

RESOLUTION NO. 2014-4

RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE SOUTH TAHOE REDEVELOPMENT AGENCY APPROVING REPAYMENT OF A LOAN INCURRED IN FISCAL YEAR 2010-11 TO PAY REMITTANCE TO THE SUPPLEMENTAL EDUCATIONAL REVENUE AUGMENTATION FUND AND TAKE CERTAIN RELATED ACTIONS

WHEREAS, the South Tahoe Redevelopment Agency (the "Former RDA") was a duly constituted redevelopment agency pursuant to provisions of the Community Redevelopment Law (the "Redevelopment Law") set forth in Section 33000 et seq. of the Health and Safety Code ("HSC") of the State of California (the "State"); and

WHEREAS, pursuant to HSC 33334.2, the Former RDA was required to maintain a Low and Moderate Income Housing Fund (the "Housing Fund") and deposit certain amounts of tax increment received by the Former RDA into the Housing Fund; and

WHEREAS, pursuant to HSC Section 33690.5(a), the Former RDA was required to make a remittance (the "FY 2010-11 SERAF Payment") to the El Dorado County Auditor-Controller for deposit into the County Supplemental Educational Revenue Augmentation Fund for fiscal year 2010-11; and

WHEREAS, pursuant to HSC Section 33690.5(c), the Former RDA was permitted to, and did, incur a loan repayable to the Housing Fund (the "SERAF Loan") to pay the FY 2010-11 SERAF Payment; and

WHEREAS, pursuant to AB X1 26 (enacted in June 2011), and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal.4th 231(2011), the Former RDA was dissolved as of February 1, 2012, the Successor Agency was established, and an oversight board to the Successor Agency (the "Oversight Board") was established, and

WHEREAS, as of the date of this Resolution, a portion of the SERAF Loan remains outstanding and unpaid, and

WHEREAS, pursuant to HSC Section 34176(b), on January 30, 2012, the City Council of the City of South Lake Tahoe (the "City") adopted Resolution No. 2012-10 re-establishing the South Lake Tahoe Housing Authority ("Authority") and designating the Authority as the successor entity with respect to the housing assets and functions of the Former RDA (the "Housing Successor"), and

WHEREAS, pursuant to HSC Section 34171(d), all funds transferred to the Housing Successor and all funds generated from housing assets must be maintained in a Low and Moderate Income Housing Asset Fund (the "Housing Asset Fund"), established and held by the Housing Successor, and

WHEREAS, pursuant to HSC Section 34171(d)(1)(G), the SERAF Loan constitutes an enforceable obligation; provided that the repayment schedule must be approved by the Oversight Board, and repayments must be transferred to the Housing Asset Fund and used in a manner consistent with the affordable housing requirements of the Redevelopment Law, and

WHEREAS, pursuant to HSC Section 34176(e)(6)(B), the aggregate repayment amount authorized each fiscal year for the SERAF Loan shall not exceed one-half of the increase between the amount distributed to taxing entities pursuant to HSC Section 34183(a)(4) in that fiscal year and the amount distributed to taxing entities pursuant to HSC Section 34183(a)(4) in the 2012-13 base year, and

WHEREAS, pursuant to HSC Sections 34176(e)(6)(B) and 34191.4(b), the repayment of the SERAF Loan will have priority over the repayment of any loan between the City and the Former RDA re-established pursuant to HSC Section 34191.4(b) (the "Re-established City Loan"), and the SERAF Loan will be repaid in full before any repayment of the Re-established Loan; and

WHEREAS, pursuant to HSC Section 34177(l), the Successor Agency must prepare a Recognized Obligation Payment Schedule ("ROPS") for each six-month fiscal period ("ROPS Period"), and

WHEREAS, the Successor Agency desires to include the repayment of the SERAF Loan on future ROPS; and

WHEREAS, the Oversight Board has received a copy of Resolution No. 2014-5, adopted by the Board of Directors of the Successor Agency on July 15, 2014.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SOUTH TAHOE REDEVELOPMENT SUCCESSOR 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 Oversight Board hereby authorizes the inclusion of a line item on future ROPS, for the repayment of the SERAF Loan, up to the maximum repayment amount calculated in accordance with HSC Section 34176(e)(6), until the SERAF Loan has been paid in full.

Section 3. The repayment of the SERAF Loan as described in Section 2 shall constitute the repayment schedule of the SERAF Loan for the purposes of HSC Section 34171(d)(1)(G). The Oversight Board hereby approves such repayment schedule.

Section 4. The members of the Oversight Board and the officers of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all instruments which they may deem necessary or advisable in order to effectuate the purposes of this Resolution.

PASSED AND ADOPTED by the Oversight Board of the Successor Agency of the South Tahoe Redevelopment Agency at a duly noticed meeting held on July 25, 2014 by the following vote:

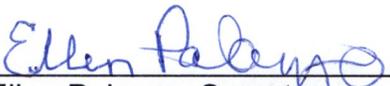
AYES: Members COLE, BAUGH, KERRY, MIKULACO, MURILLO & VOGELGESANG

NOES: Members _____

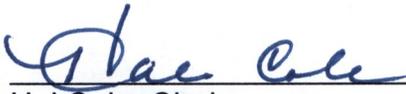
ABSTAIN: Members _____

ABSENT: Members MEYERS

ATTEST:



Ellen Palazzo, Secretary



Hal Cole, Chair