

RESOLUTION NO. 2013-01

A RESOLUTION OF THE LEMOORE OVERSIGHT BOARD FOR THE LEMOORE SUCCESSOR AGENCY TO THE FORMER LEMOORE REDEVELOPMENT AGENCY APPROVING THE DUE DILIGENCE REVIEW FOR ALL NON-HOUSING FUNDS AND ACCOUNTS, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34179.5

WHEREAS, by implementation of AB X1 26 (“AB 26”), which amended provisions of the California Redevelopment Law (Health & Safety Code § 33000 *et seq.*) (“CRL”), and the California Supreme Court’s decision in California Redevelopment Association v. Matosantos, as of February 1, 2012, the Lemoore Redevelopment Agency (“Redevelopment Agency”) was dissolved, the Successor Agency to the Lemoore Redevelopment Agency (“Successor Agency”) came into existence, and the requirement for the appointment of an Oversight Board to the Successor Agency to the Lemoore Redevelopment Agency (“Oversight Board”) became effective; and

WHEREAS, on February 1, 2012 all assets, properties, contracts, leases, books and records, buildings, and equipment of the former Redevelopment Agency transferred to the control of the Successor Agency by operation of law; and

WHEREAS, AB 1484 was passed by the California State Legislature and signed by the Governor on June 27, 2012 modifying the provisions of AB 26; and

WHEREAS, Health and Safety Code Section 34179.5 requires successor agencies to employ a licensed accountant, approved by the county auditor-controller and with experience and expertise in local government accounting, to conduct a due diligence review to determine the unobligated balances available for transfer to taxing entities; and

WHEREAS, Health and Safety Code Section 34179.6 requires the Successor Agency to submit the results of the review (“Due Diligence Review”), conducted pursuant to Section 34179.5 for all other non-housing funds and accounts (“Non-Housing Funds”), and specifically the amount of cash and cash equivalents determined to be available for allocation to taxing entities, to the Successor Agency’s Oversight Board for review and approval; and

WHEREAS, Pursuant to Health and Safety Code Sections 34179.6 and 34180(j), the Successor Agency submitted to the Oversight Board, the county administrative officer, the county auditor-controller, the State Controller and the Department of Finance (“DOF”) the Due Diligence Review; and

WHEREAS, Pursuant to Health and Safety Code Sections 34179.6(b), upon receipt of the Due Diligence Review, and at least five business days before the Oversight Board considers the approval of the Due Diligence Review, the Oversight Board must hold a public comment session (“Public Comment Session”) at which time the public has an opportunity to hear and be heard on the results of the Due Diligence Review and at which time the Oversight Board considers the opinions, if any, offered by the county auditor-controller on the results of the Due Diligence Review; and

WHEREAS, On January 24, 2013, the Oversight Board held the Public Comment Session pursuant to Health and Safety Code Section 34179.6(b); and

WHEREAS, Pursuant to Health and Safety Code Sections 34179.6(c), the Oversight Board must review, approve and transmit to DOF and the county auditor-controller, the determination of the amount of cash and cash equivalents in all Non-Housing Funds available for disbursement to taxing entities as determined according to the method provided in Section 34179.5. Section 34179.6(c) provides that the Oversight Board may adjust any amount provided in the Due Diligence Review to reflect additional information and analysis; and

WHEREAS, Sections 34179.6(c), empowers the Oversight Board to authorize the Successor Agency to retain assets or funds identified in subparagraphs (B) to (E), inclusive, of paragraph (5) of subdivision (c) of Section 34179.5. If the Oversight Board makes this authorization, the Oversight Board must identify to DOF the amount of funds authorized for retention, the source of those funds, and the purposes for which those funds are being retained. The determination and authorization to retain funds and assets shall be subject to the review and approval of DOF pursuant to Health and Safety Code Section 34179.6(d).

NOW, THEREFORE, BE IT RESOLVED that the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency, pursuant to Health and Safety Code Sections 34179.6(c), hereby approves the Due Diligence Review for Non-Housing Funds as presented and on file with the Clerk to the Oversight Board and attached hereto as Exhibit "A."

BE IT FURTHER RESOLVED that the Oversight Board hereby authorizes the Successor Agency to retain the assets and funds, if any, identified in subparagraphs (B) to (E), inclusive, of paragraph (5) of subdivision (c) of Section 34179.5, as documented in the Due Diligence Review, which provides the amount of funds authorized for retention, the source of those funds, and the purposes for which those funds are being retained.

BE IT FURTHER RESOLVED that the City Manager of the City of Lemoore, the Successor Agency to the former Lemoore Redevelopment Agency, or designee, is hereby directed to transmit to the DOF and the county auditor-controller written notice and information regarding the actions taken by this Resolution and specifically the determination of the amount of cash and cash equivalents in all Non-Housing Funds that are available for disbursement to taxing entities as determined according to the method provided in Health and Safety Code Section 34179.5. Such notice to the DOF shall be provided by electronic means and in a manner of the DOF's choosing.

BE IT FURTHER RESOLVED that the staff and the Board of the Successor Agency are hereby authorized to take such actions as are necessary and appropriate to implement this Resolution.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately upon its adoption.

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PASSED, APPROVED, AND ADOPTED by the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency at a Special Meeting this 7th day of February 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

John F. Murray, Chairperson

ATTEST:

Kristie R. Baley, Board Clerk

CERTIFICATE

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss.
CITY OF LEMOORE)

I, KRISTIE BALEY, Board Clerk of the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency, do hereby certify the forgoing Resolution of the Lemoore Oversight Board for the Lemoore Successor Agency to the former Lemoore Redevelopment Agency was duly passed and adopted at a Special Meeting of the Lemoore Oversight Board held on February 7, 2013.

DATED: February 7, 2013

Kristie R. Baley, Board Clerk