

## RESOLUTION NO. OB-13-14

### RESOLUTION OF THE OVERSIGHT BOARD OF THE IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY APPROVING THE ADMINISTRATIVE BUDGET FOR THE PERIOD OF JULY 1, 2013 THROUGH DECEMBER 31, 2013 AND APPROVING CERTAIN OTHER RELATED ACTIONS PURSUANT TO PART 1.85 OF THE CALIFORNIA HEALTH AND SAFETY CODE

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

**WHEREAS**, Assembly Bill X1 26 (2011-2012 1<sup>st</sup> Ex. Sess.) ("AB 26") was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and 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**, the City Council of the City adopted Resolution No. 2012-7136 on January 5, 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"); and

**WHEREAS**, on February 15, 2012, the Board of Directors of the Successor Agency, adopted Resolution No. SA-12-01 naming itself the "Imperial Beach Redevelopment Agency Successor Agency," the sole name by which it will exercise its powers and fulfill its duties pursuant to Part 1.85 of AB 26, and establishing itself as a separate legal entity with rules and regulations that will apply to the governance and operations of the Successor Agency; and

**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). Although the primary purpose of AB 1484 is to make technical and substantive amendments to AB 26 based on issues that have arisen in the implementation of AB 26, AB 1484 imposes additional statutory provisions relating to the activities and obligations of successor agencies and to the wind down process of former redevelopment agencies (AB 26 as amended by AB 1484 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**, 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**, 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 established for the Successor Agency; and

**WHEREAS**, on February 6, 2013 by Resolution SA-13-21, the Successor Agency approved the administrative budget covering the period of July 1, 2013 through December 31, 2013 ("Administrative Budget"), in the form attached to this Resolution as Exhibit "A", and the Successor Agency authorized the submission of the approved Administrative Budget to the Oversight Board for its approval and to forward the information required by Section 34177(k) of the Dissolution Act to the County Auditor-Controller; and

**WHEREAS**, the Administrative Budget is now being submitted to the Oversight Board for review and approval in accordance with Health and Safety Code Section 34177(j) of the Dissolution Act; 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. The proposed source of payment of the costs set forth in the Administrative Budget is property taxes from the County's Redevelopment Property Tax Trust Fund established for the Successor Agency; and

**WHEREAS**, as required by Health and Safety Code Section 34180(j) of the Dissolution Act, the Successor Agency has submitted a copy of the Administrative Budget to the County Administrative Officer, the County Auditor-Controller, and the California Department of Finance ("Department of Finance") at the same time that the Successor Agency submitted the Administrative Budget to the Oversight Board for approval; and

**WHEREAS**, as required by Health and Safety Code Section 34179(f) of the Dissolution Act, all notices required by law for proposed actions of the Oversight Board shall be posted on the Successor Agency's internet website or the Oversight Board's internet website; and

**WHEREAS**, pursuant to Health and Safety Code Section 34179(h) of the Dissolution Act, the Successor Agency is required to provide written notice and information about all actions taken by the Oversight Board, including the proposed approval of the Administrative Budget, to the Department of Finance by electronic means and in the manner of the Department of Finance's choosing; and

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

**WHEREAS**, pursuant to Health and Safety Code Section 34183(a)(2) of the Dissolution Act, the County is required to make a payment of property tax revenues (i.e. former tax increment funds) to the Successor Agency on June 1, 2013 for payments to be made toward recognized obligations listed on the ROPS 13-14A and for the administrative cost estimates from its approved Administrative Budget; 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, Section 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 this 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; and

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

**NOW, THEREFORE, BE IT RESOLVED** by the Oversight Board of 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 constitutional, legal or equitable rights that the Successor Agency may have to challenge, through any administrative or judicial proceedings, the effectiveness and/or legality of all or any portion of AB 26 or AB 1484, any determinations rendered or actions or omissions to act by any public agency or government entity or division in the implementation of AB 26 or AB 1484, and any and all related legal and factual issue, and the Successor Agency expressly reserved any and all rights, privileges, and defenses available under law and equity.
- Section 3.** The Oversight Board hereby approves and adopts the Administrative Budget, substantially in the form attached to this Resolution as Exhibit "A," pursuant to Health and Safety Code Section 34177(j) of the Dissolution Act.

- 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 from property tax revenues deposited in the County's Redevelopment Property Tax Trust Fund established for the Successor Agency.
- Section 5.** The Oversight Board hereby directs the Successor Agency 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 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.** If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that its Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.
- Section 9.** This Resolution shall take effect upon the date of its adoption.



EXHIBIT "A"

IMPERIAL BEACH REDEVELOPMENT AGENCY SUCCESSOR AGENCY  
ADMINISTRATIVE BUDGET  
July 1, 2013 through December 31, 2013  
("Administrative Budget")

Approved on February 13, 2013

Successor Agency of the Imperial Beach Redevelopment Agency  
Agency Administrative Budget  
Fiscal Year 2013-14

JULY 1, 2013 THRU DECEMBER 31, 2013 COSTS  
LABOR COSTS

Position Title	SA Admin Labor Cost
Assistant City Manager/Comm Dev Director	\$ 35,749.01
Administrative Secretary II	\$ 1,090.00
City Manager	\$ 16,954.14
Clerk Typist	\$ 1,180.82
City Clerk	\$ 8,291.30
Administrative Services Director	\$ 20,499.38
Financial Services Assistant	\$ 1,994.75
Senior Account Technician	\$ 1,740.83
<b>Labor Cost SA Calculation Totals</b>	<b>\$ 87,500</b>

**OTHER OPERATING EXPENSES**

Legal Costs (6-months)	30,000
Audit Services - Financial Statements (6-months)	7,500
<b>Other Operating Expenses Totals:</b>	<b>\$ 37,500</b>
<b>Successor Agency Administrative Cost Total:</b>	<b>\$ 125,000</b>