



Pedro "Pete" M. Sanchez, Mayor  
Mike Hudson, Mayor Pro-Tem  
Jane Day  
Sam Derting  
Michael A. Segala

First and Third Tuesday  
Every Month

## A G E N D A

### SPECIAL MEETING OF THE SUISUN CITY REDEVELOPMENT AGENCY

**TUESDAY, JANUARY 31, 2012**

**7:00 P.M.**

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**SUISUN CITY COUNCIL CHAMBERS -- 701 CIVIC CENTER BOULEVARD -- SUISUN CITY, CALIFORNIA**

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(Next Redevelopment Agency Res. No. RA2012 – 02)

Board Members  
Pledge of Allegiance  
Invocation

#### **PRESENTATIONS/APPOINTMENTS**

*(Presentations, Awards, Proclamations, Appointments).*

#### **PUBLIC COMMENT**

*(Requests by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda per California Government Code §54954.3 allowing 3 minutes to each speaker).*

#### **CONFLICT OF INTEREST NOTIFICATION**

*(Any items on this agenda that might be a conflict of interest to any Councilmembers / Boardmembers should be identified at this time.)*

#### **CONSENT CALENDAR**

*Consent calendar items requiring little or no discussion may be acted upon with one motion.*

#### **GENERAL BUSINESS**

##### Redevelopment Agency

1. Adopting an updated Enforceable Obligation Payment Schedule and an updated Preliminary Draft Recognized Obligation Payment Schedule.
  - a. Agency Adoption of Resolution No. RA 2012-\_\_\_: Adopting an Updated Enforceable Obligation Payment Schedule Pursuant to Part 1.8 of Division 24 of the California Health and Safety Code.
  - b. Agency Adoption of Resolution No. RA 2012-\_\_\_: Adopting an Updated Preliminary Draft Recognized Obligation Payment Schedule Pursuant to Part 1.8 of Division 24 of the California Health and Safety Code.

DEPARTMENTS: AREA CODE (707)

ADMINISTRATION 421-7300 ■ PLANNING 421-7335 ■ BUILDING 421-7310 ■ FINANCE 421-7320  
FIRE 425-9133 ■ RECREATION & COMMUNITY SERVICES 421-7200 ■ POLICE 421-7373 ■ PUBLIC WORKS 421-7340  
REDEVELOPMENT AGENCY 421-7309 FAX 421-7366

**PUBLIC HEARINGS:**

**REPORTS: (Informational items only.)**

- 2. Executive Director/Staff
- 3. Chair/Boardmembers

**ADJOURNMENT**

A complete packet of information containing Staff Reports and exhibits related to each item for the open session of this meeting are available for public review at least 72 hours prior to a Council /Agency/Authority Meeting Agenda related writings or documents provided to a majority of the Council/Board/Commissioners less than 72 hours prior to a Council/Agency/Authority meeting regarding any item on this agenda will be made available for public inspection during normal business hours. An agenda packet is available for review in the City Manager’s Office during normal business hours. The City may charge photocopying charges for requested copies of such documents.

*PLEASE NOTE:*

- 1. The Board hopes to conclude its public business by 11:00 P.M. Ordinarily, no new items will be taken up after the 11:00 P.M. cutoff and any items remaining will be agendized for the next meeting. The agendas have been prepared with the hope that all items scheduled will be discussed within the time allowed.
- 2. Suisun City is committed to providing full access to these proceedings; individuals with special needs may call 421-7300.
- 3. Agendas are posted at least 72 hours in advance of regular meetings at:
 

City Hall	Fire Station	Senior Center
701 Civic Center Boulevard	621 Pintail Drive	318 Merganser Drive

## AGENDA TRANSMITTAL

**MEETING DATE:** January 31, 2012

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**AGENCY AGENDA ITEM:** Adopting an updated Enforceable Obligation Payment Schedule and an updated Preliminary Draft Recognized Obligation Payment Schedule.

- A. Agency Adoption of Resolution No. RA 2012-\_\_\_: Adopting an Updated Enforceable Obligation Payment Schedule Pursuant to Part 1.8 of Division 24 of the California Health and Safety Code.
- B. Agency Adoption of Resolution No. RA 2012-\_\_\_: Adopting an Updated Preliminary Draft Recognized Obligation Payment Schedule Pursuant to Part 1.8 of Division 24 of the California Health and Safety Code.

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**FISCAL IMPACT:** None. There are no obligations listed that are not contemplated in the FY 2011-12 budget.

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**BACKGROUND:** As part of the State's 2011-2012 budget bills, the California Legislature adopted, and the Governor signed, AB 26 X1 (AB 26) and AB 27 X1 (AB 27) into law on June 29, 2011. The constitutionality of AB 26 and AB 27 was challenged, and on December 29, 2011, the California Supreme Court ruled that AB 27 was unconstitutional and AB 26 is constitutional, essentially resulting in the elimination of Redevelopment Agencies in the State of California. In upholding AB 26, the Court generally extended by four months the implementation deadlines occurring prior to May 1, 2012. As a result, the Redevelopment Agency will be dissolved on February 1, 2012, with a Successor Agency assuming responsibility to wind-down the Redevelopment Agency's operations, as proscribed in the California Health and Safety Code.

These are the final actions of the Redevelopment Agency of the City of Suisun City (the "Agency"). The City of Suisun City will serve as the Successor Agency to the Redevelopment Agency of the City of Suisun City. Pursuant to AB 26, the City of Suisun City Council will sit as the Successor Agency's Governing Board.

AB 26 required Redevelopment Agencies to adopt an Enforceable Obligation Payment Schedule (EOPS) within 60 days of the Governor's signing of the bill, which put the deadline at August 29, 2011. The Agency Board adopted an EOPS on August 23, 2011 to comply with AB 26 while the California Supreme Court heard a challenge to its legality.

Further, AB 26 required Redevelopment Agencies to prepare a preliminary draft of the initial Recognized Obligation Payment Schedule (PDROPS) no later than September 30, 2011, and provide it to the Successor Agency. The Agency Board filed and received the PDROPS on September 20, 2011, again, in an attempt to comply with AB 26 while the California Supreme Court considered its constitutionality.

The EOPS lists all of the Agency's obligations that have to be paid through December 31, 2011, and includes items such as debt service on bonds or other loan payments, pass-through payments, employee costs, audit costs, project costs, and administrative costs. The Agency can only make payments on an obligation listed on the EOPS.

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**PREPARED BY:**

Jason Garben, Economic Development Director

**REVIEWED/APPROVED BY:**

Suzanne Bragdon, Executive Director

Pursuant to AB 26, the Agency is required to adopt the PDROPS, and submit the document to the Successor Agency. The PDROPS lists the same obligations as the EOPS, however has no standing in terms of functionality or operation, as the EOPS is to be followed until the Initial Recognized Obligation Payment Schedule (IROPS) is adopted by the Successor Agency, audited as directed by the County Auditor-Controller, and approved by the Successor Agency's Oversight Board. The IROPS is to be submitted to the State not later than April 15, 2012, pursuant to AB 26.

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**STAFF REPORT:** The Court's ruling modified the deadlines associated with the dissolution of Redevelopment Agencies. The IROPS will not likely become effective until the Spring of 2012 (after the audit and Oversight Board approval), which would leave the period between January 1, 2012 until the IROPS is effective as a period in time where obligations that have to be paid are not listed on the EOPS.

Thus, it is recommended the EOPS be amended to:

1. Include obligations required to be paid from January 1, 2012 through June 30, 2012.
2. Add any obligations that were not previously listed on the EOPS because no payments were due prior to December 31, 2011 or the obligation was inadvertently omitted from the previously adopted EOPS
3. Eliminate any obligations that were inadvertently placed on the original EOPS (based on new information since the EOPS was first adopted)

As previously mentioned, under AB 26, property tax proceeds formerly accruing to the Redevelopment Agency may only be spent to satisfy the Enforceable Obligations contained in the EOPS.

The EOPS may be amended by the Successor Agency at a public meeting at any time. Upon adoption, the EOPS will be submitted to the Successor Agency, posted on the Redevelopment Agency/Successor Agency website, and submitted to the Solano County Auditor-Controller, the State Controller's Office, and the State Department of Finance.

Further, it is recommended the Agency adopt the amended PDROPS (consistent with the amended EOPS) and provide it to the Successor Agency pursuant to AB 26.

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**RECOMMENDATION:** It is recommended that the Agency adopt:

- A. Agency Resolution No. RA 2012-\_\_\_: Adopting an Updated Enforceable Obligation Payment Schedule Pursuant to Part 1.8 of Division 24 of the California Health and Safety Code.
- B. Agency Resolution No. RA 2012-\_\_\_: Adopting an Updated Preliminary Draft Recognized Obligation Payment Schedule Pursuant to Part 1.8 of Division 24 of the California Health and Safety Code.

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**ATTACHMENTS:**

1. Agency Resolution No. RA 2012-\_\_\_: Adopting an Updated Enforceable Obligation Payment Schedule Pursuant to Part 1.8 of Division 24 of the California Health and Safety Code.
2. Agency Adoption of Resolution No. RA 2012-\_\_\_: Adopting an Updated Preliminary Draft Recognized Obligation Payment Schedule Pursuant to Part 1.8 of Division 24 of the California Health and Safety Code.
3. EOPS
4. PDROPS

## RESOLUTION NO. RA 2012 - \_\_\_\_

### A RESOLUTION OF THE SUISUN CITY REDEVELOPMENT AGENCY ADOPTING AN UPDATED ENFORCEABLE OBLIGATION PAYMENT SCHEDULE PURSUANT TO PART 1.8 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE

**WHEREAS**, the City Council of the City of Suisun City (“City”) approved and adopted the Redevelopment Plan for the Suisun City Redevelopment Project (“Redevelopment Plan”) covering certain properties within the City (the “Project Area”); and

**WHEREAS**, the Redevelopment Agency of the City of Suisun City (“Agency”) is engaged in activities to execute and implement the Redevelopment Plan pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code § 33000, *et seq.*) (“CRL”); and

**WHEREAS**, since adoption of the Redevelopment Plan, the Agency has undertaken redevelopment projects in the Project Area to eliminate blight, to improve public facilities and infrastructure, to renovate and construct affordable housing, and to enter into partnerships with private industries to create jobs and expand the local economy; and

**WHEREAS**, the Agency planned to implement a variety of redevelopment projects and programs to continue to eliminate and prevent blight, stimulate and expand the Project Area’s economic growth, create and develop local job opportunities and alleviate deficiencies in public infrastructure, to name a few; and

**WHEREAS**, as part of the 2011-12 State budget bill, the California Legislature enacted and the Governor has signed, companion bills AB 26 X1 (AB 26) and AB 27 X1 (AB 27), requiring that each redevelopment agency be dissolved unless the community that created it enacts an ordinance committing it to making certain payments; and

**WHEREAS**, on December 29, 2011, the California Supreme Court issued its opinion in the case of *California Redevelopment Association, et al. v. Ana Matosantos, etc., et al.*, Case No. S196861, and upheld the validity of AB 26 and invalidated AB 27; and

**WHEREAS**, the Court’s decision results in the implantation of AB 26, which dissolves all redevelopment agencies in the State of California as of February 1, 2012; and

**WHEREAS**, the City is, by operation of law, the Successor Agency to the Redevelopment Agency for purposes of winding down the Redevelopment Agency under AB 26; and

**WHEREAS**, pursuant to AB 26, codified as Health and Safety Code Section 64176, the City as Successor Agency is required to maintain an “Enforceable Obligation Payment Schedule” (the “EOPS”), which schedule was adopted by the Agency on August 23, 2011, by Resolution No. RA2011-26. The Agency now wishes to amend and update its EOPS; and

**WHEREAS**, the Agency, having considered the matter, has determined, in its legislative discretion, that it is in the best interests of the Agency to update and amend the EOPS;

**WHEREAS**, the Agency reserves the right, regardless of any actions taken pursuant to this resolution, to challenge the legality of AB 26 and seek reimbursement for compliance costs of this state-mandated program; and

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

**NOW, THEREFORE, BE IT RESOLVED** that the Agency Board of the Suisun City Redevelopment Agency does resolve as follows:

**Section 1.** The Recitals set forth above are true and correct and incorporated herein by reference.

**Section 2.** The amended and updated EOPS, attached hereto and incorporated herein by reference as "Exhibit A," is hereby adopted pursuant to Health & Safety Code Section 34169(g), subject to all reservations of rights and contingencies set forth above.

**Section 3.** The Executive Director or designee is authorized to take all actions necessary to implement this Resolution, including without limitation, the posting of this Resolution and the Enforceable Obligation Payment Schedule on the Agency's website, and the provision of notice of adoption of this Resolution and such Schedule to County Auditor-Controller, the State Controller and the State Department of Finance.

**PASSED AND ADOPTED** at a Special Meeting of the Suisun City Redevelopment Agency duly held on Tuesday, the 31<sup>st</sup> of January, 2012, by the following vote:

**AYES:** BOARDMEMBERS: \_\_\_\_\_  
**NOES:** BOARDMEMBERS: \_\_\_\_\_  
**ABSENT:** BOARDMEMBERS: \_\_\_\_\_  
**ABSTAIN:** BOARDMEMBERS: \_\_\_\_\_

**WITNESS** my hand and the seal of the City of Suisun City this 31st of January, 2012.

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Linda Hobson, CMC  
Secretary

## RESOLUTION NO. RA 2012 - \_\_\_\_

### A RESOLUTION OF THE SUISUN CITY REDEVELOPMENT AGENCY ADOPTING AN UPDATED PRELIMINARY DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO PART 1.8 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE

**WHEREAS**, the City Council of the City of Suisun City (“City”) approved and adopted the Redevelopment Plan for the Suisun City Redevelopment Project (“Redevelopment Plan”) covering certain properties within the City (the “Project Area”); and

**WHEREAS**, the Redevelopment Agency of the City of Suisun City (“Agency”) is engaged in activities to execute and implement the Redevelopment Plan pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code § 33000, *et seq.*) (“CRL”); and

**WHEREAS**, since adoption of the Redevelopment Plan, the Agency has undertaken redevelopment projects in the Project Area to eliminate blight, to improve public facilities and infrastructure, to renovate and construct affordable housing, and to enter into partnerships with private industries to create jobs and expand the local economy; and

**WHEREAS**, the Agency planned to implement a variety of redevelopment projects and programs to continue to eliminate and prevent blight, stimulate and expand the Project Area’s economic growth, create and develop local job opportunities and alleviate deficiencies in public infrastructure, to name a few; and

**WHEREAS**, as part of the 2011-12 State budget bill, the California Legislature enacted and the Governor has signed, companion bills AB 26 X1 (AB 26) and AB 27 X1 (AB 27), requiring that each redevelopment agency be dissolved unless the community that created it enacts an ordinance committing it to making certain payments; and

**WHEREAS**, on December 29, 2011, the California Supreme Court issued its opinion in the case of *California Redevelopment Association, et al. v. Ana Matosantos, etc., et al.*, Case No. S196861, and upheld the validity of AB 26 and invalidated AB 27; and

**WHEREAS**, the Court’s decision results in the implantation of AB 26, which dissolves all redevelopment agencies in the State of California as of February 1, 2012; and

**WHEREAS**, the City is, by operation of law, the Successor Agency to the Redevelopment Agency for purposes of winding down the Redevelopment Agency under AB 26; and

**WHEREAS**, pursuant to AB 26, codified as Health and Safety Code Section 64176, the Agency is required to adopt a “Draft Preliminary Recognized Obligation Payment Schedule” (the “PDROPS”) and transmit such PDROPS to the Successor Agency. A PDROPS was adopted on September 20, 2011; however, as a result of the judicial stay and decision from *California Redevelopment Association, et al. v. Ana Matosantos, etc., et al.*, the Agency is required to re-adopt and update such PDROPS; and

**WHEREAS**, the Agency, having considered the matter, has determined, in its legislative discretion, that it is in the best interests of the Agency to update and amend the PDROPS, and transmit it to the Successor Agency. The PDROPS shall be posted to the website maintained by the City as Successor Agency; and

**WHEREAS**, Health & Safety Code Section 34169 requires redevelopment agencies to provide the PRDOPS to their successor agency so that pledges of revenues associated with enforceable obligations of the former redevelopment agency are honored; and

**WHEREAS**, the Agency reserves the right, regardless of any actions taken pursuant to this resolution, to challenge the legality of AB 26 and seek reimbursement for compliance costs of this state-mandated program; and

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

**NOW, THEREFORE, BE IT RESOLVED** that the Agency Board of the Suisun City Redevelopment Agency does resolve as follows:

**Section 1.** The Recitals set forth above are true and correct and incorporated herein by reference.

**Section 2.** The PDROPS, attached hereto and incorporated herein by reference as "Exhibit A," is hereby adopted pursuant to Health & Safety Code Section 34169(h), subject to all reservations of rights and contingencies set forth above.

**Section 3.** The Executive Director or designee is authorized to take all actions necessary to implement this Resolution, including without limitation, the posting of this Resolution and the DROPS on the Agency's website, and the provision of notice of adoption of this Resolution and such Schedule to County Auditor-Controller, the State Controller and the State Department of Finance.

**PASSED AND ADOPTED** at a Special Meeting of the Suisun City Redevelopment Agency duly held on Tuesday, the 31<sup>st</sup> of January, 2012, by the following vote:

<b>AYES:</b>	<b>BOARDMEMBERS:</b> _____
<b>NOES:</b>	<b>BOARDMEMBERS:</b> _____
<b>ABSENT:</b>	<b>BOARDMEMBERS:</b> _____
<b>ABSTAIN:</b>	<b>BOARDMEMBERS:</b> _____

**WITNESS** my hand and the seal of the City of Suisun City this 31st of January, 2012.

\_\_\_\_\_  
Linda Hobson, CMC  
Secretary

**ENFORCEABLE OBLIGATION PAYMENT SCHEDULE**  
 Per AB 26 - Section 34167 and 34169 (\*)

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by month												
					August	September	October	November	December	January	February	March	April	May	June	5 Mo. Total	
1) 1998 Tax Exempt Bonds	US Bank	Bonds issue to fund Redevelopment Proj	20,424,242	554,080				394,540					159,540				159,540
2) 2003 Series A Tax Allocation Bonds	US Bank	Bonds issue to fund Redevelopment Proj	5,265,000	515,500				257,750					257,750				257,750
3) 2003 Series B Tax Allocation Bonds	US Bank	Refunding of 1993 Tax Alloc Bonds	31,780,000	3,044,050				2,404,525					639,525				639,525
4) Marina Expansion Loan	Dept. of Boating & Waterways	Marina Rehabilitation	6,641,762	427,100	427,100												0
5) Marina Expansion Loan	Sheldon Oil	Marina Rehabilitation	2,358,829	268,000				268,000									0
6) Reimbursement-333 Sunset Lease	City of Suisun City	Third Party Lease reimbursement	373,850	48,800	48,800												0
7) Audit Cost	Vavrinek, Trine & Day	Audit Costs FY 10-11		19,500				8,000						11,500			11,500
8) Administrative Cost	Various	Staff labor, Rent/Utilities, Supplies, Legal		1,248,200	104,000	104,000	104,000	104,000	104,000	104,000	104,000	104,000	104,000	104,000	104,000	104,000	520,000
9) Main Street West DDA	Main Street West	DDA Obligations/Administration		243,000	14,700	14,700	14,700	14,700	81,800	14,700	14,700	14,700	14,700	14,700	14,700	14,700	73,500
10) SERAF Payment	Low/Mod Housing Fund	SERAF	6,901,500														0
11) Civic Center COP	Suisun Public Financing Auth.	Agency's share of Civic Center COP	5,951,318	261,700			238,350						23,350				23,350
12) Iconic Sign	Earthquake & Structures, Inc.	Gateway Sign Design		11,300					4,300							7,000	7,000
13) Unfunded Liability	PERS, Agency employees	Unfunded PERS and Accrued Leave	175,000														0
14)																	0
15)																	0
16)																	0
17)																	0
18)																	0
19)																	0
20)																	0
21)																	0
22)																	0
23)																	0
24)																	0
25)																	0
26)																	0
Totals - This Page			79,871,501	6,641,230	594,600	118,700	3,681,865	126,700	190,100	118,700	118,700	1,198,865	130,200	118,700	125,700	1,692,165	
Totals - Page 2			0	0							0	0	0	0	0	0	0
Totals - Page 3			0	0							0	0	0	0	0	0	0
Totals - Page 4			0	0							0	0	0	0	0	0	0
Totals - Other Obligations			0	3,348,695							0	0	0	0	0	0	3,348,695
Grand total - All Pages			\$ 79,871,501	\$ 9,989,925							\$ 118,700	\$ 1,198,865	\$ 130,200	\$ 118,700	\$ 125,700	\$ 5,040,860	

\* This Enforceable Obligation Payment Schedule (EOPS) is to be adopted by the redevelopment agency no later than late August. It is valid through 12/31/11. It is the basis for the Preliminary Draft Recognized Obligation Payment Schedule (ROPS), which must be prepared by the dissolving Agency by 9/30/11. (The draft ROPS must be prepared by the Successor Agency by 11/30/11.)  
 If an agency adopts a continuation ordinance per ABX1 27, this EOPS will not be valid and there is no need to prepare a ROPS.  
 \*\* Include only payments to be made after the adoption of the EOPS.

**OTHER OBLIGATION PAYMENT SCHEDULE**  
 Per AB 26 - Section 34167 and 34169 (\*)

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by month													
					Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total		
1) Pass Through Agreement	City of Suisun City	Pursuant to Section 33401		238,264.00							119,132.00						4,765.28	\$ 238,264.00
2) Pass Through Agreement	Solano County	Pursuant to Section 33402		2,151,720.08							1,075,860.04					1,032,825.64	43,034.40	\$ 2,151,720.08
3) Pass Through Agreement	County Sup of Schools	Pursuant to Section 33403		62,000.00													62,000.00	\$ 62,000.00
4) Pass Through Agreement	FFSUSD	Pursuant to Section 33404		788,646.00	788,646.00													\$ 788,646.00
5) Pass Through Agreement	Solano Community College	Pursuant to Section 33405		103,000.00													103,000.00	\$ 103,000.00
6) Pass Through Agreement	Boating Special Revenue	Boating Taxes		4,451.00													4,451.00	\$ 4,451.00
7) Pass Through Agreement	BAAQMD	Pursuant to Section 33607.5		232.00													232.00	\$ 232.00
8) Pass Through Agreement	SRCD	Pursuant to Section 33607.6		88.00													88.00	\$ 88.00
9) Pass Through Agreement	SID	Pursuant to Section 33607.7		294.00													294.00	\$ 294.00
10)																		\$ -
11)																		\$ -
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25)																		\$ -
26)																		\$ -
27)																		\$ -
28)																		\$ -
<b>Totals - Other Obligations</b>				\$ -	\$ 3,348,695.08	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,194,992.04	\$ -	\$ -	\$ 1,147,192.36	\$ -	\$ 217,864.68	\$ 3,348,695.08	

\* This Enforceable Obligation Payment Schedule (EOPS) is to be adopted by the redevelopment agency no later than late August. It is valid through 12/31/11. It is the basis for the Preliminary Draft Recognized Obligation Payment Schedule (ROPS), which must be prepared by the dissolving Agency by 9/30/11. (The draft ROPS must be prepared by the Successor Agency by 11/30/11.)  
 If an agency adopts a continuation ordinance per ABX1 27, this EOPS will not be valid and there is no need to prepare a ROPS.  
 \*\* Include only payments to be made after the adoption of the EOPS.  
 \*\*\* All payment amounts are estimates

**DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE January 1, 2012 TO JUNE 30, 2012**  
 Per AB 26 - Section 34167 and 34169 (\*)

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Source of Payment	EOPS Total Aug - Dec	Payments by month						
							Jan	Feb	Mar	April	May	June	Total
1 1998 Tax Exempt Bonds	US Bank	Bonds issue to fund Redevelopment Proj	20,424,242.00	554,080.00	RPTTF, Interest	394,540.00			159,540.00				\$ 159,540.00
2 2003 Series A Tax Allocation Bonds	US Bank	Bonds issue to fund Redevelopment Proj	5,265,000.00	515,498.00	RPTTF, Interest	257,749.00			257,750.00				\$ 257,750.00
3 2003 Series B Tax Allocation Bonds	US Bank	Refunding of 1993 Tax Alloc Bonds	31,780,000.00	3,044,049.00	RPTTF, Interest	2,404,524.00			639,525.00				\$ 639,525.00
4 Marina Expansion Loan	Dept. of Boating & Waterways	Marina Rehabilitation	6,641,762.00	427,070.00	RPTTF, Interest	427,070.00							\$ -
5 Marina Expansion Loan	Sheldon Oil	Marina Rehabilitation	2,358,829.00	268,000.00	RPTTF, Interest	268,000.00							\$ -
6 Reimbursement-333 Sunset Lease	City of Suisun City	Third Party Lease Reimbursement	373,850.00	48,800.00	RPTTF	48,800.00							\$ -
7 Audit Cost	Vavrinek, Trine & Day	Audit Costs FY 10-11	19,500.00	19,500.00	RPTTF	8,000.00				11,500.00			\$ 11,500.00
8 Administrative Cost	Various	Staff labor, Rent/Utilities, Supplies, Legal	-	1,248,200.00	ACA	624,000.00	104,000.00	104,000.00	104,000.00	104,000.00	104,000.00	104,000.00	\$ 624,000.00
9 Main Street West/DDA	Main Street West	DDA Obligations/Proj. Mgmt./Maint.	0.00	243,000.00	RPTTF	155,300.00	14,700.00	14,700.00	14,700.00	14,700.00	14,700.00	14,700.00	\$ 88,200.00
10 SERAF Payment	Low/Mod Housing Fund	SERAF	6,901,505.00	-	RPTTF								\$ -
11 Civic Center COP	Suisun Public Financing Auth.	Agency's share of Civic Center COP	5,951,318.00	261,700.00	RPTTF	238,350.00			23,350.00				\$ 23,350.00
12 Iconic Sign	Earthquake & Structures, Inc.	Gateway Sign Design	11,300.00	11,300.00	Fund Balance	11,300.00	2,260.00	2,260.00	2,260.00	2,260.00	2,260.00		\$ 11,300.00
13 Unfunded Liability	PERS, Agency employees	Unfunded PERS and Accrued Leave	175,000.00	0.00	RPTTF								\$ -
18 TOTAL			79,902,306.00	6,641,197.00			120,960.00	120,960.00	1,201,125.00	132,460.00	120,960.00		\$ 1,696,465.00
19	<b>Pass Through Obligations **</b>												
20 Pass thru Agreement	City of Suisun City	Per section 33401		238,264.00	RPTTF	119,132.00				114,367.00		4,765.00	\$ 119,132.00
21 Pass thru Agreement	Solano County	Per section 33401		2,860,000.00	RPTTF	0.00	1,075,860.00			1,032,826.00		43,034.00	\$ 2,151,720.00
22 Pass thru Agreement	County Superintendent of Schools	Per section 33401		62,000.00	RPTTF	0.00						62,000.00	\$ 62,000.00
23 Pass thru Agreement	Fairfield-Suisun Unified School	Per section 33401		788,646.00	RPTTF	788,646.00							\$ -
24 Pass thru Agreement	Solano Community College	Per section 33401		103,000.00	RPTTF	0.00						103,000.00	\$ 103,000.00
25 Pass thru Agreement	Boating Special Revenue	Boating Taxes		4,451.00	RPTTF	0.00						4,451.00	\$ 4,451.00
26 Pass thru Agreement	BAAQMD	Per section 33607.5		232.00	RPTTF	0.00						232.00	\$ 232.00
27 Pass thru Agreement	Suisun Resource Conservation	Per section 33607.5		88.00	RPTTF	0.00						88.00	\$ 88.00
28 Pass thru Agreement	Solano Irrigation District	Per section 33607.5		294.00	RPTTF	0.00						294.00	\$ 294.00
29													\$ -
30 TOTAL				4,056,975.00	749,800.00	5,745,411.00	1,075,860.00	0.00	0.00	1,147,193.00	0.00	217,864.00	\$ 2,440,917.00
31													\$ -
32													\$ -
33													\$ -
Totals - This Page			\$ 79,902,306.00	\$ 10,698,172.00			\$ 1,196,820.00	\$ 120,960.00	\$ 1,201,125.00	\$ 1,279,653.00	\$ 120,960.00	\$ 217,864.00	\$ 4,137,382.00
Totals - Page 2			\$ -	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Page 3			\$ -	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Page 4			\$ -	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Other Obligations			\$ -	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand total - All Pages			\$ 79,902,306.00	\$ 10,698,172.00			\$ 1,196,820.00	\$ 120,960.00	\$ 1,201,125.00	\$ 1,279,653.00	\$ 120,960.00	\$ 217,864.00	\$ 3,919,518.00

RPTTF = Redevelopment Property Tax Trust Fund

ACA = Administrative Cost Allowance



CITY COUNCIL

CITY COUNCIL MEETING

Pedro "Pete" M. Sanchez, Mayor  
Mike Hudson, Mayor Pro-Tem  
Jane Day  
Sam Derting  
Michael A. Segala

First and Third Tuesday  
Every Month

## A G E N D A

**REGULAR MEETING OF THE  
SUISUN CITY COUNCIL,  
SUISUN CITY COUNCIL ACTING AS SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY,  
AND SUISUN CITY HOUSING AUTHORITY**

**TUESDAY, JANUARY 31, 2012**

**7:00 P.M.**

**(or immediately following the Redevelopment Agency Meeting)**

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**SUISUN CITY COUNCIL CHAMBERS -- 701 CIVIC CENTER BOULEVARD -- SUISUN CITY, CALIFORNIA**

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(Ord. No. – 721)

(City Council Res. No. 2012 – 04)

(Suisun City Council Acting as Successor Agency Res. No. SA2012 – 01)

(Housing Authority Res. No. HA2012 – 01)

**ROLL CALL**

Council / Board Members  
Pledge of Allegiance  
Invocation

**PRESENTATIONS/APPOINTMENTS**

*(Presentations, Awards, Proclamations, Appointments).*

**PUBLIC COMMENT**

*(Requests by citizens to discuss any matter under our jurisdiction other than an item posted on this agenda per California Government Code §54954.3 allowing 3 minutes to each speaker).*

**CONFLICT OF INTEREST NOTIFICATION**

*(Any items on this agenda that might be a conflict of interest to any Councilmembers / Boardmembers should be identified at this time.)*

**CONSENT CALENDAR**

*Consent calendar items requiring little or no discussion may be acted upon with one motion.*

**City Council**

1. Council Adoption of Resolution No. 2012-\_\_\_: Determining it Elects To and Shall Serve as the Successor Agency to the Dissolved Redevelopment Agency of the City of Suisun City – (Garben).

DEPARTMENTS: AREA CODE (707)

ADMINISTRATION 421-7300 ■ PLANNING 421-7335 ■ BUILDING 421-7310 ■ FINANCE 421-7320

FIRE 425-9133 ■ RECREATION & COMMUNITY SERVICES 421-7200 ■ POLICE 421-7373 ■ PUBLIC WORKS 421-7340

REDEVELOPMENT AGENCY 421-7309 FAX 421-7366

**GENERAL BUSINESS****Suisun City Council Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City**

2. Suisun City Council Acting As Successor Agency to the Redevelopment Agency of the City of Suisun City Implementing Certain Administrative Items Relating to AB 26, Including Designation of City Manager as Executive Director of the Successor Agency, Receiving and Accepting the Enforceable Obligation Payment Schedule and Preliminary Draft Recognized Obligation Payment Schedule As Submitted by the Redevelopment Agency of the City of Suisun City, and Transferring Housing Functions of the Redevelopment Agency of the City of Suisun City to the Housing Authority of the City of Suisun City, and Discussion and Direction Regarding Appointments to the Successor Agency's Oversight Board – (Garben).
  - a. Adoption of Resolution No. 2012 SA-\_\_\_: Resolution of the City of Suisun City Council, Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City, Authorizing the City Manager to Act as Executive Director of the Successor Agency to the Redevelopment Agency of the City of Suisun City and to Carry Out Day-to-Day Administrative Functions of the Successor Agency Necessary to Comply with AB 26.
  - b. Adoption of Resolution No. 2012 SA-\_\_\_: Resolution of the City of Suisun City Council, Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City, Receiving and Accepting the Enforceable Obligation Payment Schedule (EOPS) and the Preliminary Draft Recognized Obligation Payment Schedule (PDROPS) From the Redevelopment Agency of the City of Suisun City.
  - c. Adoption of Resolution No. 2012 SA-\_\_\_: Resolution of the City of Suisun City Council, Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City, Determining That the City of Suisun City Elects to, and Shall Retain the Housing Assets of the Dissolved Redevelopment Agency of the City of Suisun City Pursuant to California Health and Safety Code § 34176, and Hereby Transfers Such Housing Functions, Assets, and Obligations to the Housing Authority of the City of Suisun City.
  - d. Discussion and Direction Regarding Appointments to the Successor Agency's Oversight Board.

**Housing Authority**

3. Housing Authority Adoption of Resolution No. HA 2012-\_\_\_: Accepting from the City of Suisun City, Acting as Successor Agency to the Dissolved Redevelopment Agency of Suisun City, the Retained Housing Assets and Functions of the Dissolved Redevelopment Agency of the City of Suisun City – (Garben).

**PUBLIC HEARINGS:****REPORTS: (Informational items only.)**

4. City Manager/Director/Staff
5. Mayor/Council -Chair/Boardmembers

**ADJOURNMENT**

A complete packet of information containing Staff Reports and exhibits related to each item for the open session of this meeting are available for public review at least 72 hours prior to a Council /Agency/Authority Meeting Agenda related writings or documents provided to a majority of the Council/Board/Commissioners less than 72 hours prior to a Council/Agency/Authority meeting regarding any item on this agenda will be made available for public inspection during normal business hours. An agenda packet is available for review in the City Manager's Office during normal business hours. The City may charge photocopying charges for requested copies of such documents.

*PLEASE NOTE:*

1. The Council/Board hopes to conclude its public business by 11:00 P.M. Ordinarily, no new items will be taken up after the 11:00 P.M. cutoff and any items remaining will be agendized for the next meeting. The agendas have been prepared with the hope that all items scheduled will be discussed within the time allowed.
2. Suisun City is committed to providing full access to these proceedings; individuals with special needs may call 421-7300.
3. Agendas are posted at least 72 hours in advance of regular meetings at:

City Hall	Fire Station	Senior Center
701 Civic Center Boulevard	621 Pintail Drive	318 Merganser Drive

## AGENDA TRANSMITTAL

**MEETING DATE:** January 31, 2012

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**CITY ITEM:** Council Adoption of Resolution No. 2011-\_\_: A Resolution of the City of Suisun City Council Determining It Elects To and Shall Serve as the Successor Agency to the Dissolved Redevelopment Agency of the City of Suisun City

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**FISCAL IMPACT:** None.

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**BACKGROUND:** As part of the State's 2011-2012 budget bills, the California Legislature adopted, and the Governor signed, AB 26 X1 (AB 26) and AB 27 X1 (AB 27) into law on June 29, 2011. The constitutionality of AB 26 and AB 27 was challenged, and on December 29, 2011, the California Supreme Court ruled that AB 27 was unconstitutional and AB 26 is constitutional, essentially resulting in the elimination of Redevelopment Agencies in the State of California. As a result, the Redevelopment Agency will be dissolved on February 1, 2012, with a Successor Agency assuming responsibility to wind-down the Redevelopment Agency's operations, as proscribed in the California Health and Safety Code.

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**STAFF REPORT:** Pursuant to a provision of AB1x26, codified as Health and Safety Code §34173(d)(1), the City, in the case of the redevelopment agency of a City, automatically becomes the "Successor Agency" to its dissolved redevelopment agency and is charged with the responsibility of winding up the affairs of the dissolved redevelopment agency pursuant to AB1x26, unless the City Council adopts a resolution electing not to serve as the Successor Agency and thereafter files a copy of such resolution with the county auditor-controller. The City Council indicated at its meeting on January 3, 2012 that it was in the interest of the City to become the Successor Agency to the Redevelopment Agency.

Although pursuant to Health and Safety Code § 34173(d)(1), the City would automatically become the Successor Agency unless it affirmatively elects to not serve as the Successor Agency by resolution, it is recommended the City express its intention to serve as the Successor Agency to the dissolved Redevelopment Agency by resolution to create a clear record for the dissolution process.

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**RECOMMENDATION:** It is recommended that the City Council Adopt Resolution No. 2011-\_\_: A Resolution of the City of Suisun City Council Determining It Elects To and Shall Serve as the Successor Agency to the Dissolved Redevelopment Agency of the City of Suisun City

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**ATTACHMENTS:**

1. Resolution No. 2011-\_\_: A Resolution of the City of Suisun City Council Determining It Elects To and Shall Serve as the Successor Agency to the Dissolved Redevelopment Agency of the City of Suisun City PDROPS

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**PREPARED BY:**

Jason Garben, Economic Development Director

**REVIEWED/APPROVED BY:**

Suzanne Bragdon, City Manager

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY OF SUISUN CITY COUNCIL DETERMINING IT ELECTS TO AND SHALL SERVE AS THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY OF SUISUN CITY**

WHEREAS, the City of Suisun City is a municipal corporation and a general law City organized and existing under the Constitution of the State of California (“City”); and

WHEREAS, the Redevelopment Agency of the City of Suisun City (“Redevelopment Agency”) is a public body, corporate and politic, organized and existing under the California Community Redevelopment Law (Health & Safety Code §§ 33000 *et seq.*); and

WHEREAS, on December 29, 2011, the California Supreme Court issued its opinion in the case *California Redevelopment Association, et al. v. Ana Matosantos, etc., et al.*, Case No. S196861, and upheld the validity of Assembly Bill 1x26 (“AB1x26”) and invalidated Assembly Bill 1x27; and

WHEREAS, the City is, by operation of law, the Successor Agency to the Redevelopment Agency for purposes of winding-down the Redevelopment Agency under AB1x26; and

WHEREAS, the Court’s decision results in the implementation of AB1x26 which dissolves all redevelopment agencies in the State of California as of February 1, 2012; and

WHEREAS, pursuant to a provision of AB1x26, codified as Health and Safety Code §34173(d)(1), the City , in the case of the redevelopment agency of a City, automatically becomes the “Successor Agency” to its dissolved redevelopment agency and is charged with the responsibility of winding up the affairs of the dissolved redevelopment agency pursuant to AB1x26, unless the City Council adopts a resolution electing not to serve as the Successor Agency and thereafter files a copy of such resolution with the county auditor-controller; and

WHEREAS, the City Council has determined that it is in the best interests of the City for the City to serve as the Successor Agency to the dissolved Redevelopment Agency; and

WHEREAS, although pursuant to Health and Safety Code § 34173(d)(1), the City would automatically become the Successor Agency unless it affirmatively elects to not serve as the Successor Agency by resolution, the City nonetheless wishes to express its intention to serve as the Successor Agency to the dissolved Redevelopment Agency.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUISUN CITY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

SECTION 1. The foregoing Recitals are true and correct and are incorporated herein.

SECTION 2. The City of Suisun City shall act as the Successor Agency to the dissolved Redevelopment Agency of the City of Suisun City.

**PASSED AND ADOPTED** at a Special Meeting of the City Council of the City of Suisun City held on Tuesday, the 31<sup>st</sup> of January, 2012, by the following vote:

**AYES:** COUNCILMEMBERS: \_\_\_\_\_  
**NOES:** COUNCILMEMBERS: \_\_\_\_\_  
**ABSENT:** COUNCILMEMBERS: \_\_\_\_\_  
**ABSTAIN:** COUNCILMEMBERS: \_\_\_\_\_

**WITNESS** my hand and the seal of the City of Suisun City this 31st of January, 2012.

\_\_\_\_\_  
Linda Hobson, CMC  
Secretary

## AGENDA TRANSMITTAL

**MEETING DATE:** January 31, 2012

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**SUCCESSOR AGENCY AGENDA ITEM:** Suisun City Council Acting As Successor Agency to the Redevelopment Agency of the City of Suisun City Implementing Certain Administrative Items Relating to AB 26, Including Designation of City Manager as Executive Director of the Successor Agency, Receiving and Accepting the Enforceable Obligation Payment Schedule and Preliminary Draft Recognized Obligation Payment Schedule As Submitted by the Redevelopment Agency of the City of Suisun City, and Transferring Housing Functions of the Redevelopment Agency of the City of Suisun City to the Housing Authority of the City of Suisun City, and Discussion and Direction Regarding Appointments to the Successor Agency's Oversight Board.

- A. Adoption of Resolution No. 2012SA-\_\_\_: Resolution of the City of Suisun City Council, Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City, Authorizing the City Manager to Act as Executive Director of the Successor Agency to the Redevelopment Agency of the City of Suisun City and to Carry Out Day-to-Day Administrative Functions of the Successor Agency Necessary to Comply with AB 26.
- B. Adoption of Resolution No. 2012SA-\_\_\_: Resolution of the City of Suisun City Council, Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City, Receiving and Accepting the Enforceable Obligation Payment Schedule (EOPS) and the Preliminary Draft Recognized Obligation Payment Schedule (PDROPS) From the Redevelopment Agency of the City of Suisun City.
- C. Adoption of Resolution No. 2012SA-\_\_\_: Resolution of the City of Suisun City Council, Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City, Determining That the City of Suisun City Elects to, and Shall Retain the Housing Assets of the Dissolved Redevelopment Agency of the City of Suisun City Pursuant to California Health and Safety Code § 34176, and Hereby Transfers Such Housing Functions, Assets, and Obligations to the Housing Authority of the City of Suisun City.
- D. Discussion and Direction Regarding Appointments to the Successor Agency's Oversight Board

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**FISCAL IMPACT:** None.

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**BACKGROUND:** As part of the State's budget bills, the California Legislature adopted, and the Governor signed, AB 26 X1 the Redevelopment Dissolution Bill (AB 26) and AB 27 X1 the Alternative Redevelopment Program Act (AB 27) into law. These two measures set out to do the following

- AB 26: Dissolve nearly 400 redevelopment agencies across California, liquidate their assets, set aside sufficient property taxes to pay for the bonded indebtedness of the agencies and minimum administration, and pass all former tax increment and proceeds of asset sales to other local taxing entities, including the County, school district, the City and special districts. AB 26 essentially froze Redevelopment Agencies from taking any new actions starting June 29, 2011.
- AB 27: Allow cities to retain their redevelopment agencies if they voluntarily remit annual payments to reduce the State's budget obligation to school funding. Each

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**PREPARED BY:**

Jason Garben, Economic Development Director

**REVIEWED/APPROVED BY:**

Suzanne Bragdon, City Manager

Redevelopment Agency would pay its share of \$1.7 billion in FY2010-11 and its share of \$400 million each year thereafter.

In July, the League of California Cities (the “League”) and the California Redevelopment Association (the “CRA”) sued the State on behalf of their members to challenge the constitutionality of AB 26 and AB 27. The League and CRA legal team argued the two bills violated Proposition 1A (2004), Proposition 22, and Article 16 of the California Constitution.

On December 29, 2011, the Supreme Court ruled that AB 26 was constitutional, but AB 27 was not. As a result, the nearly 400 redevelopment agencies in California will be dissolved, and none will have the opportunity to opt into a continuation program as described in AB 27. The Court general extended by four months the implementation deadlines occurring prior to May 1, 2012. As a result, the Redevelopment Agency will be dissolved on February 1, 2012, with the Successor Agency assuming responsibility to wind-down the Agency’s operations, as proscribed in the California Health and Safety Code.

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## **STAFF REPORT:**

### Administrative Actions

As part of the “wind down” process of the Redevelopment Agency of the City of Suisun City, the City of Suisun City is the Successor Agency pursuant to AB 26. It is important to demonstrate and create a deliberate and transparent record so the process can proceed in an orderly fashion. Further, it is necessary to be able to administer the day-to-day operations of the Successor Agency pursuant to AB 26. The first resolution for consideration would appoint the City Manager as the Executive Director of the Successor Agency and allow for day-to-day administration of the Successor Agency pursuant to AB 26. The second resolution would create a record of the Successor Agency receiving the Enforceable Obligation Payment Schedule (EOPS) and the Preliminary Draft Recognized Obligation Payment Schedule (PDROPS), which was adopted as the last action of the Redevelopment Agency of the City of Suisun City.

Appointing the Executive Director and accepting the EOPS and PDROPS by resolution are administrative actions that create clear direction, and establish an easy to follow paper trail so that outside auditors will be able to determine the requirements of AB 26 are being followed.

### Transfer of Affordable Housing Functions

The third resolution would transfer the low and moderate income housing assets of the Redevelopment Agency of the City of Suisun City to the Housing Authority of Suisun City. AB 26 requires low and moderate income housing assets (including land, excepting cash) and functions of the former Redevelopment Agency to be retained by the City (through a “Successor Housing Agency”) or the City’s Housing Authority. The determination of which entity will retain these assets and functions must be made by February 1, 2012. A bill is currently pending in the Legislature that would allow cash assets on hand to be retained by the Housing Successor Agency or Housing Authority.

In order to insulate the low and moderate income housing assets and functions from AB26, and in an attempt to limit potential liability to the City’s general fund, Staff is recommending the Housing Authority of the City of Suisun City (the “Housing Authority”) retain assets and and assume the housing functions of the low and moderate income housing functions associated with the former Redevelopment Agency. The Housing Authority is to carry out the management of assets and obligations of the housing assets in accordance with the applicable provisions of current Community Redevelopment Law.

The Housing Authority would perform annual monitoring necessary for existing resale restrictions (First-Time Homebuyer Program, Harbor Park), service outstanding loans (Cottonwood Creek, Bay Homes), manage property (Almond Gardens, land at NWC of Hwy 12/Marina Blvd), and continue to enhance and create affordable housing as revenue streams allow. The on-going 20% payment of tax increment that was deposited with the low/moderate income housing fund on an annual basis is eliminated pursuant to AB 26. Thus, the only revenue stream to the Housing Authority as a result of this transfer (based on the current law) would be loan payments, property sales, and income generated from property.

#### Responsibilities, Explanations, and Next Steps of the Successor Agency, Including Appointments to the Oversight Board

- As of February 1, 2012, by operation of law, all assets, properties, contracts, leases, books and records, buildings and equipment of the former Redevelopment Agency are transferred to the control of the Successor Agency. The Successor Agency will be required to repay existing indebtedness, complete existing contractual obligations and otherwise wind down operations of the Redevelopment Agency. The clear intent of AB 26 is for the Successor Agency to preserve Redevelopment Agency assets for the benefit of the Taxing Agencies. To this end, any fund or asset transfers made by the Successor Agency that are not clearly related to an Enforceable Obligation to a third party will be subject to scrutiny.
- The “Oversight Board” refers to the local appointed board that will, in conjunction with the County Auditor-Controller and the California Department of Finance, oversee Successor Agencies through the process of “winding down” each redevelopment agency. In general, uncompensated Oversight Board will be appointed as follows:
  - One member appointed by the County Board of Supervisors
  - One member appointed by the Mayor
  - One member appointed by the largest special district in the territorial jurisdiction (The Solano County Water Agency)
  - One member appointed by the County Superintendent of Education to represent schools
  - One member appointed by the Chancellor of California Community Colleges
  - One member of the public appointed by the County Board of Supervisors
  - One member representing the employees of the former Redevelopment Agency, appointed by the Mayor, from the recognized employee organization representing the largest number of former Redevelopment Agency employees employed by the successor agency at that time

Oversight boards are authorized to direct and approve certain actions of Successor Agencies, and utilize Successor Agency staff to accomplish its work. When all indebtedness of a Redevelopment Agency has been paid, the oversight board automatically dissolves. By May 1, 2012, the names of the Oversight Board members and the board chair must be sent to the Department of Finance. Any vacant positions may be filled by appointment of the Governor.

Although AB 26 provides for a deadline of May 1, 2012 for appointments to the Oversight Board, in discussions with the Solano County Auditor-Controller and the other Cities in Solano County with redevelopment agencies, it was agreed that the solicitation of appointments to the Oversight Board would be coordinated through City Managers of each jurisdiction that will require an oversight Board. Having appointments completed for the Oversight Board by the end of February is preferred to allow for proper implementation of AB 26 (for instance, although the deadline to form the Oversight Board is May 1, 2012, the IROPS must be audited and approved by the Oversight Board by April 15, 2012).

- An administrative budget must be prepared by the Successor Agency and submitted to the Oversight Board for approval. Staff will prepare a line item administrative budget in conjunction with the required ROPS that must be adopted by the Successor Agency by March 1, 2012.
- By March 1, 2012, the Successor Agency must adopt (or re-adopt) the Recognized Obligation Payment Schedule (the “ROPS”). The ROPS adopted by the Successor Agency must be approved by the Oversight Board, audited and submitted to the Department of Finance and State Controller by April 15, 2012. The only Successor Agency-related payments allowed will be those payments listed on the ROPS upon the ROPS becoming effective (upon audit and Oversight Board approval). The Successor Agency will only pay obligations listed on the EOPS until the ROPS becomes effective. The ROPS must be prepared by the Successor Agency every six months, subject to the approval of the Oversight Board.
- By April 1, 2012, the Successor Agency must report to the County Auditor-Controller whether the total amount of property tax available to the Agency will be sufficient to fund its obligations under the ROPS over the next six-month fiscal period.

Based on the language provided in AB 26, the City has two appointments to the Oversight Board which are to be made by the Mayor. Staff was asked about the process and selection criteria for the appointment at the January 3, 2012 meeting of the City Council. Unfortunately, AB 26 does not provide for a selection process or criteria for Oversight Board members. However, as part of the wind down process, it is anticipated that Oversight Boards will be engaged in activities including the review and approval of budgets, bond documents, contracts, and property disposition agreements. Thus, Oversight Board members that have some familiarity or background in one or all of the following areas – real estate, business, contract negotiations, financial analysis, and budget preparation – would be ideal. There are no conflicts of interest for elected officials or staff to serve on the Oversight Board. Staff is seeking direction with respect to the timing and process of the selection of the City appointments to be made by the Mayor.

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**RECOMMENDATION:** It is recommended that the Suisun City Council Acting As Successor Agency to the Redevelopment Agency of the City of Suisun City adopt:

- A. Resolution No. 2012SA-\_\_\_: Resolution of the City of Suisun City Council, Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City, Authorizing the City Manager to Act as Executive Director of the Successor Agency to the

- Redevelopment Agency of the City of Suisun City and to Carry Out Day-to-Day Administrative Functions of the Successor Agency Necessary to Comply with AB 26; and
- B. Resolution No. 2012SA-\_\_\_: Resolution of the City of Suisun City Council, Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City, Receiving and Accepting the Enforceable Obligation Payment Schedule (EOPS) and the Preliminary Draft Recognized Obligation Payment Schedule (PDROPS) From the Redevelopment Agency of the City of Suisun City; and
  - C. Resolution No. 2012SA-\_\_\_: Resolution of the City of Suisun City Council, Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City, Determining That the City of Suisun City Elects to, and Shall Retain the Housing Assets of the Dissolved Redevelopment Agency of the City of Suisun City Pursuant to California Health and Safety Code § 34176, and Hereby Transfers Such Housing Functions, Assets, and Obligations to the Housing Authority of the City of Suisun City.
  - D. Provide direction to staff with respect to the timing and process associated with Oversight Board appointments that are to be made by the Mayor.

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**ATTACHMENTS:**

- 1. Resolution No. 2012SA-\_\_\_: Resolution of the City of Suisun City Council, Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City, Authorizing the City Manager to Act as Executive Director of the Successor Agency to the Redevelopment Agency of the City of Suisun City and to Carry Out Day-to-Day Administrative Functions of the Successor Agency Necessary to Comply with AB 26; and
- 2. Resolution No. 2012SA-\_\_\_: Resolution of the City of Suisun City Council, Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City, Receiving and Accepting the Enforceable Obligation Payment Schedule (EOPS) and the Preliminary Draft Recognized Obligation Payment Schedule (PDROPS) From the Redevelopment Agency of the City of Suisun City; and
- 3. Resolution No. 2012SA-\_\_\_: Resolution of the City of Suisun City Council, Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City, Determining That the City of Suisun City Elects to, and Shall Retain the Housing Assets of the Dissolved Redevelopment Agency of the City of Suisun City Pursuant to California Health and Safety Code § 34176, and Hereby Transfers Such Housing Functions, Assets, and Obligations to the Housing Authority of the City of Suisun City.

**SUCCESSOR AGENCY RESOLUTION NO. 2012SA - \_\_\_\_**

**A RESOLUTION OF THE CITY OF SUISUN CITY COUNCIL, ACTING AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY, AUTHORIZING THE CITY MANAGER TO ACT AS EXECUTIVE DIRECTOR OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY AND TO CARRY OUT DAY-TO-DAY ADMINISTRATIVE FUNCTIONS OF THE SUCCESSOR AGENCY NECESSARY TO COMPLY WITH AB 26**

**WHEREAS**, the Redevelopment Agency of the City of Suisun City (the “Redevelopment Agency”) is a public body, corporate and politic, organized and existing under the California Community Redevelopment Law (Health & Safety Code §§ 33000 *et seq.*); and

**WHEREAS**, the City of Suisun City is a municipal corporation and a general law city organized and existing under the Constitution of the State of California (the “City”); and

**WHEREAS**, on December 29, 2011, the California Supreme Court issued its opinion in the case of *California Redevelopment Association, et al. v. Ana Matosantos, etc., et al.*, Case No. S196861, and upheld the validity of AB 26 X1 (AB 26) and invalidated AB 27 X1 (AB 27); and

**WHEREAS**, the Court’s decision results in the implementation of AB 26, which dissolves all redevelopment agencies in the State of California as of February 1, 2012; and

**WHEREAS**, the City is, by operation of law and affirmative election, the Successor Agency to the Redevelopment Agency for purposes of winding-down the Redevelopment Agency; and

**WHEREAS**, the City Council, having considered the matter, has determined, in its legislative discretion, that it is in the best interests of the City to have an orderly and efficient administration of the Successor Agency.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of Suisun City, acting as Successor Agency to the Redevelopment Agency of the City of Suisun City, resolves as follows:

**Section 1.** The Recitals set forth above are true and correct and incorporated herein by reference.

**Section 2.** The City Council hereby designates the City Manager to serve as the Executive Director of the Successor Agency to the Redevelopment Agency of the City of Suisun City with authority to carry out the day-to-day administrative functions necessary to comply with AB 26.

**Section 3.** The City Manager and authorized designees are hereby authorized and directed to take such other and further actions and sign such other and further documents as is necessary and proper to implement this Resolution on behalf of the City and Successor Agency.

**PASSED AND ADOPTED** at a Special Meeting of the City Council serving as Successor Agency to the Redevelopment Agency of the City of Suisun City duly held on Tuesday, the 31<sup>st</sup> of January, 2012, by the following vote:

**AYES:** BOARDMEMBERS: \_\_\_\_\_  
**NOES:** BOARDMEMBERS: \_\_\_\_\_  
**ABSENT:** BOARDMEMBERS: \_\_\_\_\_  
**ABSTAIN:** BOARDMEMBERS: \_\_\_\_\_

**WITNESS** my hand and the seal of the City of Suisun City this 31st of January, 2012.

---

Linda Hobson, CMC  
Secretary

**SUCCESSOR AGENCY RESOLUTION NO. 2012SA - \_\_\_\_**

**A RESOLUTION OF THE CITY OF SUISUN CITY COUNCIL, ACTING AS  
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF  
SUISUN CITY, RECEIVING AND ACCEPTING THE ENFORCEABLE OBLIGATION  
PAYMENT SCHEDULE (EOPS) AND THE PRELIMINARY DRAFT RECOGNIZED  
OBLIGATION PAYMENT SCHEDULE (PDROPS) FROM THE REDEVELOPMENT  
AGENCY OF THE CITY OF SUISUN CITY**

**WHEREAS**, on December 29, 2011, the California Supreme Court issued its opinion in the case of *California Redevelopment Association, et al. v. Ana Matosantos, etc., et al.*, Case No. S196861, and upheld the validity of AB 26 X1 (AB 26) and invalidated AB 27 X1 (AB 27); and

**WHEREAS**, the Court's decision results in the implementation of AB 26, which dissolves all redevelopment agencies in the State of California as of February 1, 2012; and

**WHEREAS**, AB 26 requires the Redevelopment Agency of the City of Suisun City to prepare an Enforceable Obligation Payment Schedule (the "EOPS") and a Preliminary Draft Recognized Payment Schedule and transmit them to the Successor Agency; and

**WHEREAS**, the City is, by operation of law and affirmative election, the Successor Agency to the Redevelopment Agency for purposes of winding-down the Redevelopment Agency; and

**WHEREAS**, the City Council desires to memorialize the Successor Agency's receipt and acceptance of the EOPS and the PDROPS.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of Suisun City, acting as Successor Agency to the Redevelopment Agency of the City of Suisun City, resolves as follows:

**Section 1.** The Recitals set forth above are true and correct and incorporated herein by reference.

**Section 2.** The City Council hereby receives and accepts the revised and amended EOPS and PDROPS prepared by the former Redevelopment Agency of the City of Suisun City to comply with AB 26.

**Section 3.** The Executive Director and authorized designees are hereby authorized and directed to take such other and further actions and sign such other and further documents as is necessary and proper to implement this Resolution on behalf of the Successor Agency.

**PASSED AND ADOPTED** at a Special Meeting of the City Council serving as Successor Agency to the Redevelopment Agency of the City of Suisun City duly held on Tuesday, the 31<sup>st</sup> of January, 2012, by the following vote:

<b>AYES:</b>	BOARDMEMBERS:	_____
<b>NOES:</b>	BOARDMEMBERS:	_____
<b>ABSENT:</b>	BOARDMEMBERS:	_____
<b>ABSTAIN:</b>	BOARDMEMBERS:	_____

**WITNESS** my hand and the seal of the City of Suisun City this 31st of January, 2012.

\_\_\_\_\_  
Linda Hobson, CMC  
Secretary

## SUCCESSOR AGENCY RESOLUTION NO. 2012SA - \_\_\_\_

### **A RESOLUTION OF THE CITY OF SUISUN CITY COUNCIL, ACTING AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY, DETERMINING THAT THE CITY OF SUISUN CITY ELECTS TO, AND SHALL RETAIN THE HOUSING ASSETS AND FUNCTIONS OF THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE § 34176, AND HEREBY TRANSFERS SUCH HOUSING FUNCTIONS, ASSETS, AND OBLIGATIONS TO THE HOUSING AUTHORITY OF THE CITY OF SUISUN CITY**

**WHEREAS**, the Redevelopment Agency of the City of Suisun City (the “Redevelopment Agency”) is a public body, corporate and politic, organized and existing under the California Community Redevelopment Law (Health & Safety Code §§ 33000 *et seq.*); and

**WHEREAS**, the City of Suisun City is a municipal corporation and a general law city organized and existing under the Constitution of the State of California (the “City”); and

**WHEREAS**, on December 29, 2011, the California Supreme Court issued its opinion in the case of *California Redevelopment Association, et al. v. Ana Matosantos, etc., et al.*, Case No. S196861, and upheld the validity of AB 26 X1 (AB 26) and invalidated AB 27 X1 (AB 27); and

**WHEREAS**, the Court’s decision results in the implementation of AB 26, which dissolves all redevelopment agencies in the State of California as of February 1, 2012; and

**WHEREAS**, the City is, by operation of law, the Successor Agency to the Redevelopment Agency for purposes of winding-down the Redevelopment Agency under AB 26; and

**WHEREAS**, pursuant to a provision of AB 26, codified as Health & Safety Code Section 34176, the City as Successor Agency may elect to retain the housing assets and functions of the dissolved Redevelopment Agency; and

**WHEREAS**, the City Council, having considered the matter, has determined, in its legislative discretion, that it is in the best interests of the City for the City to retain the housing assets and functions of the dissolved Redevelopment Agency and assign such assets and functions to the Suisun City Housing Authority.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of Suisun City, acting as Successor Agency to the Redevelopment Agency of the City of Suisun City, resolves as follows:

**Section 1.** The Recitals set forth above are true and correct and incorporated herein by reference.

**Section 2.** The City Council hereby affirmatively determines that the City of Suisun City elects to, and shall, retain the housing assets and functions of the dissolved Redevelopment Agency of the City of Suisun City.

**Section 3.** The City Council hereby transfers and assigns such housing assets and functions of the dissolved Redevelopment Agency of the City of Suisun City to the Suisun City Housing Authority. By adopting this Resolution, the City, Redevelopment Agency and/or the Suisun City Housing Authority do not in any way waive or relinquish any claims or legal challenges to the validity of the AB 26 either on its face or as-applied.

**Section 4.** The City Manager and authorized designees are hereby authorized and directed to take such other and further actions and sign such other and further documents as is necessary and proper to implement this Resolution on behalf of the City.

**PASSED AND ADOPTED** at a Special Meeting of the City Council serving as Successor Agency to the Redevelopment Agency of the City of Suisun City duly held on Tuesday, the 31<sup>st</sup> of January, 2012, by the following vote:

<b>AYES:</b>	COUNCILMEMBERS:	_____
<b>NOES:</b>	COUNCILMEMBERS:	_____
<b>ABSENT:</b>	COUNCILMEMBERS:	_____
<b>ABSTAIN:</b>	COUNCILMEMBERS:	_____

**WITNESS** my hand and the seal of the City of Suisun City this 31st of January, 2012.

\_\_\_\_\_  
Linda Hobson, CMC  
Secretary

## AGENDA TRANSMITTAL

**MEETING DATE:** January 31, 2012

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**HOUSING AUTHORITY AGENDA ITEM:** Adoption of Resolution No. HA2012-\_\_\_: A Resolution of the Housing Authority of the City of Suisun City Accepting from the City of Suisun City, Acting as Successor Agency to the Dissolved Redevelopment Agency of Suisun City, the Retained Housing Assets and Functions of the Dissolved Redevelopment Agency of the City of Suisun City.

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**FISCAL IMPACT:** None.

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**BACKGROUND:** As part of the State's budget bills, the California Legislature adopted, and the Governor signed, AB 26 X1 the Redevelopment Dissolution Bill (AB 26) and AB 27 X1 the Alternative Redevelopment Program Act (AB 27) into law. These two measures set out to do the following

- AB 26: Dissolve nearly 400 redevelopment agencies across California, liquidate their assets, set aside sufficient property taxes to pay for the bonded indebtedness of the agencies and minimum administration, and pass all former tax increment and proceeds of asset sales to other local taxing entities, including the County, school district, the City and special districts. AB 26 essentially froze Redevelopment Agencies from taking any new actions starting June 29, 2011.
- AB 27: Allow cities to retain their redevelopment agencies if they voluntarily com annual payments to reduce the State's budget obligation to school funding. Each Redevelopment Agency would pay its share of \$1.7 billion in FY2010-11 and its share of \$400 million each year thereafter.

In July, the League of California Cities (the "League") and the California Redevelopment Association (the "CRA") sued the State on behalf of their members to challenge the constitutionality of AB 26 and AB 27. The League and CRA legal team argued the two bills violated Proposition 1A (2004), Proposition 22, and Article 16 of the California Constitution.

On December 29, 2011, the Supreme Court ruled that AB 26 was constitutional, but AB 27 was not. As a result, the nearly 400 redevelopment agencies in California will be dissolved, and none will have the opportunity to opt into a continuation program as described in AB 27. The Court general extended by four months the implementation deadlines occurring prior to May 1, 2012. As a result, the Redevelopment Agency will be dissolved on February 1, 2012, with the Successor Agency assuming responsibility to wind-down the Agency's operations, as proscribed in the California Health and Safety Code.

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### STAFF REPORT:

Staff has recommended the Successor Agency transfer the low and moderate income housing assets and functions to the Housing Authority of the City of Suisun City (the "Authority") pursuant to AB 26 in order to insulate the low and moderate income housing assets and functions from AB26, and in an attempt to limit potential liability to the City's general fund. This action would create a record accepting these assets and functions by the Authority. AB 26 requires low and moderate income housing assets (including land, excepting cash) and functions of the former

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**PREPARED BY:**

Jason Garben, Economic Development Director

**REVIEWED/APPROVED BY:**

Suzanne Bragdon, Executive Director

Redevelopment Agency to be retained by the City (through a “Successor Housing Agency”) or the City’s Housing Authority. The determination of which entity will retain these assets and functions must be made by February 1, 2012. A bill is currently pending in the Legislature that would allow cash assets on hand to be retained by the Housing Successor Agency or Housing Authority.

The Housing Authority is to carry out the management of assets and obligations of the housing assets in accordance with the applicable provisions of current Community Redevelopment Law. The Housing Authority would perform annual monitoring necessary for existing resale restrictions (First Time Homebuyer Program, Harbor Park), service outstanding loans (Cottonwood Creek, Bay Homes), manage property (Almond Gardens, land at NWC of Hwy 12/Marina Blvd), and continue to enhance and create affordable housing as revenue streams allow. The on-going 20% payment of tax increment that was deposited with the low/moderate income housing fund on an annual basis is eliminated pursuant to AB 26. Thus, the only revenue stream to the Housing Authority as a result of this transfer (based on the current law) would be loan payments, property sales, and income generated from property in addition to the potential for some portion of the administrative fee allowed pursuant to AB 26.

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**RECOMMENDATION:** It is recommended that the Housing Authority of the City of Suisun City adopt Resolution No. HA2012-\_\_\_: A Resolution of the Housing Authority of the City of Suisun City Accepting from the City of Suisun City, Acting as Successor Agency to the Dissolved Redevelopment Agency of Suisun City, the Retained Housing Assets and Functions of the Dissolved Redevelopment Agency of the City of Suisun City.

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**ATTACHMENTS:**

1. Resolution No. HA2012-\_\_\_: A Resolution of the Housing Authority of the City of Suisun City Accepting from the City of Suisun City, Acting as Successor Agency to the Dissolved Redevelopment Agency of Suisun City, the Retained Housing Assets and Functions of the Dissolved Redevelopment Agency of the City of Suisun City.

**HOUSING AUTHORITY RESOLUTION NO. HA2012 - \_\_\_\_**

**A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SUISUN CITY  
ACCEPTING FROM THE CITY OF SUISUN CITY, ACTING AS SUCCESSOR AGENCY  
TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY,  
THE RETAINED HOUSING ASSETS AND FUNCTIONS OF THE DISSOLVED  
REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY**

**WHEREAS**, on December 29, 2011, the California Supreme Court issued its opinion in the case of *California Redevelopment Association, et al. v. Ana Matosantos, etc., et al.*, Case No. S196861, and upheld the validity of AB 26 X1 (AB 26) and invalidated AB 27 X1 (AB 27); and

**WHEREAS**, the Court's decision results in the implementation of AB 26, which dissolves all redevelopment agencies in the State of California as of February 1, 2012; and

**WHEREAS**, pursuant to a provision of AB 26, codified as Health & Safety Code Section 34176, as set forth by resolution adopted to or concurrent with this Resolution, the City Council of the City of Suisun City elected to retain the housing assets and functions of the dissolved Redevelopment Agency of the City of Suisun City (the "Redevelopment Agency") through the Housing Authority; and

**WHEREAS**, the Board of the Housing Authority of the City of Suisun City desires to memorialize the Authority's acceptance of the housing assets and function of the dissolved Redevelopment Agency.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of the Housing Authority of the City of Suisun City resolves as follows:

**Section 1.** The Recitals set forth above are true and correct and incorporated herein by reference.

**Section 2.** The Board hereby affirmatively determines that the Authority agrees to, and shall, accept the housing assets and functions of the dissolved Redevelopment Agency of the City of Suisun City.

**Section 3.** The Executive Director and authorized designees are hereby authorized and directed to take such other and further actions and sign such other and further documents as is necessary and proper to implement this Resolution on behalf of the Authority.

**PASSED AND ADOPTED** at a Special Meeting of the Board of the Housing Authority of the City of Suisun City duly held on Tuesday, the 31<sup>st</sup> of January, 2012, by the following vote:

**AYES:** BOARDMEMBERS: \_\_\_\_\_  
**NOES:** BOARDMEMBERS: \_\_\_\_\_  
**ABSENT:** BOARDMEMBERS: \_\_\_\_\_  
**ABSTAIN:** BOARDMEMBERS: \_\_\_\_\_

**WITNESS** my hand and the seal of the City of Suisun City this 31st of January, 2012.

\_\_\_\_\_  
Linda Hobson, CMC  
Secretary