



Pedro "Pete" M. Sanchez, Mayor
Lori Wilson, Mayor Pro-Tem
Jane Day
Michael J. Hudson
Michael A. Segala

First and Third Tuesday
Every Month

A G E N D A

**SPECIAL MEETING OF THE
SUISUN CITY COUNCIL ACTING AS SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY**

TUESDAY, NOVEMBER 3, 2015

7:00 P.M.

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

TELECONFERENCE NOTICE

Pursuant to Government Code Section 54953, Subdivision (b), the following City Council meeting includes teleconference participation by Council/Board Member Jane Day from: 301 Morgan Street, Suisun City, CA 94585.

Next Suisun City Council Acting as Successor Agency Res. No. SA2015 – 02)

ROLL CALL

Council / Board Members

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.)

GENERAL BUSINESS

Suisun City Council Acting as Successor Agency

Agency Adoption of Resolution No. SA 2015-__: Requesting the Oversight Board Make a Determination that the Loan Agreement Between the City of Suisun City and the Former Suisun City Redevelopment Agency Regarding the Harbor Center Street Extension Project is an Enforceable Obligation Pursuant to SB 107 – (Garben).

ADJOURNMENT

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
SUCCESSOR AGENCY 421-7309 FAX 421-7366

A complete packet of information containing staff reports and exhibits related to each item for the open session of this meeting, and provided to the City Council, are available for public review at least 72 hours prior to a Council /Agency/Authority Meeting at Suisun City Hall 701 Civic Center Blvd., Suisun City. 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 related to an agenda item for the open session of this meeting will be made available for public inspection during normal business hours. An agenda packet is also located at the entrance to the Council Chambers during the meeting for public review. The City may charge photocopying charges for requested copies of such documents. Assistive listening devices may be obtained at the meeting

PLEASE NOTE:

1. The City Council/Agency/Authority 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 agendaized 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 Suisun City Hall, 701 Civic Center Boulevard, Suisun City, CA. Agendas may be posted at other Suisun City locations including the Suisun City Fire Station, 621 Pintail Drive, Suisun City, CA, and the Suisun City Senior Center, 318 Merganser Drive, Suisun City, CA.

AGENDA TRANSMITTAL

MEETING DATE: November 3, 2015

SUCCESSOR AGENCY AGENDA ITEM: Agency Adoption of Resolution No. SA2015 - __: Requesting the Oversight Board Make A Determination That the Loan Agreement Between the City of Suisun City and the Former Suisun City Redevelopment Agency Regarding the Harbor Center Street Extension Project is an Enforceable Obligation Pursuant to SB 107.

FISCAL IMPACT: There no fiscal impact as a result of this action.

BACKGROUND: As a result of the process associated with the dissolution of the former redevelopment agency, the State of California Department of Finance (the “DOF”) denied the repayment of \$1,750,000 to the City of Suisun City (the “City”) for the Harbor Center Street Extension project. The City filed a lawsuit against the DOF challenging this determination. The lawsuit is currently pending.

With the recent passage of SB 107, there are now alternatives available to address the repayment of loans between cities and former redevelopment agencies.

STAFF REPORT: SB 107 was signed into law on September 22, 2015, and included several revisions to the laws governing the dissolution of the former redevelopment agencies throughout the State. One of the provisions amended by SB 107 was the definition of “loan agreements,” particularly between the former redevelopment agency and the city. The definition of loan agreement was amended to explicitly include agreements between the former agency and city, whereby the city contracted with a third party on behalf of the former redevelopment agency for the development of infrastructure in connection with a redevelopment project, and the agency was obligated to reimburse the city. The loan agreement between the City and its former redevelopment agency regarding the Harbor Center Street Extension fully satisfies the requirements of this language.

To take advantage of the relevant amendments to the dissolution law pursuant to SB 107, the Successor Agency must request the Oversight Board approve the Harbor Center Street Extension loan agreement, provided a finding is made that the loan was for legitimate redevelopment purposes. Subsequently, the Successor Agency will ultimately need a finding of completion issued by the DOF in order to fully take advantage of this mechanism “validating” this loan agreement.

Thus, it is recommended the Successor Agency adopt the attached resolution requesting the Oversight Board determine the Harbor Center Street Extension loan agreement to be an enforceable obligation (pending the issuance of a finding of completion from the DOF), and make the necessary finding that the Harbor Center Street Extension loan agreement was for legitimate redevelopment purposes.

The Oversight Board will consider this item at its next meeting on November 13, 2015, which would position the item for consideration and ultimate approval by the DOF. Should the Successor Agency receive a finding of completion from the DOF, this would provide the best opportunity to ensure the City is reimbursed for the costs of the Harbor Center Street Extension project.

PREPARED BY:

Jason Garben, Economic Development Director

REVIEWED/APPROVED BY:

Suzanne Bragdon, Executive Director

RECOMMENDATION: Staff recommends the Successor Agency Adopt Agency Resolution No. SA2015 - __: Requesting the Oversight Board Make A Determination That the Loan Agreement Between the City of Suisun City and the Former Suisun City Redevelopment Agency Regarding the Harbor Center Street Extension Project is an Enforceable Obligation Pursuant to SB 107.

ATTACHMENTS:

1. Agency Resolution No. SA2015 - __: Requesting the Oversight Board Make A Determination That the Loan Agreement Between the City of Suisun City and the Former Suisun City Redevelopment Agency Regarding the Harbor Center Street Extension Project is an Enforceable Obligation Pursuant to SB 107.

RESOLUTION NO. SA 2015 - __

A RESOLUTION OF THE CITY COUNCIL ACTING AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SUISUN CITY REQUESTING THE OVERSIGHT BOARD MAKE A DETERMINATION THAT THE LOAN AGREEMENT BETWEEN THE CITY OF SUISUN CITY AND THE FORMER SUISUN CITY REDEVELOPMENT AGENCY REGARDING THE HARBOR CENTER STREET EXTENSION PROJECT IS AN ENFORCEABLE OBLIGATION PURSUANT TO SB 107.

WHEREAS, the City of Suisun City (the “City”) advanced \$2,500,000 for infrastructure improvements commonly referred to as the Harbor Center Street Extension Project; and

WHEREAS, by way of resolution, the former redevelopment agency of the City of Suisun City (the “Agency”) agreed to reimburse the City for the \$2,500,000 used in association with the completion of the Harbor Center Street Extension Project; and

WHEREAS, as a result of the laws governing the dissolution of redevelopment agencies throughout the State of California, payments made on loan agreements to cities by the former redevelopment agency after January 1, 2011, were deemed invalid retroactively, and subject to reversal; and

WHEREAS, the State of California Department of Finance deemed \$1.75 million of payments made from the Agency to the City invalid, and ordered the amount returned to the Successor Agency for distribution to the affected taxing entities pursuant to the dissolution law; and

WHEREAS, upon the Successor Agency’s receipt of a finding of completion from the DOF, certain loans between former redevelopment Agencies and Cities may be repaid pursuant to Health and Safety Code §34191.4; and

WHEREAS, SB 107 was signed into law on September 22, 2015, and amended Health and Safety Code §34191.4 to explicitly include agreements between the former redevelopment agency and city, whereby the city contracted with a third party on behalf of the former redevelopment agency for the development of infrastructure in connection with a redevelopment project, and the agency was obligated to reimburse the city; and

WHEREAS, the loan agreement between the City and Agency regarding the Harbor Center Street Extension fully satisfies the requirements of the revised language contained in Health and Safety Code §34191.4(b)(2)(C)(i); and

WHEREAS, pursuant to Health and Safety Code §34191.4(b)(1), the Oversight Board must approve loan agreements between the former redevelopment agency and city and make findings the loan was for legitimate redevelopment purposes in order for such loans to become enforceable obligations eligible for repayment.

NOW, THEREFORE, BE IT RESOLVED that the City Council Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City hereby requests the Suisun City Oversight Board adopt a resolution finding that the Harbor Center Loan Agreement was for legitimate redevelopment purposes and shall be deemed an enforceable obligation once the Successor Agency receives a finding of completion.

PASSED AND ADOPTED at a special meeting of the City Council Acting as Successor Agency to the Redevelopment Agency of the City of Suisun City duly held on Tuesday, the 3rd day of November 2015, by the following vote:

AYES: Boardmembers: _____
NOES: Boardmembers: _____
ABSENT: Boardmembers: _____
ABSTAIN: Boardmembers: _____

WITNESS my hand and the seal of said City this 3rd day of November, 2015.

Linda Hobson, CMC
Secretary