

RESOLUTION NO. 2012-03

RESOLUTION OF THE CITY OF LEMOORE CONFIRMING STATUS AS THE SUCCESSOR AGENCY FOR THE NON-HOUSING ASSETS AND FUNCTIONS OF THE LEMOORE REDEVELOPMENT AGENCY PURSUANT TO HEALTH AND SAFETY CODE SECTIONS 34171(j) AND 34173 AND DESIGNATING THE LEMOORE HOUSING AUTHORITY AS THE RECIPIENT FOR THE HOUSING ASSETS AND FUNCTIONS UPON DISSOLUTION OF THE AGENCY, PURSUANT TO HEALTH & SAFETY CODE SECTION 34176(b).

WHEREAS, the Lemoore Redevelopment Agency (“Agency”) is a redevelopment agency organized and existing under the California Community Redevelopment Law (Health & Safety Code § 33000 *et seq.*) (“CRL”) and has been authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council of the City of Lemoore (“City Council” or “City,” as applicable); and

WHEREAS, in connection with approval and adoption of the State Budget for Fiscal Year 2011-12, the California Legislature has approved, and the Governor has signed (i) AB X1 26 (Stats. 2011, chap. 5, “AB X1 26”), which immediately, and purportedly retroactively, suspends all otherwise legal redevelopment activities and incurrence of indebtedness and dissolves redevelopment agencies effective October 1, 2011 (the “Dissolution Act”); and (ii) AB X1 27 (Stats. 2011, chap. 6, “AB X1 27”), which allows communities to avoid the consequences of the Dissolution Act and continue their redevelopment agency if the community enacts an ordinance agreeing to comply with the alternative voluntary redevelopment program described in Section 2 of AB X1 27, adding Part 1.9 (commencing with section 34192) of Division 24 of the Health and Safety Code (the “Alternative Redevelopment Program”); and

WHEREAS, a Petition for Writ of Mandate was filed in the Supreme Court of the State of California on July 18, 2011 (*California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. 5194861), challenging the constitutionality of AB X1 26 and AB X1 27 on behalf of cities, counties and redevelopment agencies, and requesting a stay of enforcement; and

WHEREAS, on August 11, 2011, the Supreme Court issued a partial stay on the effectiveness of AB X1 26 and AB X1 27 until the Court ruled on the constitutionality of the two bills, which stay was further modified by the Court on August 17, 2011 (collectively, the “Stay”); and

WHEREAS, on December 29, 2011, the Supreme Court issued a ruling upholding AB X1 26 as proper exercise of the legislative power and striking down AB X1 27 as unconstitutional, effectively eliminating all redevelopment agencies pursuant to the Dissolution Act and removing the option to remain in existence pursuant to the Alternative Redevelopment Program; and

WHEREAS, the Supreme Court’s ruling modified the deadlines set forth in the Dissolution Act, in most cases, extending them by four (4) months; and

WHEREAS, the Agency shall automatically be dissolved in accordance with, and pursuant to, the Dissolution Act effective February 1, 2012, provided, however, that if the effective date in the Dissolution Act is extended, the Agency shall automatically dissolve on the new effective date for dissolution; and

WHEREAS, Section 34171(j) of the CRL (as added by Part 1.85) provides that the city which authorized the creation of the redevelopment agency shall be the “successor agency” to the redevelopment agency dissolved pursuant to Section 34170 of the CRL (as added by Part 1.85); and

WHEREAS, Section 34173 of the CRL (as added by Part 1.85) provides that the “successor agency,” as defined in Section 34171(j) of Part 1.85, is designated as the “successor entity” to the former redevelopment agency; and

WHEREAS, the City of Lemoore, which authorized the creation of the Lemoore Redevelopment Agency, hereby confirms that it shall serve as the successor agency for the Lemoore Redevelopment Agency in accordance with Section 34171(j) and Section 34173 of the CRL (as added by Part 1.85); and

WHEREAS, Section 34175(b) of the CRL (as added by Part 1.85) provides that all assets, including all cash or cash equivalents and amounts owed to the redevelopment agency, properties, contracts, leases, books and records, buildings, and equipment of the former redevelopment agency are transferred on February 1, 2012 to the control of the successor agency; and

WHEREAS, Section 34177(i) of the CRL (as added by Part 1.85) provides that successor agencies are to continue to oversee development of properties until the contracted work has been completed and that bond proceeds shall be used for the purposes for which bonds were sold by the Agency; and

WHEREAS, Section 34176 of the CRL (as added by Part 1.85) provides that the city which authorized the creation of a redevelopment agency may elect to retain the housing assets and functions previously performed by the former redevelopment agency, or transfer such housing assets and functions to the local housing authority selected by the city that created the redevelopment agency; and

WHEREAS, on February 15, 2011, the City activated the City of Lemoore Housing Authority (“Housing Authority”).

NOW, THEREFORE BE IT RESOLVED, the City Council of the City of Lemoore finds, determines, and orders as follows:

1. The City hereby accepts the designation, and hereby confirms that it shall serve as the successor agency to the Lemoore Redevelopment Agency in accordance with Section 34171(j) and Section 34173 of the CRL (as added by Part 1.85).
2. The City Manager, or designee, is hereby authorized to take such actions in accordance with Section 34175(b) and Section 34177(i) of the CRL (as added by Part 1.85) and related pro-

visions, and to execute all documents and legal instruments necessary and appropriate for the City, as the successor agency, to obtain all Agency assets, including, but not limited to, cash or cash equivalents, bond proceeds, real or personal property, general intangibles, contracts, leases, books and records, buildings, and equipment, except the housing assets designated to be transferred to the Lemoore Housing Authority, and to otherwise act as the Agency's "successor agency" as permitted or required by law.

3. The City hereby designates and confirms the Lemoore Housing Authority as the recipient of all the housing assets and functions previously performed by the Lemoore Redevelopment Agency in accordance with Section 34176 of the CRL (as added by Part 1.85) and related provisions.

4. The City Manager, or designee, is hereby authorized to file a copy of this Resolution with the Kings County Auditor-Controller in accordance with Part 1.85.

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

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I hereby certify that the foregoing Resolution was duly passed and adopted by the City Council of the City of Lemoore, Kings County, State of California, at a meeting thereof held on January 30, 2012, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Approved: _____
Willard J. Rodarmel, Mayor

Attest:

Nanci C. O. Lima, MMC
City Clerk

APPROVED AS TO LEGAL FORM:

Jerome M. Behrens, City Attorney