

RESOLUTION OBSA-023

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 PERIOD OF JANUARY 1, 2015 THROUGH JUNE 30, 2015 (ROPS 14-15B 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 signed by the Governor. AB 26 as amended 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 ("RPTTF") 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 September 10, 2014, the Successor Agency received the administrative budget for its general administrative costs and expenses covering the period of January 1, 2015 through June 30, 2015 ("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 Act; and

WHEREAS, the proposed source of payment of the costs set forth in the Administrative Budget is property taxes from the County's RPTTF established by San Diego County for the Successor Agency. In this regard, the Administrative Budget documents a six (6) month Administrative Cost Allowance for the second half of the Fiscal Year 2014/2015 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). These costs in the amount of \$125,000 are listed as Item #22 on the proposed Recognized Obligation Payment Schedule for the 6-month period from January 1, 2015 through June 30, 2015 ("ROPS 14-15B") for funding from RPTTF, which ROPS 14-15B 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 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 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 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 Administrative Budget that are to be paid from property tax revenues deposited in the County's RPTTF established for the Successor Agency; and

WHEREAS, pursuant to the Dissolution Act, the Oversight Board met at a duly noticed public meeting on September 11, 2014 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 hereby approves the 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 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 Administrative Budget that are to be paid with 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 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 Administrative Budget, as approved by the Oversight Board, and written notice of the Oversight Board's approval of the 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 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.

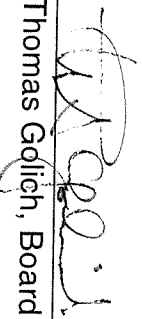
SECTION 6. The Oversight Board hereby authorizes and directs the Executive Director, or designee, of the Successor Agency to take such other actions and execute such other documents as are necessary to effectuate the intent of this Resolution.

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).

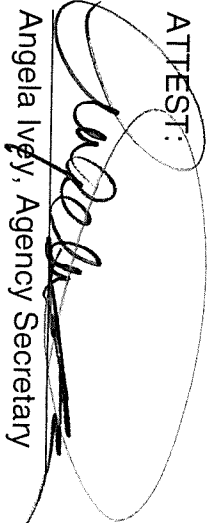
PASSED AND ADOPTED this 11th day of September, 2014, at a regular meeting of the Oversight Board of the Successor Agency for the Solana Beach Redevelopment Agency by the following vote:

| | |
|----------|---|
| AYES: | Board Member - Golich, Armstrong, Deaver, Ott |
| NOES: | Board Member - None |
| ABSENT: | Board Member - Sheres, Estrella |
| ABSTAIN: | Board Member - None |


Thomas Golich, Board Chair

APPROVED AS TO FORM:


Kendall D. Levan, General Counsel

ATTEST:

Angela Ivy, Agency Secretary

SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF SOLANA BEACH
 ADMINISTRATIVE BUDGET
 January 1, 2015 to June 30, 2015

| 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.

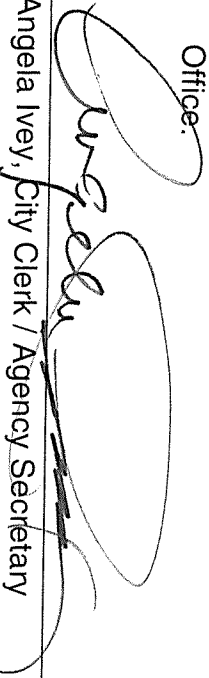
EXHIBIT A



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 OBSSA-023** approving the Successor Agency's Administrative Budget for the period of January 1, 2015 through June 30, 2015 (ROPS 14-15B 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 11th day of September 2014 and the original is on file in the City Clerks Office.



Angela Ivey, City Clerk / Agency Secretary

Date of this Certification: 9-11-2014