RESOLUTION OBSA-013

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE SOLANA BEACH REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY FOURTH ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2013 TO DECEMBER 31, 2013, AND MAKING RELATED DETERMINATIONS AND TAKING RELATED ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the Solana Beach Redevelopment Agency ("Redevelopment Agency") was a redevelopment agency in the City of Solana Beach ("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, the Redevelopment Agency was responsible for the administration of redevelopment activities within the City; 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 the California Health and Safety Code ("Health and Safety 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 Health and Safety 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, on January 11, 2012, the City Council (the "City Council") of the City adopted Resolution 2012-011, 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 under AB 26 ("Successor Agency"); and

WHEREAS, as part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 ("AB 1484", Chapter 26, Statutes 2012). Although the primary purpose of AB 1484 was to make technical and substantive amendments to AB 26 based on issues that had arisen in the implementation of AB 26, AB 1484 imposes additional statutory provisions relating to the activities and obligations of successor agencies and to the wind down process of former redevelopment agencies (AB 26 as amended by AB 1484 is hereinafter referred to as the "Dissolution Act"); and

WHEREAS, Health and Safety Code Section 34179 of the Dissolution Act 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 Health and Safety Code Section 34179 of the Dissolution Act. The duties and responsibilities of the Oversight Board are primarily set forth in Health and Safety Code Sections 34179 through 34181 of the Dissolution Act; and

WHEREAS, Health and Safety Code Section 34177(j) of the Dissolution Act requires the Successor Agency to prepare an administrative budget for each six-month fiscal period and submit the administrative budget to the Oversight Board for approval. The administrative budget shall include all of the following: (i) estimated amounts for Successor Agency administrative costs for the upcoming six-month fiscal period; (ii) proposed sources of payment for Successor Agency administrative costs; and (iii) proposals for arrangements for administrative and operations services provided by the City or other entity; and

WHEREAS, Health and Safety Code Section 34177(k) of the Dissolution Act requires the Successor Agency to provide to the San Diego County Auditor-Controller ("County Auditor-Controller") for each six-month fiscal period the administrative cost estimates from its approved administrative budget that are to be paid from property tax revenues (i.e. former tax increment revenues) deposited in the County's Redevelopment Property Tax Trust Fund established by San Diego County for the Successor Agency; and

WHEREAS, Health and Safety Code Section 34171(b) of the Dissolution Act provides that the Administrative Cost Allowance prepared by the Successor Agency and payable from property tax revenues is subject to the approval of the Oversight Board; and

WHEREAS, on February 13, 2013, the Successor Agency received the administrative budget for its general administrative costs and expenses covering the period of July 1, 2013 through December 31, 2013 ("Fourth Administrative Budget"), in the form attached to this Resolution as Exhibit "A", and the

Successor Agency authorized the submission of the Fourth Administrative Budget to the Oversight Board for its approval; and

WHEREAS, the proposed source of payment of the costs set forth in the Fourth Administrative Budget is property taxes from the County's Redevelopment Property Tax Trust Fund established by San Diego County for the Successor Agency. In this regard, the Fourth Administrative Budget documents a six (6) month Administrative Cost Allowance for Fiscal Year 2013/2014 in an amount authorized under the Dissolution Act of $125,000 (which equals one half of the $250,000 minimum amount authorized under the Dissolution Act for each fiscal year); and

WHEREAS, the Fourth Administrative Budget and the Administrative Cost Allowance are now being submitted to the Oversight Board for review and approval in accordance with Health and Safety Code Sections 34177(j) and 34171(b) of the Dissolution Act respectively; and

WHEREAS, the Fourth Administrative Budget has been prepared in accordance with Health and Safety Code Section 34177(j) of the Dissolution Act and is consistent with the requirements of the Health and Safety Code and other applicable law; and

WHEREAS, in furtherance of Part 1.85 of the Dissolution Act, a copy of the Fourth Administrative Budget as approved by the Oversight Board shall be submitted to the County Auditor-Controller and both the State Controller's Office and the California Department of Finance ("Department of Finance") and shall be posted on the Successor Agency's internet website; and

WHEREAS, pursuant to Health and Safety Section 34177(k) of the Dissolution Act, the Successor Agency shall submit to the County Auditor-Controller the administrative cost estimates from the Fourth Administrative Budget that are to be paid from property tax revenues deposited in the County's Redevelopment Property Tax Trust Fund established for the Successor Agency; and

WHEREAS, pursuant to the Dissolution Act, the Oversight Board met at a duly noticed public meeting on February 21, 2013 to consider approval of the Fourth Administrative Budget and the Administrative Cost Allowance among other approvals; and

WHEREAS, after reviewing the Fourth Administrative Budget and the Administrative Cost Allowance presented to and recommended for approval to the Oversight Board by the Successor Agency, and after reviewing any written and oral comments from the public relating thereto, the Oversight Board desires to approve the Fourth Administrative Budget and the Administrative Cost Allowance; and

WHEREAS, the activity proposed for approval by this Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Sections 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines; and

WHEREAS, the activity proposed for approval by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because such activity is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board of the Successor Agency for the Solana Beach Redevelopment Agency hereby resolves and determines as follows:

SECTION 1. The foregoing recitals are true and correct, and, together with information provided by the Successor Agency and the public, form the basis for the approvals, resolutions, and determinations set forth below.

SECTION 2. The Oversight Board hereby approves the Fourth Administrative Budget in the amount of $125,000 and in the form presented to the Oversight Board and attached hereto as Exhibit A and consents to the Successor Agency's costs and expenses for the general administrative activities and functions described in the Fourth Administrative Budget.

SECTION 3. The Oversight Board hereby approves the Administrative Cost Allowance proposed by the Successor Agency in the amount of $125,000.

SECTION 4. The Oversight Board hereby authorizes and directs the Executive Director, or designee, of the Successor Agency to submit to the County Auditor-Controller the administrative cost estimates from the Fourth Administrative Budget that are to be paid from property tax revenues deposited in the County's Redevelopment Property Tax Trust Fund established for the Successor Agency, in the amount provided by the approved Administrative Cost Allowance.

SECTION 5. The Oversight Board hereby authorizes and directs the Successor Agency staff to submit copies of the Fourth Administrative Budget approved by this Resolution as required under the Dissolution Act, in the method required, and in a manner to avoid a late submission or accrual of any penalties. In this regard, the Executive Director, or designee, of the Successor Agency is hereby authorized and directed to: (i) submit the Fourth Administrative Budget, as approved by the Oversight Board, and written notice of the Oversight Board's approval of the Fourth Administrative Budget and Administrative Cost Allowance

to the Department of Finance (electronically) pursuant to Health and Safety Code Section 34179(h) of the Dissolution Act; (ii) submit a copy of the Fourth Administrative Budget, as approved by the Oversight Board, to the County Auditor-Controller and the State Controller's Office; and (iii) post the Fourth Administrative Budget, as approved by the Oversight Board, on the Successor Agency's internet website.

SECTION 6. The Oversight Board hereby authorizes and directs the Executive Director, or designee, of the Successor Agency to take such other actions and execute such other documents as are necessary to effectuate the intent of this Resolution.

SECTION 7. The Oversight Board determines that the activity approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378, because the activity approved by this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment, per Section 15378(b)(5) of the Guidelines.

SECTION 8. This Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

PASSED AND ADOPTED this 21st day of February 2013, at a special scheduled meeting of the Oversight Board of the Successor Agency for the Solana Beach Redevelopment Agency by the following vote:

AYES:	Golich, Sheres, Deaver, Coughlin, Armstrong, Ott
NOES:	None
ABSENT:	Estrela
ABSTAIN:	None

THOMAS GOLICH, Chair

APPROVED AS TO FORM:

KENDALL D. BERKEY, General Counsel

ATTEST:

ANGELA IVEY, City Clerk

EXHBIT A

CITY OF SOLANA BEACH, ACTING IN ITS CAPACITY AS THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF SOLANA BEACH

ADMINISTRATIVE BUDGET

July 1, 2013 to December 31, 2013

Expenditure Category	Payee	Description	Amount
Salary/Benefits	Various	Employee Salaries and Benefits	68,900
Legal Services	McDougal, Love, et al	Contract for Professional Services-Legal	16,800
Legal Services	Goldfarb & Lipman	Contract for Professional Services-Legal	16,800
Audit	Lance, Sol	Contract for Professional Services-Audit	1,200
Material, Supplies, & Services	Various	Costs - material, supplies and services expenditure categories	2,500
Administrative Charges	City of Solana Beach	Successor Agency share of City's overhead costs	7,500
Claims Liability Charges	City of Solana Beach	Successor Agency share of City's self-insured liability	1,400
Workers Comp Charges	City of Solana Beach	Successor Agency share of City's workers comp liability	2,000
PERS Side Fund Charges	City of Solana Beach	Successor Agency share of City's PERS Side Fund liability	7,900
		TOTAL	**$ 125,000**

1. The Successor Agency has arranged with the City of Solana Beach to provide the staff, material, and equipment needed to administer the Successor Agency. The City will draw upon services of outside consultants to provide special services for the dissolution of the RDA to the extent that City staff lack the necessary expertise or capacity.

2. Activities may be added, revised, or deleted from this listing as needed during the RDA dissolution process.

3. Costs shown for each activity are estimates only. Actual costs required for each activity may be higher or lower than the amount shown, not to exceed the maximum amount shown.

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) *SS.*
CITY OF SOLANA BEACH)

I, ANGELA IVEY, City Clerk of the City of Solana Beach, California, and Secretary of the Oversight Board of the Successor Agency for the Solana Beach Redevelopment Agency, DO HEREBY CERTIFY that the foregoing is a full, true and correct copy of **Resolution OBSA-013** *approving the Successor Agency Fourth Administrative Budget for the period of July 1, 2013 to December 31, 2013, and making related determinations and taking related actions in connection therewith* as duly passed and adopted at a Special Meeting of the Oversight Board of the Successor Agency for the Solana Beach Redevelopment Agency held on the 21st day of February 2013 and the original is on file in the City Clerk's Office.

ANGELA IVEY, CITY CLERK & BOARD SECRETARY

Date of this Certification: 2-22-2013