

Agenda Report

February 6, 2012

TO: Honorable Chair and Board of Directors
FROM: Economic Development, Office of the Executive Director
SUBJECT: SUCCESSOR AGENCY ACTIONS PURSUANT TO AB X1 26.

RECOMMENDATION:

It is recommended that the Board of Directors of the Successor Agency to the Pasadena Community Development Commission take the following actions:

1. Adopt a resolution establishing basic governance, rules, and regulations for the Successor Agency as a new and distinct legal entity from the City.
2. Adopt by resolution an enforceable obligation payment schedule.
3. Adopt a resolution creating a Redevelopment Obligation Retirement fund

EXECUTIVE SUMMARY

This agenda item addresses three actions that the Successor Agency ("SA") must take as a result of the California Supreme Court's decision in California Redevelopment Association, et al. v. Matosantos, et al. AB 26 and AB 27 as discussed with City Council on January 30, 2012. First, the SA must establish its basic governance, rules and regulations. Second, the SA must adopt an Enforceable Obligation Payment Schedule ("EOPS"). Third, the SA must create a Redevelopment Obligation Retirement Fund. On February 27, staff will return with a recommendation regarding the transfer of housing assets and functions from the former PCDC to the City.

BACKGROUND:

As a result of the December 29, 2011 California Supreme Court's decision, on February 1, 2012, all redevelopment agencies were dissolved. The City is the SA for the Pasadena Community Development Commission and the board of the SA (the "Board") consists of the members of the City Council.

The following actions are necessary to fulfill its obligations and duties as the SA pursuant to AB 26. The first resolution provides that the SA is a distinct legal entity, separate from the City. As a new legal entity, the resolution directs that the Secretary of

the SA file the prescribed form with the Secretary of State and the County Clerk in accordance with Government Code Section 53051 that will add the SA to the Roster of Public Agencies maintained by these offices. This resolution further provides that the SA will be governed by a Board of Directors, which shall consist of the members of the City Council, that the Mayor and Vice Mayor will serve as Chair and Vice Chair of the of the Board, and provides for regular meetings of the Board (to occur on the Mondays of the meetings of the City Council). The resolution designates the City Manager as Executive Director, the City Clerk as Secretary, the City Attorney as General Counsel, and the City Finance Director as the Finance Officer of the SA. Council members will file assuming office statements within 30 days after the adoption of the resolution assuming office as a member of the Board of Directors of the SA. In addition, a local conflict of interest code and local CEQA guidelines will be prepared for adoption by the Board at a subsequent meeting.

The SA will exercise the powers necessary to perform all of the functions described in Health and Safety Code Section 34177, as well as any other powers granted under law. The SA's statutory functions include making payments and performing obligations required under enforceable obligations, continuing to collect loans, rents and other revenue on behalf of the former redevelopment agency, continuing to oversee development of properties until the contracted work has been completed, and disposing of assets and properties of the former redevelopment agency as directed by the oversight board. The SA also will prepare proposed administrative budgets and submit them to the oversight board for its approval, pursuant to Health and Safety Code Section 34177(j).

As a separate legal entity, SA assets and monies shall be maintained separately from City assets and monies. Health and Safety Code Section 34173(e) states that "the liability of any SA shall be limited to the extent of the total sum of property tax revenues it receives pursuant to this part and the value of assets transferred to it as a SA for a dissolved redevelopment agency." The resolution provides that the SA shall indemnify the City for any claims arising from its activities, and its liabilities shall not be the City's liabilities.

The second resolution is pursuant to Health and Safety Code Section 34177; SAs are required to continue to make payments due for enforceable obligations of the former redevelopment agencies. On and after February 1, 2012, and until a Recognized Obligation Payment Schedule becomes operative, only payments required pursuant to an enforceable obligation payment schedule shall be made. Accordingly, the SA must adopt an enforceable obligation payment schedule covering the period from February through June. In accordance with provisions of AB 26, staff will return on February 27 with a revised EOPS that will become the Recognized Obligation Payment Schedule ("ROPS"). Following its approval, the ROPS will be sent to the County Auditor Controller by March 1 and will become a permanent schedule of obligations that replaces the interim EOPS. The County Auditor-Controller will use the ROPS to allocate property tax to the SA for payment of its obligations.

Listed on the EOPS is the total amount of debt due covering the period from February through June, by major category as shown on the following table:

SB 481 Payment	\$12.4 million
Tax Allocation Bond Payment	\$1.2 million
County Admin Fees	\$522,000.00
Housing Set-Aside	\$2.8 million
Certificates of Participation	\$5.2 million
Promissory Notes	\$4.9 million
Administrative Reimbursement	\$1.2 million
Total	\$28.2 million

The third resolution is pursuant to Health and Safety Code Section 34170.5 that requires each SA to create within its treasury a Redevelopment Obligation Retirement Fund. The will be administered by the SA and its purpose will allow the SA to receive funds from the County Auditor-Controller to pay enforceable obligations of the former PCDC.

COUNCIL POLICY CONSIDERATION:

Taking these actions will pursuant to AB X1 26, is consistent with the City Council Strategic Plan Goal to Maintain Fiscal Responsibility and Stability.

ENVIRONMENTAL ANALYSIS:

Under the CEQA Guidelines Article 5 (Section 15061 (b) (3) describes the "general rule." The general rule states that CEQA applies only to projects which have the potential for causing a significant effect on the environment. In this case, establishing governance, rules, and regulations, adopting an Enforceable Obligation Payment Schedule and creating a Redevelopment Obligation Retirement Fund pursuant to AB X1 26 is a council policy decision that does not have the potential of impacting the environment.

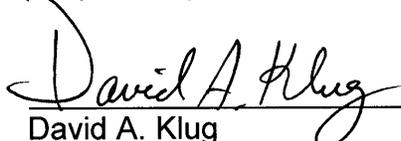
FISCAL IMPACT:

Adoption of an enforceable obligation payment schedule will allow the SA to pay enforceable obligations of the former PCDC subject to approval from the Oversight Board, County Auditor-Controller and the Department of Finance.

Respectfully submitted,


for Steve Mermell
Assistant City Manager

Prepared by:


David A. Klug
Redevelopment Manager

Approved by:


for Michael J. Beck
City Manager

Attachment: Enforceable Obligation Payment Schedule

ATTACHMENT A

Successor Agency Debt Obligation By Major Category

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation as of 6/30/11	Total Due During Fiscal Year 2012	Dec-2011	Payments by month						Subtotal (Feb-Jun)	Total Payment for FY12
						Feb	Mar	Apr	May	Jun			
1) DT SB 481	City General Fund	SB 481 Reimbursement Agmt.	59,502,750	21,772,000	0	5,300,000	66,000	3,000,000	4,000,000	34,000	34,000	12,400,000	12,400,000
		Subtotal - Reimbursement Agmt	59,502,750	21,772,000	0	5,300,000	66,000	3,000,000	4,000,000	34,000	34,000	12,400,000	12,400,000
3) O6 Tax Allocation Refunding, Bond 2000	Bond Holders	Tax Allocation Refunding Bonds	900,209	318,190	25,736	0	0	0	0	0	292,454	292,454	318,190
2) FO Tax Allocation, Series 2006	Bond Holders	Tax Allocation Bonds	2,514,595	415,410	185,430	0	0	0	0	0	229,960	229,960	415,410
6) VP Tax Allocation Refund Bond 2000	Bond Holders	Tax Allocation Bonds 2000	582,000	205,733	16,639	0	0	0	0	0	189,094	189,094	205,733
7) LW Tax Allocation Series 2006	Bond Holders	Tax Allocation Bonds 2006	305,290	106,560	6,165	0	0	0	0	0	100,395	100,395	106,560
		Subtotal - Tax Allocation Bonds	4,950,537	1,794,464	82,468	0	0	0	0	0	96,996	96,996	179,464
		Subtotal - Tax Allocation Series 2006	4,950,537	1,794,464	82,468	0	0	0	0	0	96,996	96,996	179,464
		Subtotal	4,950,537	1,794,464	82,468	0	0	0	0	0	96,996	96,996	179,464
4) DT Admin Fee- County of LA SB 2557	County General Fund	County Admin Charge per SB 2557	759,366	379,683	0	0	0	0	0	0	0	0	379,683
1) O6 Admin Fee- County of LA SB 2557	County General Fund	County Admin Charge per SB 2557	206,427	15,879	0	0	0	0	0	0	0	0	15,879
4) FO-A County of LA Admin Fee SB 2557	County General Fund	County Admin Charge per SB 2557	396,975	15,879	0	0	0	0	0	0	0	0	15,879
2) VP Admin Fee County of LA SB 2559	County General Fund	County Admin Charge per SB 2557	354,822	27,294	0	0	0	0	0	0	0	0	27,294
6) OP Admin Fee County of LA SB 2557	County General Fund	County Admin Charges per SB 2557	1,794,575	71,383	0	0	0	0	0	0	0	0	71,383
3) LW Admin Fee County of LA SB 2557	County General Fund	County Admin Charges per SB 2557	171,792	7,158	0	0	0	0	0	0	0	0	7,158
5) LW Admin Fee County of LA SB 2557	County General Fund	County Admin Fees per SB 2557	144,560	5,360	0	0	0	0	0	0	0	0	5,360
		Subtotal - County Admin	3,818,517	522,836	0	0	0	0	0	0	0	0	522,836
5) DT Housing Set-Aside	Housing Fund	Pledged on 2006 Housing TABS	2,400,000	800,000	0	66,667	66,667	66,667	66,667	66,667	66,667	333,335	333,335
6) DT Housing Set-Aside (CalHFA HELP-07)***	Housing Fund	State Loan - Borrow Housing Funds from the State and have to pay it back.	1,578,801	656,250	0	131,650	131,650	131,650	131,650	131,650	131,650	658,250	658,250
7) DT Housing Set-Aside (CalHFA HELP-05)***	Housing Fund	State Loan - Borrow Housing Funds from the State and have to pay it back.	1,154,886	481,203	0	96,241	96,241	96,241	96,241	96,241	96,241	481,205	481,205
11) DT Agreement #20635***	Housing Fund	Promissory Note April 2011 (Agreement# 20635)	1,122,942	467,893	0	93,579	93,579	93,579	93,579	93,579	93,579	467,895	467,895
2) FO Housing Set-Aside	Housing Fund	Pledged on 2006 Housing TABS	2,700,000	161,000	0	13,417	13,417	13,417	13,417	13,417	13,417	67,085	67,085
5) FO-A Housing Set-Aside	Housing Fund	Pledged on 2006 Housing TABS	2,100,000	84,367	0	7,031	7,031	7,031	7,031	7,031	7,031	35,155	35,155
3) VP Housing Set-Aside	Housing Fund	Pledged on 2006 Housing TABS	3,200,000	95,754	0	7,960	7,960	7,960	7,960	7,960	7,960	39,900	39,900
7) OP Housing Set-Aside	Housing Fund	Pledged on 2006 Housing TABS	8,700,000	329,799	0	27,483	27,483	27,483	27,483	27,483	27,483	137,415	137,415
4) LW Housing Set-Aside	Housing Fund	Pledged on 2006 Housing TABS	11,600,000	1,267,464	0	105,622	105,622	105,622	105,622	105,622	105,622	528,110	528,110
6) LW Housing Set-Aside	Housing Fund	Pledged on 2006 Housing TABS	6,600,000	84,532	0	7,044	7,044	7,044	7,044	7,044	7,044	35,220	35,220
		Subtotal - Housing TABS	2,000,000	62,311	0	5,193	5,193	5,193	5,193	5,193	5,193	25,965	25,965
		Subtotal - Housing TABS	43,157,629	4,492,573	0	561,907	561,907	561,907	561,907	561,907	561,907	2,809,535	2,809,535
8) DT Playhouse Business Improvement District	Playhouse District	Contract for district improvement services	82,500	41,250	0	8,250	8,250	8,250	8,250	8,250	8,250	41,250	41,250
3) FO-A Certificate of Participation - 1996	City General Fund	Promissory Note 1996 COP	1,791,882	296,647	0	59,729	59,729	59,729	59,729	59,729	59,729	296,645	296,645
4) OP structures	City General Fund	Promissory Note Reimbursement Agmt. 11/96 Reso. #5672	15,594,651	779,733	0	155,947	155,947	155,947	155,947	155,947	155,947	779,735	779,735
5) OP structures	City General Fund	Promissory Note Reimbursement Agmt. 11/96 Reso. #5672	105,378,256	4,128,960	0	825,792	825,792	825,792	825,792	825,792	825,792	4,128,960	4,128,960
7) LW City COP 96	City General Fund	Promissory Note 1996 COP	137,727	22,954	0	4,591	4,591	4,591	4,591	4,591	4,591	22,955	22,955
		Subtotal - Contracts & Promissory Notes	122,985,016	5,271,544	0	1,054,309	1,054,309	1,054,309	1,054,309	1,054,309	1,054,309	5,271,545	5,271,545

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation as of 6/30/11	Total Due During Fiscal Year 2012	Dec 2011	Payments by month						Subtotal (Feb-Jun)	Total Payment for FY12
						Feb	Mar	Apr	May	Jun			
2) DT City Contract #10683	City General Fund	Promissory Note 3/18/80	2,704,000	270,400	0	54,080	54,080	54,080	54,080	54,080	54,080	270,400	270,400
3) DT Reimbursement Agreement	City General Fund	Promissory Note 4/1/86	435,166	43,517	0	8,703	8,703	8,703	8,703	8,703	8,703	43,517	43,517
7) DT Certificate of Participation 1996	City General Fund	Promissory Note (1996 COP)	471,660	49,966	0	9,993	9,993	9,993	9,993	9,993	9,993	49,966	49,966
2) OG Certificate of Participation 1996	City General Fund	Promissory Note January 18, 2011	363,404	40,378	0	3,365	3,365	3,365	3,365	3,365	3,365	16,825	16,825
1) FO Promissory Note - 1981	City General Fund	Promissory Note Reso. No. 4223-3 10/27/1981	2,107,935	105,397	0	21,079	21,079	21,079	21,079	21,079	21,079	105,395	105,395
1) FO-A Promissory Note - 1987	City General Fund	Promissory Note Reso. 5790 5/09/1987	781,997	39,100	0	7,820	7,820	7,820	7,820	7,820	7,820	39,100	39,100
2) FO-A Promissory Note - 1988	City General Fund	Promissory Note Reso. 5993 6/27/1988	1,512,638	75,632	0	15,126	15,126	15,126	15,126	15,126	15,126	75,630	75,630
3) FO-A Promissory Note - 1990	City General Fund	Promissory Note Reimbursement Agmt No. 6614	3,871,241	193,562	0	38,712	38,712	38,712	38,712	38,712	38,712	193,560	193,560
4) FO-A Promissory Note - 1995	City General Fund	Promissory Note Reimbursement Agmt No. 15,584	3,642,747	182,137	0	36,427	36,427	36,427	36,427	36,427	36,427	182,135	182,135
5) FO-A Reimbursement Agreement	City General Fund	Promissory Note Reimbursement Agmt No. 16,282	9,521,106	476,055	0	95,211	95,211	95,211	95,211	95,211	95,211	476,055	476,055
11) FO-A Reimbursement Agreement	City General Fund	Reimbursement Agreement #15583	5,736,540	289,327	0	57,865	57,865	57,865	57,865	57,865	57,865	289,325	289,325
12) FO-A Reimbursement Agreement	City General Fund	Lease Payment per DDA	2,745,531	137,277	0	27,455	27,455	27,455	27,455	27,455	27,455	137,275	137,275
1) VP Reimbursement Agreement	Pasadena	Reimbursement Agreement No. 13777 4/06/1989	36,000	36,000	0	7,200	7,200	7,200	7,200	7,200	7,200	36,000	36,000
5) VP Certificate of Participation 1996	City General Fund	Reimbursement Agreement No. 13777 4/06/1989	29,638,009	1,481,900	0	296,380	296,380	296,380	296,380	296,380	296,380	1,481,900	1,481,900
1) OP Promissory Note 1983	City General Fund	Promissory Note (1996 COP Advances)	363,404	40,378	0	8,076	8,076	8,076	8,076	8,076	8,076	40,380	40,380
2) OP Promissory Note 1984	City General Fund	Promissory Note Reso. #4971 6/21/1983	566,302	0	0	0	0	0	0	0	0	0	0
3) OP Promissory Note 1984	City General Fund	Promissory Note Reso. #5060 1/24/1984	2,706,538	0	0	0	0	0	0	0	0	0	0
9) OP Old Pasadena Business Improvement District	Old Pas Mgmt District	Promissory Note Reso. #5060 1/24/1984	600,781	0	0	0	0	0	0	0	0	0	0
1) LW Promissory Note 1987	City General Fund	Contract for district improvement services	90,000	45,000	0	9,000	9,000	9,000	9,000	9,000	9,000	45,000	45,000
2) LW Cooperation Agreement with City of	City General Fund	Promissory Note Resolution #5789 6/8/1987	274,995	0	0	0	0	0	0	0	0	0	0
1) Lin Promissory Note 1987	City General Fund	Cooperation Agmt #1162 6/28/83 and Contract	21,315,822	1,065,791	0	213,158	213,158	213,158	213,158	213,158	213,158	1,065,790	1,065,790
2) Lin Promissory Note 1988	City General Fund	Promissory Note Reso. #5790 6/09/1987	781,997	0	0	0	0	0	0	0	0	0	0
3) Lin Promissory Note 1988	City General Fund	Promissory Note Sale Agmt. #13541 7/27/1988	6,161,911	308,095	0	61,619	61,619	61,619	61,619	61,619	61,619	308,095	308,095
4) Lin Promissory Note 1990	City General Fund	Promissory Note Reso. #5997 6/27/1988	454,914	0	0	0	0	0	0	0	0	0	0
		Promissory Note Reimbursement Agmt. #14583	2,679,822	133,991	0	26,798	26,798	26,798	26,798	26,798	26,798	133,990	133,990
		Subtotal - Contracts & Promissory Notes	99,614,460	5,013,903	0	998,067	998,067	998,067	998,067	998,067	998,067	4,990,335	4,990,335
12) DT Project Administration - legal													
13) DT Project Administration - Appraisals - TBD													
14a) DT Housing Direct Project Admin - Personnel													
14b) DT Housing Direct Project Admin - Appraisal & Consultant Services													
6) DT Admin Due City of Pasadena-With Tabs	City General Fund	Agency Staff and Services				218,239	218,239	218,239	218,239	218,239	218,239	1,091,195	1,091,195

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA ACTING AS THE GOVERNING BODY FOR THE SUCCESSOR AGENCY TO THE PASADENA COMMUNITY DEVELOPMENT COMMISSION PURSUANT TO PART 1.85 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE ESTABLISHING RULES AND REGULATIONS FOR THE OPERATIONS OF THE SUCCESSOR AGENCY AS A NEW LEGAL ENTITY SEPARATE FROM THE CITY AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Pasadena Community Development Commission was a redevelopment agency in the City of Pasadena (the “City”), duly created pursuant to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (the “Redevelopment Law”); and

WHEREAS, AB X1 26 and AB X1 27 were signed by the Governor of California on June 29, 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, on December 29, 2011, the Supreme Court issued its opinion in *California Redevelopment Association, et al. v. Matosantos, et al.* (Case No. S194861) (“*Matosantos*”) largely upholding AB X1 26, invalidating AB X1 27; and

WHEREAS, as a result of the Supreme Court’s decision, on February 1, 2012, all redevelopment agencies were dissolved and replaced by successor agencies established pursuant to Health and Safety Code Section 34173; and

WHEREAS, the City Council of the City of Pasadena adopted Resolution No. 91-73 on January 30, 2012, pursuant to Part 1.85 confirming the City to serve as the successor agency for the Pasadena Community Development Commission upon the Commission’s dissolution; and

WHEREAS, the City Council, acting as the governing board for the successor agency, hereby desires to adopt a name for that separate legal entity and establish rules and regulations that will apply to the governance and operations of the successor agency.

NOW, THEREFORE, the City Council of the City of Pasadena, acting as the governing body for the Successor Agency to the Pasadena Community Development Commission, hereby finds, determines, resolves, and orders as follows:

Section 1. Designated Successor Agency. Pursuant to City Council Resolution No. 91-73, by which the City confirmed its election to serve as the successor agency to the Pasadena Community Development Commission under Part 1.85 upon the Commission's dissolution (the "Successor Agency"), and the Commission having been dissolved by operation of law on February 1, 2012, the Successor Agency is hereby declared constituted.

Section 2. Separate Legal Entity and Name. The Successor Agency is, is to the maximum extent permitted by law, a distinct and separate legal entity from the City, and is hereby named "Successor Agency to the Pasadena Community Development Commission," the sole name by which it will exercise its powers and fulfill its duties pursuant to Part 1.85.

Section 3. Governance.

A. Board of Directors. The Successor Agency shall be governed by a Board of Directors (the "Board"), which shall exercise the powers and perform the duties of the Successor Agency. The Board shall consist of the Mayor and City Councilmembers of the City and the terms of Board members shall coincide with their incumbency on the City Council.

B. Board Officers. The Board shall have a Chair to preside at and conduct all meetings and a Vice Chair who shall act in the absence of the Chair. The offices of the Chair and Vice Chair shall be filled by the Mayor and Vice Mayor, respectively, of the City Council of the City.

C. Meetings of the Board. The Board shall hold regular meetings each Monday at 5:30 in the Room S249 of the City Hall, 100 North Garfield Avenue. When any Monday falls on a legal holiday, the regular meeting shall be cancelled. The Board may adopt such rules and procedures for conducting such meetings and other business as the Board deems appropriate. All meetings of the Board including, without limitation, regular, adjourned regular, and special meetings shall be called, noticed and conducted in accordance with the provisions of the Ralph M. Brown Act, Sections 54950 *et seq.* of the California Government Code.

D. Quorum. The presence of a five Board members at a meeting shall constitute a quorum for the transaction of Successor Agency business. Less than a quorum may adjourn or continue meetings from time to time.

E. Voting. Except as otherwise provided by law or resolution of the Board, decisions of the Board shall require at least five affirmative votes.

F. Executive Director. The City Manager of the City shall serve as Executive Director of the Successor Agency. The Executive Director may appoint officers and employees as necessary to perform the duties of the Successor Agency. The Executive Director also may delegate the performance of his or her duties to other officers or employees.

G. Secretary. The City Clerk of the City shall serve as secretary to the Successor Agency.

H. General Counsel. The City Attorney of the City shall serve as the General Counsel of the Successor Agency.

I. Finance Officer. The Finance Director of the City shall serve as Finance Officer of the Successor Agency. The Finance Officer shall have the care and custody of all funds of the Successor Agency and shall deposit the same in the name of the Successor Agency in such bank or banks as he or she may select. The Finance Officer also may enter into agreements on behalf of the Successor Agency with any bank or trust company authorized to accept deposits of public funds, providing for the transfer of funds between accounts maintained by the Successor Agency upon request by telephone. Such agreement also may provide for the investment upon request by telephone of funds maintained in such accounts.

J. Additional Duties. The officers of the Successor Agency shall perform such other duties and functions as may from time to time be required or directed by the Board of the Successor Agency.

Section 4. Powers and Duties of the Successor Agency. The Successor Agency shall have the authority to perform the functions and duties described in Part 1.85, including but not limited to making payments and performing obligations required by enforceable obligations and expeditiously winding down the affairs of the Commission. The Successor Agency also may exercise any other powers provided by statute or granted by law.

Section 5. Powers and Duties Reserved to City. If, and only if, AB X1 26 is interpreted by a court of competent jurisdiction to prevent the Successor Agency from having a separate identity and/or any of the authority conferred upon it by this Resolution, such identity and authority is hereby reserved to the City of Pasadena.

Section 6. Successor Agency Funds and Obligations. All assets and monies held by or under the control of the Successor Agency shall be maintained in funds and accounts

established by the Successor Agency and shall be kept separate and apart from the funds and accounts of the City.

Section 7. Indemnification and Liability.

A. Indemnification. The Successor Agency shall defend, indemnify, and hold harmless the City, and its City Council, boards, commissions, officers, employees and agents, from any and all claims, losses, damages, costs, injuries and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of the Successor Agency.

B. Liability. In accordance with Health and Safety Code Section 34173(e), the liability of the Successor Agency, acting pursuant to the powers granted under Part 1.85, shall be limited to the extent of, and payable solely from, the total sum of property tax revenues it receives pursuant to Part 1.85 and the value of assets transferred to it as a successor agency for a dissolved redevelopment agency. The debts, assets, liabilities, and obligations of the Successor Agency shall be solely the debts, assets, liabilities, and obligations of the Successor Agency and not of the City.

Roster of Public Agencies Filing. The Secretary to the Successor Agency shall file on the prescribed form the statement of public agency with the Secretary of State and County Clerk in accordance with Government Code Section 53051.

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PASSED AND ADOPTED this ____ day of February, 2012.

AYES:

NOES:

ABSENT:

ABSTAIN:

Bill Bogaard
Chair

ATTEST:

Mark Jomsky
Secretary

APPROVED AS TO FORM:



Brad L. Fuller
Assistant General Counsel

0000095101C031

RESOLUTION NO. _____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SUCCESSOR AGENCY TO THE PASADENA COMMUNITY
DEVELOPMENT COMMISSION ADOPTING AN ENFORCEABLE
OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND
SAFETY CODE SECTION 34177 AND TAKING CERTAIN ACTIONS IN
CONNECTION THEREWITH**

WHEREAS, the Pasadena Community Development Commission (“Commission”) was a redevelopment agency in the City of Pasadena (the “City”), duly created pursuant to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (the “Redevelopment Law”); and

WHEREAS, AB X1 26 and AB X1 27 were signed by the Governor of California on June 29, 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, on December 29, 2011, the Supreme Court issued its opinion in *California Redevelopment Association, et al. v. Matosantos, et al.* (Case No. S194861) (“*Matosantos*”) largely upholding AB X1 26, invalidating AB X1 27; and

WHEREAS, as a result of the Supreme Court’s decision, on February 1, 2012, all redevelopment agencies were dissolved and replaced by successor agencies established pursuant to Health and Safety Code Section 34173; and

WHEREAS, by its Resolution No. 91-73, adopted on January 30, 2012, the City Council of the City confirmed its election to serve as the successor agency for the Commission under Part 1.85 (the ‘Successor Agency’); and

WHEREAS, by its Resolution No. _____, adopted on _____, the City Council, acting as the governing board for the Successor Agency, established rules and regulations applicable to the governance and operation of the Successor Agency, and pursuant to such resolution provided that the Successor Agency will be governed by a Board of Directors (the “Board”) consisting of the members of the City Council of the City; and

WHEREAS, by its Resolution Nos. CDR-279, the Commission approved an Enforceable Obligation Payment Schedule, as amended; and

WHEREAS, Health and Safety Code Section 34177(a) provides that successor agencies are required to continue to make payments due for enforceable obligations. Health and Safety Code Section 34177(a)(1), as modified by the Supreme Court, provides that on and after February 1, 2012, and until a Recognized Obligation Payment Schedule becomes operative, only payments required pursuant to an enforceable obligation payment schedule shall be made. The enforceable obligation payment schedule may be amended by the successor agency at any public meeting and shall be subject to the approval of the oversight board as soon as the board has sufficient members to form a quorum; and

WHEREAS, accordingly, the Board desires to adopt this Resolution adopting an enforceable obligation payment schedule.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE PASADENA COMMUNITY DEVELOPMENT COMMISSION, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

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

Section 2. This Resolution is adopted pursuant to Health and Safety Code Section 34177.

Section 3. The Board hereby adopts the enforceable obligation payment schedule attached as Exhibit A to this Resolution and incorporated herein by reference (the "Enforceable Obligation Payment Schedule").

Section 4. The Secretary is hereby authorized and directed to post the Enforceable Obligation Payment Schedule on the City's web site.

Section 5. The Enforceable Obligation Payment Schedule may be amended from time to time at any public meeting of the Board.

Section 6. The Secretary is hereby authorized and directed to transmit a copy of the Enforceable Obligation Payment Schedule by mail or electronic means to the County Auditor-Controller, the State Controller, and the California Department of Finance (the "Department of Finance"). A notification providing the Internet Web site location shall suffice.

Section 7. The officers and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including providing documents associated with the Enforceable Obligation Payment Schedule to the Department of Finance and the State Controller

in the manner of their choosing, and any such actions previously taken by such officers are hereby ratified and confirmed. The Board hereby designates the Finance Officer as the official to whom the Department of Finance may make requests for review in connection with the Enforceable Obligation Payment Schedule.

PASSED AND ADOPTED this _____ day of _____, 2012.

AYES:

NOES:

ABSENT:

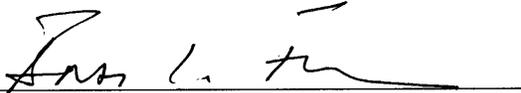
ABSTAIN:

Bill Bogaard
Chair

ATTEST:

Mark Jomsky
Secretary

APPROVED AS TO FORM



Brad L. Fuller
Assistant City Attorney

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation as of 6/30/11	Total Due During Fiscal Year 2012	Dec 2011	Payments by month					Subtotal (Feb - Jun)	Total Payment for FY12
						Feb	Mar	Apr	May	Jun		
2) DT City Contract #10683	City General Fund	Promissory Note 3/18/80	2,704,000	270,400	0	54,080	54,080	54,080	54,080	54,080	270,400	270,400
3) DT Reimbursement Agreement	City General Fund	Promissory Note 4/1986	435,166	43,517	0	8,703	8,703	8,703	8,703	8,703	43,517	43,517
7) DT Certificate of Participation 1986	City General Fund	Promissory Note (1986 COP)	49,966	49,966	0	9,993	9,993	9,993	9,993	9,993	49,965	49,965
7) DT Certificate of Participation 1986	City General Fund	Promissory Note January 18, 2011	363,404	40,378	0	3,365	3,365	3,365	3,365	3,365	16,825	16,825
1) FO Promissory Note - 1981	City General Fund	Promissory Note Reso. No. 4223-3 10/27/1981	2,107,935	105,387	0	21,079	21,079	21,079	21,079	21,079	105,385	105,385
1) FO Promissory Note - 1987	City General Fund	Promissory Note Reso. 5790 6/08/1987	781,997	39,100	0	7,820	7,820	7,820	7,820	7,820	39,100	39,100
2) FO Promissory Note - 1988	City General Fund	Promissory Note Reso. 5993 6/27/1988	1,512,638	75,632	0	15,126	15,126	15,126	15,126	15,126	75,630	75,630
3) FO Promissory Note - 1988	City General Fund	Promissory Note Reimbursement Agmt No. 15,584	3,842,747	193,582	0	38,427	38,427	38,427	38,427	38,427	193,580	193,580
2) FO Promissory Note - 1995	City General Fund	Promissory Note Reimbursement Agmt No. 16,282	9,521,106	182,137	0	36,427	36,427	36,427	36,427	36,427	182,135	182,135
4) FO Promissory Note - 1986	City General Fund	Promissory Note Reimbursement Agmt No. 16,282	5,786,540	478,055	0	95,211	95,211	95,211	95,211	95,211	478,055	478,055
5) FO Promissory Note - 1986	City General Fund	Reimbursement Agreement #15583	2,745,531	289,327	0	57,865	57,865	57,865	57,865	57,865	289,325	289,325
11) FO Promissory Note - 1986	City General Fund	Reimbursement Agreement #15583	2,745,531	137,275	0	27,455	27,455	27,455	27,455	27,455	137,275	137,275
12) FO Promissory Note - 1986	City General Fund	Lease Payment per DDA	36,000	36,000	0	7,200	7,200	7,200	7,200	7,200	36,000	36,000
1) FO Promissory Note - 1986	Pasadena	Reimbursement Agreement No. 13777 4/08/1989	29,636,009	1,481,900	0	296,380	296,380	296,380	296,380	296,380	1,481,900	1,481,900
5) FO Promissory Note - 1983	City General Fund	Promissory Note (1986 COP Advance)	363,404	40,378	0	8,078	8,078	8,078	8,078	8,078	40,380	40,380
1) FO Promissory Note 1983	City General Fund	Promissory Note Reso. #4971 6/21/1983	566,302	0	0	0	0	0	0	0	0	0
2) FO Promissory Note 1984	City General Fund	Promissory Note Reso. #5086 4/10/1984	2,706,538	0	0	0	0	0	0	0	0	0
3) FO Promissory Note 1984	City General Fund	Promissory Note Reso. #5086 1/24/1984	600,781	0	0	0	0	0	0	0	0	0
9) FO Old Pasadena Business Improvement District	Old Pas Mngmt District	Contract for district improvement services	90,000	45,000	0	9,000	9,000	9,000	9,000	9,000	45,000	45,000
1) LW Promissory Note 1987	City General Fund	Promissory Note Resolution #5789 6/8/1987	274,935	0	0	0	0	0	0	0	0	0
2) LW Cooperation Agreement with City of	City General Fund	Cooperation Agmt #1162 6/28/83 and Contract	21,315,822	1,065,791	0	213,158	213,158	213,158	213,158	213,158	1,065,790	1,065,790
1) LW Promissory Note 1987	City General Fund	Promissory Note Reso. #5790 6/08/1987	781,997	0	0	0	0	0	0	0	0	0
2) LW Promissory Note 1988	City General Fund	Promissory Note Sale Agmt. #13541 7/27/1988	6,161,911	308,095	0	61,619	61,619	61,619	61,619	61,619	308,095	308,095
3) LW Promissory Note 1988	City General Fund	Promissory Note Reso. #5987 6/27/1988	454,914	0	0	0	0	0	0	0	0	0
4) LW Promissory Note 1990	City General Fund	Promissory Note Reimbursement Agmt. #14583	2,679,822	133,991	0	26,798	26,798	26,798	26,798	26,798	133,990	133,990
		Subtotal - Contracts & Promissory Notes	89,614,460	5,013,903	0	998,067	998,067	998,067	998,067	998,067	4,990,335	4,990,335
12) DT Project Administration - legal			50,000	50,000	0	10,000	10,000	10,000	10,000	10,000	50,000	50,000
13) DT Project Administration - Appraisals - TBD			20,000	20,000	0	4,000	4,000	4,000	4,000	4,000	20,000	20,000
14a) DT Housing Direct Project Admin - Personnel			98,831	98,831	0	8,236	8,236	8,236	8,236	8,236	41,180	41,180
14b) DT Housing Direct Project Admin - Appraisal & Consultant Services			15,000	15,000	0	1,250	1,250	1,250	1,250	1,250	6,250	6,250
		Subtotal - Project Admin	70,000	183,831	0	23,486	23,486	23,486	23,486	23,486	117,430	117,430
6) DT Admin Due City of Pasadena-With Tabs	City General Fund	Agency Staff and Services				218,239	218,239	218,239	218,239	218,239	1,091,195	1,091,195

RESOLUTION NO. _____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SUCCESSOR AGENCY TO THE PASADENA COMMUNITY
DEVELOPMENT COMMISSION CREATING A REDEVELOPMENT
OBLIGATION RETIREMENT FUND PURSUANT TO HEALTH AND
SAFETY CODE SECTION 34170.5 AND TAKING CERTAIN ACTIONS
IN CONNECTION THEREWITH**

WHEREAS, AB X1 26 and AB X1 27 were signed by the Governor of California on June 29, 2011, making certain changes to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (the “Redevelopment Law”), including adding Part 1.8 (commencing with Section 34161)(“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”); 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 X1 26 and AB X1 27 are unconstitutional. On December 29, 2011, the Supreme Court issued its opinion in the *Matosantos* case, largely upholding AB X1 26, invalidating AB X1 27, and holding that AB X1 26 may be severed from AB X1 27 and enforced independently; and

WHEREAS, the Supreme Court generally revised the effective dates and deadlines for performance of obligations in Part 1.85 arising before May 1, 2012, to take effect four months later; and

WHEREAS, as a result of the Supreme Court’s decision, the Pasadena Community Development Commission (the “Commission”), a redevelopment agency in the City of Pasadena (the “City”), created pursuant to the Redevelopment Law, was dissolved pursuant to Part 1.85 on February 1, 2012; and

WHEREAS, by its Resolution No. 91-73, adopted on January 30, 2012, the City Council of the City confirmed its election to serve as the successor agency for the Pasadena Community Development Commission under Part 1.85 (the “Successor Agency”); and

WHEREAS, by its Resolution No. _____, adopted on _____, the City Council, acting as the governing board for the Successor Agency, established rules and regulations applicable to the governance and operation of the Successor Agency, and pursuant to such resolution provided that the Successor Agency will be governed by a Board of Directors (the “Board”) consisting of the members of the City Council of the City; and

WHEREAS, Health and Safety Code Section 34170.5 provides that each successor agency shall create within its treasury a Redevelopment Obligation Retirement Fund to be administered by the successor agency; and

WHEREAS, accordingly, the Board desires to adopt this Resolution creating a Redevelopment Obligation Retirement Fund within the treasury of the Successor Agency.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE PASADENA COMMUNITY DEVELOPMENT COMMISSION HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

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

Section 2. This Resolution is adopted pursuant to Health and Safety Code Section 34170.5.

Section 3. The Executive Director and the Finance Officer are hereby authorized and directed to create within the treasury of the Successor Agency a Redevelopment Obligation Retirement Fund to be administered by the Successor Agency.

Section 4. The Secretary is hereby authorized and directed to file a certified copy of this Resolution with the County Auditor-Controller.

Section 5. The officers and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, and any such actions previously taken by such officers are hereby ratified and confirmed.

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PASSED AND ADOPTED this _____ day of _____, 2012.

AYES:

NOES:

ABSENT:

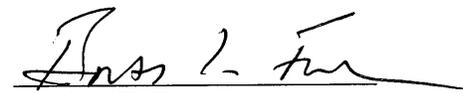
ABSTAIN:

Bill Bogaard
Chair

ATTEST:

Mark Jomsky
Secretary

APPROVED AS TO FORM:



Brad L. Fuller
Assistant City Attorney