

**CALL AND NOTICE AND AGENDA OF
A SPECIAL MEETING OF THE TEHACHAPI CITY COUNCIL ACTING
AS GOVERNING BODY OF THE SUCCESSOR AGENCY TO THE
TEHACHAPI REDEVELOPMENT AGENCY AND A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO
THE TEHACHAPI REDEVELOPMENT AGENCY**

**TO THE CITY COUNCIL MEMBERS ACTING AS GOVERNING BODY OF THE
SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY:**

YOU ARE HEREBY NOTIFIED THAT, pursuant to Section 54956 of the of the California Government Code, Mayor Grimes hereby calls a special meeting of the Tehachapi City Council acting as Governing Body of the Successor Agency to the Tehachapi Redevelopment Agency and a special meeting of the Board of Directors of the Successor Agency to the Tehachapi Redevelopment Agency to be convened in the Beekay Theater, at 110 South Green Street, Tehachapi, California , on February 6, 2012 at 6:00 p.m. for the purpose of discussing the following business:

BUSINESS

1. ADOPTION OF A RESOLUTION OF THE CITY COUNCIL ACTING AS THE GOVERNING BODY FOR THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY ESTABLISHING RULES AND REGULATIONS FOR THE OPERATIONS OF THE SUCCESSOR AGENCY AS A NEW LEGAL ENTITY SEPARATE FROM THE CITY AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH.
2. ADOPTION OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY CREATING A REDEVELOPMENT OBLIGATION RETIREMENT FUND AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH
3. ADOPTION OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY ADOPTING AN ENFORCEABLE OBLIGATION PAYMENT SCHEDULE AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH
4. ADOPTION OF A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY AUTHORIZING THE INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND OF THE STATE OF CALIFORNIA AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

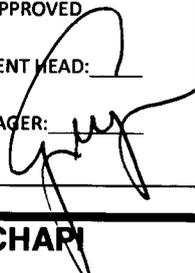
ADJOURNMENT TO THE TEHACHAPI CITY COUNCIL REGULAR MEETING



BOARD REPORTS

MEETING DATE: FEBRUARY 6, 2012

APPROVED
DEPARTMENT HEAD: _____
CITY MANAGER: _____



TO: GOVERNING BODY FOR THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY

FROM: GREG GARRETT, CITY MANAGER

DATE: JANUARY 23, 2012

SUBJECT: RULES AND REGULATIONS FOR THE SUCCESSOR AGENCY

BACKGROUND:

AB X1 26 ("AB 26") and AB X1 27 ("AB 27"), which were signed by the Governor of California on June, 29, 2011, added Parts 1.8 and 1.85 to the Community Redevelopment Law. In *California Redevelopment Association, et al. v. Matosantos, et al.* (Case No. S194861), the California Supreme Court largely upheld AB 26, invalidated AB 27, and held that AB 26 may be severed from AB 27 and enforced independently. The Supreme Court generally revised the effective dates and deadlines for performance of obligations in Part 1.85 (the dissolution provisions) arising before May 1, 2012 to take effect four months later. As a result of the Supreme Court's decision, on February 1, 2012, all redevelopment agencies were dissolved and successor agencies were designated as successor entities to the former redevelopment agencies. The successor agencies have all the authority, rights, powers, duties, and obligations previously vested with the former redevelopment agencies under the Community Redevelopment Law except for those that were repealed, restricted, or revised by AB 26.

On January 10, 2012, the City Council adopted Resolution No. 02-12, electing for the City to serve as the Successor Agency for the Tehachapi Redevelopment Agency upon the Agency's dissolution. The assets of the Tehachapi Redevelopment Agency transferred to the Successor Agency by law on February 1, 2012.

This Resolution establishes basic governance, rules, and regulations for the Successor Agency as a new and distinct legal entity from the City.

ANALYSIS:

This Resolution provides that the Successor Agency is a distinct legal entity, separate from the City. Assemblymember Blumenfield, the author of AB 26, stated in a letter of clarification addressed to the California State Assembly on January 10, 2012 that cities are "distinct legal entities from successor agencies, and therefore the liabilities of the former redevelopment agencies and the successor agencies do not become the liabilities of the corresponding cities." As a new legal entity, this Resolution directs that the Secretary of the Successor Agency file the prescribed form with the Secretary of State and the County Clerk in accordance with Government Code Section 53051 that will add the Successor Agency to the Roster of Public Agencies maintained by these offices.

This Resolution further provides that the Successor Agency will be governed by a Board of Directors, which shall consist of the members of the City Council, that the Mayor and Mayor Pro Tem will serve as Chair and Vice Chair of the of the Board, and provides for regular meetings of the Board (to occur after the regular meetings of the City Council). The Resolution designates the City Manager as Executive Director, the City Clerk as Secretary, the City Finance Director as the Finance Officer and the City Treasurer as the Treasurer of

Government Code Section 53051 that will add the Successor Agency to the Roster of Public Agencies maintained by these offices.

This Resolution further provides that the Successor Agency will be governed by a Board of Directors, which shall consist of the members of the City Council, that the Mayor and Mayor Pro Tem will serve as Chair and Vice Chair of the of the Board, and provides for regular meetings of the Board (to occur after the regular meetings of the City Council). The Resolution designates the City Manager as Executive Director, the City Clerk as Secretary, the City Finance Director as the Finance Officer and the City Treasurer as the Treasurer of the Successor Agency. Council members will file assuming office statements within 30 days after the adoption of the Resolution assuming office as a member of the Board of Directors of the Successor Agency. In addition, a local conflict of interest code and local CEQA guidelines will be prepared for adoption by the Board at a subsequent meeting.

The Successor Agency will exercise the powers necessary to perform all of the functions described in Health and Safety Code Section 34177, as well as any other powers granted under law. The Successor Agency's statutory functions include making payments and performing obligations required under enforceable obligations, continuing to collect loans, rents and other revenue on behalf of the former redevelopment agency, continuing to oversee development of properties until the contracted work has been completed, and disposing of assets and properties of the former redevelopment agency as directed by the oversight board. The Successor Agency also will prepare proposed administrative budgets and submit them to the oversight board for its approval, pursuant to Health and Safety Code Section 34177(j).

As a separate legal entity, Successor Agency assets and monies shall be maintained separately from City assets and monies. Health and Safety Code Section 34173(e) states that "the liability of any successor agency shall be limited to the extent of the total sum of property tax revenues it receives pursuant to this part and the value of assets transferred to it as a successor agency for a dissolved redevelopment agency." The Resolution provides that the Successor Agency shall indemnify the City for any claims arising from its activities, and its liabilities shall not be the City's liabilities.

RECOMMENDATION: Staff recommends that the City Council, acting as the governing body of the Successor Agency, adopt Resolution No. ____.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEHACHAPI ACTING AS THE GOVERNING BODY FOR THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY PURSUANT TO PART 1.85 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE ESTABLISHING RULES AND REGULATIONS FOR THE OPERATIONS OF THE SUCCESSOR AGENCY AS A NEW LEGAL ENTITY SEPARATE FROM THE CITY AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

RECITALS:

A. The Tehachapi Redevelopment Agency was a redevelopment agency in the City of Tehachapi (the "City"), duly created pursuant to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (the "Redevelopment Law").

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

C. 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 were unconstitutional.

D. 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.

E. 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.

F. As a result of the Supreme Court's decision, on February 1, 2012, all redevelopment agencies were dissolved and replaced by successor agencies established pursuant to Health and Safety Code Section 34173.

G. The City Council of the City of Tehachapi (the "City") adopted Resolution No. 02-12 on January 10, 2012, pursuant to Part 1.85 electing for the

City to serve as the successor agency for the Tehachapi Redevelopment Agency upon the Agency's dissolution.

H. The City Council, acting as the governing board for the successor agency, hereby desires to adopt a name for that separate legal entity and establish rules and regulations that will apply to the governance and operations of the successor agency.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TEHACHAPI, ACTING AS THE GOVERNING BODY FOR THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. Designated Successor Agency. Pursuant to City Council Resolution No. 02-12, by which the City elected to serve as the successor agency to the Tehachapi Redevelopment Agency under Part 1.85 upon the Agency's dissolution (the "Successor Agency"), and the Agency having been dissolved by operation of law on February 1, 2012, the Successor Agency is hereby declared constituted.

Section 2. Separate Legal Entity. The Successor Agency is a distinct and separate legal entity from the City, and is hereby named "Successor Agency to the Tehachapi Redevelopment Agency," the sole name by which it will exercise its powers and fulfill its duties pursuant to Part 1.85.

Section 3. Governance.

A. Board of Directors. The Successor Agency shall be governed by a Board of Directors (the "Board"), which shall exercise the powers and perform the duties of the Successor Agency. The Board shall consist of the members of the City Council of the City.

B. Board Officers. The Board shall have a Chair to preside at and conduct all meetings and a Vice Chair who shall act in the absence of the Chair. The offices of the Chair and Vice Chair shall be filled by the Mayor and Mayor Pro Tem, respectively, of the City Council of the City.

C. Meetings of the Board. The Board shall hold regular meetings on the first and third Monday of the month. If a regular meeting falls on a City holiday, such meeting shall be held on the immediately following day at 6:00 p.m. The Board may adopt such rules and procedures for conducting such meetings and other business as the Board deems appropriate. All meetings of the Board including, without limitation, regular, adjourned regular, and special meetings shall be called, noticed and conducted in accordance with the provisions of the Ralph M. Brown Act, Sections 54950 *et seq.* of the California Government Code.

D. Quorum. The presence of a majority of the Board members at a meeting shall constitute a quorum for the transaction of Successor

Agency business. Less than a quorum may adjourn or continue meetings from time to time.

E. Voting. Except as otherwise provided by law or resolution of the Board, decisions of the Board shall be made by a majority of a quorum.

F. Executive Director. The City Manager of the City shall serve as Executive Director of the Successor Agency. The Executive Director may appoint officers and employees as necessary to perform the duties of the Successor Agency. The Executive Director also may delegate the performance of his or her duties to other officers or employees.

G. Secretary. The City Clerk of the City shall serve as secretary to the Successor Agency.

H. Finance Officer. The Finance Director of the City shall serve as Finance Officer of the Successor Agency. The Finance Officer shall have the care and custody of all funds of the Successor Agency and shall deposit the same in the name of the Successor Agency in such bank or banks as he or she may select. The Finance Officer also may enter into agreements on behalf of the Successor Agency with any bank or trust company authorized to accept deposits of public funds, providing for the transfer of funds between accounts maintained by the Successor Agency upon request by telephone. Such agreement also may provide for the investment upon request by telephone of funds maintained in such accounts.

I. Additional Duties. The officers of the Successor Agency shall perform such other duties and functions as may from time to time be required or directed by the Board of the Successor Agency. Any two of the following shall sign all orders and checks for the payment of money: the Executive Director, City Finance Director, and Treasurer. The Chair, or Vice Chair in the absence of the Chair, may sign deeds, contracts and other instruments made by the Successor Agency.

Section 4. Powers and Duties of the Successor Agency. The Successor Agency shall have the authority to perform the functions and duties described in Part 1.85, including but not limited to making payments and performing obligations required by enforceable obligations and expeditiously winding down the affairs of the Agency. The Successor Agency also may exercise any other powers provided by statute or granted by law.

Section 5. Successor Agency Funds and Obligations. All assets and monies held by or under the control of the Successor Agency shall be maintained in funds and accounts established by the Successor Agency and shall be kept separate and apart from the funds and accounts of the City.

Section 6. Indemnification and Liability.

A. Indemnification. The Successor Agency shall defend, indemnify, and hold harmless the City, and its City Council, boards, commissions, officers, employees and agents, from any and all claims, losses, damages, costs, injuries and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of the Successor Agency.

B. Liability. In accordance with Health and Safety Code Section 34173(e), the liability of the Successor Agency, acting pursuant to the powers granted under Part 1.85, shall be limited to the extent of, and payable solely from, the total sum of property tax revenues it receives pursuant to Part 1.85 and the value of assets transferred to it as a successor agency for a dissolved redevelopment agency. The debts, assets, liabilities, and obligations of the Successor Agency shall be solely the debts, assets, liabilities, and obligations of the Successor Agency and not of the City.

Section 7. Roster of Public Agencies Filing. The Secretary to the Successor Agency shall file on the prescribed form the statement of public agency with the Secretary of State and County Clerk in accordance with Government Code Section 53051.

PASSED AND ADOPTED this 6th day of February, 2012.

AYES: DIRECTORS: _____
NOES: DIRECTORS: _____
ABSTAIN: DIRECTORS: _____
ABSENT: DIRECTORS: _____

ED GRIMES, Chairman, Board of
Directors

ATTEST:

DENISE JONES, CMC
Secretary, Board of Directors

I hereby certify that the foregoing resolution was duly and regularly adopted by the governing body for the successor agency to the Tehachapi Redevelopment Agency at a special meeting thereof held on February 6, 2012.

DENISE JONES, CMC
Secretary, Board of Directors



BOARD REPORTS

MEETING DATE: FEBRUARY 6, 2012

APPROVED
DEPARTMENT HEAD:
CITY MANAGER:

TO: GOVERNING BODY FOR THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY

FROM: GREG GARRETT, CITY MANAGER

DATE: FEBRUARY 1, 2012

SUBJECT: REDEVELOPMENT OBLIGATION RETIREMENT FUND

BACKGROUND: This agenda item addresses an outcome of the California Supreme Court's decision in *California Redevelopment Association, et al. v. Matosantos, et al.* (Case No. S194861), the litigation challenging AB X1 26 ("AB 26") and AB X1 27 ("AB 27"). AB 26 and AB 27, which were signed by the Governor of California on June, 29, 2011, added Parts 1.8 and 1.85 to the Community Redevelopment Law.

The Supreme Court largely upheld AB 26 (which provides for the windup and dissolution of redevelopment agencies), invalidated AB 27 (which provided for an alternative voluntary redevelopment program), and held that AB 26 may be severed from AB 27 and enforced independently. The Supreme Court generally revised the effective dates and deadlines for performance of obligations in Part 1.85 (the dissolution provisions) arising before May 1, 2012 to take effect four months later. As a result of the Supreme Court's decision, on February 1, 2012, all redevelopment agencies were dissolved and cities do not have the option of making remittance payments to enable the continued operation of redevelopment agencies. The City is the successor agency for the Tehachapi Redevelopment Agency (the "Successor Agency") and the board of the Successor Agency (the "Board") consists of the members of the City Council.

Pursuant to Health and Safety Code Section 34170.5, each successor agency to a former redevelopment agency shall create within its treasury a Redevelopment Obligation Retirement Fund to be administered by the successor agency.

FISCAL IMPACT: Creation of the Redevelopment Obligation Retirement Fund will allow the Successor Agency to the Tehachapi Redevelopment Agency, to receive funds from the County Auditor-Controller to pay enforceable obligations of the former redevelopment agency.

ENVIRONMENTAL IMPACT: There will be no new environmental impact associated with adoption of the attached Resolution.

RECOMMENDATION: Staff recommends that the Board of Directors of the Successor Agency to the Tehachapi Redevelopment Agency adopt the resolution creating the Redevelopment Obligation Retirement Fund.

the Successor Agency. Council members will file assuming office statements within 30 days after the adoption of the Resolution assuming office as a member of the Board of Directors of the Successor Agency. In addition, a local conflict of interest code and local CEQA guidelines will be prepared for adoption by the Board at a subsequent meeting.

The Successor Agency will exercise the powers necessary to perform all of the functions described in Health and Safety Code Section 34177, as well as any other powers granted under law. The Successor Agency's statutory functions include making payments and performing obligations required under enforceable obligations, continuing to collect loans, rents and other revenue on behalf of the former redevelopment agency, continuing to oversee development of properties until the contracted work has been completed, and disposing of assets and properties of the former redevelopment agency as directed by the oversight board. The Successor Agency also will prepare proposed administrative budgets and submit them to the oversight board for its approval, pursuant to Health and Safety Code Section 34177(j).

As a separate legal entity, Successor Agency assets and monies shall be maintained separately from City assets and monies. Health and Safety Code Section 34173(e) states that "the liability of any successor agency shall be limited to the extent of the total sum of property tax revenues it receives pursuant to this part and the value of assets transferred to it as a successor agency for a dissolved redevelopment agency." The Resolution provides that the Successor Agency shall indemnify the City for any claims arising from its activities, and its liabilities shall not be the City's liabilities.

RECOMMENDATION: Staff recommends that the City Council, acting as the governing body of the Successor Agency, adopt Resolution No. ____.

RESOLUTION NO. _____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SUCCESSOR AGENCY TO THE TEHACHAPI
REDEVELOPMENT AGENCY CREATING A REDEVELOPMENT
OBLIGATION RETIREMENT FUND PURSUANT TO HEALTH
AND SAFETY CODE SECTION 34170.5 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 Tehachapi Redevelopment Agency (the "Redevelopment Agency"), a redevelopment agency in the City of Tehachapi (the "City"), created pursuant to the Redevelopment Law, was dissolved pursuant to Part 1.85 on February 1, 2012.

E. By its Resolution No. 02-12, adopted on January 10, 2012, 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. (to be assigned), adopted on February 6, 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. Health and Safety Code Section 34170.5 provides that each successor agency shall create within its treasury a Redevelopment Obligation Retirement Fund to be administered by the successor agency.

H. Accordingly, the Board desires to adopt this Resolution creating a Redevelopment Obligation Retirement Fund within the treasury of the Successor Agency.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY 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 34170.5.

Section 3. The Executive Director and the Finance Officer are hereby authorized and directed to create within the treasury of the Successor Agency a Redevelopment Obligation Retirement Fund to be administered by the Successor Agency.

Section 4. The Secretary is hereby authorized and directed to file a certified copy of this Resolution with the County Auditor-Controller.

Section 5. 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, and any such actions previously taken by such officers are hereby ratified and confirmed.

PASSED AND ADOPTED this 6TH day of February, 2012.

AYES: DIRECTORS: _____
NOES: DIRECTORS: _____
ABSTAIN: DIRECTORS: _____
ABSENT: DIRECTORS: _____

ED GRIMES, Chairman, Board of
Directors

ATTEST:

DENISE JONES, CMC
Secretary, Board of Directors

I hereby certify that the foregoing resolution was duly and regularly adopted by the governing body for the successor agency to the Tehachapi Redevelopment Agency at a special meeting thereof held on February 6, 2012.

DENISE JONES, CMC
Secretary, Board of Directors



BOARD REPORTS

MEETING DATE: FEBRUARY 6, 2012

APPROVED
DEPARTMENT HEAD: _____
CITY MANAGER: _____

TO: GOVERNING BODY FOR THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY

FROM: GREG GARRETT, CITY MANAGER

DATE: FEBRUARY 1, 2012

SUBJECT: ADOPTING EOPS

BACKGROUND: This agenda item addresses an outcome of the California Supreme Court's decision in *California Redevelopment Association, et al. v. Matosantos, et al.* (Case No. S194861), the litigation challenging AB X1 26 ("AB 26") and AB X1 27 ("AB 27"). AB 26 and AB 27, which were signed by the Governor of California on June, 29, 2011, added Parts 1.8 and 1.85 to the Community Redevelopment Law.

The Supreme Court largely upheld AB 26 (which provides for the windup and dissolution of redevelopment agencies), invalidated AB 27 (which provided for an alternative voluntary redevelopment program), and held that AB 26 may be severed from AB 27 and enforced independently. The Supreme Court generally revised the effective dates and deadlines for performance of obligations in Part 1.85 (the dissolution provisions) arising before May 1, 2012 to take effect four months later. As a result of the Supreme Court's decision, on February 1, 2012, all redevelopment agencies were dissolved and cities do not have the option of making remittance payments to enable the continued operation of redevelopment agencies. The City is the successor agency for the Tehachapi Redevelopment Agency (the "Successor Agency") and the board of the Successor Agency (the "Board") consists of the members of the City Council.

Pursuant to Health and Safety Code Section 34177, successor agencies are required to continue to make payments due for enforceable obligations of the former redevelopment agencies. On and after February 1, 2012, and until a Recognized Obligation Payment Schedule becomes operative, only payments required pursuant to an enforceable obligation payment schedule shall be made. Accordingly, the Successor Agency must adopt an enforceable obligation payment schedule.

FISCAL IMPACT: Adoption of an enforceable obligation payment schedule will allow the Successor Agency to pay enforceable obligations of the former redevelopment agency.

ENVIRONMENTAL IMPACT: There will be no new environmental impact associated with adoption of the attached Resolution.

RECOMMENDATION: Staff recommends that the Board of Directors of the Successor Agency to the Tehachapi Redevelopment Agency adopt the resolution adopting an enforceable obligation payment schedule

RESOLUTION NO. _____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SUCCESSOR AGENCY TO THE TEHACHAPI
REDEVELOPMENT AGENCY ADOPTING AN ENFORCEABLE
OBLIGATION PAYMENT SCHEDULE 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 Tehachapi Redevelopment Agency (the "Redevelopment Agency"), a redevelopment agency in the City of Tehachapi (the "City"), created pursuant to the Redevelopment Law, was dissolved pursuant to Part 1.85 on February 1, 2012.

E. By its Resolution No. 02-12, adopted on January 10, 2012, 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. (to be assigned), adopted on February 6, 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. 01-12, the Redevelopment Agency approved an Enforceable Obligation Payment Schedule, as amended.

H. Health and Safety Code Section 34177(a) provides that successor agencies are required to continue to make payments due for enforceable obligations. Health and Safety Code Section 34177(a)(1), as modified by the Supreme Court, provides that on and after February 1, 2012, and until a Recognized Obligation Payment Schedule becomes operative, only payments required pursuant to an enforceable obligation payment schedule shall be made. The enforceable obligation schedule may be amended by the successor agency at any public meeting and shall be subject to the approval of the oversight board as soon as the board has sufficient members to form a quorum.

I. Accordingly, the Board desires to adopt this Resolution adopting an enforceable obligation schedule.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY, 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 adopts the enforceable obligation payment schedule attached as Exhibit A to this Resolution and incorporated herein by reference (the "Enforceable Obligation Payment Schedule").

Section 4. The Secretary is hereby authorized and directed to post the Enforceable Obligation Payment Schedule on the City's web site.

Section 5. The Enforceable Obligation Payment Schedule may be amended from time to time at any public meeting of the Board.

Section 6. The Secretary is hereby authorized and directed to transmit a copy of the Enforceable Obligation Payment Schedule by mail or electronic means to the County Auditor-Controller, the State Controller, and the California Department of Finance (the "Department of Finance"). A notification providing the Internet Web site location shall suffice.

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 providing documents associated with the Enforceable Obligation Payment Schedule to the Department of Finance and the State Controller in the manner of their choosing, and any such actions previously taken by such officers are hereby ratified and confirmed. The Board hereby designates the Finance

Director as the official to whom the Department of Finance may make requests for review in connection with the Enforceable Obligation Payment Schedule.

PASSED AND ADOPTED this 6th day of February, 2012.

AYES: DIRECTORS: _____
NOES: DIRECTORS: _____
ABSTAIN: DIRECTORS: _____
ABSENT: DIRECTORS: _____

ED GRIMES, Chairman, Board of
Directors

ATTEST:

DENISE JONES, CMC
Secretary, Board of Directors

I hereby certify that the foregoing resolution was duly and regularly adopted by the governing body for the successor agency to the Tehachapi Redevelopment Agency at a special meeting thereof held on February 6, 2012.

DENISE JONES, CMC
Secretary, Board of Directors



BOARD REPORTS

MEETING DATE: FEBRUARY 6, 2012

APPROVED
DEPARTMENT HEAD: _____
CITY MANAGER: _____

TO: GOVERNING BODY FOR THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY

FROM: GREG GARRETT, CITY MANAGER

DATE: FEBRUARY 1, 2012

SUBJECT: LOCAL AGENCY INVESTMENT FUND

BACKGROUND: This agenda item addresses an outcome of the California Supreme Court's decision in *California Redevelopment Association, et al. v. Matosantos, et al.* (Case No. S194861), the litigation challenging AB X1 26 ("AB 26) and AB X1 27 ("AB 27"). AB 26 and AB 27, which were signed by the Governor of California on June, 29, 2011, added Parts 1.8 and 1.85 to the Community Redevelopment Law. The Supreme Court largely upheld AB 26 (which provides for the windup and dissolution of redevelopment agencies), invalidated AB 27 (which provided for an alternative voluntary redevelopment program), and held that AB 26 may be severed from AB 27 and enforced independently. The Supreme Court generally revised the effective dates and deadlines for performance of obligations in Part 1.85 (the dissolution provisions) arising before May 1, 2012 to take effect four months later.

As a result of the Supreme Court's decision, the Tehachapi Redevelopment Agency (the "Redevelopment Agency") is dissolved as of February 1, 2012. The City is the successor agency (the "Successor Agency") to the Redevelopment Agency. All assets and properties of the Redevelopment Agency are transferred to the control of the Successor Agency on February 1, 2012.

From time to time the Redevelopment Agency maintained moneys in the Local Agency Investment Fund ("LAIF") in the State Treasury. Any LAIF account maintained by the Redevelopment Agency (the "Agency LAIF Account") is now an account of the Successor Agency.

The State Treasurer's Office, in a letter dated January 25, 2012, indicated that the State Treasurer's Office will be unable to process any transaction with respect to the Agency LAIF Account until the Successor Agency has taken action to authorize the investment of Successor Agency moneys in LAIF and to designate authorized representatives of the Successor Agency to make deposits in and withdrawals from the Agency LAIF Account on behalf of the Successor Agency.

FISCAL IMPACT: The adoption of this Resolution is necessary for the Successor Agency to have continued access to the Agency LAIF Account.

ENVIRONMENTAL IMPACT: There will be no new environmental impact associated with adoption of the attached Resolution.

RECOMMENDATION: Staff recommends that the Board of Directors of the Successor Agency to the Tehachapi Redevelopment Agency adopt the resolution authorizing the investment of Successor Agency moneys in LAIF

RESOLUTION NO. _____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SUCCESSOR AGENCY TO THE TEHACHAPI
REDEVELOPMENT AGENCY AUTHORIZING THE
INVESTMENT OF MONEYS IN THE LOCAL AGENCY
INVESTMENT FUND OF THE STATE OF CALIFORNIA 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 Tehachapi Redevelopment Agency (the "Redevelopment Agency"), a redevelopment agency in the City of Tehachapi (the "City"), created pursuant to the Redevelopment Law, was dissolved pursuant to Part 1.85 on February 1, 2012.

E. By its Resolution No. 02-12, adopted on January 10, 2012, the City Council of the City made an election to serve as the successor agency to the Redevelopment Agency under Part 1.85 (the "Successor Agency").

F. By its Resolution No. (to be assigned), adopted on February 6, 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. Pursuant to Chapter 730 of the statutes of 1976, Section 16429.1 was added to the California Government Code to create the Local Agency Investment Fund ("LAIF") in the State Treasury for the deposit of moneys of local agencies for investment by the State Treasurer.

H. The Redevelopment Agency from time to time invested its money in LAIF in accordance with the provisions of Section 16429.1 of the California Government Code.

I. Pursuant to Part 1.85, all assets and properties of the Redevelopment Agency are transferred to the control of the Successor Agency as of February 1, 2012.

J. In response to a request of the State Treasurer's Office, the Board wishes to adopt this resolution authorizing the investment of Successor Agency moneys in LAIF and authorizing certain officers of the Successor Agency to order the deposit or withdrawal of moneys in LAIF on behalf of the Successor Agency.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE TEHACHAPI REDEVELOPMENT AGENCY, 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. The Board hereby finds that it is in the best interest of the Successor Agency to deposit and withdraw moneys in LAIF from time to time in accordance with the provisions of Section 16429.1 of the California Government Code for the purpose of investment as stated therein.

Section 3. The deposit and withdrawal of the Successor Agency's monies in LAIF in accordance with the provisions of Section 16429.1 of the California Government Code from time to time for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that regard, are hereby authorized.

Section 4. The Executive Director and the Finance Officer of the Successor Agency, whose signature specimens are set forth in Exhibit A to this Resolution, or their successors in such offices, are hereby authorized to order the deposit or withdrawal of monies in LAIF on behalf of the Successor Agency for any account of the Successor Agency (including accounts maintained by the Redevelopment Agency which are now accounts of the Successor Agency).

Section 5. The officers of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things, to execute and deliver any additional instruments which they may deem necessary or advisable in order to effectuate the purposes of this Resolution and any such actions previously taken by such officers are hereby ratified and confirmed.

Section 6. The Secretary of the Successor Agency is hereby authorized and directed to submit a certified copy of this Resolution and such forms as may be required to the Office of the State Treasurer to effectuate the purposes of this Resolution.

PASSED AND ADOPTED this 6TH day of February, 2012

AYES: DIRECTORS: _____
NOES: DIRECTORS: _____
ABSTAIN: DIRECTORS: _____
ABSENT: DIRECTORS: _____

ED GRIMES, Chairman, Board of
Directors

ATTEST:

DENISE JONES, CMC
Secretary, Board of Directors

I hereby certify that the foregoing resolution was duly and regularly adopted by the governing body for the successor agency to the Tehachapi Redevelopment Agency at a special meeting thereof held on February 6, 2012.

DENISE JONES, CMC
Secretary, Board of Directors

LOCAL AGENCY INVESTMENT FUND

AUTHORIZATION FOR TRANSFER OF FUNDS REGULAR ACCOUNT AUTHORIZED PERSONS

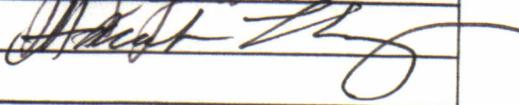
AGENCY NAME: _____

ATTENTION (title only): _____

DATE

ADDRESS: _____

PHONE/FAX NUMBER: _____

NAME	TITLE	SIGNATURE
Greg Garrett	Executive Director	
Hannah Chung	Finance Officer	

LOCAL AGENCY INVESTMENT FUND

AUTHORIZATION FOR TRANSFER OF FUNDS REGULAR ACCOUNT BANKING INFORMATION *

BANK NAME, BRANCH NUMBER ADDRESS & TELEPHONE NUMBER	ACCOUNT & ABA NUMBER (attach complete wiring instructions if applicable)	CORRESPONDENT BANK (STO RECEIVING BANK)

*Subject to verification by State Treasurer's Office

PLEASE MAIL COMPLETED CARD TO:

STATE TREASURER'S OFFICE
LOCAL AGENCY INVESTMENT FUND
P.O. Box 942809
SACRAMENTO, CA 94209-0001

X _____
Authorized Signature
(Must be authorized on Resolution)

X _____
Authorized Signature
(Must be authorized on Resolution)