

RESOLUTION NO. OB 12 - 002

**A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE WEST HOLLYWOOD COMMUNITY DEVELOPMENT COMMISSION ADOPTING RECOGNIZED OBLIGATION PAYMENT SCHEDULES PURSUANT TO HEALTH AND SAFETY CODE SECTION 34180**

The Oversight Board for the Successor Agency to the West Hollywood Community Development Commission ("Oversight Board") does resolve as follows:

Section 1. The Board finds and declares that:

- A. On June 29, 2011, AB 1X 26 and AB 1X 27 became effective, requiring that each redevelopment agency within California be dissolved unless the community that created it enacts an ordinance committing it to making certain payments;
- B. By its Resolution No. 11-058, adopted on August 15, 2011, the West Hollywood Community Development Commission (the "Redevelopment Agency") approved an Enforceable Obligation Payment Schedule ("EOPS");
- C. The Redevelopment Agency subsequently approved two amendments to the EOPS on September 19, 2011 and by Resolution No. 12-061 on January 17, 2012;
- D. By its Resolution No. 11-4219, adopted on September 19, 2011, the City Council of the City of West Hollywood made an election to serve as the successor agency for the Redevelopment Agency under Part 1.85 (the "Successor Agency");
- E. By its Resolution No. 12-003, adopted on February 21, 2012, the Successor Agency adopted the EOPS;
- F. By its Resolution No. 12-004, adopted on February 21, 2012, the Successor Agency adopted an Initial Recognized Obligation Schedule covering January 1, 2012 through June 30, 2012, which describes the dates and amounts of scheduled payments for each enforceable obligation of the Redevelopment Agency for the identified time period and identifies the funding source to pay each obligation;
- G. By its Resolution No. 12-006, adopted on May 7, 2012, the Successor Agency adopted a Recognized Obligation Payment Schedule for the period from July 1, 2012 through December 31, 2012;
- H. Pursuant to Health & Safety Code § 34180 and the California Supreme Court's decision in *California Redevelopment Association v. Matosantos*, 53 Cal.4th 231, the Oversight Board must approve an Initial Recognized Obligation Payment Schedule for the period from January 1, 2012 through June 30, 2012 and a Recognized Obligation Payment Schedule for the period from July 1, 2012 through December 31, 2012 and submit the Recognized Obligation Payment Schedules to the Department of Finance and State Controller;

- I. The Initial Recognized Obligation Payment Schedule must be certified by an independent external auditor;
- J. While the Initial Recognized Obligation Payment Schedule approved by the Successor Agency is still under review by the external auditor, the Oversight Board must take action to approve a Recognized Obligation Payment Schedule to comply with the deadlines established in Health & Safety Code § 34177;
- K. Each Recognized Obligation Payment Schedule must be approved by the Oversight Board and is subject to review and approval by the County Auditor-Controller, Department of Finance, and State Controller; and
- L. The Oversight Board desires to adopt this Resolution adopting an Initial Recognized Obligation Payment Schedule for the period from January 1, 2012 through June 30, 2012 and a Recognized Obligation Payment Schedule for the period from July 1, 2012 through December 31, 2012.

Section 2. *Recognized Obligation Payment Schedule.* The Oversight Board hereby adopts the Initial Recognized Obligation Payment Schedule for the period from January 1, 2012 through June 30, 2012, attached as Exhibit A to this Resolution, and a Recognized Obligation Payment Schedule for the period from July 1, 2012 through December 31, 2012, attached as Exhibit B to this Resolution (collectively, the "ROPS").

Section 3. *Authorization.* The officers and staff of the Oversight Board are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including providing documents associated with the ROPS to the County Auditor-Controller, State Controller, and Department of Finance. Successor Agency staff member David Wilson, or designee, is the official whom the Department of Finance may make requests for review in connection with the ROPS.

Section 4. *Amendment.* The ROPS may be amended from time to time at any public meeting of the Oversight Board.

Section 5. *Environmental Determination.* This Resolution is exempt from review under the California Environmental Quality Act (California Public Resources Code §§ 2100, et seq., "CEQA") and CEQA regulations (14 California Code of Regulations §§ 15000, et seq.) because it establishes rules and procedures to implement government funding mechanisms; does not involve any commitment to a specific project which could result in a potentially significant physical impact on the environment; and constitutes an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. Accordingly, this Resolution does not constitute a "project" that requires environmental review (see specifically 14 CCR § 15378(b)(4-5)).

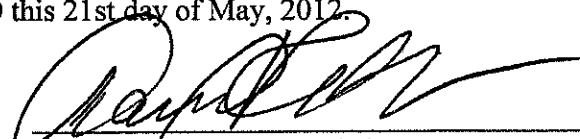
Section 6. *Reliance on Record.* Each and every one of the findings and determinations in this Resolution are based on the competent and substantial evidence, both oral and written, contained in the entire record relating to the Oversight Board and applicable law. The findings and determinations constitute the independent findings and determinations of the Board in all respects and are fully and completely supported by substantial evidence in the record as a whole.

Section 7. *Summaries of Information.* All summaries of information in the findings, which precede this Section, are based on the substantial evidence in the record including, without limitation, verbal and documentary evidence submitted to the Board. The absence of any particular fact from any such summary is not an indication that a particular finding is not based in part on that fact.

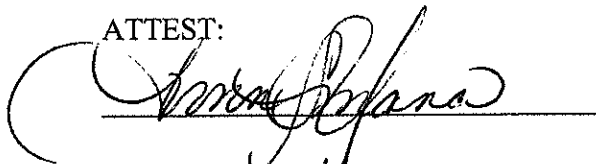
Section 8. The Secretary is directed to certify the adoption of this Resolution; record this Resolution in the book of the Oversight Board's original resolutions; and make a minute of the adoption of the Resolution in the Oversight Board's records and the minutes of this meeting.

Section 9. This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.

PASSED, APPROVED, AND ADOPTED this 21st day of May, 2012.

  
Daniel Ronnie Cohen, Chairperson

ATTEST:



Ivonne Evelyn Deputy Clerk  
Los Angeles County Board of Supervisors  
Acting as Secretary for the Oversight Board  
for the Successor Agency to the  
City of West Hollywood Community Development Commission

I HEREBY CERTIFY that the above and foregoing ordinance was duly passed and adopted by the Oversight Board of the Successor Agency to the West Hollywood Community Development Commission at its regular meeting held on the 21st day of May, 2012, by the following vote, to wit:

AYES; ZIMMELMAN, AREVALO, REILLY, FLAKS, ROACHELL, BURNLEY, AND COHEN  
NOES; NONE  
ABSENT: NONE

RESOLUTION NO. SA 12-006

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE WEST HOLLYWOOD COMMUNITY DEVELOPMENT COMMISSION ADOPTING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND ADMINISTRATIVE BUDGET FOR FISCAL PERIOD JULY 1 THROUGH DECMEBER 31, 2012 AND ADMINSTRATIVE BUDGET FOR INITIAL ROPS THAT LISTS ALL OF THE OBLIGATIONS OF THE FORMER COMMUNITY DEVELOPMENT COMMISSION PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

RECITALS:

A. AB X1 26 and AB X1 27 were signed by the Governor of California on June 29, 2011, making certain changes to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (the "Redevelopment Law"), including adding Part 1.8 (commencing with Section 34161) ("Part 1.8") and Part 1.85 (commencing with Section 34170) ("Part 1.85").

B. The California Redevelopment Association and League of California Cities filed a lawsuit in the Supreme Court of California (California Redevelopment Association, et al. v. Matosantos, et al. (Case No. S194861)) alleging that AB X1 26 and AB X1 27 are unconstitutional. On December 29, 2011, the Supreme Court issued its opinion in the Matosantos case largely upholding AB X1 26, invalidating AB X1 27, and holding that AB X1 26 may be severed from AB X1 27 and enforced independently.

C. The Supreme Court generally revised the effective dates and deadlines for performance of obligations in Part 1.85 arising before May 1, 2012, to take effect four months later.

D. As a result of the Supreme Court's decision, the West Hollywood Community Development Commission (the "Redevelopment Agency"), a redevelopment agency in the City of West Hollywood (the "City"), created pursuant to the Redevelopment Law, was dissolved pursuant to Part 1.85 on February 1, 2012.

E. By its Resolution No. 11-4219, adopted on September 19, 2011, the City Council of the City made an election to serve as the successor agency for the Redevelopment Agency under Part 1.85 (the "Successor Agency").

F. By its Resolution No. SA 12-001, adopted on February 21, 2012, the City Council, acting as the governing board for the Successor Agency, established rules and regulations applicable to the governance and operation of the Successor Agency, and pursuant to such resolution provided that the Successor Agency will be governed by a Board of Directors (the "Board") consisting of the members of the City Council of the City.

G. By its Resolution No. CDC 11-059, the Redevelopment Agency approved a Recognized Obligation Payment Schedule.

H. By its Resolution No. SA 12-004, adopted on February 21, 2012, the City Council, acting as the governing board for the Successor Agency, adopted the draft initial Recognized Obligation Payment Schedule for the enforceable obligations of the former Redevelopment Agency, in accordance with Health and Safety Code Section 34177 (I). The draft schedule must be reviewed and certified, as to its accuracy, by an external auditor designated at the county auditor-controller's direction pursuant to Health and Safety Code Section 34182. The certified Recognized Obligation Payment Schedule must be submitted to and approved by the oversight board. Finally, after approval by the oversight board, a copy of the approved Recognized Obligation Payment Schedule must be submitted to the county auditor-controller, the State Controller and the State Department of Finance ("DOF"), and be posted on the Successor Agency's web site. The first Recognized Obligation Payment Schedule submitted to the State Controller and the DOF will be for payments for the period of January 1, 2012 to June 30, 2012, inclusive. An Administrative Budget for the initial Recognized Obligation Payment Schedule was not included.

I. Health and Safety Code Section 34177(I) states that the Successor Agency must prepare a Recognized Obligation Payment Schedule setting forth the minimum payments and due dates of payments required by the Enforceable Obligations for each six-month fiscal period. The Recognized Obligation Payment Schedule must be submitted to and approved by the oversight board for approval in accordance with Health and Safety Code Section 34180(g). Once approved, a copy of the approved Recognized Obligation Payment Schedule is submitted to the county auditor-controller and both the Controller's office and the Department of Finance and be posted on our Web site.

J. Health and Safety Code Section 34177 (j) states that the Successor Agency must prepare a proposed administrative budget which shall include all estimated amounts for successor agency administrative costs for the upcoming six-month fiscal period. The Administrative Budget must be submitted to and approved by the oversight board for approval in accordance with Health and Safety Code Section 34177(j).

K. Accordingly, the Board desires to adopt this Resolution adopting an Recognized Obligation Schedule and Administrative Budget in accordance with Health and Safety Code 34177 for the next six-month fiscal period that

commences on July 1, 2012 and ends on December 31, 2012 and the Administrative Budget for initial Recognized Obligation Payment Schedule August 1, 2011 through June 30, 2012.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE WEST HOLLYWOOD COMMUNITY DEVELOPMENT COMMISSION, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

SECTION 1. The above recitals are true and correct and are a substantive part of this Resolution.

SECTION 2. This Resolution is adopted pursuant to Health and Safety Code Section 34177.

SECTION 3. The Board hereby approves the Recognized Obligation Payment Schedule For Fiscal Period July 1 through December 31, 2012 substantially in the form attached as Exhibit A to this Resolution and incorporated herein by reference (the "ROPS JULY-DEC 2012"). The Executive Director of the Successor Agency, in consultation with the Successor Agency's legal counsel, may modify the ROPS JULY-DEC 2012 as the Executive Director or the Successor Agency's legal counsel deems necessary or advisable.

SECTION 4. The Board hereby approves the Administrative Budget for Fiscal Period July 1 through December 31, 2012 substantially in the form attached as Exhibit B to this Resolution and incorporated herein by reference (the "ADMIN BUDGET JULY-DEC 2012"). The Executive Director of the Successor Agency, in consultation with the Successor Agency's legal counsel, may modify the ADMIN BUDGET JULY-DEC 2012 as the Executive Director or the Successor Agency's legal counsel deems necessary or advisable.

SECTION 5. The Board hereby approves the Administrative Budget for Period August 1, 2011 through June 30, 2012 substantially in the form attached as Exhibit C to this Resolution and incorporated herein by reference (the "ADMIN BUDGET Initial ROPS"). The Executive Director of the Successor Agency, in consultation with the Successor Agency's legal counsel, may modify the ADMIN BUDGET Initial as the Executive Director or the Successor Agency's legal counsel deems necessary or advisable.


Section 6. The Board hereby designates David Wilson as the official to whom the DOF may make requests for review in connection with the ROPS and who shall provide the DOF with the telephone number and e-mail contact information for the purpose of communicating with the DOF.

SECTION 7. The officers and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including submitting the certified Recognized Obligation Payment Schedule to the

oversight board for approval, and any such actions previously taken by such officers are hereby ratified and confirmed.

PASSED, APPROVED AND ADOPTED by the Successor Agency to the West Hollywood Community Development Commission of the City of West Hollywood at a regular meeting held this 7<sup>th</sup> day of May, 2012 by the following vote:

AYES:	Board Member:	D'Amico, Duran, Heilman, Vice Chair Land, and Chair Prang.
NOES:	Board Member:	None.
ABSENT:	Board Member:	None.
ABSTAIN:	Board Member:	None.

  
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JEFFREY PRANG, CHAIR

ATTEST:

  
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COREY SCHAFFER, SECRETARY