



**COUNTY OF SAN DIEGO  
SUCCESSOR AGENCY TO THE  
COUNTY OF SAN DIEGO  
REDEVELOPMENT AGENCY**

**BOARD OF DIRECTORS**

PALOMA AGUIRRE  
First District

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Second District

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Third District

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Fourth District

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Fifth District

**AGENDA ITEM**

**DATE:** April 21, 2026

**SR01**

**TO:** Board of Directors

**SUBJECT**

**ESTABLISH APPROPRIATIONS BASED ON AN OPERATING TRANSFER FROM THE RESERVE ACCOUNT TO THE DEBT SERVICE FUND (DISTRICTS: ALL)**

**OVERVIEW**

On January 24, 2012 (14), the County of San Diego (County) was designated as the Successor Agency to the Redevelopment Agency of the County of San Diego (Successor Agency) to oversee the wind-down of the former Redevelopment Agency's operations following the steps established by California Assembly Bill (AB) X1 26 and AB 1484, collectively known as the Dissolution Act. These steps include preserving assets, fulfilling legally binding commitments, overseeing the termination of activities, and returning resources expeditiously to the affected taxing entities.

In 2005, under an indenture agreement, the former Redevelopment Agency pledged tax increment revenues generated within the Gillespie Field Project Area to make payments on San Diego County Redevelopment Agency Revenue Refunding Bonds, Series 2005A (Bonds). When the former Redevelopment Agency was dissolved, responsibility for paying the Bonds transferred to the Successor Agency. Under the indenture agreement with the Bank of New York Trust Company, N.A., as trustee, a required amount must be maintained in a debt service reserve account to secure payment of the Bonds. If the Successor Agency is not in default and the debt service reserve account balance exceeds the required amount, the trustee must transfer the excess to a debt service fund. Any excess reserve amount transferred to the debt service fund is restricted for use exclusively toward the Bonds' eligible obligation payments. Currently, the reserve account has an excess balance of \$289,261, but only \$150,000 has currently been budgeted as available for transfer by appropriation. Based on staff analysis, an additional \$155,000 in appropriations is sufficient to allow the excess of \$289,261 to be transferred along with any other remaining excess reserve transfers for Fiscal Year 2025–26. Therefore, today's action requests appropriations, funded by an operating transfer from the CSAF GF Debt Service Reserve Fund (Fund 23213) to the CSAF GF Debt Service Fund (Fund 23210), to maintain the required debt service reserve account balance.

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This item supports the County vision of a just, sustainable, and resilient future for all, specifically those communities and populations in San Diego County that have been historically underserved. This will be accomplished by managing redevelopment projects currently underway, making payments on enforceable obligations, and allocating remaining property tax revenues that exceed the enforceable obligations to cities, counties, special districts, school, and community college districts.

**RECOMMENDATION(S)**

**CHIEF ADMINISTRATIVE OFFICER**

Establish appropriations of \$155,000 in the County of San Diego Successor Agency Gillespie Field Debt Service Reserve (Fund 23213), Operating Transfer Out, based on an Operating Transfer In in the County Successor Agency Gillespie Field Debt Service (Fund 23210) to transfer the reserve amount in excess of the reserve account requirement. **(4 VOTES)**

**EQUITY IMPACT STATEMENT**

As part of the 2011 Budget Act, the California Legislature dissolved over 400 Redevelopment Agencies (RDA) in an effort to protect funding for core public services. This allowed local jurisdictions to have more decision-making input on the development of communities, and the resulting revenues. The dissolution went into effect on February 1, 2012. Property tax revenues were diverted to pay off existing bonds, other obligations, and pass-through payments to local governments. Any remaining property tax revenues that exceeded the enforceable obligations were allocated to cities, counties, special districts, and schools and community college districts.

The approval of the establishment of appropriations in the County of San Diego (County) Successor Agency Gillespie Field Debt Service Reserve (Fund 23213) will provide the County with future revenue that can provide resources to preserve core public services for the community, which includes, but are not limited to, programs and services to help improve the health and public safety of residents.

**SUSTAINABILITY IMPACT STATEMENT**

Today's actions support the Sustainability Goal #1 of engaging the community by transparently sharing results of outcomes on current projects. Additionally, today's actions support the County of San Diego Sustainability Goal #2 of providing just and equitable access to resource allocations by managing redevelopment projects currently underway.

**FISCAL IMPACT**

Funds for this request are partially included in the Fiscal Year (FY) 2025-26 Operational Plan in the County of San Diego (County) Successor Agency. If approved, this request will result in additional costs and revenue of \$155,000 in FY 2025-26. The funding source is an operating transfer from the County Successor Agency Gillespie Field Debt Service Reserve (Fund 23213) to the County Successor Agency Gillespie Field Debt Service (Fund 23210) based on the reserve amount in excess of the reserve account requirement. The excess reserve amount transferred to the County Successor Agency Gillespie Field Debt Service (Fund 23210) will be restricted for use

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exclusively toward eligible County Successor Agency obligation payments. There will be no change in net General Fund cost and no additional staff years.

**BUSINESS IMPACT STATEMENT**

N/A

**ADVISORY BOARD STATEMENT**

N/A

**BACKGROUND**

On January 24, 2012 (14), the County of San Diego (County) was designated as the Successor Agency to the Redevelopment Agency of the County of San Diego (Successor Agency) to oversee the wind-down of the former Redevelopment Agency's operations following the steps established by California Assembly Bill (AB) X1 26 and AB 1484, collectively known as the Dissolution Act. These steps include preserving assets, fulfilling legally binding commitments, overseeing the termination of activities, and returning resources expeditiously to the affected taxing entities.

A project of the former Redevelopment Agency was the Redevelopment Plan for the Gillespie Field Redevelopment Project Area (Project Area) that was adopted by the Board of Supervisors on July 7, 1987 (53). The Project Area was a contiguous area of approximately 746 acres and includes Gillespie Field Airport. In 2005 under an Indenture Agreement included as Attachment A between the Bank of New York Trust Company, N.A. as the trustee, the former Redevelopment Agency pledged tax increment revenues to pay on San Diego County Redevelopment Agency Revenue Refunding Bonds, Series 2005A (Bonds) issued for the Project Area. The Successor Agency assumed responsibility for payment of the Bonds after the former Redevelopment Agency was dissolved. These Bonds are indicated as Item #1: Gillespie Field 2005 Bond Principal and Interest on the Successor Agency's FY25-26 Recognized Obligation Payment Schedule (ROPS) approved by the Successor Agency on January 28<sup>th</sup>, 2025 (SR01). The ROPS is included as Attachment B.

Based on the Indenture Agreement, a reserve account must be maintained at the required amount to further secure payments of the Bonds. The trustee must transfer funds from the debt service reserve account to the debt service account as needed to maintain the required reserve balance. No additional deposits are required if the reserve account meets the required amount. The funds in the debt service reserve account are only to be used by the trustee to:

1. Replenish the interest, principal, or sinking accounts (in that order) if there is a shortfall;
2. Pay interest and principal on the bonds if no other funds are lawfully available; and
3. Retire all outstanding bonds.

If the Successor Agency is not in default and the reserve account contains more than the required amount, the excess will be transferred by the trustee to the debt service fund. Any excess reserve amount transferred to the debt service fund is restricted for use exclusively toward the Bonds' eligible obligation payments. Currently, the debt service reserve account has an excess of \$289,261, but only \$150,000 has currently been budgeted as available for transfer by appropriation. Based on staff analysis, \$155,000 in additional appropriations will sufficiently

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allow the excess of \$289,261 to be transferred along with any other excess debt service reserve account transfers remaining for FY 2025-26.

The San Diego County Board of Supervisors serves as the Successor Agency Board of Directors. Therefore, Successor Agency Board of Directors' approval is requested to establish additional appropriations of \$155,000 in the County Successor Agency Gillespie Field Debt Service Reserve (Fund 23213) to transfer the reserve amount in excess of the debt service reserve account requirement to the County Successor Agency Gillespie Field Debt Service (Fund 23210).

**LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN**

Today's proposed actions to approve the Recognized Obligation Payment Schedule and administrative budget support the Sustainability (Economy and Resiliency) and Equity (Economic Opportunity) Initiatives in the County of San Diego (County) 2026-2031 Strategic Plan by providing the County Successor Agency the ability to continue the process of winding down the activities, assets, and obligations of the former Redevelopment Agency of the County according to contractual obligations and State legislated procedures.

Respectfully submitted,



EBONY N. SHELTON  
Chief Administrative Officer

**ATTACHMENT(S)**

Attachment A – Indenture Agreement

Attachment B – Recognized Obligation Payment Schedule (ROPS 25-26)