



Legislation Text

File #: 17-004, **Version:** 1

RESOLUTION of the City Council of San Leandro Approving an Agreement Regarding Expenditure of Excess Bond Proceeds and Authorizing the Acceptance of the Transfer of Excess Bond Proceeds from the Successor Agency to the Redevelopment Agency of the City of San Leandro to the City of San Leandro

WHEREAS, pursuant to authority granted under Community Redevelopment Law (California Health and Safety Code Section 33000 *et seq.*) (the "CRL"), the former Redevelopment Agency of the City of San Leandro ("Redevelopment Agency") had responsibility to implement the three redevelopment plans for the San Leandro Redevelopment Project Area (collectively, the "Project Area"); and

WHEREAS, pursuant to that certain Indenture of Trust dated as of July 1, 2008 and executed by and between the Redevelopment Agency and U.S. Bank, National Association, as Trustee (the "Indenture"), the Redevelopment Agency issued Tax Allocation Bonds in the original principal amount of \$27,530,000 (the "Bonds"); and

WHEREAS, pursuant to Resolution 2012-001, adopted by the City Council of the City of San Leandro (the "City Council") on January 9, 2012, the City Council agreed to serve as the governing board to the Successor Agency commencing upon dissolution of the Redevelopment Agency on February 1, 2012, pursuant to Assembly Bill x1 26 (as further amended by AB 1484 and SB 107, the "Dissolution Law"); and

WHEREAS, pursuant to the Dissolution Law, on October 28, 2015 the Successor Agency was granted a Finding of Completion from the California State Department of Finance (the "DOF"); and

WHEREAS, Health and Safety Code Section 34191.4(c) of the Dissolution Law provides that once a successor agency has received a finding of completion, the successor agency is authorized to use the proceeds of bonds issued on or before December 31, 2010, for the purposes for which the bonds were sold and is further authorized to expend bond proceeds in excess of amounts needed to satisfy previously approved enforceable obligations ("Excess Bond Proceeds") in a manner consistent with the original bond covenants; and

WHEREAS, Health and Safety Code Section 34191.4(c) further provides that the expenditure of Excess Bond Proceeds must be listed separately on the Recognized Obligation Payment Schedule ("ROPS"); and

WHEREAS, the Successor Agency currently holds approximately \$2,300,000 in available Excess Bond Proceeds that can be used to pay all or a portion of the costs of projects located in the Project Area, as set forth in the redevelopment financing plan; and

WHEREAS, Successor Agency staff prepared an Agreement Regarding Expenditure of Excess Bond Proceeds ("Agreement") that provides for a transfer of One Million, Seven Hundred Sixty-Four, Five Hundred Twenty-Six Dollars (\$1,764,526) in Excess Bond Proceeds to the City and commits the City to use the Excess Bond Proceeds for purposes set forth in the Agreement and consistent with the Bond covenants; and

WHEREAS, the execution of the Agreement and the acceptance of Excess Bond Proceeds is subject to approval by the Successor Agency; and

WHEREAS, the execution of the Agreement and the transfer of Excess Bond Proceeds to the City are also subject to approval by the Oversight Board to the Successor Agency.

NOW, THEREFORE, IT IS RESOLVED by the City Council of the City of San Leandro that:

1. The facts stated in the foregoing Recitals are hereby acknowledged and affirmed.
2. The Agreement is approved, and the City Manager or his designee is authorized to execute the Agreement on behalf of the City of San Leandro substantially in the form presented to this Council.
3. The City is authorized and directed to accept the transfer of the Excess Bond Proceeds from the Successor Agency to use for purposes consistent with the Agreement, the Bond covenants, and the applicable provisions of the CRL.
4. The City Manager and his designees are authorized to take such further actions as may be necessary to carry out the intent of this Resolution.