

RESOLUTION NO. 01-24-2012-RDA

**ADOPTING AN AMENDED ENFORCEABLE OBLIGATION PAYMENT
SCHEDULE PURSUANT TO SECTION 34169(g) OF
THE CALIFORNIA HEALTH AND SAFETY CODE**

BE IT RESOLVED by the Redevelopment Agency of the City of Needles ("Agency"), as follows:

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

WHEREAS, pursuant to the CRL, the City Council approved and adopted the Redevelopment Plan for the Needles Town Center Redevelopment Project on July 16, 1984, by Ordinance No. 205AC, as amended to date (the "Redevelopment Plan" and the "Project," as applicable), and the Agency is vested with the responsibility for implementing and carrying out the Redevelopment Plan; and

WHEREAS, the Agency had been in the process of carrying out the, goals and objectives of the Redevelopment Plan by continuing to eliminate blight; increase, improve and preserve the supply of affordable housing in the community; stimulate and expand economic growth and employment opportunities by revitalizing properties and businesses within the Project; and alleviate deficiencies in public infrastructure; and

WHEREAS, on June 15, 2011, the California Legislature adopted two companion bills relating to community redevelopment: ABX126 (Chapter 5, Statutes of 2011-12, First Extraordinary Session) ("AB 26") and ABX127 (Chapter 6, Statutes of 2011-12, First Extraordinary Session) ("AB 27"). On June 28, 2011, the Governor approved AB 26 and AB 27; on June 29, 2011, the Secretary of State chaptered those bills; and on June 30, 2011, the Governor signed the State budget bill.

WHEREAS, AB 26 suspended most new activities of redevelopment agencies as of the effective date of the act (other than making payments due, enforcing covenants and performing its obligations under existing bonds, contracts and other enforceable obligations), dissolved all redevelopment agencies in the State as of October 1, 2011 and designated successor agencies—generally the cities and counties where the redevelopment agencies operated—to satisfy "enforceable obligations" (as defined in AB 26), preserve assets for the benefit of taxing entities and wind up the affairs of former redevelopment agencies.

WHEREAS, AB 27 allowed a city or county (the "Community") to continue to undertake state-authorized redevelopment activities and avoid redevelopment agency dissolution despite AB 26, if by October 1, 2011 (or alternatively November 1, 2011) the local legislative body enacted

an ordinance under Section 34193 of the CRL, including the Community's agreement to make specified payments each year ("Community Remittances") to the Educational Revenue Augmentation Fund ("ERAF") for the benefit of the local school district and community college, and, if applicable, to a new Special District Allocation Fund ("SDAF") for the benefit of certain special districts, consisting of fire protection service and transit districts (the "Community Remittance Ordinance").

WHEREAS, on August 11, 2011 and again on August 17, 2011, the California Supreme Court issued an order staying the dissolution sections of AB 26 and most of AB 27 until it could decide the case challenging the constitutionality of the new laws. California Redevelopment Association v. Matosantos, No. 5194861.

WHEREAS, as a result of the passage of AB 26, most of the Agency's new redevelopment activities had been suspended since June 30, 2011, except for those activities related to the performance of existing enforceable obligations and those related to future actions that a successor agency may be required to take. Furthermore, AB 26 requires the Agency to prepare for dissolution by, among other things, preparing a list of enforceable obligations.

WHEREAS, AB 26 defines "Enforceable Obligations" as: (a) bonds, including debt service and related required payments; (b) loans of money borrowed by the Agency, including funds borrowed from the Agency's Low and Moderate Income Housing Fund; (c) payments required by the Federal government; obligations to the State or imposed by State law (other than regular pass-through payments), and payments related to Agency employee obligations (including pension system payments); (d) legal judgments and settlements; (e) agreements and contracts, such as construction contracts, personal services contracts, Owner Participation Agreements, and Disposition and Development Agreements; (f) contracts and agreements necessary for Agency administration and operations, such as rent, equipment and supplies, and insurance; and (g) collective bargaining agreements with employee organizations. See CRL Sections 34167(g) and 34190(e).

WHEREAS, on August 23, 2011, the Agency approved Resolution No. 08-23-2011-RDA, adopting an Enforceable Obligation Payment Schedule ("EOPS") in accordance with the requirements of AB 26 and the CRL, which schedule was transmitted as required to the County auditor-controller, the State Controller and the Department of Finance.

WHEREAS, on December 29, 2011, the California Supreme Court issued an opinion in Matosantos, confirming the validity of AB 26 but striking down AB 27, which will result in the dissolution of the Agency as of February 1, 2012. Until such dissolution, the Agency will continue to operate under the CRL as amended by AB 26, and therefore must extend the EOPS to cover the month of January 2012.

WHEREAS, pursuant to CRL Section 34169 (g) (2), the Agency may amend the EOPS at any public meeting, and must post it on the Agency's website for at least three business days "before a payment may be made pursuant to an amendment." Staff has prepared an Amended Enforceable Obligation Payment Schedule that is attached to this Resolution and that lists all outstanding obligations of the Agency and payments due in January 2012. The previously approved Resolution Number 08-23-2011-RDA setting forth an enforceable obligation schedule, with the EOPS, is also attached for information.

WHEREAS, the Agency reserves the right to determine that an item listed on the attached EOPS does not meet the definition of an Enforceable Obligation under CRL Sections 34167(g) and 34190(e). Inclusion of a project and payee on the attached Schedule also does not constitute a final determination that the Agency will make a payment in the designated month.


WHEREAS, adoption of the Amended Enforceable Obligation Payment Schedule is not a project as defined by the California Environmental Quality Act ("CEQA") Guidelines, Sections 15378(b)(4) and 15378(b)(5), because it is a state-mandated administrative and fiscal activity that will not independently result in a physical change in the environment. Accordingly, it is not subject to environmental review under CEQA.

NOW, THEREFORE BE IT RESOLVED, that the Redevelopment Agency hereby adopts the Amended Enforceable Obligation Payment Schedule, attached hereto as **Exhibit A.**

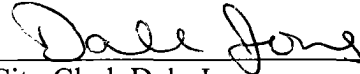
BE IT FURTHER RESOLVED that the Agency Secretary is hereby directed to transmit a copy of the Enforceable Obligation Payment Schedule to the State Department of Finance, the State Controller and the San Bernardino County Auditor in accordance with Section 34169(g)(2) of the Health and Safety Code.

PASSED AND ADOPTED at a special meeting of the Redevelopment Agency / City Council on the 24th day of January, 2012, by the following vote

AYES: COMMISSIONERS LOPEZ, KIDD, FRAZIER, CAMPBELL, GUDMUNDSON AND PAGET
NOES: NONE
ABSENT: COMMISSIONER MURCH
ABSTAIN: NONE


Chairman Edward T. Paget, M.D.

ATTEST:


City Clerk Dale Jones

APPROVED AS TO FORM:


Slovak Baron & Empey LLP
City Attorney

**REDEVELOPMENT AGENCY OF THE CITY OF NEEDLES
AMENDED ENFORCEABLE OBLIGATION PAYMENT SCHEDULE**

Project Area	Project Name	Payee	Description	Obligation	ANNUAL PAYMENT	Payments											DOCUMENTATION
						July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
Needles Town Center	1992 Series A Tax Bonds	U.S. Bank	Acquisition of Property	\$ 1,260,000	\$ 161,875	\$	\$ 117,250	\$	\$	\$	\$	\$	\$ 44,625	\$	\$	\$	Bond Documents, Official Statement Amortization Schedule.
Needles Town Center	Advance from the City	City of Needles	Purchase of land	1,238,826	100,000				50,000						50,000		Loan Agreement dated
Needles Town Center	Advance from the City	City of Needles	Various	874,000	100,000				50,000						50,000		Loan Agreement dated 09/22/98
Operations Fund	Legal Fees	Slovak Baron & Empey	Legal Work	45,835	45,835	4,167	4,167	4,167	4,167	4,166	4,166	4,167	4,167	4,167	4,167	4,167	Adopted FY 2011-2012 Budget
Totals					\$ 407,710	\$ 4,167	\$ 121,417	\$ 4,167	\$ 104,167	\$ 4,166	\$ 4,167	\$ 4,167	\$ 48,792	\$ 104,167	\$ 4,167	\$ 4,167	