## RESOLUTION NO. SA-12-04

## RESOLUTION OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING THE ADMINISTRATIVE BUDGET AND RELATED ACTIONS

**WHEREAS,** the Imperial Beach Redevelopment Agency ("Redevelopment Agency") was a redevelopment agency in the City of Imperial 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 City Council has adopted redevelopment plans for Imperial Beach's redevelopment project areas, and from time to time, the City Council has amended such redevelopment plans; and

**WHEREAS,** the Redevelopment Agency was responsible for the administration of redevelopment activities within the City; and

**WHEREAS,** AB x1 26 ("AB 26") and AB x1 27 ("AB 27") were signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law, including adding Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) ("Part 1.85") to Division 24 of the California Health and Safety Code ("Health and Safety Code"); and

**WHEREAS,** the California Redevelopment Association and League of California Cities filed a lawsuit in the Supreme Court of California *(California Redevelopment Association, et al. v. Matosantos, et al.,* Case No. S194861) alleging that AB 26 and AB 27 were unconstitutional; and

**WHEREAS,** on December 29, 2011, the Supreme Court issued its opinion in the *Matosantos* case largely upholding as constitutional AB 26, invalidating as unconstitutional AB 27, and holding that AB 26 may be severed from AB 27 and enforced independently; and

**WHEREAS,** the Supreme Court generally reformed and revised the effective dates and deadlines for performance of obligations under Health and Safety Code Part 1.85 of AB 26 arising before May 1, 2012 to take effect four months later, while leaving the effective dates or deadlines for performance of obligations under Health and Safety Code Part 1.8 of AB 26 unchanged; and

**WHEREAS,** as a result of the Supreme Court's decision, and on February 1, 2012, all California redevelopment agencies were dissolved, successor agencies were established as successor agencies to the former redevelopment agencies pursuant to Health and Safety Code Section 34173, and successor agencies are tasked with paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and winding down the affairs of the former redevelopment agencies; and

**WHEREAS,** the City Council of the City adopted Resolution No. 2012-7136 on January 5, 2012, pursuant to Part 1.85, 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,** Section 34179 of AB 26 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 Section 34179. The duties and responsibilities of the Oversight Board are set forth in Sections

34179 through 34181 of AB 26; and

**WHEREAS,** Section 34177(j) of AB X1 26 ("AB 26") 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,** Section 34177(k) of AB 26 requires the Successor Agency to provide to the San Diego 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 for the Successor Agency; and

**WHEREAS,** staff of the Successor Agency seeks the Successor Agency's approval of the administrative budget for the period of January 1, 2012 through June 30, 2012 ("Administrative Budget"), in the form attached to this Resolution as Exhibit "A", and the Successor Agency's authorization to submit the approved Administrative Budget to the Oversight Board for its approval and to forward the information required by Section 34177(k) to the San Diego County Auditor-Controller; and

**WHEREAS,** 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,** this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines section 15378, because 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; and

**WHEREAS,** all of the prerequisites with respect to the approval of this Resolution have been met.

**NOW, THEREFORE, BE IT RESOLVED** by the Imperial Beach Redevelopment Agency Successor Agency, as follows:

**Section 1.** The foregoing recitals are true and correct and are a substantive part of this Resolution.

**Section 2.** The adoption of this Resolution is not intended to and shall not constitute a waiver by the Successor Agency of any rights the Successor Agency may have to challenge the effectiveness and/or legality of all or any portion of AB 26 through administrative or judicial proceedings.

**Section 3.** The Successor Agency's Administrative Budget for the period of January 1, 2012 through June 30, 2012, which is attached hereto as Exhibit "A", is approved and adopted.

**Section 4.** The Executive Director, or designee, is hereby authorized and directed to: i) submit the approved Administrative Budget to the Oversight Board for its review and approval; and ii) submit to the San Diego 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 Redevelopment Property Tax Trust Fund established for the Successor Agency; and (iii) take such other actions and execute such other documents as are necessary to effectuate the intent of this Resolution on behalf of the Successor Agency.

**Section 5.** The Successor Agency determines that this Resolution is not a "project" for purposes of CEQA, as that term is defined by Guidelines section 15378, because 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 6.** This Resolution shall take effect upon the date of its adoption.

**PASSED, APPROVED, AND ADOPTED** by the Imperial Beach Redevelopment Agency Successor Agency at its meeting held on the 4th day of April 2012, by the following vote:

| | | |
|---|---|---|
| **AYES:** | **BOARDMEMBERS:** | **BILBRAY, KING, SPRIGGS, JANNEY** |
| **NOES:** | **BOARDMEMBERS:** | **NONE** |
| **ABSENT:** | **BOARDMEMBERS:** | **BRAGG** |

**JAMES C. JANNEY**
**CHAIRPERSON**

**ATTEST:**

Jacqueline M. Hald

**JACQUELINE M. HALD, MMC**
**SECRETARY**

**EXHIBIT "A"**

## IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE PERIOD OF JANUARY 1, 2012 THOUGH JUNE 30, 2012

**(See Attachment)**

| Position Title | Salary | Total Labor Cost | % Time Working on SA | Monthly SA Cost |
|---|---|---|---|---|
| ADMINISTRATIVE SECRETARY II | $3,802 | $5,498 | 30% | $1,649 |
| | $3,752 | $5,499 | 50% | $2,750 |
| ASST CM/COMM DEV DIRECTOR | $10,846 | $14,645 | 75% | $10,984 |
| CITY CLERK | $9,110 | $12,328 | 50% | $6,164 |
| CITY MANAGER | $12,733 | $17,023 | 70% | $11,916 |
| CLERK TYPIST | $2,803 | $4,309 | 50% | $2,154 |
| FINANCE DIRECTOR | $9,649 | $13,230 | 90% | $11,907 |
| FINANCE SUPERVISOR | $5,897 | $8,256 | 50% | $4,128 |
| PUBLIC WORKS DIRECTOR | $9,649 | $12,396 | 20% | $2,479 |
| REDEVELOPMENT COORDINATOR | $6,783 | $9,459 | 75% | $7,094 |
| SENIOR ACCOUNT TECHNICIAN | $3,149 | $4,645 | 20% | $929 |
| **Total Labor Cost** | **$78,172** | **$107,289** | | **$62,155** |
| | **Total for 6 Month Period** | | | **$372,930** |
| **SA General Attorney** | | | | $40,000 |
| **SA RDA Attorney** | | | | $40,000 |
| | | | | **$452,930** |
| **Source of Funding:** | | | | |
| Property Tax formerly tax increment funds | | | | **$452,930** |