



SAN RAFAEL
THE CITY WITH A MISSION

Agenda Item No: SA 1.a

Meeting Date: June 17, 2024

SAN RAFAEL SUCCESSOR AGENCY AGENDA REPORT

Department: Finance

Prepared by: Paul Navazio, Finance Director

Shawn Plate, Finance Manager

City Manager Approval:

A handwritten signature in blue ink, appearing to be 'CP'.

TOPIC: AGENCY DISSOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER SAN RAFAEL REDEVELOPMENT AGENCY

SUBJECT: RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN RAFAEL IN THE MATTER OF APPROVING A REQUEST TO FORMALLY DISSOLVE THE SUCCESSOR AGENCY

RECOMMENDATION:

Adopt a resolution formally requesting dissolution of the Successor Agency to the former San Rafael Redevelopment Agency.

BACKGROUND:

On December 29, 2011, the California Supreme Court delivered its decision in the *California Redevelopment Association v. Matosantos* case, finding Assembly Bill X1 26, eliminating redevelopment agencies in California, largely constitutional. The Court's decision meant that all California redevelopment agencies, including the San Rafael Redevelopment Agency, were dissolved on February 1, 2012.

On January 3, 2012, the San Rafael City Council elected to act as the Successor Agency for the former San Rafael Redevelopment Agency. The Successor Agency then held the former Redevelopment Agency's unobligated funds. It was charged with the responsibility of paying off the former Redevelopment Agency's existing debts, disposing of the former Redevelopment Agency's properties and assets to help pay off debts and return revenues to the local government entities that receive property taxes, and winding up the affairs of the former Redevelopment Agency.

Per Health and Safety Code (HSC) section 34187, the Successor Agency must submit to the Oversight Board, with a copy of the request to the County Auditor-Controller, a request to dissolve once the following three conditions have been met:

- All of the enforceable obligations on the Recognized Obligation Payment Schedule have been retired or paid off
- All real property has been disposed of pursuant to HSC section 34181 or 34191.4
- All outstanding litigation has been resolved

FOR CITY CLERK ONLY

Council Meeting:

Disposition:

ANALYSIS:

Staff has confirmed that all three conditions precedent to the dissolution of the Successor Agency have been met with the final, enforceable obligation paid off on December 1, 2022. Additionally, there is no outstanding litigation, and all real property has been disposed of in accordance with HSC section 34181 or 34191.4 as a result of [Resolution 2016-02](#), adopted June 20, 2016.

FISCAL IMPACT:

There is no fiscal impact to adopting the resolution.

OPTIONS:

The City Council has the following options to consider on this matter:

1. Adopt the resolution.
2. Adopt a modified resolution.
3. Do not adopt the resolution.

RECOMMENDED ACTION:

Adopt a resolution formally requesting dissolution of the Successor Agency to the former San Rafael Redevelopment Agency.

ATTACHMENT:

1. Resolution

RESOLUTION NO.

**A RESOLUTION OF THE
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF SAN RAFAEL
IN THE MATTER OF APPROVING
A REQUEST TO FORMALLY DISSOLVE THE SUCCESSOR AGENCY**

WHEREAS, on December 29, 2011, the California Supreme Court delivered its decision in California Redevelopment Association v. Matosantos (“Matosantos”), finding Assembly Bill X1 26 (the “Dissolution Act”) largely constitutional; and

WHEREAS, under the Dissolution Act and the California Supreme Court’s decision in *Matosantos*, all California redevelopment agencies, including the San Rafael Redevelopment Agency of the City of San Rafael (“Former Agency”), were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of winding down the business and fiscal affairs of the former redevelopment agencies; and

WHEREAS, on January 3, 2012 the City Council of the City of San Rafael (the “City”), acting in a separate limited capacity and known as the Successor Agency to the former San Rafael Redevelopment Agency (the “Successor Agency”), elected to serve as the successor agency to the Former Agency as defined in the Dissolution Act; and

WHEREAS, pursuant to Dissolution Act (with particular reference to the Health and Safety Code (HSC) Section 34179), the Oversight Board was formed to oversee the activities of the Successor Agency; and

WHEREAS, in accordance with HSC Section 34187(b), when all enforceable obligations have been retired or paid off, all real property has been disposed of pursuant to HSC 34181 or 34191.4, and all outstanding litigation has been resolved, a successor agency shall, within 30 days of meeting the aforementioned criteria, submit to the oversight board a request, with a copy of the request to the County Auditor–Controller, to formally dissolve the successor agency. The oversight board shall approve the request within 30 days, and shall submit the request to the Department of Finance; and

WHEREAS, the City Council, acting as the Governing Board of the Successor Agency, has been provided substantial evidence that all enforceable obligations have been paid off, all real property assets have been disposed of pursuant to HSC 34181 or 34191.4, and all outstanding litigation has been resolved pursuant HSC 34187(b); and

WHEREAS, the Dissolution Act (with particular reference to the HSC Section 34187(b)) provides that the Oversight Board is to approve of the request by the Successor Agency for dissolution and direct disposal of all remaining assets; and

WHEREAS, the staff report and attachments accompanying this resolution (“Staff Report”), contains additional information and documentation upon which the findings and action set forth in this Resolution are based; and

NOW, THEREFORE, BE IT RESOLVED by the City Council, acting as the Governing Board of the Successor Agency, that the recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

BE IT FURTHER RESOLVED, that all necessary public hearings and opportunities for public testimony and comment have been conducted in compliance with State law.

BE IT FURTHER RESOLVED, that the City Council acting as the Governing Board to the Successor Agency hereby finds and determines that, based upon substantial evidence provided by the Successor Agency, that the Successor Agency has completed its prescribed obligations under HSC 34187(b) and approves the request to formally dissolve the Successor Agency as appropriate under State law.

BE IT FURTHER RESOLVED, that subject to approval of the County Oversight Board and Department of Finance (as needed), the Successor Agency is hereby directed to dispose of all remaining assets and any proceeds remitted to the County Auditor-Controller for distribution to the taxing entities.

BE IT FURTHER RESOLVED, that the City Manager as Executive Director of the Successor Agency or designee is authorized to take such additional actions as the County Oversight Board and Department of Finance may require in order to obtain approval for dissolution.

BE IT FURTHER RESOLVED, that the City Council acting as the Governing Board hereby directs the Successor Agency's Secretary to transmit a copy of this Resolution to the Oversight Board (with an additional copy to the County Auditor-Controller) to formally request to dissolve the Successor Agency.

BE IT FURTHER RESOLVED, that the approval of this Resolution does not commit the City or the Successor Agency to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

BE IT FURTHER RESOLVED, that if any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable.

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately upon its adoption.

I, **Lindsay Lara**, Secretary to the Successor Agency, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted at a regular meeting of the San Rafael Successor Agency, held on Monday, the 17th day of June 2024, by the following vote, to wit:

AYES: **Councilmembers:**

NOES: **Councilmembers:**

ABSENT: **Councilmembers:**

Lindsay Lara, City Clerk