

RESOLUTION NO. 7195

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS
TAKING CERTAIN ACTIONS WITH RESPECT TO THE PROVISION OF A
LOAN TO THE SUCCESSOR AGENCY TO THE FORMER
REDEVELOPMENT AGENCY OF THE CITY OF REDLANDS

RECITALS

WHEREAS, on November 1, 2011, the City Council of the City of Redlands (the "City") approved Resolution 7089 electing to serve as a successor agency to the former redevelopment agency of the City of Redlands (the "Successor Agency") pursuant to Section 34173 of the Health and Safety Code; and

WHEREAS, Assembly Bill No. 1484 was signed by the Governor of California on June 27, 2012, adding among other things, Chapter 9 (commencing with Section 34191.1) to Part 1.85 of Division 24 of the California Health and Safety Code; and

WHEREAS, on July 9, 2012 the Successor Agency received a demand for payment in the amount of Two Million Eight Hundred Sixty Seven Thousand Fifty Two Dollars (\$2,867,052) from the San Bernardino County Auditor-Controller/Treasurer/Tax Collector pursuant to Section 34183.5(b)(2)(A) of Assembly Bill No. 1484; and

WHEREAS, On July 11, 2012 the Successor Agency received a revised demand for payment in the amount of Two Million Six Hundred One Thousand Two Hundred Sixty Nine Dollars (\$2,601,269) (the "Payment") from the San Bernardino County Auditor-Controller/Treasurer/Tax Collector pursuant to Section 34183.5(b)(2)(A) of Assembly Bill No. 1484; and

WHEREAS, pursuant to Section 34183.5(b)(2)(C) of Assembly Bill No. 1484, if the Successor Agency fails to make the Payment by July 12, 2012, the Successor Agency will be subject to a penalty of 10% of the amount owed, plus 1.5% for each additional month that the Payment is late, and the City shall not receive its distribution of sales and use tax scheduled for July 18, 2012, or any subsequent distribution, until the required Payment is made; and

WHEREAS, the Successor Agency does not have sufficient funds in its Redevelopment Obligation Retirement Fund to make the payment and, pursuant to Section 34173(h) of the Health and Safety Code, the city that authorized the creation of a redevelopment agency may loan or grant funds to a successor agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion; and

WHEREAS, it is in the best interest of the City that the Successor Agency make the Payment to the San Bernardino County Auditor-Controller/Treasurer/Tax Collector so that the City shall receive its distribution of sales and use tax scheduled for July 18, 2012; and

WHEREAS, the loan would be evidenced by a promissory note requiring repayment of

the loan by the Successor Agency including interest accrued at the current State of California Local Agency Investment Fund interest rate of 0.38%, and the receipt of the funds shall be reflected on Recognized Obligation Payment Schedule or the administrative budget of the Successor Agency and therefore subject to the oversight and approval of the Oversight Board.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Redlands 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 34173.

Section 3. The City Council hereby authorizes a loan to the Successor Agency in the amount of Sixty Five Thousand Six Hundred Seven and Thirty Seven One Hundredths Dollars (\$65,607.37) and authorizes the Mayor of City of Redlands, or any City Councilmember, to execute loan documents.

Section 4. The adoption of this Resolution is not intended and shall not constitute a waiver by the City or the Successor Agency of any right the City or Successor Agency may have to challenge all or any portion of Assembly Bill No. 1484, or the demand for the Payment, through administrative or judicial proceedings.

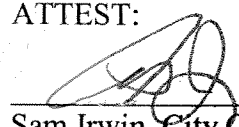
Section 5. This Resolution has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Sections 15000 *et seq.*, hereafter the "Guidelines"), and the City's environmental guidelines. The City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

ADOPTED, SIGNED AND APPROVED this 11th day of July, 2012.



Peter Aguilar, Mayor

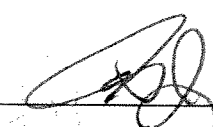
ATTEST:



Sam Irwin, City Clerk

I, Sam Irwin, City Clerk of the City of Redlands, hereby certify that the foregoing Resolution was duly adopted by the City Council at a special meeting thereof, held on the 11th day of July, 2012, by the following vote:

AYES: Councilmembers Foster, Harrison, Gardner; Mayor Aguilar
NOES: None
ABSTAIN: None
ABSENT: Councilmember Bean



Sam Irwin, City Clerk