



City of Carson Report to Redevelopment Agency

September 20, 2011
New Business Consent

SUBJECT: CONSIDERATION OF RESOLUTION NO. 11-49 APPROVING AND ADOPTING THE PRELIMINARY DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO SECTION 34169 OF THE CALIFORNIA COMMUNITY REDEVELOPMENT LAW (CARSON CONSOLIDATED PROJECT AREA)

Submitted by Clifford W. Graves
Economic Development General Manager

Approved by Clifford W. Graves
Interim Executive Director

I. SUMMARY

Adoption of Resolution No. 11-49 (Exhibit No. 1) approves the Preliminary Draft Recognized Obligation Payment Schedule (PDROPS) (Exhibit No. 2) by the Carson Redevelopment Agency (Agency) which is required, pursuant to Health and Safety Code Section 34169(h) of the California Community Redevelopment Law (CRL), by September 30, 2011.

II. RECOMMENDATION

TAKE the following action:

WAIVE further reading and ADOPT Resolution No. 11-49, "A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF CARSON, CALIFORNIA, APPROVING AND ADOPTING THE PRELIMINARY DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO THE PROVISIONS SET FORTH IN HEALTH AND SAFETY CODE SECTION 34169 (ABX1 26)."

III. ALTERNATIVES

1. MODIFY and APPROVE Resolution No. 11-49 as the Agency Board may require.
2. TAKE another action the Agency Board deems appropriate.

IV. BACKGROUND

On June 29, 2011, ABX1 26, the "Dissolution Act", and ABX1 27, the "Continuation Act", became effective as part of the state budget by signature of the Governor. On August 2, 2011, the City Council adopted Ordinance No. 11-1477, indicating the city's intent to comply with the requirements of the Voluntary Redevelopment Program outlined in the Continuation Act.

On August 11, 2011, the California Supreme Court announced it would hear the lawsuit filed by the California Redevelopment Association and the League of California Cities requesting that the Court declare ABX1 26 and ABX1 27

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unconstitutional. The Court also issued a partial stay suspending the effectiveness of portions of ABX1 26 and all of ABX1 27 until it can rule on the constitutionality of these two bills.

As described above, CRL Section 34169(h) states that each redevelopment agency must prepare and submit a PDROPS no later than September 30, 2011. The time period covered by the PDROPS is January 1, 2012, through June 30, 2012. The PDROPS and Resolution No. 11-49 are attached to this report for the Agency Board's consideration.

V. FISCAL IMPACT

None.

VI. EXHIBITS

1. Resolution No. 11-49. (pgs. 3- 4)

UNDER SEPARATE COVER:

2. Preliminary Draft Recognized Obligation Payment Schedule. (pgs. 5-9)

Prepared by: Boris Sztorch, Senior Redevelopment Project Manager

TO:Rev032811

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Development Services
Economic Development Services	Public Services

Action taken by Redevelopment Agency

Date_____ Action_____

RESOLUTION NO. 11-49

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF CARSON, CALIFORNIA, APPROVING AND ADOPTING THE PRELIMINARY DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO THE PROVISIONS SET FORTH IN HEALTH AND SAFETY CODE SECTION 34169 (ABX1 26)

WHEREAS, the Carson Redevelopment Agency (Agency) is a community redevelopment agency duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the California Community Redevelopment Law (CRL) (Health and Safety Code Section 33000 et seq.); and

WHEREAS, the City Council of the city of Carson (City Council or City as appropriate) approved and adopted the Redevelopment Plan for Project Area No. 1 in 1971; the Redevelopment Plan for the Merged and Amended Project Area in 1991; the Redevelopment Plan for Project Area No. 4 in 2002; and by Ordinance No. 10-1459 adopted on October 19, 2010, consolidated all project areas into the Carson Consolidated Project Area (Project Area); and

WHEREAS, the Agency has been engaged in activities to execute and implement the Redevelopment Plan for the Project Area pursuant to the CRL; and

WHEREAS, as part of the 2011/12 State budget bill, the California Legislature enacted and the Governor signed, from the 2011/12 First Extraordinary Session, Assembly Bills X1 26 and X1 27 (ABX1 26 and ABX1 27), wherein ABX1 26 dissolves redevelopment agencies, while ABX1 27 establishes the Alternative Voluntary Redevelopment Program, allowing a redevelopment agency to continue if the community creating it approves an ordinance pledging to provide certain payments to the county auditor-controller each year; and

WHEREAS, the City adopted, under protest, Ordinance No. 11-1477 on August 2, 2011 indicating its intent to comply with the requirements of the Alternative Voluntary Redevelopment Program and to provide certain payments to the county auditor-controller each year; and

WHEREAS, Health and Safety Code Section 34169, one of the sections added to the CRL by ABX1 26, requires the Agency to adopt a Preliminary Draft Recognized Obligation Payment Schedule (PDROPS) listing all of the obligations that are enforceable within the meaning of Health and Safety Code Section 34167(d) [also added to the CRL by ABX1 26]; and

WHEREAS, as part of litigation filed directly with the California Supreme Court by the League of California Cities, the California Redevelopment Association, and other parties challenging the constitutionality of ABX1 26 and ABX1 27, the California Supreme Court issued, on August 11, 2011, and clarified, on August 17, 2011, a stay of the enforceability of all of ABX1 27 and portions of ABX1 26; and

[MORE]

EXHIBIT NO. - 1



WHEREAS, pursuant to the August 17, 2011 clarifying order of the California Supreme Court, Health & Safety Code Section 34169 was not stayed and remains in effect, thereby obligating each redevelopment agency to submit its PDROPS by September 30, 2011; and

WHEREAS, the Agency has prepared its PDROPS setting forth all of the obligations which the Agency has determined are enforceable obligations under Health and Safety Code Section 34167 and 34169; and

WHEREAS, the Agency's adoption of the PDROPS is without prejudice to the Agency's right to claim that the filing of a PDROPS is not required, and the Agency reserves the right to modify, supplement, or revise with respect to the PDROPS; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, the Board of Directors of the Carson Redevelopment Agency does hereby resolve, as follows:

Section 1. The foregoing Recitals are incorporated herein and made a part hereof.

Section 2. The PDROPS, in the form presented concurrently with this Resolution, on file with the Agency Secretary, is hereby approved and adopted. Agency hereby adopts the PDROPS under protest and without prejudice to the Agency's right to claim that the filing of the PDROPS is not required, and the Agency hereby reserves the right to modify, supplement, or withdraw the PDROPS. Agency shall not be bound by the PDROPS in the event a court of competent jurisdiction determines that ABX1 27 is unconstitutional and therefore invalid, and all appeals therefrom are exhausted or unsuccessful, or time for filing an appeal therefrom has lapsed.

Section 3. The Executive Director and his authorized designees are authorized and directed to take other such actions and execute other such documents as are appropriate to effectuate the intent of this Resolution and to implement the PDROPS on behalf of the Agency.

PASSED, APPROVED and ADOPTED, this 20th day of September, 2011.

Chairman Jim Dear

ATTEST:

Agency Secretary Helen S. Kawagoe

APPROVED AS TO FORM:

Agency Counsel

