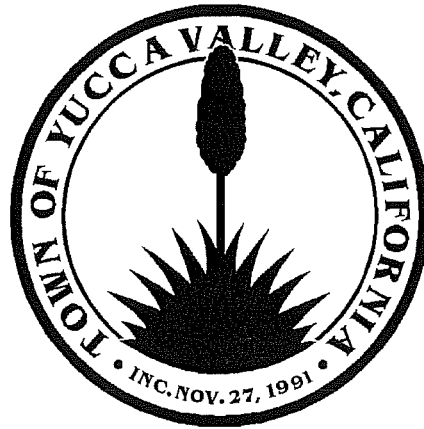


TOWN OF YUCCA VALLEY  
ACTING AS SUCCESSOR AGENCY  
TO THE YUCCA VALLEY RDA



*The Mission of the Town of Yucca Valley is to  
provide a government that is responsive to its citizens  
to ensure a safe and secure environment  
while maintaining the highest quality of life.*

**TUESDAY, JANUARY 17, 2012, 6:00 p.m.**  
**(Immediately following Town Council Meeting)**  
**YUCCA VALLEY COMMUNITY CENTER**  
**YUCCA ROOM**  
**57090 - 29 PALMS HIGHWAY**  
**YUCCA VALLEY, CALIFORNIA 92284**

**CLOSED SESSION**  
**YUCCA VALLEY COMMUNITY CENTER**  
**57090 - 29 PALMS HIGHWAY**  
**YUCCA VALLEY, CALIFORNIA 92284**

\* \* \* \*

**TOWN COUNCIL AS SUCCESSOR AGENCY**

*Dawn Rowe, Mayor*

*Isaac Hagerman, Mayor Pro Tem*

*Merl Abel, Council Member*

*George Huntington, Council Member*

*Robert Lombardo, Council Member*

\* \* \* \*

**TOWN ADMINISTRATIVE OFFICE:**  
**760-369-7207**

[www.yucca-valley.org](http://www.yucca-valley.org)

**AGENDA  
MEETING OF THE  
TOWN OF YUCCA VALLEY ACTING AS SUCCESSOR AGENCY TO THE RDA  
TUESDAY, JANUARY 17, 2012**

*The Town of Yucca Valley complies with the Americans with Disabilities Act of 1990. If you require special assistance to attend or participate in this meeting, please call the Town Clerk's Office at 369-7209 at least 48 hours prior to the meeting.*

*If you wish to comment on any subject on the agenda, or any subject not on the agenda during public comments, please fill out a card and give it to the Town Clerk. The Mayor/Chair will recognize you at the appropriate time. Comment time is limited to 3 minutes.*

**(WHERE APPROPRIATE OR DEEMED NECESSARY, ACTION MAY BE TAKEN ON ANY ITEM LISTED IN THE AGENDA)**

**OPENING CEREMONIES**

**CALL TO ORDER**

**ROLL CALL:** Members Abel, Hagerman, Huntington, Lombardo, and Mayor Rowe.

**DEPARTMENT REPORTS**

- 1-20 1. Initial Successor Agency Report and Various Resolutions

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA DETERMINING THAT THE TOWN OF YUCCA VALLEY ELECTS TO, AND SHALL, SERVE AS THE SUCCESSOR AGENCY TO THE DISSOLVED YUCCA VALLEY REDEVELOPMENT AGENCY PURSUANT TO HEALTH AND SAFETY CODE SECTION 34173

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA, ACTING AS SUCCESSOR AGENCY TO THE YUCCA VALLEY REDEVELOPMENT AGENCY, AUTHORIZING THE TOWN MANAGER TO UNDERTAKE ALL ACTIONS NECESSARY TO COMPLY WITH AB 1X26

A RESOLUTION OF THE TOWN OF YUCCA VALLEY ACTING IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE TOWN OF YUCCA VALLEY, CALIFORNIA RECEIVING AND ADOPTING ITS ENFORCEABLE OBLIGATION

PAYMENT SCHEDULE (EOPS) AND RECEIVING AND ADOPTING A PRELIMINARY DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE (PDROPS) PURSUANT TO HEALTH AND SAFETY CODE §34176 AND TRANSMITTING THE DRAFT PDROPS TO THE NECESSARY AGENCIES

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA DETERMINING THAT THE TOWN OF YUCCA VALLEY ELECTS TO, AND SHALL RETAIN THE HOUSING ASSETS AND FUNCTIONS OF THE DISSOLVED YUCCA VALLEY COMMUNITY REDEVELOPMENT AGENCY PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE § 34176

Staff Report

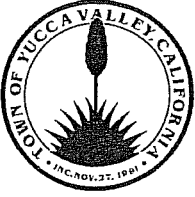
**Recommendation: That the Town Council, in its Capacity as the Successor Agency Pursuant to Assembly Bill 1X26 adopt the following Resolutions.**

1. A Resolution affirming the Town Council's role as Successor Agency to the Yucca Valley Redevelopment Agency.
2. A Resolution authorizing the Town Manager to undertake all actions necessary to comply with AB 1X26.
3. A Resolution receiving and adopting the Agency's Enforceable Obligation Schedule and Preliminary Draft Recognized Obligation Schedule
4. A Resolution of the Town Council determining that the Town of Yucca Valley, as successor agency, elects to and shall retain the housing assets and functions of the dissolved Yucca Valley Redevelopment Agency.

Action: Move \_\_\_\_\_ 2<sup>nd</sup> \_\_\_\_\_ Roll Call Vote \_\_\_\_\_.

**PUBLIC COMMENTS**

**ADJOURNMENT**



**SUCCESSOR AGENCY TO THE  
YUCCA VALLEY RDA REPORT**

**To:** Honorable Chair & Agency Members of the Successor Agency to the  
Yucca Valley Redevelopment Agency  
**From:** Curtis Yakimow; Treasurer  
**Date:** January 11, 2012  
**For Agency Meeting:** January 17, 2012

**Subject: Initial Successor Agency Report and Various Resolutions**

**Recommendation:** That the City Council, in its capacity as the Successor Agency pursuant to Assembly Bill 1x26 adopt the following resolutions:

1. A resolution affirming the Town Council's role as Successor Agency to the Yucca Valley Redevelopment Agency.
2. A resolution authorizing the Town Manager to undertake all actions necessary to comply with AB1x26.
3. A resolution receiving and adopting the Agency's Enforceable Obligation Schedule and Preliminary Draft Recognized Obligation Schedule.
4. A Resolution of the Town Council determining that the Town of Yucca Valley, as successor agency, elects to and shall retain the housing assets and functions of the dissolved Yucca Valley Redevelopment Agency.

**Order of Procedure:**

- Staff Report
- Public Comment
- Questions of Staff
- Agency Discussion

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Reviewed: \_\_\_\_\_  
                     Town Manager                      Town Attorney                      Admin Svcs

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Department Report     Request of other Agency     Ordinance     Receive and File  
 Consent     Presentation     Resolution     Public Hearing

Motion/Second  
Discussion on Motion  
Roll Call Vote

**SUMMARY:**

On December 29, 2011, the California Supreme Court announced its decision in *Community Redevelopment Association v. Matosantos* (No. S194861) in which the Court upheld AB 1x26 (the redevelopment "elimination" bill), but struck down AB 1x27, the bill that would have allowed agencies to continue after making a payment to the State. Without immediate legislative action, the Court's ruling essentially means that redevelopment in California is abolished. As it currently stands, redevelopment agencies will be dissolved on Feb. 1, 2012. The decision further means that redevelopment agency activities continue to be suspended and agencies will be required to wind-up activities, dispose of agency assets, and dissolve in the coming months.

**BACKGROUND:**

Earlier this year as part of its 2011-12 budget proposal, Governor Brown's Administration proposed permanently shutting-down 425 local redevelopment agencies throughout California. The proposal represented a continued effort on behalf of the Brown Administration to end redevelopment. Two Assembly Bills were drafted, AB 1x26 the Redevelopment Dissolution Act and AB 1x27 the Alternative Redevelopment Program Act or "Opt In" Bill.

Agencies throughout California argued that the two Bills would bring little financial benefit to the State, but would permanently destroy hundreds of thousands of jobs which would result in the loss of billions in local economic activity. The elimination of redevelopment would also take away the most significant tool available to local governments to meet the States infill and land-use objectives.

In July 2011, California Redevelopment Association ("CRA") in conjunction with the League of California Cities ("League") and several individual cities filed a lawsuit in the California Supreme Court challenging the constitutionality of AB 1x26 and AB 1x27. The CRA/League legal team argued that these two budget bills directly violated Proposition 1A (2004), Proposition 22, and Article 16, of the California Constitution.

**THE DECISION:**

On December 29, 2011, the State Supreme Court announced their opinion on the CRA/League challenge and ruled to uphold AB 1x26 finding the Dissolution Act constitutional and striking down AB 1x27 finding the Alternative Redevelopment Program Act unconstitutional. (*Community Redevelopment Association v. Matosantos* (No. S194861)/I.) The Court's decision means that all redevelopment agencies will be

dissolved under AB 1x26, and none will have the opportunity to opt into continued existence under the now unconstitutional AB 1x27. The Court also determined to push back the deadlines in the Dissolution Act arising prior to May 1, 2012, by a period of four months. This means, all RDA's will be dissolved and their Successor Agencies will begin to function on February 1, 2012.

In the *Matosantos* decision, the Supreme Court found that redevelopment agencies are a creature of State law and, just as the Legislature had the authority to create them, it could also abolish them and, therefore, AB 1x26 was a legitimate exercise of State power. However, with respect to AB 1x27, which compelled the "voluntary payment" of redevelopment funds to the State and other taxing agencies, these payments were not voluntary and were contrary to Prop 22. Accordingly, AB 1x27 was invalid. CRA also argued that the two pieces of legislation were part of a comprehensive legislative scheme and were not, as contended by some Legislators, severable. Therefore, as the Supreme Court found, the invalidation of AB 1x27 absolutely did not require the simultaneous invalidation of AB 1x26. In other words, while several Legislators have stated that the two bills were absolutely not intended to "kill" redevelopment, the Supreme Court unequivocally found that the language in the bills did not bear out such an intention. The Court found that the plain language of the legislation expressly made the two bills separable such that AB 1x26 would be upheld as a stand-alone law—and the Court felt compelled to this result despite one dissenting opinion. This flies in the face of what various Legislators are now saying as to their intent in supporting the bills.

### **MAJOR IMPLICATIONS FOR CITIES AND REDEVELOPMENT AGENCIES:**

As of January 13, 2012, the Town is deemed by operation of law to act as the Successor Agency to the Redevelopment Agency. In this capacity, the Town must "wind-down" the Agency functions and assets under the guidance of an "Oversight Committee". The Supreme Court decision sets a number of new deadlines and critical time periods, the soonest of which are shown in the AB 1x26 Timeline attached hereto as Attachment 1.

A. *Definitions:* AB 1x26 contains some key definitions and concepts that are critical to understanding how the bill works:

- "Enforceable obligations" refers to actual obligations pre-existing the Bill's passage. These include existing bonds, existing loans, payments required by the federal government, and any other "legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy." "Enforceable obligations" also include contracts for the continued administration of the Agency (while it still exists) and any required payments for judgments or settlements.

- “Successor Agency” means the agency charged with the responsibility of paying or performing enforceable obligations, disposing of redevelopment agency assets and winding up the business of the agency. Generally, this means the City--and the Town becomes the Successor Agency by operation of law on January 13, 2012, per the Supreme Court's ruling. If the Town does not want to be the Successor, it has to so inform the county auditor-controller by January 13, 2012, in which case another successor will be "assigned to" the Agency's assets by the County and/or State.
- “Oversight Board” refers to the local appointed board that will, in conjunction with the county auditor-controller and the Department of Finance, oversee Successor Agencies through the process of “winding up” each redevelopment agency. In general, “Oversight Boards” will consist of (i) a member appointed by the county board of supervisors, (ii) a member appointed by the largest special district in the territorial jurisdiction, (iii) a member appointed by the mayor of the Town that formed the agency, (iv) a member appointed by the county superintendent of education to represent schools, (v) a representative from the Chancellor of California Community Colleges, (vi) a county-appointed member of the public, and (vii) a member representing employees of the former agency appointed by the mayor. Oversight boards are authorized to direct and approve certain actions of successor agencies. When all indebtedness of a redevelopment agency has been paid, the oversight board automatically dissolves.
- “Taxing agencies” refers to those agencies that receive pass-through payments and distributions of property taxes—primarily schools, the county and special districts.

B. *The "Big Freeze" is Ongoing:* There is currently in effect a “freeze” upon the ability of agencies to perform *new* business. This is unaffected by the Supreme Court decision. Since June 29, 2011, agencies *have been disallowed* from incurring new or expanding existing monetary or legal obligations; they cannot incur debt, provide financial assistance, amend or modify existing agreements, forgive loans, renew leases, dispose of or transfer assets, buy or sell real property, increase or transfer deposits in the Low and Moderate Income Housing Fund, approve or amend redevelopment or implementation plans, or increase compensation for agency employees, etc. Agencies also may not form a joint powers authority or become a member of one, commence a condemnation proceeding, accept financial assistance from state or federal sources, or prepare an environmental impact report. The only exception to this “freeze” is that agencies may continue to meet their enforceable obligations. “Enforceable obligations” are to be construed narrowly, so obligations that are anything less than a firm contract establishing fully-negotiated deal points may not qualify as enforceable obligations.

C. *A Number of Critical Actions Must be Complete Before February 1, 2012:* The Supreme Court decision sets a number of new deadlines and critical time periods, the soonest of which are shown in the AB1X26 Timeline attached hereto as Attachment 1.

- The Agency must adopt (or re-adopt) an “Enforceable Obligation Payment Schedule” by February 1, 2012. This Schedule is a list of *every* pre-existing, enforceable obligation that must be continued under the terms of a contract, judgment, settlement, bond, or other such binding obligation. The Schedule must list project details, payees and the amount of payments due, by month, through December 2011. Payment schedules for pre-existing bonds and for agency employee compensation may be aggregated. Although the Agency has previously adopted this schedule, the Supreme Court decision says it must be re-adopted, thus giving Town staff an opportunity to re-review the schedule and ensure that it is complete. This review has been done and is attached to the resolution for the Agency’s consideration.
- By February 1, 2012, the Successor Agency must determine whether it will elect to retain the housing functions of the Redevelopment Agency. AB 1x26 does not eliminate a Town or county’s affordable housing needs or obligations or divest the Town or county of authority over affordable housing. Instead, AB 1x26 “authorizes” the Town or county that established a redevelopment agency to “elect” to retain housing assets and functions. Importantly, even if the Town retains such housing functions, it still must surrender all the former Agency’s Low and Moderate Income Housing Funds to the county auditor-controller for distribution to the taxing agencies. In short, cities may retain their housing functions, but will lose their established funding to do so. The Town of Yucca Valley will become the Successor Housing Agency to the former Agency and it is recommended that the Town will take over and assume the housing functions. The resolution taking such action is prepared and presented for the Agency’s consideration.

D. *February 1, 2012, Will be the Date of Dissolution of All Redevelopment Agencies:* Redevelopment agencies will cease to exist as of February 1, 2012. At that time, all Agency property and obligations would be transferred to the Successor Agency. The Successor Agency will be overseen by an Oversight Board, the county auditor-controller and the Department of Finance. Tax increment will no longer exist, but property taxes will continue to be allocated to pay previously-incurred enforceable obligations of the redevelopment agency. Also, as of that date:

- Unobligated Low and Moderate Income Housing Funds (i.e., those housing funds that are not required to meet “enforceable obligations”) will be transferred to the county auditor-controller for distribution to the taxing agencies.

- Successor Agency must create a Redevelopment Obligation Retirement Fund on or after February 1, 2012. This Fund is the account into which the county auditor-controller shall transfer an amount of property tax revenues equal to that specified in the Recognized Obligation Payment Schedule so that the Agency can cover its enforceable obligations.
  
- The Successor Agency will be required to repay existing indebtedness, complete existing contractual obligations and otherwise wind-up operations of the Agency. As noted above, AB 1x26 states a clear intent that Successor Agencies must preserve 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 a pre-existing, enforceable obligation to a third party will be subject to scrutiny.
  
- By March 1, 2012, the Successor Agency must have adopted (or re-adopted) its Recognized Obligation Payment Schedule, which must be acceptable to the Oversight Board, State Controller and Department of Finance. The only Agency-related payments allowed will be those payments listed on the Recognized Schedule. The Recognized Obligation Payment Schedule replaces Statements of Indebtedness, which would no longer exist or have any effect. The Recognize Schedule must be prepared by the Successor Agency every six months, subject to the approval of the Oversight Board. Even though the Agency/Town has already adopted a Recognized Obligation Payment Schedule pending the Supreme Court case, the new deadlines set by the Supreme Court allow Town staff to review, revisit and revise the Schedule before re-adopting it. The Enforceable Obligation Schedule must list all obligations of the Redevelopment Agency that are enforceable including the following:
  1. Bonds
  2. Required debt service
  3. Reserve set-asides
  4. Payments required under the indenture or similar documents governing the issuance of any outstanding bonds of the Redevelopment Agency
  5. Loans of moneys borrowed by the Redevelopment Agency, including, but not limited to, moneys borrowed from the Low and Moderate Income Housing Fund
  6. Payments required by the federal government
  7. Preexisting obligations to the state
  8. Obligations imposed by state law
  9. Legally enforceable payments required in connection with the Redevelopment Agency's employees, including, but not limited to, pension payments, pension obligation debt service, and unemployment payments
  10. Judgments or settlements,

11. Legally binding and enforceable agreements or contracts
  12. Contracts or agreements necessary for the continued administration or operation of the Redevelopment Agency to the extent, including, but not limited to, agreements to purchase or rent office space, equipment and supplies, and insurance.
- 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 Recognized Obligation Payment Schedule over the next six-month fiscal period.
  - The adopted Recognized Obligation Payment Schedule must be transmitted to the Department of Finance and State Auditor-Controller by April 15, 2012.
  - The Department of Finance takes on a new oversight role with respect to the actions of redevelopment agencies, successor agencies and Oversight Boards. Any action of these entities does not become effective for three business days, during which the Department of Finance may give notice it wishes to review the action. If the Department of Finance gives such notice, it has ten days to approve the action or resubmit it for reconsideration.

#### **POSSIBLE FUTURE LEGISLATION:**

On January 5, 2012, the League of California Cities issued an AB 1x26 Timeline and a memo outlining their interpretation of the Supreme Court decision, Attachments 1 and 2 respectively.

In light of the recent State Supreme Court decision, CRA and League representatives have vowed to work with State Legislators immediately to develop legislation to revive redevelopment in order to protect local communities, job creation and our economy. It is premature to speculate on the nature or likely outcome of such proposals, but staff will continue to monitor and provide timely information regarding the progress of any future legislative actions.

At a minimum, there is an effort to create a further 3-month extension on AB 1x26 deadlines as the appointment of the Oversight Board, and determination as to how they will operate, is likely to take several months longer than anticipated by the Supreme Court's decision. This proposed legislative effort is being published as SB 659.

**Financial Impact:** To assist in the wind-down operations of the Yucca Valley RDA, the Successor Agency is provided 5% of the tax increment for administrative functions, with a minimum allocation of \$250,000 annually. This allocation is comparable to the current allocations borne by the RDA.

**Attachments:**

- 1) A resolution affirming the Town Council's role as Successor Agency to the Yucca Valley Redevelopment Agency.
- 2) A resolution authorizing the Town Manager to undertake all actions necessary to comply with AB1X26.
- 3) A resolution accepting and adopting the Agency's Enforceable Obligation Schedule and the Preliminary Draft Obligations Payment Schedule
- 4) A resolution to retain the affordable housing function of the Redevelopment Agency.

**RESOLUTION NO. SA-12**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA DETERMINING THAT THE TOWN OF YUCCA VALLEY ELECTS TO, AND SHALL, SERVE AS THE SUCCESSOR AGENCY TO THE DISSOLVED YUCCA VALLEY REDEVELOPMENT AGENCY PURSUANT TO HEALTH AND SAFETY CODE SECTION 34173**

WHEREAS, the Yucca Valley Redevelopment Agency (“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 Town of Yucca Valley is a municipal corporation and a general law Town organized and existing under the Constitution of the State of California (“Town”); 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 Court’s decision results in the implementation of AB1x26 which dissolves all the 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 Town, in the case of a redevelopment agency of a Town, 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 Town council adopts a resolution electing to *not* serve as the Successor Agency and thereafter files a copy of such resolution with the county auditor-controller; and

WHEREAS, the California Supreme Court, in Footnote 25 of its opinion, extended to January 13, 2012 the deadline for a Town to make its decision on whether to decline to be the Successor Agency to its dissolved redevelopment agency; and

WHEREAS, the Town Council, having considered the matter, has determined, in its legislative discretion, that it is in the best interests of the Town for the Town to serve as the Successor Agency to the dissolved Redevelopment Agency; and

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

**NOW, THEREFORE**, the Town Council of the Town of Yucca Valley resolves as follows:

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

Section 2. The Town Council of the Town of Yucca Valley hereby affirmatively determines that the Town of Yucca Valley elects to, and shall, serve as the Successor Agency to the dissolved Yucca Valley Redevelopment Agency. By adopting this Resolution, the Town, Redevelopment Agency and/or Yucca Valley Housing Authority do not in any way waive or relinquish any claims or legal challenges to the validity of AB1x26 either on its face or as-applied.

Section 3. The Town Manager and his 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 Town.

Section 4. The Town Clerk shall file a copy of this Resolution with the San Bernardino County Auditor-Controller not later than 5:00 p.m. on January 31, 2012.

PASSED, APPROVED, AND ADOPTED this 17<sup>th</sup> day of January, 2012.

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MAYOR

ATTEST:

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TOWN CLERK

RESOLUTION NO. SA-12-

**A RESOLUTION OF THE TOWN COUNCIL, OF THE TOWN OF YUCCA VALLEY, CALIFORNIA, ACTING AS SUCCESSOR AGENCY TO THE YUCCA VALLEY REDEVELOPMENT AGENCY, AUTHORIZING THE TOWN MANAGER TO UNDERTAKE ALL ACTIONS NECESSARY TO COMPLY WITH AB 1X26**

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

WHEREAS, the Yucca Valley Redevelopment Agency (“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 Town 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 Resolution \_\_\_\_\_, consistent with Health and Safety Code § 34173(d)(1), a portion of AB1x26, the Town, declared its intent to become the “Successor Agency” to the Agency to wind up the affairs of the dissolved Agency pursuant to AB1x26; and

WHEREAS, to prepare for the dissolution of the Agency by February 1, 2012, the Town may need to undertake additional actions necessary and not currently known to ensure compliance with AB1x26 such that the Town Council desires to authorize the Town Manager and his authorized designees to take all actions necessary under AB1x26 to allow the Redevelopment Agency to be dissolved as of February 1, 2012.

NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA, IN ITS CAPACITY AS SUCCESSOR AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

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

SECTION 2. The Town Manager is hereby designated as the chief executive officer of the Successor Agency and the Town Manager or his designee is 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 AB1x26 to allow the Redevelopment Agency to be dissolved as of February 1, 2012.

PASSED, APPROVED AND ADOPTED this \_\_\_\_ day of January, 2012.

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MAYOR

ATTEST:

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TOWN CLERK

RESOLUTION NO. SA-12-

**A RESOLUTION OF THE TOWN OF YUCCA VALLEY ACTING IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE TOWN OF YUCCA VALLEY, CALIFORNIA RECEIVING AND ADOPTING ITS ENFORCEABLE OBLIGATION PAYMENT SCHEDULE (EOPS) AND RECEIVING AND ADOPTING A PRELIMINARY DRAFT RECOGNIZED OBLIGATION PAYMENT SCHEDULE (PDROPS) PURSUANT TO HEALTH AND SAFETY CODE § 34176 AND TRANSMITTING THE DRAFT PDROPS TO THE NECESSARY AGENCIES**

WHEREAS, the Yucca Valley Redevelopment Agency (“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 Town of Yucca Valley is a municipal corporation and a general law city organized and existing under the Constitution of the State of California (“City”); 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 Court’s decision results in the implementation of AB1x26 which dissolves all the redevelopment agencies in the State of California as of February 1, 2012; and

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

WHEREAS, pursuant to a provision of AB1x26, codified as Health and Safety Code Section 34177, the City as Successor Agency is required to adopt the “Enforceable Obligation Payment Schedule” (the “EOPS”) and “Preliminary Draft Recognized Obligations Payment Schedule” (“PDROPS”) transmitted to it by the Redevelopment Agency; and

WHEREAS, the Redevelopment Agency, having considered the matter, has determined, in its legislative discretion, to update and amend the EOPS and adopt a PDROPS, and has transmitted such schedules to the Successor Agency; and

WHEREAS, The EOPS and PDROPS shall be posted on the Redevelopment Agency’s website or, upon the Redevelopment Agency’s dissolution under AB1x26, on the Successor Agency’s website; and

WHEREAS, the Successor Agency reserves the right, regardless of any actions taken pursuant to this Resolution, to challenge the legality of AB1x26 and seek reimbursement for compliance costs of this state-mandated program.

**NOW, THEREFORE**, the Town of Yucca Valley, in its capacity as Successor Agency, resolves as follows:

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

Section 2. The amended and updated EOPS, attached hereto and incorporated herein by reference as Exhibit "A", is hereby received and adopted pursuant to Health & Safety Code Section 34177.

Section 3. The PDROPS, attached hereto and incorporated herein by reference as Exhibit "B", is hereby received and adopted pursuant to Health & Safety Code Section 34177.

Section 4. The Town Manager or his designee is hereby directed to post this Resolution, the amended EOPS, and the PDROPS on the Successor Agency's website and to provide notice of adoption of the EOPS and the PDROPS by the Successor Agency to the County auditor-controller, the State Controller and the State Department of Finance. A notification providing the website location of the posted schedules and notifications of any amendments shall suffice to meet this requirement.

PASSED, APPROVED, AND ADOPTED this 17<sup>th</sup> day of January, 2012.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
TOWN CLERK



**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						Total
						Jan	Feb	Mar	Apr	May	Jun	
1)	Loan Repayment	Low/Mod Fund	SERAF Loan Repayment	636,640.00	159,160.00						159,160.00	\$ 159,160.00
2)	Pass thru agreement	TOTAL	Pass-thru payment	52,098,000.00	0.00						165,000.00	\$ 165,000.00
3)	Pass thru agreement	Morongo USD	Pass-thru payment		330,000.00						52,000.00	\$ 52,000.00
4)	Pass thru agreement	Copper Min College	Pass-thru payment		104,000.00						57,000.00	\$ 57,000.00
5)	Pass thru agreement	Yucca Valley Fire Dist.	Pass-thru payment		114,000.00						90,500.00	\$ 90,500.00
6)	Pass thru agreement	HDWD	Pass-thru payment		181,000.00						5,000.00	\$ 5,000.00
7)	Pass thru agreement	Mojave Water Agency	Pass-thru payment		10,000.00						95,000.00	\$ 95,000.00
8)	Pass thru agreement	SB County	Pass-thru payment		190,000.00						7,500.00	\$ 7,500.00
9)	Pass thru agreement	County Supl of Schools	Pass-thru payment		15,000.00						217,500.00	\$ 217,500.00
10)	Low/Mod Deposits	Low/Mod Fund	Set-Aside	26,325,000.00	435,000.00							\$ -
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<b>Totals - Other Obligations</b>				<b>\$ 79,059,640.00</b>	<b>\$ 1,538,160.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 848,660.00</b>	<b>\$ 848,660.00</b>

**Preliminary Draft Recognized Obligation Schedule**  
Per AB 26 - Section 34167 and 34169 (\*)

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Source	Payments by Month						Total	
						Jan	Feb	Mar	Apr	May	Jun		
1) 2008 Tax Allocation Bonds	Bank of New York	Bonds issue to fund non-housing projects	20,635,178.00	735,703.00	TIF								
2) Employee Costs	Town of Yucca Valley	Payroll for PDA labor per agreement	300,000.00	300,000.00	TIF/LMF	25,000.00		20,000.00		457,852.00			\$ 457,852.00
3) Contract for consulting services	RSG	Project administration	50,000.00	50,000.00	TIF/LMF	4,000.00	25,000.00	20,000.00	20,000.00	20,000.00			\$ 130,000.00
4) Agency insurance costs	PARSAC	Insurance	10,000.00	10,000.00	TIF	10,000.00		4,000.00	4,000.00	4,000.00			\$ 20,000.00
5) Operational Agreement	Town of Yucca Valley	Reimbursement per Agreement for Admin	25,000.00	25,000.00	TIF	2,000.00		2,000.00	2,000.00	2,000.00			\$ 10,000.00
6) Contract for legal services	Aleshire and Wynder	Legal Expenditure	100,000.00	100,000.00	TIF/LMF	5,000.00		5,000.00	5,000.00	2,500.00			\$ 20,000.00
7) General Plan Update	Town of Yucca Valley	Project expenditure	500,000.00	500,000.00	TIF/LMF	50,000.00	50,000.00	50,000.00	50,000.00	100,000.00			\$ 350,000.00
8) Property Tax Admin costs	San Bernardino County	Prop Tax Administration	32,000.00	32,000.00	TIF	0.00		0.00	0.00	6,000.00			\$ 18,000.00
9) Low/Mod Housing Project	National CORE	Preliminary Low/Mod Housing Project Work	3,200,000.00	300,000.00	LMF	0.00		100,000.00	50,000.00	50,000.00			\$ 300,000.00
10) Regional Wastewater Funding Loan	Town of Yucca Valley	Funding Loan for HDWD Regional Wastewater Project	4,500,000.00	4,500,000.00	CPF	0.00		0.00	0.00	2,000,000.00			\$ 4,500,000.00
11)													\$ -
12) Public Infrastructure Program	Town of Yucca Valley	Funding for Infrastructure Projects as identified in the County MP of Drainage	500,000.00	500,000.00	CPF				250,000.00	250,000.00			\$ 500,000.00
13)													\$ -
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30)													\$ -
Totals - This Page			\$ 29,852,178.00	\$ 7,032,703.00		\$ 96,000.00	\$ 125,000.00	\$ 181,000.00	\$ 381,000.00	\$ 2,894,352.00	\$ 2,638,500.00	\$ 2,638,500.00	\$ 6,315,852.00
Totals - Page 2			\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Page 3			\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Page 4			\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Other Obligations			\$ 79,059,640.00	\$ 1,538,160.00		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 848,660.00
Totals - All Pages			\$ 108,911,818.00	\$ 8,590,863.00		\$ 96,000.00	\$ 125,000.00	\$ 181,000.00	\$ 381,000.00	\$ 2,894,352.00	\$ 3,487,160.00	\$ 7,164,512.00	\$ 7,164,512.00

**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						Total
						Jan	Feb	Mar	Apr	May	Jun	
1)	Loan Repayment	Low/Mod Fund	SERAF Loan Repayment	636,640.00	159,160.00						159,160.00	\$ 159,160.00
2)	Pass thru agreement	TOTAL	Pass-thru payment	52,098,000.00	0.00							\$ -
3)	Pass thru agreement	Morongo USD	Pass-thru payment		330,000.00						165,000.00	\$ 165,000.00
4)	Pass thru agreement	Copper Min College	Pass-thru payment		104,000.00						52,000.00	\$ 52,000.00
5)	Pass thru agreement	Yucca Valley Fire Dist.	Pass-thru payment		114,000.00						57,000.00	\$ 57,000.00
6)	Pass thru agreement	HDWD	Pass-thru payment		181,000.00						90,500.00	\$ 90,500.00
7)	Pass thru agreement	Mojave Water Agency	Pass-thru payment		10,000.00						5,000.00	\$ 5,000.00
8)	Pass thru agreement	SB County	Pass-thru payment		190,000.00						95,000.00	\$ 95,000.00
9)	Pass thru agreement	County Supt of Schools	Pass-thru payment		15,000.00						7,500.00	\$ 7,500.00
10)	Low/Mod Deposits	Low/Mod Fund	Set-Aside	26,325,000.00	435,000.00						217,500.00	\$ 217,500.00
11)												\$ -
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28)												\$ -
<b>Totals - Other Obligations</b>				<b>\$ 79,059,640.00</b>	<b>\$ 1,538,160.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 848,660.00</b>	<b>\$ 848,660.00</b>

**RESOLUTION NO. SA-12-**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF YUCCA VALLEY, CALIFORNIA DETERMINING THAT THE TOWN OF YUCCA VALLEY ELECTS TO, AND SHALL RETAIN THE HOUSING ASSETS AND FUNCTIONS OF THE DISSOLVED YUCCA VALLEY COMMUNITY REDEVELOPMENT AGENCY PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE § 34176**

WHEREAS, the Yucca Valley Community Redevelopment Agency (“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 Town of Yucca Valley is a municipal corporation and a general law municipality organized and existing under the Constitution of the State of California (“City”); 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 Court’s decision results in the implementation of AB1x26 which dissolves all the redevelopment agencies in the State of California as of February 1, 2012; and

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

WHEREAS, pursuant to a provision of AB1x26, codified as Health and Safety Code Section 34176, the Town as Successor Agency may elect to retain the housing assets and functions of the dissolved Redevelopment Agency.

**NOW, THEREFORE**, the Town Council of the Town of Yucca Valley, and Successor Agency to the Redevelopment Agency, resolves as follows:

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

Section 2. The Town Council hereby affirmatively determines that the Town of Yucca Valley elects to, and shall, in its capacity as Successor Agency retain the housing assets and functions of the dissolved Yucca Valley Redevelopment Agency. By adopting this Resolution, the Town, Redevelopment Agency and/or Yucca Valley Housing Authority do not in any way waive or relinquish any claims or legal challenges to the validity of AB1x26 either on its face or as-applied.

Section 3. The Town Manager and his 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 Town.

PASSED, APPROVED, AND ADOPTED this 17<sup>th</sup> day of January, 2012.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
TOWN CLERK