

RESOLUTION NO. 12-07

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEASIDE MAKING AN ELECTION IN CONNECTION WITH HOUSING ASSETS AND FUNCTIONS UNDER PART 1.85 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE 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 Redevelopment Agency of the City of Seaside (the "Redevelopment Agency"), a redevelopment agency in the City of Seaside (the "City"), created pursuant to the Redevelopment Law, was dissolved pursuant to Part 1.85 on February 1, 2012.

E. Health and Safety Code Section 34176(a) authorizes a city that created a redevelopment agency to elect to retain the housing assets and functions previously performed by the redevelopment agency. Pursuant to Section 34176(a), if a city elects to retain the responsibility for performing housing functions previously performed by the redevelopment agency, all rights, powers, duties, and obligations, excluding any amounts on deposit in the Low and Moderate Income Housing Fund, shall be transferred to the City.

F. Health and Safety Code Section 34176(b) provides that if a city does not elect to retain the responsibility for performing housing functions previously performed by the redevelopment agency, all rights, powers, assets, liabilities, duties, and obligations associated with the housing activities of the redevelopment agency, excluding any amounts in the Low and Moderate Income Housing Fund, shall be transferred as follows: (1) where there is no local housing authority in the territorial jurisdiction of the former redevelopment agency, to the Department of Housing and Community Development; (2) where there is one local housing

authoring in the territorial jurisdiction of the former redevelopment agency, to that local housing authority; and (3) where there is more than one local housing authority in the territorial jurisdiction of the former redevelopment agency, to the local housing authority selected by the city that authorized the creation of the redevelopment agency.

G. The Housing Authority of Monterey County is in the territorial jurisdiction of the former Redevelopment Agency.

H. Health and Safety 34176(c) provides that the entity assuming the housing functions formerly performed by the redevelopment agency may enforce affordability covenants and perform related activities pursuant to applicable provisions of the Redevelopment Law, including, but not limited to, Health and Safety Code Section 33418.

I. The City Council desires to adopt this resolution in connection with the housing assets and functions previously performed by the Redevelopment Agency.

NOW, THEREFORE, THE CITY COUNCIL 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 34176.

Section 3. Pursuant to Health and Safety Code Section 34176(a), the City Council hereby elects for the City to retain the housing assets, as allowed by law, and functions previously performed by the Redevelopment Agency and hereby accepts the transfer of all rights, powers, duties, and obligations associated with the housing activities of the Redevelopment Agency. The City Council reserves its right to rescind this election and to subsequently determine that all of the rights, powers, assets, liabilities, duties, and obligations associated with the housing activities of the Redevelopment Agency shall be transferred to the housing authority selected by the City.

Section 4. The officers and staff of the City are hereby authorized and directed, jointly and severally, to make all notifications of the Council's election, as set forth in Section 3 hereof, as deemed necessary or advisable and to execute all documents and take all actions which they may deem necessary or advisable to effectuate this Resolution, and any such actions previously taken by such officers and staff are hereby ratified and confirmed.

Section 5. The adoption of this Resolution is not intended to and shall not constitute a waiver by the City of any right the City may have to challenge the legality of all or any portion of AB X1 26 through administrative or judicial proceedings.

Section 6. This Resolution has been reviewed with respect to applicability of the California Environmental Quality Act (“CEQA”), the State CEQA Guidelines (California Code of Regulations, Title 14, Sections 15000 *et seq.*, hereafter the “Guidelines”), and the City’s environmental guidelines. The City Council has determined that this Resolution is not a “project” for purposes of CEQA, as that term is defined by Guidelines Section 15378, because this Resolution is an organizational or administrative activity that will not result in a direct or indirect physical change in the environment. (Guidelines Section 15378(b) (5)).

Section 7. This Resolution shall take effect immediately upon its adoption.

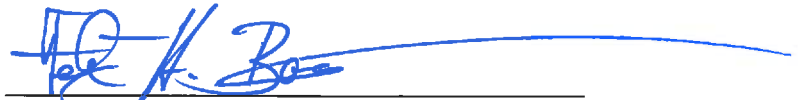
PASSED AND ADOPTED this 2nd day of February, 2012.

AYES: ALEXANDER; EDWARDS; OGLESBY; BLOOMER; BACHOFNER

NOES:

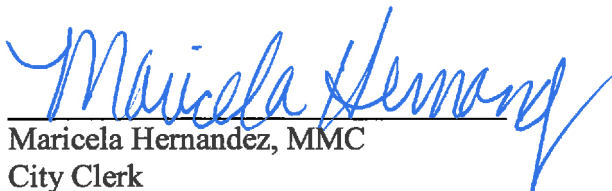
ABSENT:

ABSTAIN:



Felix H. Bachofner, Mayor

ATTEST:



Maricela Hernandez, MMC
City Clerk