

SUCCESSOR AGENCY
TO THE COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF PALMDALE
CALIFORNIA
RESOLUTION NO. SA 2021-001

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE AUTHORIZING THE ADOPTION OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 21-22) FOR THE PERIOD OF JULY 1, 2021 THROUGH JUNE 30, 2022.

WHEREAS, The Community Redevelopment Agency of the City of Palmdale (“Redevelopment Agency”) was a redevelopment agency in the City of Palmdale (“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 Palmdale’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, Assembly Bill 1X 26 (“AB 26”) was signed by the Governor on June 28, 2011 and upheld to be constitutional by the California Supreme Court on December 29, 2011; and

WHEREAS, AB 26 made certain changes to the California Community Redevelopment Law (Part 1 (commencing with SECTION 33000) of Division 24 of the California Health and Safety Code), 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, On February 1, 2012, as a result of the Supreme Court’s decision, 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, On June 27, 2012 the Governor of California signed Assembly Bill 1484 (“AB 1484”) into law, making several substantive and technical amendments to AB 26 (AB 26 and AB 1484 together referred to as the “Dissolution Bills”); and

WHEREAS, On January 4, 2012 the City Council adopted Resolution No. CC 2012-002 declaring itself as the Successor Agency to the Community Redevelopment Agency of the City of Palmdale (“Successor Agency”) upon the dissolution of the Redevelopment Agency; and

WHEREAS, On April 4, 2012 the City Council, acting in its capacity as the Successor Agency, adopted Resolution No. CC 2012-041 SA naming itself the “Successor Agency to the Community Redevelopment Agency of the City of Palmdale”, 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, pursuant to Health and Safety Code Section 34179 (q), commencing on and after July 1, 2018, the County of Los Angeles, where more than 40 oversight boards were created by the Dissolution Act, shall have five consolidated oversight boards each encompassing the five supervisorial districts; and

WHEREAS, the Fifth Supervisorial District Consolidated Oversight Board (“Fifth District Consolidated Oversight Board”) has jurisdiction over the Successor Agency of the Former Redevelopment Agency to the City of Palmdale; and

WHEREAS, the Fifth District Consolidated Oversight Board held a regular/special meeting on January 14, 2021; and

WHEREAS, Health & Safety Code SECTION 34177(l) (“SECTION 34177(l)”) requires the Successor Agency to prepare, a forward looking Recognized Obligation Payment Schedule (ROPS) listing the enforceable obligations of the former Redevelopment Agency that are due in the next annual period; and

WHEREAS, SECTION 34177(l), as amended by AB 1484, also provides that (i) the ROPS shall be submitted to the county administrative officer, the Los Angeles County Auditor-Controller (“Auditor-Controller”) and the State Department of Finance (“Department of Finance”) at the same time that the Successor Agency submits the ROPS to the Los Angeles County Fifth Supervisorial District Consolidated Oversight Board for approval; (ii) the ROPS shall be submitted to and duly approved by the Los Angeles County Fifth Supervisorial District Consolidated Oversight Board; (iii) the approved ROPS shall be posted on the Successor Agency’s website; and (iv) the approved ROPS shall be submitted to the Auditor Controller, the State Controller and the State Department of Finance; and

WHEREAS, Health & Safety Code SECTION 34179.7 (o) (1), requires the Successor Agency to prepare a forward looking, annual Recognized Obligation Payment Schedule (ROPS) listing the enforceable obligations of the former Redevelopment Agency that are due in the next annual period and submitting an

oversight board approved annual ROPS to the Department of Finance and Auditor-Controller by February 1, 2021; and

WHEREAS, Health and Safety Code SECTION 34183(a) provides that the Auditor-Controller disburse funds to successor agencies on June 1, 2021 and January 2, 2022 based on ROPS 21-22 in accordance with the prescribed order of priority and the Dissolution Bills require that such disbursements be made as and when necessary for the Successor Agency to repay and perform enforceable obligations when due; and

WHEREAS, Health and Safety Code SECTION 34180 (“SECTION 34180”) requires certain successor agency actions to be approved by the oversight board, including SECTION 34180(c) “Setting aside of amounts in reserves as required by indentures, trust indentures, or similar documents governing the issuance of outstanding redevelopment agency bonds”; and

WHEREAS, The attached ROPS 21-22 details amounts in accordance with SECTION 34180(c); and

WHEREAS, SECTION 34171(d)(1)(G) of the Dissolution Act provides for the repayment, and deposit into the Low and Moderate Income Housing Asset Fund of the Authority, of funds that had been borrowed from the Redevelopment Agency’s Low and Moderate Income Housing Fund to make Educational Revenue Augmentation Fund (“ERAF”) and Supplemental Educational Revenue Augmentation Fund (“SERAF”) payments; and

WHEREAS, the Redevelopment Agency had borrowed money from its Low and Moderate Income Housing Fund for purposes of making ERAF and SERAF payments (“Loans”) and the Loans were included in the Housing Asset Transfer Form that was prepared by the Authority and submitted on August 1, 2012 to the California Department of Finance (“DOF”) as required by SECTION 34176(a)(2) of the Dissolution Act and on October 5, 2012, DOF notified the Authority that it did not object to the transfer of the Loans to the Authority; and

WHEREAS, An enforceable obligation is deemed to be created for the repayment of the ERAF & SERAF loans and shall be listed on the ROPS; and

WHEREAS, The Successor Agency now desires to approve ROPS 21-22 that is attached hereto and incorporated herein by reference; and

WHEREAS, All other legal prerequisites to the adoption of this Resolution have occurred.

NOW THEREFORE, BE IT RESOLVED, THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. The Board of Directors hereby finds and determines that the foregoing recitals are true and correct.

SECTION 2. The Board of Directors hereby approves the setting aside of funds as detailed in ROPS 21-22 in accordance with SECTION 34180(c) to comply with bond documents.

SECTION 3. 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 the Dissolution Bills through administrative or judicial proceedings.

SECTION 4. The ROPS 21-22, that is attached hereto and incorporated by reference is hereby approved and adopted.

SECTION 5. The Executive Director, or designee, is hereby authorized and directed to make any and all non-substantive changes to the approved ROPS in order to conform to any changes or to address further guidance or direction from the Department of Finance, or to address any other new information, including but not limited to new report forms, and such revised ROPS shall be considered approved by the Successor Agency.

SECTION 6. The Executive Director, or designee, is hereby authorized and directed to: (i) submit the Successor Agency approved ROPS 21-22 to the Los Angeles County Fifth Supervisorial District Consolidated Oversight Board for its review and approval and to concurrently submit ROPS 21-22 to the county administrative officer, the Auditor-Controller and the Department of Finance; (ii) submit the Los Angeles County Fifth Supervisorial District Consolidated Oversight Board approved ROPS 21-22 to the Auditor Controller, the State Controller, the Department of Finance and any and all other entities as necessary or appropriate; (iii) post the Los Angeles County Fifth Supervisorial District Consolidated Oversight Board approved ROPS 21-22 on the City's website; and (iv) take any and all other actions and execute any and all such other documents as are necessary, convenient or appropriate to comply with the Dissolution Bills, and to effectuate the intent of this Resolution on behalf of the Successor Agency.

SECTION 7. This Resolution shall take effect immediately upon its adoption.

SECTION 8. The Agency Secretary shall certify as to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED this 12th day of January, 2021.

Approved as to form:

Steven D. Hofbauer, Mayor

ATTEST:

Christopher Beck
City Attorney

Shanae Smith, City Clerk

I, Shanae Smith, Agency Secretary of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the Successor Agency at a regular meeting of said Agency held on the 12th day of January, 2021 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT: _____

Date: _____

Shanae Smith, Agency Secretary

SUCCESSOR AGENCY
TO THE COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF PALMDALE
CALIFORNIA
RESOLUTION NO. SA 2021-002

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY
REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE
APPROVING THE ADMINISTRATIVE BUDGET FOR THE PERIOD OF
JULY 1, 2021 THROUGH JUNE 30, 2022 (ADMINISTRATIVE BUDGET
21-22)

WHEREAS, The Community Redevelopment Agency of the City of Palmdale (“Redevelopment Agency”) was a redevelopment agency in the City of Palmdale (“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 Palmdale’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, Assembly Bill 1X 26 (“AB 26”) was signed by the Governor on June 28, 2011 and upheld to be constitutional by the California Supreme Court on December 29, 2011; and

WHEREAS, AB 26 made certain changes to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code), 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, On February 1, 2012, as a result of the Supreme Court’s decision, 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, On June 27, 2012 the Governor of California signed Assembly Bill 1484 (“AB 1484”) into law, making several substantive and technical

amendments to AB 26 (AB 26 and AB 1484 together referred to as the “Dissolution Bills”); and

WHEREAS, On January 4, 2012 the City Council adopted Resolution No. CC 2012-002 declaring itself as the Successor Agency to the Community Redevelopment Agency of the City of Palmdale (“Successor Agency”) upon the dissolution of the Redevelopment Agency; and

WHEREAS, On April 4, 2012 the City Council, acting in its capacity as the Successor Agency, adopted Resolution No. CC 2012-041 SA naming itself the “Successor Agency to the Community Redevelopment Agency of the City of Palmdale”, 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, pursuant to Health and Safety Code Section 34179 (q), commencing on and after July 1, 2018, the County of Los Angeles, where more than 40 oversight boards were created by the Dissolution Act, shall have five consolidated oversight boards each encompassing the five supervisorial districts; and

WHEREAS, the Fifth Supervisorial District Consolidated Oversight Board (“Fifth District Consolidated Oversight Board”) has jurisdiction over the Successor Agency of the Former Redevelopment Agency to the City of Palmdale; and

WHEREAS, the Fifth District Consolidated Oversight Board held a regular/special meeting on January 23, 2020; and

WHEREAS, Health and Safety Code Section 34177(j) (“Section 34177(j)”) requires the Successor Agency to prepare an administrative budget for the period July 1, 2021 through June 30, 2022 and submit the administrative budget to the Los Angeles County Fifth Supervisorial District Consolidated Oversight Board for approval. The administrative budget shall include all of the following: (i) estimated amounts for Successor Agency administrative costs for the upcoming annual 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) (“Section 34177(k)”) requires the Successor Agency to provide to the Los Angeles County Auditor-Controller for the period July 1, 2021 through June 30, 2022 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, Health & Safety Code Section 34179.7 (o) (1), requires the Successor Agency to prepare a forward looking, annual Recognized Obligation Payment Schedule (ROPS) listing the enforceable obligations of the former Redevelopment Agency that are due in the next annual period and submitting an oversight board approved annual ROPS to the Department of Finance and Auditor-Controller by February 1, 2020; and

WHEREAS, Health & Safety Code Section 34171(b)(3) states that, the administrative cost allowance shall be up to 3 percent of the actual property tax distributed to the successor agency by the county auditor-controller in the preceding fiscal year for payment of approved enforceable obligations, reduced by the successor agency's administrative cost allowance and loan repayments made to the city pursuant to Section 34191.4(b) during the preceding fiscal year, subject to a minimum of \$250,000, unless such amount is reduced by the Oversight Board or by agreement between the successor agency and the State Department of Finance ("Department of Finance"); and

WHEREAS, Staff of the Successor Agency seeks the Successor Agency's approval of the administrative budget for the period of July 1, 2021 through June 30, 2022 ("Administrative Budget 21-22"), in the form attached to this Resolution as Exhibit A, and the Successor Agency's authorization to submit the approved Administrative Budget 21-22 to the Los Angeles County Fifth Supervisorial District Consolidated Oversight Board for its approval and to forward the information required by Section 34177(k) to the Los Angeles County Auditor-Controller; and

WHEREAS, All other legal prerequisites to the adoption of this Resolution have occurred.

NOW THEREFORE, BE IT RESOLVED, THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. The Board of Directors hereby finds and determines that the foregoing recitals are true and correct.

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 the Dissolution Bills through administrative or judicial proceedings.

SECTION 3. The Successor Agency's Administrative Budget 21-22 that is attached hereto as Exhibit A is hereby approved and adopted.

SECTION 4. The Executive Director, or designee, is hereby authorized and directed to: i) submit the approved Administrative Budget 21-22 to the Los Angeles

County Fifth Supervisorial District Consolidated Oversight Board for its review and approval; and ii) submit to the Los Angeles County Auditor-Controller the administrative cost estimates from Administrative Budget 21-22 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 any and all other actions and execute any and all such other documents as are necessary, convenient or appropriate to comply with the Dissolution Bills and to effectuate the intent of this Resolution on behalf of the Successor Agency.

SECTION 5. This Resolution shall take effect immediately upon its adoption.

SECTION 6. The Agency Secretary shall certify as to the adoption of this Resolution.

PASSED, APPROVED and ADOPTED this 12th day of January, 2021.

Approved as to form:

Steven D. Hofbauer, Chair

ATTEST:

Christopher Beck
General Counsel

Shanae Smith, Agency Secretary

I, Shanae Smith, Agency Secretary of the Successor Agency to the Community Redevelopment Agency of the City of Palmdale, California, do hereby certify that the foregoing resolution was duly passed, approved, and adopted by the Successor Agency at a regular meeting of said Agency held on the 12th day of January, 2021 by the following roll call vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT: _____

Date: _____

Shanae Smith, Agency Secretary