

RESOLUTION NO. 7089

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS MAKING AN ELECTION IN CONNECTION WITH SERVING AS A SUCCESSOR AGENCY UNDER PART 1.85 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

RECITALS

WHEREAS, the Redevelopment Agency of the City of Redlands (the “Agency”) is a redevelopment agency in the City of Redlands (the “City”) 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, the City Council of the City (the “City Council”) adopted Ordinance Nos. 1500, 1575 and 2703 approving and adopting the redevelopment plans for the Redlands Project Area and the North Redlands Revitalization Project (the “Project Areas”), and from time to time, the City Council has amended such redevelopment plans; and

WHEREAS, the Agency has undertaken a program to redevelop the Project Areas; and

WHEREAS, AB X1 26 was 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) to Division 24 of the California Health and Safety Code; and

WHEREAS, commencing upon the effectiveness of AB X1 26, AB X1 26 suspends most redevelopment agency activities and, among other things, prohibits redevelopment agencies from incurring indebtedness or entering into, or modifying, contracts; and

WHEREAS, effective October 1, 2011, AB X1 26 dissolves all existing redevelopment agencies and redevelopment agency components of community development agencies, provides for the designation of successor agencies as successor entities to former redevelopment agencies, and provides that except for those provisions of the Redevelopment Law that are repealed, restricted, or revised pursuant to AB X1 26, all authority, rights, powers, duties and obligations previously vested with the former redevelopment agencies under the Redevelopment Law, are vested in the successor agencies; and

WHEREAS, AB X1 26 imposes numerous requirements on the successor agencies and subjects successor agency actions to the review of oversight boards established pursuant to the provisions of Part 1.85; and

WHEREAS, Health and Safety Code Section 34173, which is set forth in Part 1.85, provides that a city that authorized the creation of a redevelopment agency may elect to serve, or not to serve, as the successor agency under Part 1.85; and

WHEREAS, AB X1 27 was signed by the Governor of California on June 29, 2011, adding Part 1.9 (commencing with Section 34192) to Division 24 of the California Health and Safety Code which establishes an Alternative Voluntary Redevelopment Program whereby, notwithstanding the provisions of Part 1.8 and Part 1.85, a redevelopment agency will be authorized to continue to exist and carry out the provisions of the Redevelopment Law upon the enactment, prior to the applicable deadline established in Part 1.9 (with the earliest deadline being October 1, 2011), by the city council of the city which includes the redevelopment agency of an ordinance to comply with Part 1.9; and

WHEREAS, pursuant to Health and Safety Code Section 34192, if a city participates in the Alternative Voluntary Program and complies with all requirements and obligations contained in Part 1.9, the redevelopment agency in that city will be exempt from Part 1.8 and Part 1.85; and

WHEREAS, the California Redevelopment Association and League of California Cities have filed a lawsuit in the Supreme Court of California alleging that AB X1 26 and AB X1 27 are unconstitutional; and

WHEREAS, on August 11, 2011, the Supreme Court of California decided to hear the case and set a briefing schedule designed to allow the Supreme Court to decide the case before January 15, 2012, and on August 11, 2011, the Supreme Court also issued a stay order, which was subsequently modified on August 17, 2011; and

WHEREAS, pursuant to the modified stay order, the Supreme Court granted a stay of all of AB X1 27 (i.e., Part 1.9), except for Health and Safety Code Section 34194(b)(2) (relating to the determination of cities' fiscal year 2011-12 remittance amounts) and a partial stay of AB X1 26; and

WHEREAS, with respect to AB X1 26, Part 1.85 was stayed in its entirety, but Part 1.8 (including Health and Safety Code Sections 34167 and 34169) was not stayed; and

WHEREAS, the City Council desires to now adopt this Resolution making an election in connection with serving as a successor agency under Part 1.85 in the event that the stay is lifted, AB X1 26 is upheld by the Supreme Court of California, and the Agency is dissolved pursuant to Part 1.85;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Redlands 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 34173.

Section 3. The City Council hereby elects for the City to serve as a successor agency

under Part 1.85 in the event the Agency is dissolved pursuant to Part 1.85.

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

Section 5. The officers and staff of the City 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.

Section 6. The adoption of this Resolution is not intended and shall not constitute a waiver by the City of any right the City may have to challenge the legality of all or any portion of AB X1 26 or AB X1 27 through administrative or judicial proceedings.

Section 7. At such time as the Agency becomes exempt from Parts 1.8 and 1.85, this Resolution shall be of no further force or effect.

Section 8. This Resolution has been reviewed with respect to applicability of the California Environmental Quality Act (“CEQA”), the State CEQA Guidelines (California Code of Regulations, Title 14, Sections 15000 *et seq.*, hereafter the “Guidelines”), and the City’s environmental guidelines. The City Council has determined that this Resolution is not a “project” for purposes of CEQA, as the term is defined by Guidelines Section 15378, because this Resolution is an administrative activity that will not result in a direct or indirect physical change in the environment (Guidelines Section 15378(b)(5)).

ADOPTED, SIGNED AND APPROVED this 1st day of November, 2011.

Peter Aguilar, Mayor

ATTEST:

Sam Irwin, City Clerk

I, Sam Irwin, City Clerk of the City of Redlands, hereby certify that the foregoing Resolution was duly adopted by the City Council at a regular meeting thereof, held on the 1st day of November, 2011, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Sam Irwin, City Clerk