

**OVERSIGHT BOARD OF THE SOUTH TAHOE
REDEVELOPMENT SUCCESSOR AGENCY
RESOLUTION NO. 2012-11**

**RESOLUTION OF THE OVERSIGHT BOARD OF THE SOUTH TAHOE
REDEVELOPMENT SUCCESSOR AGENCY APPROVING THE
RETENTION OF THE PROCEEDS FROM THE SALE OF ASSETS, HOUSING
ASSETS AND ACCOUNTS FOR THE PAYMENT OF
ENFORCEABLE OBLIGATIONS AS APPROVED BY THE ROPS;
RESCINDING PART OF RESOLUTION 2012-10**

WHEREAS, ABX1 26 was adopted by the California Legislature on June 15, 2011 and signed by the Governor on June 28, 2011, which dissolved redevelopment agencies in California effective October 1, 2011; and

WHEREAS, the California Redevelopment Association and League of California Cities (among others) challenged the constitutionality of AB X1 26, and the California Supreme Court on December 29, 2011 upheld ABX1 26 and amended the legislation to dissolve all redevelopment agencies as of February 1, 2012; and

WHEREAS, ABX1 26 (Health & Safety Code section 34177(e)) requires Successor Agencies to dispose of assets and property of the former redevelopment agency as directed by the Oversight Board; provided, however, that the Oversight Board may instead direct the successor agency to transfer ownership of certain assets pursuant to subdivision (a) of Health & Safety Code section 34181; and

WHEREAS, the disposal of assets is to be done expeditiously and in a manner aimed at maximizing value; and

WHEREAS, Health & Safety Code section 34177(e) provides that proceeds from assets sales and related funds that are no longer needed for approved development projects or to otherwise wind down the affairs of the agency, each as determined by the Oversight Board, shall be transferred to the County Auditor-Controller for distribution as property tax proceeds under Health & Safety Code section 34188; and

WHEREAS, the South Tahoe Redevelopment Successor Agency anticipates that there will be a significant shortfall of tax increment revenues to make the payments on enforceable obligations, specifically bond payments, and therefore requests that the Oversight Board direct the proceeds from the sale of assets, any housing funds transferred to the Successor Agency and any reserve accounts held by the South Tahoe Redevelopment Agency and transferred to the Successor Agency to be retained by the South Tahoe Successor Agency to make the necessary payments on enforceable obligations as approved of the Recognized Obligation Payment Schedules; and

WHEREAS, this Resolution rescinds in part, Resolution 2012-10 adopted by the Oversight Board on October 11, 2012, that directed that the cash and cash equivalents in the LMIHF be available for disbursement to the taxing entities; and

WHEREAS, the Oversight Board has a fiduciary responsibility to the holders of enforceable obligations and the taxing entities that benefit from distributions pursuant to Health & Safety Code section 34179(i).

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors of the Oversight Board of the South Tahoe Redevelopment Successor Agency does hereby resolve, declare, determine and order as follows:

1. Determines in accordance with AB XI 26 and AB 1484 that the Successor Agency needs to retain the proceeds of any asset sales, any transfers from the Housing Fund and any reserve accounts transferred from the South Tahoe Redevelopment Agency to the extent required to make scheduled payments on enforceable obligations. The Oversight Board hereby directs that the proceeds be retained by the Successor Agency to make the required payments under ROPS approved by the Oversight Board.
2. Resolution 2012-10, Section 5 that directed the cash and cash equivalents in the Low Moderate Income Housing Fund (LMIHF) to be made available for disbursement to taxing entities is hereby rescinded.
3. Directs the Secretary to the Oversight Board to transmit a copy of the Resolution to the Department of Finance for review in accordance with Health & Safety Code section 34179(h).
4. This Resolution is effective upon passage.

PASSED AND ADOPTED by the Board of Directors of the Oversight Board to the Successor Agency of the South Tahoe Redevelopment Agency at a duly noticed meeting held on December 7, 2012, by the following vote:

AYES: Board Member(s): COLE, KNIGHT BAUGH, KERRY, MURILLO & VOGELGESANG

NOES: Board Member(s): _____

ABSENT: Board Member(s): BARBER

ABSTAIN: Board Member(s): _____

ATTEST:
By: 
Susan Alessi, Secretary

By: 
Hal Cole, Chairperson