, as defined in California Health and Safety Code Section 50079.5), all as more particularly provided in the Homebuyer Loan Agreement, and that the Property is required to continue to be maintained at "Affordable Housing Cost" for a Low Income Household, as defined by California Health and Safety Code Sections 50079.5 and 50052.5;

WHEREAS, the Program Participant has represented and Authority staff has confirmed that the Program Participant requires financial participation by the Authority (in the form of the Authority Loans) in order to purchase the Property and would not be able to purchase the Property without such financial participation by the Authority. Program Participant is a Low Income Household;

WHEREAS, Program Participant has represented and warranted to Authority that Program Participant intends to reside in the Property as the Buyer's principal residence at all times during the period of Program Participant's ownership of the Property;

WHEREAS, the Authority wishes to lend, and Program Participant wishes to borrow, funds to enable Program Participant to purchase the Property (under the Purchase Agreement) upon the terms and conditions set forth in the Homebuyer Loan Agreement;

WHEREAS, the Authority staff has reviewed the Program Participant's eligibility for acquisition of the Property as a Low Income Household;

WHEREAS, the preservation of the Property as an affordable housing resource which continues to be available at Affordable Housing Cost to Low Income Households, subject to long-term covenants, assists in maintaining an existing covenant, promotes the affordable housing objectives of the Authority and furthers the provision of affordable housing and providing for mechanisms to better assure the long-term affordability of the Property;

WHEREAS, the Authority has duly considered all terms and conditions of the proposed Homebuyer Loan Agreement and believes that the Homebuyer Loan Agreement is in the best interests of the Authority and the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable State and local law requirements;

WHEREAS, all actions required by all applicable law with respect to the proposed Homebuyer Loan Agreement have been taken in an appropriate and timely manner;

WHEREAS, the Authority has duly considered all of the terms and conditions of the proposed Homebuyer Loan Agreement and believes that the Homebuyer Loan Agreement is in the

best interests of the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, THE LOMA LINDA HOUSING AUTHORITY DOES RESOLVE AS FOLLOWS:

Section 1. The Authority finds and determines that each of the recitals set forth above is true and correct.

Section 2. The Authority hereby approves the Homebuyer Loan Agreement in substantially the form presented to the Authority, subject to such revisions as may be directed by the governing board of the Authority and such changes as may be made by the Executive Director of the Authority or his designee. The Authority authorizes the Executive Director to release and reconvey the deed of trust securing repayment of the Authority 2012 Loans and to cancel the Authority 2012 Loans provided that the Authority Deeds of Trust are recorded and title insurance is provided for the benefit of the Authority as set forth in the Homebuyer Loan Agreement. The Executive Director of the Authority is hereby authorized to execute the Homebuyer Loan Agreement (including without limitation all attachments thereto) on behalf of the Authority, together with any instruments necessary or convenient to implement the Homebuyer Loan Agreement, to disburse the Authority Accommodation Amount, and to undertake such actions as are reasonable and necessary to further the implementation of the Homebuyer Loan Agreement. A copy of the Homebuyer Loan Agreement shall, when executed by the Authority, be placed on file in the office of the Secretary of the Authority.

Section 3 The Authority appropriates funds equal to the Authority Accommodation Amount and costs of the Authority in accomplishing the closing of the transactions referenced herein.

APPROVED AND ADOPTED this 11th day of October, 2016 by the following vote:

Ayes:  
Noes:  
Absent:  
Abstain:

By: \_\_\_\_\_  
Rhodes Rigsby, Chairman

ATTEST:

\_\_\_\_\_  
Pamela Byrnes-O'Camb, Authority Secretary