RESOLUTION NO. 2015-R____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CULVER CITY APPROVING THE LOAN AGREEMENT BETWEEN THE CITY OF CULVER CITY AND THE SUCCESSOR AGENCY IN ORDER FOR THE SUCCESSOR AGENCY TO PAY CERTAIN OBLIGATIONS AND ADMINISTRATIVE COSTS.

WHEREAS, on February 1, 2012, pursuant to Assembly Bill No. 1x 26 ("AB 26"), the Culver City Redevelopment Agency (the "Former CCRA"), along with all redevelopment agencies in the State of California, was dissolved, and all assets and obligations of the Former CCRA were transferred by operation of law to the Successor Agency; and

WHEREAS, by its Resolution No. 2012-R001, adopted on January 9, 2012, the City Council of the City of Culver City (the "City Council") made an election to serve as the successor agency to the Former CCRA (the "Successor Agency") upon the dissolution of the Former CCRA pursuant to Part 1.85 of the Dissolution Act; and

WHEREAS, on February 6, 2012, the Board of Directors of the Successor Agency adopted Resolution 2012-SA001 naming itself the "Successor Agency to the Culver City Redevelopment Agency," the sole name by which it will exercise its powers and fulfill its duties pursuant to Part 1.85, and establishing itself as a separate legal entity with rules and regulations that will apply to the governance and operations of the Successor Agency; and

WHEREAS, AB 26, as amended by Assembly Bill No. 1484 (collectively referred to hereinafter as the "Dissolution Act") requires that the Successor Agency prepare a Recognized Obligation Payment Schedule ("ROPS") for each six-month period setting forth all enforceable obligations (as defined in the Dissolution Act) of the Successor Agency; and

WHEREAS, under the Dissolution Act, each successor agency shall have an oversight board with fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property taxes and other revenues pursuant to Health and Safety Code Section 34188; and

WHEREAS, the oversight board has been established for the Successor Agency (the "Oversight Board") and all seven members have been appointed pursuant to Health and Safety Code Section 34179. The duties and responsibilities of the Oversight Board to oversee the wind down of the Former CCRA are primarily set forth in Health and Safety Code Sections 34179 through 34181 of the Dissolution Act and include approval of a ROPS; and

WHEREAS, the Successor Agency has prepared a ROPS for the period between January 1, 2016 and June 30, 2016 ("ROPS 15-16B"); and

WHEREAS, during the January through June ROPS period, all Redevelopment Property Tax Trust Fund (the "RPTTF") monies received are first pledged to pay annual debt service on outstanding Former CCRA tax allocation bonds prior to other obligations; and;

WHEREAS, based on prior year allocations, the amount of RPTTF received for the January through June ROPS period will not be sufficient to pay the annual debt service on outstanding Former CCRA tax allocation bonds; and

WHEREAS, to enable the Successor Agency to meet its fiduciary responsibilities to holders of enforceable obligations and for the Successor Agency to have adequate funds for administration costs and other obligations, the City desires to loan to the Successor Agency an amount not to exceed Two Hundred Six Thousand Seven Hundred and Fifty Dollars ($206,750) (the "Loan"); and

WHEREAS, subject to Oversight Board approval, the Successor Agency may enter into the proposed Loan Agreement with the City pursuant to the authority granted by California Health and Safety Code Sections 33220, 34173(h), 34178(a) and 34180(h); and

WHEREAS, after reviewing the terms of the proposed Loan Agreement between the City and the Successor Agency, the Loan from the City to the Successor Agency, and the Successor Agency's repayment of such Loan, and after reviewing any written and oral comments from the public relating thereto, the City Council desires, subject to Oversight Board approval, to approve the terms of the Loan and the proposed Loan Agreement and to make the following accompanying findings, resolutions and determinations.

NOW, THEREFORE, the City Council of the City of Culver City, California, DOES HEREBY RESOLVE as follows:

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

SECTION 2. The City Council hereby finds and determines that the proposed Loan Agreement and the Loan are necessary for the Successor Agency to meet its fiduciary responsibilities for the purpose of paying the obligations set forth in the Loan Agreement.

SECTION 3. The City Council hereby approves: (i) the proposed Loan Agreement as an enforceable obligation under the Dissolution Act, wherein the City would provide the Loan to the Successor Agency for the purpose of paying the obligations set forth in the Loan Agreement; and (ii) the Successor Agency's repayment of the Loan from the City in each six (6) month period with a pledge of property taxes payable from the Redevelopment Property Tax Trust Fund, at an interest rate on the Loan equal to the rate applicable to funds on deposit in the Local Agency Investment Fund.

SECTION 4. The City Council hereby authorizes the City Manager to execute the proposed Loan Agreement with the Successor Agency consistent with the terms of the Loan Agreement and the Loan approved by this Resolution, including without limitation the City's advance of the Loan in the amount not to exceed Two Hundred Six Thousand Seven Hundred and Fifty Dollars ($206,750); and (ii) the Successor Agency's repayment of the Loan from the City in each six (6) month period with a pledge of property taxes payable from the Redevelopment Property Tax Trust Fund, at an interest rate on the Loan equal to the rate applicable to funds on deposit in the Local Agency Investment Fund.

SECTION 5. This Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

SECTION 6. The City Clerk shall certify as to the adoption of this Resolution.

APPROVED AND ADOPTED, this _____ day of _______________, 2015.

MEHAUL O'LEARY, Mayor
City of Culver City

ATTEST:

MARTIN R. COLE, City Clerk

APPROVED AS TO FORM:

for CAROL SCHWAB, City Attorney

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