

RESOLUTION OBSA-030

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE SOLANA BEACH REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET FOR THE 12-MONTH FISCAL YEAR PERIOD FROM JULY 1, 2016 THROUGH JUNE 30, 2017 (ROPS 16-17 PERIOD), 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 to 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 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, AB 26 has since been amended by various California assembly and senate bills enacted and signed by the Governor. AB 26 as amended is hereinafter referred to as the "Dissolution Laws"; and

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

WHEREAS, Health and Safety Code Section 34177(j) of the Dissolution Laws requires the Successor Agency to prepare an administrative budget 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 two 6-month fiscal periods; (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 Laws requires the Successor Agency to provide to the San Diego County Auditor-Controller ("County Auditor-Controller") for each 6-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 Redevelopment Property Tax Trust Fund ("RPTTF") established by San Diego County for the Successor Agency; and

WHEREAS, Health and Safety Code Section 34171(b)(1) defines "Administrative Cost Allowance" as the maximum amount of administrative costs that may be paid by the Successor Agency from the RPTTF in a fiscal year; and

WHEREAS, Health and Safety Code Section 34171(b)(5) of the Dissolution Laws 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 January 13, 2016, the Successor Agency received the administrative budget for its general administrative costs and expenses covering the 12-month fiscal year period from July 1, 2016 through June 30, 2017 ("Administrative Budget"), in the form attached to this Resolution as Exhibit "A", and the Successor Agency authorized the submission of the Administrative Budget to the Oversight Board for its approval; and

WHEREAS, as indicated in the Administrative Budget, the Successor Agency does not directly employ its own staff but relies on the employees and staff members of the City to perform its functions and operations required by the Dissolution Laws; and

WHEREAS, the proposed source of payment of the costs set forth in the Administrative Budget in the amount of \$250,000 is property taxes from the County's RPTTF established by San Diego County for the Successor Agency. These costs in the

amount of \$250,000 are listed as Item #22 on the proposed Recognized Obligation Payment Schedule for the 12-month fiscal year period from July 1, 2016 through June 30, 2017 ("ROPS 16-17") for funding from RPTTF, which ROPS 16-17 is proposed to be considered by the Oversight Board at this same meeting of the Oversight Board; and

WHEREAS, the Administrative Budget and the Administrative Cost Allowance in the amount of \$250,000 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)(5) of the Dissolution Laws, respectively; and

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

WHEREAS, pursuant to Health and Safety Code Section 34179(h)(1) of the Dissolution Laws, written notice and information about all actions taken by the Oversight Board shall be provided to the California Department of Finance ("Department of Finance") as an approved Resolution by electronic means and in a manner of the Department of Finance's choosing; except, however, the Oversight Board is not required, pursuant to Health and Safety Code Section 34179(h)(1)(B), to submit the Oversight Board action approving the Administrative Budget to the Department of Finance for its approval; and

WHEREAS, in furtherance of Part 1.85 of the Dissolution Laws, a copy of the Administrative Budget as approved by the Oversight Board by this Resolution will be submitted to the County Auditor-Controller and the State Controller's Office and will be posted on the Successor Agency's internet website. If desired by the Oversight Board, a copy of the Administrative Budget as approved by the Oversight Board by this Resolution will be submitted to the Department of Finance; and

WHEREAS, pursuant to Health and Safety Code Section 34183(a)(2) and (3) 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 approved ROPS 16-17 and for the Administrative Cost Allowance for administrative costs set forth in the Administrative Budget; and

WHEREAS, pursuant to the Dissolution Laws, the Oversight Board met at a duly noticed public meeting on January 14, 2016 to consider approval of the Administrative Budget and the Administrative Cost Allowance among other approvals; and

WHEREAS, after reviewing the 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 at the Oversight Board meeting, the Oversight Board desires to approve the 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 approves the Successor Agency's Administrative Budget covering the 12-month fiscal year period from July 1, 2016 through June 30, 2017 in the amount of \$250,000 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 Administrative Budget.

SECTION 3. The Oversight Board approves the Administrative Cost Allowance proposed by the Successor Agency in the amount of \$250,000 to be paid with funds from the RPTTF.

SECTION 4. The Oversight Board 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 Administrative Budget in the amount of \$250,000 that are to be paid with property tax revenues deposited in San Diego County's RPTTF established for the Successor Agency, provided by the approved Administrative Cost Allowance.

SECTION 5. The Oversight Board authorizes and directs the Successor Agency staff to submit copies of the Administrative Budget approved by this Resolution as required under the Dissolution Laws, 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) if desired by the Oversight Board, submit the Administrative Budget, as approved by the Oversight

Board, and written notice of the Oversight Board's approval of the Administrative Budget by this Resolution to the Department of Finance (electronically) pursuant to Health and Safety Code Section 34179(h)(1) of the Dissolution Laws; (ii) submit a copy of the Administrative Budget, as approved by the Oversight Board, to the County Auditor-Controller and the State Controller's Office; and (iii) post the Administrative Budget, as approved by the Oversight Board, on the Successor Agency's internet website.

SECTION 6. The Oversight Board 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)(1).

PASSED AND ADOPTED this 14th day of January 2016, at a regular meeting of the Oversight Board of the Successor Agency for the Solana Beach Redevelopment Agency by the following vote:

AYES: Golich, Clemmons, Deaver, Sammak
NOES: None
ABSENT: Sheres, Estrella, Ng
ABSTAIN: None



THOMAS GOLICH, Board Chair

APPROVED AS TO FORM:



KENDALL D. LEVAN, General Counsel

ATTEST:


ANGELA IVEY, Agency Secretary

SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF SOLANA BEACH

ADMINISTRATIVE BUDGET

July 1, 2016 to June 30, 2017

Expenditure Category	Payee	Description	Amount
Salary/Benefits	Various	Employee Salaries and Benefits	193,200
Legal Services	McDougal, Love, et al	Contract for Professional Services-Legal	5,000
Legal Services	Goldfarb & Lipman	Contract for Professional Services-Legal	5,000
Legal Services	Kane, Baltmer & Berkman	Contract for Professional Services-Legal	4,000
Audit	Lance, Sol	Contract for Professional Services-Audit	4,000
Material, Supplies, & Services	Various	Costs - material, supplies and services expenditure categories	9,200
Administrative Charges	City of Solana Beach	Successor Agency share of City's overhead costs	15,000
Claims Liability Charges	City of Solana Beach	Successor Agency share of City's self-insured liability	2,800
Workers Comp. Charges	City of Solana Beach	Successor Agency share of City's workers comp liability	4,000
PERS Side Fund Charges	City of Solana Beach	Successor Agency share of City's PERS Side Fund liability	7,600
TOTAL			\$ 250,000

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.

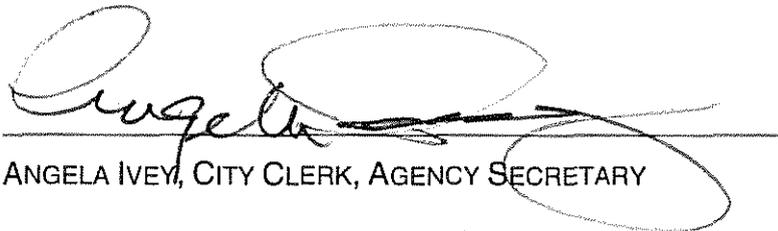
3 Costs shown for each activity are estimates only. Actual costs required for each activity may be higher or lower than the amount shown, not to exceed the TOTAL maximum amount shown.



DOCUMENT CERTIFICATION

STATE OF CALIFORNIA }
COUNTY OF SAN DIEGO } §
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-030** *approving the Successor Agency's Administrative Budget for the 12-month Fiscal Year period from July 1, 2016 through June 30, 2017 (ROPS 16-17 period), and making related determinations and taking related actions in connection therewith* as duly passed and adopted at a Regular Meeting of the Oversight Board of the Successor Agency for the Solana Beach Redevelopment Agency held on the 14th day of January 2016 and the original is on file in the City Clerk's Office.


ANGELA IVEY, CITY CLERK, AGENCY SECRETARY

Date of this Certification: 1-14-16