

RESOLUTION NO. OB-2013-20

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF CATHEDRAL CITY AUTHORIZING THE DISPOSITION OF SUCCESSOR AGENCY PROPERTIES IN ACCORDANCE WITH CALIFORNIA HEALTH & SAFETY CODE SECTION 34181 AND THE SUCCESSOR AGENCY'S APPROVED LONG-RANGE PROPERTY MANAGEMENT PLAN

WHEREAS, in accordance with the provisions of the California Community Redevelopment Law (Health and Safety Code section 33000, *et seq.* (“**CRL**”), the City Council of the City of Cathedral City (“**City**”) previously established the Redevelopment Agency of the City of Cathedral City, a public body, corporate and politic (“**Agency**”), to carry out the purposes of and exercise the powers granted to community redevelopment agencies in accordance with the CRL;

WHEREAS, the Agency established three redevelopment project areas, subsequently becoming a single Merged Project Area in 2006 (the “**Project Area**”), to carry out the redevelopment and revitalization of properties within the Project Area in accord with the approved redevelopment plan for the Project Area (the “**Redevelopment Plan**”) adopted under the authority of the CRL;

WHEREAS, on February 1, 2012, the Agency was dissolved in accord with Assembly Bill IX26 (Stats. 2011, 1st Ex. Sess., Ch. 5) (“**AB 26**”), and its rights, powers, duties and obligations were transferred to a “successor agency” (as defined by CRL section 34171(j) and section 34173);

WHEREAS, in accord with AB 26, the City Council took official action electing to become the Agency’s successor agency (“**Successor Agency**”) in accord with CRL sections 34173 and 34176;

WHEREAS, an oversight board (“**Oversight Board**”) was formed for the Successor Agency in accord with CRL section 34179 and it exercises the powers and carries out the responsibilities given to it under Part 1.85 of Division 24 of the CRL;

WHEREAS, the Successor Agency completed the due diligence reviews (“**DDRs**”) required under CRL section 34179.5 and submitted them for approval to the Oversight Board and the California Department of Finance (“**DOF**”), as required by CRL section 34179.6;

WHEREAS, the Oversight Board and the DOF reviewed and approved the DD Rs;

WHEREAS, following the DD Rs’ approval, the Successor Agency paid those amounts required under CRL sections 34179.5(c)(6) and 34179.6(d), as confirmed by the Riverside County Auditor-Controller in accord with CRL section 34179.6(g);

WHEREAS, the Successor Agency also paid those amounts required under CRL section 34183.5;

WHEREAS, as a result of the above-described payments, on April 17, 2013, the DOF issued the Successor Agency a “finding of completion” (“**Finding of Completion**”) as described in CRL section 34179.7;

WHEREAS, as a result of its receipt of the Finding of Completion, the Successor Agency was required to prepare a “long-range property management plan” (“**LRPMP**”) meeting the requirements of CRL section 34191.5 and submit it to the Oversight Board and the DOF for approval;

WHEREAS, the Successor Agency prepared its LRPMP in accord with CRL section 34191.5(c) and submitted it to the Oversight Board for approval;

WHEREAS, on September 26, 2013, the Oversight Board approved the LRPMP and directed that it be submitted to the DOF for approval in accord with CRL section 34191.5(b);

WHEREAS, as required by CRL section 34191.5(a), the Successor Agency has established a “Community Redevelopment Property Trust Fund” (“**CRPTF**”);

WHEREAS, the LRPMP categorizes the former Agency’s properties identified by the Successor Agency under CRL 34179.5(c)(5)(C) into the following groups: (i) seventeen (17) parcels that are to be retained for governmental use under CRL section 34181(a) (“**Governmental Use Parcels**”); (ii) one (1) parcel that is subject to an enforceable obligation under CRL section 34191.5(c)(2) (“**Enforceable Obligation Parcel**”); (iii) one hundred nine (109) parcels that are to be sold and the proceeds distributed to the Riverside County Auditor-Controller for distribution to other taxing entities in accord with CRL section 34191.5(c)(2)(B) (“**Disposition Parcels**”);

WHEREAS, CRL section 34181(a) requires the Oversight Board to direct the Successor Agency to dispose of all the Agency’s non-housing assets and properties; and

WHEREAS, the Oversight Board has adopted this Resolution at a public meeting held no less than ten (10) days after public notice of the specific actions authorized by this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF CATHEDRAL CITY AS FOLLOWS:

Section 1. Transfer of Properties into the CRPTF. As required by CRL sections 34191.4(a) and 34191.5(c)(2), following the DOF’s approval of the LRPMP, the Successor Agency is directed to deposit all Parcels identified in the LRPMP other than the Enforceable Obligation Parcel into the CRPTF.

Section 2. Transfer of Governmental Use Parcels. Following the DOF’s approval of the LRPMP, the Successor Agency is directed to transfer all Governmental Use Parcels from the CRPTF to the City at no cost.

Section 3. Liquidation of Disposition Parcels.

(1) Following the DOF's approval of the LRPMP, the Successor Agency is directed to liquidate all Disposition Parcels for no less than the values attributed to each Disposition Parcel in the LRPMP and distribute the monetary sales proceeds to the Riverside County Auditor-Controller for distribution to the taxing agencies in accord with CRL section 34191.5(c)(2)(B). The Successor Agency may begin marketing of the Disposition Parcels prior to the DOF's approval of the LRPMP and may enter into negotiations pertaining to the terms of their sale or other disposition, but no Disposition Parcel may be sold, leased, encumbered or otherwise transferred until after the DOF's approval of the LRPMP. The Disposition Parcels may be disposed of individually or grouped together, as described in the LRPMP.

(2) The Successor Agency is authorized to liquidate all of the Disposition Parcels as soon as reasonably practicable, consistent with maximizing value. The Successor Agency is not required to return to the Oversight Board or to the DOF for approval of the sale or transfer of any Disposition Parcel as to which (a) a binding purchase and sale or similar agreement has been entered into by the Successor Agency within one hundred eighty (180) days after the DOF's approval of the LRPMP, and (b) the total monetary and non-monetary consideration to be received by the Successor Agency is no less than the value ascribed to that Disposition Parcel in the LRPMP. Any proposed sale or transfer which does not satisfy both of the foregoing conditions must be presented to the Oversight Board for review and approval prior to the consummation of the sale or transfer.

Section 4. Retention of Enforceable Obligation Parcel. The Successor Agency is directed to retain the Enforceable Obligation Parcel for disposition in accord with the applicable enforceable obligation.

Section 5. Ratification of Prior Acts and Authority for Future Acts. The Successor Agency and its staff are authorized and directed to do any and all things, and to execute any and all documents, which they may deem necessary or advisable to effectuate this Resolution. Any previously-taken acts or previously-executed documents are ratified.

Section 6. CEQA. This Resolution has been reviewed with respect to the applicability of the California Environmental Quality Act (Public Resources Code section 21000 *et seq.*) ("CEQA"). Pursuant to the State CEQA Guidelines (14 Cal Code Regs section 15000 *et seq.*) (the "Guidelines"), the Oversight Board has determined that the approvals and authorizations given by this Resolution are not a project under CEQA and that the adoption of this Resolution is exempt therefrom because it is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment (Guidelines section 15378(b)(5)). Further, it can be seen with certainty that there is no possibility that the approvals and authorization may have a significant effect on the environment because this Resolution does not authorize the development of land or permit any new use of land which will result in a significant effect on the environment and, thus, the action is exempt from CEQA (Guidelines section 15061(b)(3)). The Successor Agency is directed to prepare and post a notice of exemption pursuant to Guidelines section 15062.

Section 7. Effectiveness. This Resolution will become effective as provided by CRL section 34181(f).

The foregoing Resolution was duly and regularly adopted at a regular meeting of the Oversight Board to the Successor Agency of the Redevelopment Agency of Cathedral City held on September 26, 2013 by the following vote:

AYES: Aguilar, Bradley, Howell, Henry, Scott

NOES: Ø

ABSENT: De Rosa, Ellis

ABSTAIN: Ø

APPROVED:

Paul E. Bradley
CHAIR

ATTEST:
[Signature]
Oversight Board Secretary