

RESOLUTION NO. OB 2016-002

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE LA MESA COMMUNITY REDEVELOPMENT AGENCY APPROVING AND ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 16-17) FOR THE 12-MONTH FISCAL YEAR PERIOD FROM JULY 1, 2016 THROUGH JUNE 30, 2017 AND APPROVING RELATED ACTIONS

WHEREAS, the La Mesa Community Redevelopment Agency ("Redevelopment Agency") was a redevelopment agency in the City of La Mesa ("City"), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) ("Redevelopment Law"); and

WHEREAS, Assembly Bill No. X1 26 (2011-2012 1st Ex. Sess.) ("AB 26") was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and to the California Health and Safety Code ("H&S Code"), including adding Part 1.8 (commencing with Section 34161) ("Part 1.8") and Part 1.85 (commencing with Section 34170) ("Part 1.85") to Division 24 of the H&S Code; and

WHEREAS, pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

WHEREAS, the City Council of the City adopted Resolution No. 2012-005 on January 10, 2012, pursuant to Part 1.85 of AB 26, electing for the City to serve as the successor agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency on February 1, 2012 under AB 26 ("Successor Agency"), and electing for the City to retain the responsibility for performing housing functions of the Redevelopment Agency upon the dissolution of the Redevelopment Agency on February 1, 2012 under AB 26 ("Successor Housing Entity"); and

WHEREAS, on February 1, 2012, the Redevelopment Agency was dissolved by operation of law and the Successor Agency and Successor Housing Entity were established pursuant to AB 26; and

WHEREAS, AB 26 has since been amended by various assembly and senate bills enacted and signed by the Governor. AB 26 as amended is hereinafter referred to as the "Dissolution Laws"; and

WHEREAS, H&S Code Section 34179 of the Dissolution Laws establishes a seven (7) member local entity with respect to each successor agency and such entity is titled the "oversight board." The oversight board has been established for the Successor Agency (hereinafter referred to as the "Oversight Board") and all seven (7) members have been appointed to the Oversight Board pursuant to H&S Code Section 34179 of the Dissolution Laws. The duties and responsibilities of the Oversight Board are primarily set forth in H&S Code Sections 34179 through 34181 of the Dissolution Laws; and

WHEREAS, on July 16, 2013, the California Department of Finance ("Department of Finance") issued the Finding of Completion to the Successor Agency pursuant to H&S Code Section 34179.7 of the Dissolution Laws; and

WHEREAS, pursuant to H&S Code Section 34171(h) of the Dissolution Laws, on and after July 1, 2016, "Recognized Obligation Payment Schedule" ("ROPS") means the document setting forth the minimum payment amounts and due dates of payments required by enforceable obligations of the Successor Agency for each fiscal year as provided in H&S Code Section 34177(o) of the Dissolution Laws; and

WHEREAS, pursuant to H&S Code Section 34177(l)(3) of the Dissolution Laws, the ROPS shall be forward looking to the next one year in accordance with H&S Code Section 34177(o); and

WHEREAS, according to H&S Code Section 34177(l)(1) of the Dissolution Laws, the Successor Agency shall prepare a ROPS before each fiscal year period. For each recognized obligation, the ROPS shall identify one or more of the following sources of payment: (i) Low and Moderate Income Housing Funds, (ii) bond proceeds, (iii) reserve balances, (iv) administrative cost allowance, (v) the Redevelopment Property Tax Trust Fund ("RPTTF") but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation or by the provisions of Part 1.85 of the Dissolution Laws, and (vi) other revenue sources, including rents, concessions, asset sale proceeds, interest earnings, and any other revenues derived from the former Redevelopment Agency as approved by the Oversight Board in accordance with Part 1.85 of the Dissolution Laws; and

WHEREAS, it is the intent of the Dissolution Laws that the ROPS serve as the designated reporting mechanism for disclosing the Successor Agency's minimum fiscal year payment obligations by amount and source and that the San Diego County Auditor-Controller ("County Auditor-Controller") will be responsible for ensuring that the Successor Agency receives revenues sufficient to meet the requirements of the ROPS during each fiscal year period; and

WHEREAS, pursuant to H&S Code Section 34177(o) of the Dissolution Laws, the Successor Agency is required to submit the ROPS for the fiscal year period of July 1, 2016 through June 30, 2017, after its approval and adoption by the Oversight Board, to the Department of Finance and the County Auditor-Controller not later than February 1, 2016; and

WHEREAS, the ROPS covering the 12-month fiscal year period from July 1, 2016 through June 30, 2017 ("ROPS 16-17") was approved and adopted by the Successor Agency at its meeting conducted on January 26, 2016; and

WHEREAS, the ROPS 16-17 is presented to the Oversight Board at this meeting for review, approval, and adoption; and

WHEREAS, in accordance with H&S Code Section 34177(l)(2)(B) of the Dissolution Laws, the Successor Agency submitted a copy of the ROPS 16-17 to the San Diego County Administrative Officer, the County Auditor-Controller, and the Department of Finance at the same time that the Successor Agency submitted the ROPS 16-17 to the Oversight Board for approval; and

WHEREAS, pursuant to H&S Code Section 34177(l)(2)(C) of the Dissolution Laws, a

copy of the Oversight Board-approved ROPS 16-17 shall be submitted to the County Auditor-Controller, the State Controller's Office and the Department of Finance and shall be posted on the Successor Agency's internet website; and

WHEREAS, pursuant to H&S Code Section 34177(o)(1)(A) of the Dissolution Laws, the Successor Agency shall submit a copy of the Oversight Board-approved ROPS 16-17 to the Department of Finance in the manner provided by the Department of Finance; and

WHEREAS, pursuant to H&S Code Section 34183(a)(2) of the Dissolution Laws, the County Auditor-Controller is required to make a payment of property tax revenues (i.e. former tax increment funds) from the RPTTF to the Successor Agency on June 1, 2016 and January 2, 2017 for payments to be made toward recognized obligations listed on the ROPS 16-17 and approved by the Department of Finance; and

WHEREAS, the proposed ROPS 16-17 is consistent with the requirements of the H&S Code and other applicable law; and

WHEREAS, the proposed ROPS 16-17 contains the schedules for payments on enforceable obligations required for the applicable fiscal year period and sources of funds for payments as required pursuant to H&S Code Section 34177(l) of the Dissolution Laws; and

WHEREAS, pursuant to H&S Code Section 34177(o)(1) of the Dissolution Laws, the ROPS 16-17 as approved and adopted by the Oversight Board shall be submitted to the Department of Finance and the County Auditor-Controller no later than February 1, 2016. Section 34177(o)(1) further provides that the Department of Finance shall make its determination of the enforceable obligations and the amounts and funding sources of the enforceable obligations no later than April 15, 2016 and that the Successor Agency may, within five (5) business days of the Department of Finance's determination, request additional review by the Department of Finance and an opportunity to meet and confer on disputed items. In the event of a meet and confer and request for additional review, the Department of Finance shall notify the Successor Agency and the County Auditor-Controller as to the outcome of its review at least fifteen (15) days before the date of the first property tax distribution for that period (i.e. before June 1, 2016); and

WHEREAS, all of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the La Mesa Community Redevelopment Agency does hereby resolve as follows:

Section 1. The Oversight Board determines that the foregoing recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board approves and adopts the ROPS 16-17 for the 12-month fiscal year period from July 1, 2016 through June 30, 2017, in substantially the form presented to the Oversight Board at this meeting, and determines that all obligations listed on the ROPS 16-17 constitute "enforceable obligations" and "recognized obligations" for all purposes of the Dissolution Laws.

Section 3. The Oversight Board authorizes and directs the Executive Director, or designee, of the Successor Agency to: (i) submit the ROPS 16-17 to the Department of Finance

and to the County Auditor-Controller no later than February 1, 2016; (ii) submit a copy of the ROPS 16-17 to the State Controller's Office and post the ROPS 16-17 on the Successor Agency's internet website; (iii) revise the ROPS 16-17, and make such changes and amendments as necessary, before official submittal of the ROPS 16-17 to the Department of Finance in order to complete the ROPS 16-17 in the manner provided by the Department of Finance and to conform the ROPS 16-17 to the form or format as may be prescribed by the Department of Finance; (iv) make other non-substantive changes and amendments to the ROPS 16-17 as may be approved by the Executive Director of the Successor Agency and its legal counsel; and (v) take such other actions and execute such other documents as are necessary to effectuate the intent of this Resolution on behalf of the Oversight Board.

Section 4. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 5. This Resolution shall take effect immediately upon its adoption and is subject to review by the Department of Finance in accordance with H&S Code Section 34177(o)(1) of the Dissolution Laws.

PASSED AND ADOPTED at a duly noticed public meeting of the Oversight Board of the Successor Agency to the La Mesa Community Redevelopment Agency held on the 28th day of January 2016, by the following vote, to wit:

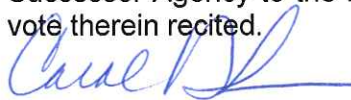
AYES: Gonzales, Fazio, Adams, Ayres, Patterson

NOES: None

ABSENT: Rearic, South

CERTIFICATE OF SECRETARY

I, Carol Dick, Secretary of the Oversight Board of the Successor Agency to the La Mesa Community Redevelopment Agency, do hereby certify the foregoing to be a true and exact copy of Resolution No. OB 2016-002, duly passed and adopted by the Oversight Board of the Successor Agency to the La Mesa Community Redevelopment Agency on the date and by the vote therein recited.



Carol Dick
Secretary
Oversight Board of the Successor Agency to the
La Mesa Community Redevelopment Agency

1-28-16
Date