

1 RESOLUTION NO. 2018-SA____

2
3 A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
4 SUCCESSOR AGENCY TO THE CULVER CITY REDEVELOPMENT
5 AGENCY FINDING, AND RECOMMENDING TO ITS OVERSIGHT
6 BOARD THAT THE OVERSIGHT BOARD FIND, THAT THE LOAN
7 TOTALING \$100,620,000 MADE BY THE CITY OF CULVER CITY TO
8 THE FORMER CULVER CITY REDEVELOPMENT AGENCY WAS
9 FOR LEGITIMATE REDEVELOPMENT PURPOSES, WAS AN
10 AGREEMENT OF THE TYPE DESCRIBED IN HEALTH AND SAFETY
11 CODE SECTION 34191.4(b)(2)(C)(i), THAT THE REPAYMENT OF
12 SUCH LOAN IS AUTHORIZED TO THE FULLEST EXTENT OF LAW,
13 AND APPROVING THE AGREEMENT AS AN ENFORCEABLE
14 OBLIGATION AND THE SCHEDULE FOR REPAYMENT OF SAID
15 LOAN BY THE SUCCESSOR AGENCY TO THE CULVER CITY
16 REDEVELOPMENT AGENCY IN ACCORDANCE WITH HEALTH
17 AND SAFETY CODE SECTION 34191.4(b)(3).

18 WHEREAS, Assembly Bill No. X1 26 (2011-2012 1st Ex. Sess.) ("AB 26") was
19 signed by the Governor of California on June 28, 2011, making certain changes to the
20 California Community Redevelopment Law (Part 1 (commencing with Section 33000) of
21 Division 24 of the California Health and Safety Code) (the "Redevelopment Law") and to the
22 California Health and Safety Code ("H&S Code") including adding Part 1.8 (commencing with
23 Section 34161) ("Part 1.8") and Part 1.85 (commencing with Section 34170) ("Part 1.85") to
24 Division 24 of the H&S Code; and

25 WHEREAS, pursuant to AB 26, as modified by the California Supreme Court on
26 December 29, 2011 by its decision in California Redevelopment Association v. Matosantos,
27 all California redevelopment agencies, including the Culver City Redevelopment Agency (the
28 "Former CCRA"), were dissolved on February 1, 2012, and successor agencies were
designated and vested with the responsibility of paying, performing and enforcing the
enforceable obligations of the former redevelopment agencies and expeditiously winding
down the business and fiscal affairs of the former redevelopment agencies; and

1 WHEREAS, the City Council of the City of Culver City adopted Resolution No.
2 2012-R001 on January 9, 2012, pursuant to Part 1.85 of AB 26, accepting for the City of
3 Culver City (the "City") the role of successor agency to the Former CCRA (the "Successor
4 Agency"); and

5 WHEREAS, AB 26 has since been amended by various assembly and senate
6 bills enacted by the California Legislature and signed by the Governor (AB 26 as amended is
7 hereinafter referred to as the "Dissolution Law"); and

8
9 WHEREAS, on February 6, 2012, the Board of Directors of the Successor
10 Agency, adopted Resolution No. 2012-SA001 naming itself the "Successor Agency to the
11 Culver City Redevelopment Agency", the sole name by which it will exercise its powers and
12 fulfill its duties pursuant to Part 1.85 of the Dissolution Law and establishing itself as a
13 separate legal entity with rules and regulations that will apply to the governance and
14 operations of the Successor Agency; and

15
16 WHEREAS, pursuant to the Dissolution Law, each successor agency shall have
17 an oversight board with fiduciary responsibilities to holders of enforceable obligations and to
18 the taxing entities that benefit from distributions of property taxes and other revenues
19 pursuant to H&S Code Section 34188 of the Dissolution Law; and

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21 WHEREAS, the oversight board has been established for the Successor
22 Agency (hereinafter referred to as the "Oversight Board") and all seven (7) members have
23 been appointed to the Oversight Board pursuant to H&S Code Section 34179. The duties
24 and responsibilities of the Oversight Board are primarily set forth in H&S Sections 34179
25 through 34181 of the Dissolution Law; and

1 WHEREAS, on December 5, 2013, the California Department of Finance (the
2 "DOF") issued a Finding of Completion to the Successor Agency pursuant to H&S Code
3 Section 34179.7 of the Dissolution Law; and

4 WHEREAS, pursuant to H&S Code Section 34171(m) of the Dissolution Law, a
5 "Recognized Obligation Payment Schedule" ("ROPS") means the document setting forth the
6 minimum payment amounts and due dates of payments required by enforceable obligations
7 for each 6-month fiscal period as provided in H&S Code Section 34177(m) of the Dissolution
8 Law; and

9
10 WHEREAS, according to H&S Code Section 34177(l)(1) of the Dissolution Law,
11 the Successor Agency shall prepare a ROPS before each 6-month fiscal period. For each
12 recognized obligation, the ROPS shall identify one or more of the following sources of
13 payment: (i) Low and Moderate Income Housing Funds, (ii) bond proceeds, (iii) reserve
14 balances, (iv) administrative cost allowance, (v) the Redevelopment Property Tax Trust Fund
15 ("RPTTF") but only to the extent no other funding source is available or when payment from
16 property tax revenues is required by an enforceable obligation or by the provisions of Part
17 1.85 of the Dissolution Law, and (vi) other revenue sources, including rents, concessions,
18 asset sale proceeds, interest earnings, and any other revenues derived from the Former
19 CCRA as approved by the Oversight Board in accordance with Part 1.85 of the Dissolution
20 Law; and

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23 WHEREAS, pursuant to H&S Code Section 34191.4(b) of the Dissolution Law,
24 after the Successor Agency receives its Finding of Completion and upon application by the
25 Successor Agency and approval of the Oversight Board, loan agreements entered into
26 between the Former CCRA and the City shall be deemed to be enforceable obligations
27 provided that the Oversight Board makes a finding that the loan was for legitimate
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1 redevelopment purposes and that the loan agreement meets the definition of a loan
2 agreement pursuant to H&S Section 34191.4(b)(2). Upon the Oversight Board's approval
3 and making of the required findings, the loan is deemed an enforceable obligation and may
4 be listed on a ROPS for repayment to the fullest extent as provided by law and repaid by the
5 Successor Agency from RPTTF or other available funds subject to the repayment terms and
6 conditions specified in H&S Code Section 34191.4(b)(3); and

7
8 WHEREAS, the City and the Former CCRA entered into that certain
9 Cooperation Agreement dated December 15, 2009 ("City Loan") for an amount of
10 \$100,620,000, under which the City would contract with third parties on behalf of the Former
11 CCRA for the development of infrastructure in connection with redevelopment projects listed
12 in a redevelopment plan and the Former CCRA was obligated to reimburse the City for the
13 payments made by the City to the third parties. The City Loan was entered into for legitimate
14 redevelopment purposes in connection with the implementation of the Redevelopment Plan
15 for the Culver City Redevelopment Project adopted pursuant to Ordinance No. 98-014 on
16 November 23, 1998, as amended by Ordinance No. 2004-001 adopted on January 12, 2004
17 and by Ordinance No. 2005-006 adopted on September 12, 2005 (collectively, the
18 "Redevelopment Plan"); and

19
20 WHEREAS, pursuant to H&S Code Section 34191.4(b)(2)(C)(i), the City Loan
21 was entered into for the development of infrastructure public improvements, including park
22 facilities, bridge replacement, medians, street light replacement, and boulevard repaving; and

23
24 WHEREAS, pursuant to H&S Code Section 34191.4(b)(2)(C)(ii), the City Loan
25 repayment amount to the City shall not exceed a statutory-designated amount; and

26
27 WHEREAS, the Successor Agency desires to find, and to recommend to its
28 Oversight Board that the Oversight Board find, pursuant to H&S Code Section 34191.4(b)(1),

1 that the City Loan was entered into for legitimate redevelopment purposes in connection with
2 the implementation of the Redevelopment Plan, that the City Loan is an agreement of the
3 type described in H&S Code Section 34191.4(b)(2)(C)(i) and shall be repaid to the fullest
4 extent permitted by law; and

5 WHEREAS, the Successor Agency further desires to approve the City Loan as
6 an enforceable obligation of the Successor Agency and to approve the schedule for
7 repayment of the City Loan from RPTTF as an enforceable obligation listed on a ROPS
8 beginning with the first payment to be listed on the proposed ROPS for the 6-month period
9 from July 1, 2019 through December 31, 2019 ("ROPS 19-20A") consistent and in
10 accordance with the maximum repayment amounts specified in H&S Code Section
11 34191.4(b)(3), with the remaining balance of the City Loan to be paid on successive ROPS in
12 the maximum repayment amounts consistent and in accordance with H&S Code Section
13 34191.4(b)(3) until the City Loan is repaid, subject to other applicable loan repayment terms
14 and conditions set forth in H&S Code Section 34191.4(b)(2)(C)(ii); and

17 WHEREAS, pursuant to H&S Code Section 34183(a)(2) of the Dissolution Act,
18 the Los Angeles County Auditor-Controller is required to make a payment of property tax
19 revenues (i.e. former tax increment funds) from the RPTTF to the Successor Agency on June
20 1, 2019 for payments to be made toward recognized obligations listed on ROPS 19-20A as
21 approved by DOF, and on June 1 and January 2 annually for payments to be made toward
22 recognized obligations listed on successive ROPS as approved by the DOF; and

24 WHEREAS, the activity proposed for approval by this Resolution has been
25 reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"),
26 the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 *et seq.*,
27 hereafter the "Guidelines"), and the City's environmental guidelines; and
28

1 WHEREAS, the activity proposed for approval by this Resolution is not a
2 "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378,
3 because the activity proposed by this Resolution is an organizational or administrative activity
4 that will not result in a direct or indirect physical change in the environment, per Section
5 15378(b)(5) of the Guidelines; and

6 WHEREAS, all of the prerequisites with respect to the approval of this
7 Resolution have been met.

8
9 NOW, THEREFORE, the Board of Directors of the Successor Agency to the
10 Culver City Redevelopment Agency, DOES HEREBY RESOLVE as follows:

11 SECTION 1. The foregoing recitals are true and correct and are a substantive
12 part of this Resolution.

13 SECTION 2. The Successor Agency Board hereby finds, and recommends to
14 its Oversight Board that the Oversight Board find, pursuant to H&S Code Section
15 34191.4(b)(1), that the City Loan described in the Recitals above was entered into for
16 legitimate redevelopment purposes in connection with the implementation of the
17 Redevelopment Plan, that the City Loan is an agreement of the type described in H&S Code
18 Section 34191.4(b)(2)(C)(i) and shall be repaid to the fullest extent permitted by law.

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20 SECTION 3. The Successor Agency Board hereby approves the City Loan as
21 an enforceable obligation of the Successor Agency and approves the repayment of the City
22 Loan from RPTTF as an enforceable obligation listed on a ROPS beginning with the first
23 payment to be listed on ROPS 19-20A consistent and in accordance with the maximum
24 repayment amounts specified in H&S Code Section 34191.4(b)(3), with the remaining
25 balance of the City Loan to be paid on successive ROPS in the maximum repayment
26 amounts consistent and in accordance with H&S Code Section 34191.4(b)(3) until the City
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1 Loan is repaid, subject to other applicable loan repayment terms and conditions set forth in
2 H&S Code Section 34191.4(b)(2)(C)(ii).

3 SECTION 4. The Executive Director, or designee, of the Successor Agency is
4 hereby authorized and directed (i) to submit the Successor Agency's recommendation to its
5 Oversight Board that the Oversight Board find that the City Loan described in the Recitals
6 above was entered into for legitimate redevelopment purposes in connection with the
7 implementation of the Redevelopment Plan and that the City Loan is an agreement of the
8 type described in H&S Code Section 34191.4(b)(2)(C)(i) and shall be repaid to the fullest
9 extent permitted by law; (ii) to include the repayment of the City Loan on ROPS 19-20A and
10 on successive ROPS until repaid consistent and in accordance with H&S Code Section
11 34191.4(b)(3), subject to other applicable loan repayment terms and conditions set forth in
12 H&S Code Section 34191.4(b)(2)(C)(ii); (iii) provide such notifications as required by the
13 Dissolution Law; and (iv) take such other actions and execute such other documents as are
14 necessary or desirable to effectuate the intent of this Resolution on behalf of the Successor
15 Agency.
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18 SECTION 5. If any provision of this Resolution or the application of any such
19 provision to any person or circumstance is held invalid, such invalidity shall not affect other
20 provisions or applications of this Resolution that can be given effect without the invalid
21 provision or application, and to this end the provisions of this Resolution are severable. The
22 Successor Agency declares that its Board would have adopted this Resolution irrespective of
23 the invalidity of any particular portion of this Resolution.
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25 SECTION 6. The adoption of this Resolution is not intended to and shall not
26 constitute a waiver by the Successor Agency of any constitutional, legal or equitable rights
27 that the Successor Agency may have to challenge, through any administrative or judicial
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1 proceedings, the effectiveness and/or legality of all or any portion of the Dissolution Law, any
2 determinations rendered or actions or omissions to act by any public agency or government
3 entity or division in the implementation of the Dissolution Law, and any and all related legal
4 and factual issues, and the Successor Agency expressly reserves any and all rights,
5 privileges, and defenses available under law and equity.

6 SECTION 7. The Successor Agency hereby determines that the activity
7 approved by this Resolution is not a "project" for purposes of CEQA, as that term is defined
8 by Guidelines Section 15378, because the activity approved by this Resolution is an
9 organizational or administrative activity that will not result in a direct or indirect physical
10 change in the environment, per Section 15378(b)(5) of the Guidelines.

11
12 SECTION 8. This Resolution shall take effect upon the date of its adoption.

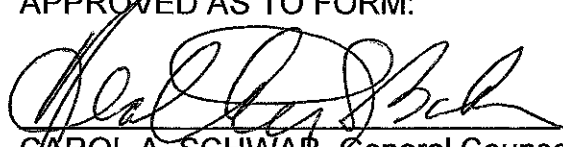
13
14 APPROVED AND ADOPTED, this ____ day of _____, 2018.

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17 _____
18 JEFFREY COOPER, Chair
19 Successor Agency to the Culver City
20 Redevelopment Agency

21 ATTEST:

APPROVED AS TO FORM:

22 _____
23 JEREMY GREEN, Secretary

24 
25 CAROL A. SCHWAB, General Counsel
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