

RESOLUTION NO. OB 2013-012

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE LA MESA COMMUNITY REDEVELOPMENT AGENCY APPROVING THE SUCCESSOR AGENCY'S REALLOCATION AND USE OF FUNDS RECEIVED FROM THE REDEVELOPMENT PROPERTY TAX TRUST FUND TO BE EXPENDED ON ENFORCEABLE OBLIGATIONS APPROVED ON RECOGNIZED OBLIGATION PAYMENT SCHEDULES

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");

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;

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;

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 under AB 26 ("Successor Agency");

WHEREAS, Health and Safety Code Section 34179 of AB 26 establishes a seven (7) member local entity with respect to each successor agency with fiduciary responsibilities to holders of enforceable obligations and taxing entities that benefit from distributions of property taxes, 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. The duties and responsibilities of the Oversight Board are primarily set forth in Health and Safety Code Sections 34179 through 34181 of AB 26;

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), which amended certain provisions of AB 26. On September 29, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1585 ("AB 1585"), which further amended certain provisions of AB 26 as amended by AB 1484 (AB 26, AB 1484, and AB 1585 are collectively referred to herein as the "Dissolution Act");

WHEREAS, pursuant to Health and Safety Code Section 34171(m) of the Dissolution Act, a "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 six-month fiscal period as provided in Health and Safety Code Section 34177(m) of the Dissolution Act;

WHEREAS, according to Health and Safety Code Section 34177(l)(1) of the Dissolution Act, the Successor Agency shall prepare a ROPS before each six-month fiscal 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 Act, 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 Act;

WHEREAS, pursuant to Health and Safety Code Section 34177 of the Dissolution Act, the Successor Agency adopted the First ROPS covering the period from January 1, 2012 through June 30, 2012 ("First ROPS"), the Second ROPS covering the period from July 1, 2012 through December 31, 2012 ("Second ROPS"), the Third ROPS covering the period from January 1, 2013 through June 30, 2013 ("Third ROPS"), and ROPS 13-14A covering the period from July 1, 2013 through December 31, 2013 ("ROPS 13-14A");

WHEREAS, in accordance with Health and Safety Code Sections 34177(l)(2)(B) and 34180(g) of the Dissolution Act, the Oversight Board approved the First ROPS, Second ROPS, Third ROPS, and ROPS 13-14A as proposed by the Successor Agency. In accordance with the Dissolution Act, the Successor Agency submitted each of the Oversight Board-approved ROPS to the State Department of Finance ("Department of Finance"), the San Diego County Auditor-Controller ("County Auditor-Controller") and other entities as required by the Dissolution Act and by the statutory deadlines. The Department of Finance approved each ROPS, some with certain modifications;

WHEREAS, pursuant to Health and Safety Code Section 34183(a)(2) of the Dissolution Act, 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 January 2 and June 1 of each year for payments to be made toward recognized obligations listed on a ROPS and approved by the Department of Finance;

WHEREAS, pursuant to Health and Safety Code Section 34177(a)(4) of the Dissolution Act, the Successor Agency, with the prior approval of the Oversight Board, may make payments on enforceable obligations from sources other than those listed in the ROPS;

WHEREAS, a total amount of \$1,300 consisting of unspent funds from the First ROPS period RPTTF distribution was used by the Successor Agency toward the payment of AD90-1 Limited Obligation Bonds debt service payment approved on the Third ROPS during the Third ROPS period, as reported by the Successor Agency on the Third ROPS Prior Period Reconciliation in the ROPS 13-14B for the period covering January 1, 2014 through June 30, 2014 ("ROPS 13-14B");

WHEREAS, a total amount of \$133,086 consisting of unspent funds from the Second ROPS period RPTTF distribution will be used by the Successor Agency toward the payment of AD90-1 Limited Obligation Bonds debt service payment approved on the ROPS 13-14A during the ROPS 13-14A period, as reported by the Successor Agency on the ROPS 13-14B;

WHEREAS, the Successor Agency approved the reallocation and use of the \$1,300 and \$133,086 in RPTTF funds to pay recognized enforceable obligations approved on the Third ROPS and ROPS 13-14A, respectively, at its meeting conducted on September 10, 2013; and

WHEREAS, in accordance with Health and Safety Code Section 34177(a)(4) of the Dissolution Act, the Oversight Board desires to approve the Successor Agency's reallocation and use of the \$1,300 and \$133,086 in RPTTF funds to pay recognized enforceable obligations approved on the Third ROPS and ROPS 13-14A, respectively.

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 hereby determines that the foregoing recitals are true and correct.

Section 2. All legal prerequisites to the adoption of this Resolution have occurred.

Section 3. The Oversight Board hereby determines that the Successor Agency's reallocation and use of the \$1,300 and \$133,086 in RPTTF funds to pay recognized enforceable obligations approved on the Third ROPS and ROPS 13-14A, respectively, is necessary and appropriate since the Successor Agency has no other available funds to make said payments on the enforceable obligations.

Section 4. The Oversight Board hereby approves the Successor Agency's reallocation of \$1,300 consisting of unspent funds from the First ROPS period RPTTF

distribution and the Successor Agency's use of the \$1,300 toward the payment of AD90-1 Limited Obligation Bonds debt service payment approved on the Third ROPS during the Third ROPS period, as reported by the Successor Agency on the Third ROPS Prior Period Reconciliation in the ROPS 13-14B for the period covering January 1, 2014 through June 30, 2014.

Section 5. The Oversight Board hereby approves the Successor Agency's reallocation of \$133,086 consisting of unspent funds from the Second ROPS period RPTTF distribution and the Successor Agency's use of the \$133,086 toward the payment of AD90-1 Limited Obligation Bonds debt service payment approved on the ROPS 13-14A during the ROPS 13-14A period, as reported by the Successor Agency on the ROPS 13-14B for the period covering January 1, 2014 through June 30, 2014.

Section 6. The Oversight Board hereby adopts, approves, ratifies and confirms all actions taken by the Successor Agency and its staff to reallocate and use the \$1,300 and \$133,086 to pay recognized enforceable obligations approved on the Third ROPS and ROPS 13-14A, respectively.

Section 7. The Oversight Board hereby authorizes and directs the Successor Agency Executive Director or designee to take such actions and execute such instruments and documents as are reasonable, appropriate, and necessary or desirable to effectuate the intent of this Resolution.

Section 8. This Resolution shall take effect immediately upon its adoption and is subject to review by the Department of Finance in accordance with Health and Safety Code Section 34179(h) of the Dissolution Act.

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 the 19th of September 2013, by the following vote, to wit:

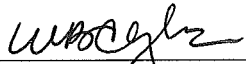
AYES: Adams, Gonzales, Patterson, Rearic, South

NOES: none

ABSENT: Ayres, Fazio

CERTIFICATE OF SECRETARY

I, WILLIAM B. CHOPYK, 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 2013-012 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.



WILLIAM B. CHOPYK

Secretary

Oversight Board of the Successor Agency to the
La Mesa Community Redevelopment Agency

9/19/2013
Date