

RESOLUTION NO. OB _____

RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA ROSA, APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j)-(o)

WHEREAS, on December 29, 2011, the California Supreme Court issued its final decision in the litigation of *California Redevelopment Association v. Matosantos*, upholding Assembly Bill x1 26 (codified as Health and Safety Code §§34161-34191) (“ABx1 26”) and invalidating Assembly Bill x1 27 (the legislation that would have permitted redevelopment agencies to continue operation if their sponsoring jurisdiction agreed to make certain payments for the benefit of schools and special districts); and as a result, all California redevelopment agencies were dissolved, effective February 1, 2012; and

WHEREAS, pursuant to Health and Safety Code §34173(d), on January 10, 2012, by Resolution No. 28029, the Council of the City of Santa Rosa elected to become the Successor Agency to the Redevelopment Agency of the City of Santa Rosa (“Agency”); and

WHEREAS, the City of Santa Rosa as Successor Agency to the Redevelopment Agency approved all prior Recognized Obligation Payment Scheduled for submission to the Department of Finance pursuant to Health & Safety Code §§34169 and 34177; and

WHEREAS, the Oversight Board to the Successor Agency of the City of Santa Rosa adopted all prior Recognized Obligation Payment Schedules (ROPS); and

WHEREAS, Health and Safety Code §34177 (o) (1) requires that commencing with the ROPS covering the period July 1, 2016 to June 30, 2017 and thereafter, agencies shall submit an oversight board approved annual ROPS to the California Department of Finance and the County Auditor-Controller by February 1, 2016 and each February 1 thereafter; and

WHEREAS, Health and Safety Code §34177(j) requires the Successor Agency to the Redevelopment Agency to prepare an Administrative Budget within the ROPS that includes the estimated amounts for Successor Agency administrative costs for each ROPS period and submit it to the Oversight Board for approval; and

WHEREAS, Successor Agencies are entitled to an administrative allowance subject to approval of the Oversight Board. The administrative allowance allowed under dissolution law is up to five percent (5%) of the eligible property tax allocated to the Successor Agency for Fiscal Year (FY) 2011-12 and three percent (3%) each year thereafter. The dissolution law further states the administrative cost allowance shall not be less than \$250,000 for any fiscal year unless agreed to by the Successor Agency; and

WHEREAS, Governor Brown signed into law Assembly Bill 471, on February 18, 2014, as urgency legislation to be effective immediately that provides for a “housing entity administrative cost allowance” of up to 1% of the property tax allocated to the Redevelopment Obligation Retirement Fund on behalf of the Successor Agency, but not less than \$150,000 per

fiscal year if a local housing authority assumed the housing functions of the former redevelopment agency and the housing entity administrative cost allowance is listed on the ROPS; and

WHEREAS, Health and Safety Code §34177(l), requires the Successor Agency to the redevelopment agency to prepare a Recognized Obligation Payment Schedule (ROPS) which sets forth the nature, amount, and source(s) of payment for all “enforceable obligations” of the Agency (as defined by law) to be paid by the Successor Agency after the Agency’s dissolution; and

WHEREAS, Health and Safety Code §34177(l)(2)(B)-(C) requires the Successor Agency to submit the ROPS to the Successor Agency’s Oversight Board for its approval, and upon such approval, the Successor Agency is required to submit a copy of the approved ROPS (“Approved ROPS”) to the Sonoma County Auditor-Controller and the State of California Department of Finance, and post the Approved ROPS on the Successor Agency’s website; and

WHEREAS, only payments required pursuant to the ROPS may be made by the Successor Agency after May 1, 2012, and the County Auditor-Controller will allocate real property tax trust funds to Successor Agencies to pay debts listed on the Approved ROPS.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board to the former Redevelopment Agency of the City of Santa Rosa, hereby finds and determines:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. CEQA Compliance. The approval of the ROPS through this Resolution does not commit the Successor Agency to any action that may have a significant effect on the environment. As a result, it does not constitute a project subject to the requirements of the California Environmental Quality Act in that pursuant to CEQA Guidelines Section 15061(b)(3), it is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment; and where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Section 3. Approval of Administrative Budget. The Oversight Board hereby approves and adopts the Administrative Budget, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code §34171(a)-(b) and §34177(j).

Section 4. Approval of ROPS. The Oversight Board hereby approves and adopts the ROPS, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code §34177 and §34179 and further finds that all listed obligations are committed for legitimate redevelopment purposes. Furthermore, the Chief Financial Officer or designee, on behalf of the Oversight Board, is hereby authorized and directed to take any action necessary to amend the ROPS to comply with the legislation contained in Assembly Bill 471; and to take any action necessary to amend the Oversight Board’s internal accounting structure to comply with the structure and reporting requirements of the ROPS.

Section 5. Transmittal of ROPS. The Chief Financial Officer or designee, on behalf of the Oversight Board, is hereby authorized and directed to undertake any actions as are necessary to carry out the purposes of this Resolution and comply with applicable law regarding the ROPS including, without limitation, the execution of documents and all other actions, subject to any minor conforming, technical or clarifying changes approved by the City Attorney. Such actions may include, but are not limited to (1) submitting the ROPS to the State of California Department of Finance; and (2) submitting the approved ROPS to the Sonoma County Auditor-Controller; and (3) posting the approved ROPS on the Successor Agency's website.

Section 6. Effectiveness. This Resolution shall take effect immediately upon its adoption.

IN OVERSIGHT BOARD DULY PASSED this 31st day of January, 2017.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____ APPROVED: _____
Secretary Chair

APPROVED AS TO FORM:

General Counsel