

**TAFT CITY COUNCIL/SUCCESSOR AGENCY
SPECIAL MEETING AGENDA
THURSDAY, JANUARY 28, 2016
CITY HALL ADMINISTRATIVE CONFERENCE ROOM
209 E. KERN ST., TAFT, CA 93268**

AS A COURTESY TO ALL - PLEASE TURN OFF CELL PHONES

Any writings or documents provided to a majority of the City Council regarding any item on this agenda are made available for public inspection in the lobby at Taft City Hall, 209 E. Kern Street, Taft, CA during normal business hours (SB 343).

SPECIAL MEETING

9:30 A.M.

Pledge of Allegiance

Invocation

Roll Call: Mayor Miller
Mayor Pro Tem Noerr
Council Member Bryant
Council Member Hill
Council Member Krier

1. CITIZEN REQUESTS/PUBLIC COMMENTS

THIS IS THE TIME AND PLACE FOR THE GENERAL PUBLIC TO ADDRESS THE CITY COUNCIL ON MATTERS WITHIN ITS JURISDICTION. STATE LAW PROHIBITS THE COUNCIL FROM ADDRESSING ANY ISSUE NOT PREVIOUSLY INCLUDED ON THE AGENDA. COUNCIL MAY RECEIVE COMMENT AND SET THE MATTER FOR A SUBSEQUENT MEETING. PLEASE LIMIT COMMENTS TO FIVE MINUTES.

2. APPROVING REINSTATEMENT AND REPAYMENT OF LOANS MADE TO THE FORMER TAFT COMMUNITY DEVELOPMENT AGENCY (TCDA) BY THE CITY OF TAFT

Recommendation – Motion to adopt a resolution entitled **A RESOLUTION OF THE SUCCESSOR AGENCY TO THE TAFT COMMUNITY DEVELOPMENT AGENCY APPROVING REINSTATEMENT AND REPAYMENT OF CERTAIN PRIOR LOANS MADE TO THE FORMER AGENCY BY THE CITY OF TAFT; FINDING THE PRIOR LOANS WERE FOR LEGITIMATE REDEVELOPMENT PURPOSES PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.4(b); AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH.**

3. SETTLEMENT AGREEMENT AMONG THE SUCCESSOR AGENCY, THE KERN COUNTY SUPERINTENDENT OF SCHOOLS AND THE TAFT CITY SCHOOL DISTRICT

Recommendation – Motion to adopt a resolution entitled **A RESOLUTION OF THE SUCCESSOR AGENCY TO THE TAFT COMMUNITY DEVELOPMENT AGENCY APPROVING A SETTLEMENT AGREEMENT AND MUTUAL RELEASE REGARDING STATUTORY PASS THROUGH OBLIGATIONS AMONG THE SUCCESSOR AGENCY, THE KERN COUNTY SUPERINTENDENT OF SCHOOLS AND THE TAFT CITY SCHOOL DISTRICT AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH**

4. RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 16-17) FOR JULY 2016 THROUGH JUNE 2017

Recommendation –

- 1) Motion to adopt a resolution entitled **A RESOLUTION OF THE SUCCESSOR AGENCY TO THE DISSOLVED TAFT COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TAFT APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 16-17) FOR THE PERIOD JULY 1, 2016 THROUGH JUNE 30, 2017, PURSUANT TO THE PROVISIONS SET FORTH IN HEALTH AND SAFETY CODE SECTION 34177**
- 2) Direct Staff to present the ROPS 16-17 to the Oversight Board for approval.

City of Taft Council/Successor Agency Special Meeting

Agenda

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ADJOURNMENT

AMERICANS WITH DISABILITIES ACT

(Government Code Section 54943.2)

The City of Taft City Council Chamber is accessible to persons with disabilities. Disabled individuals who need special assistance (including transportation) to attend or participate in a meeting of the Taft City Council may request assistance at the Office of the City Clerk, City of Taft, 209 E. Kern Street, Taft, California or by calling (661) 763-1222. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.

AFFIDAVIT OF POSTING

I, Darnell Rowe, declare as follows:

That I am the Deputy City Clerk for the City of Taft; that an agenda was posted on a public information bulletin board located near the door of the Civic Center Council Chamber on January 27, 2016, pursuant to 1987 Brown Act Requirements.

I declare under penalty of perjury that the foregoing is true and correct.
Executed January 27, 2016, at Taft, California.

Date/Time _____ Signature _____



City of Taft / Successor Agency Agenda Report

DATE: JANUARY 28, 2016

TO: MAYOR MILLER AND COUNCIL MEMBERS

AGENDA MATTER:

APPROVING REINSTATEMENT AND REPAYMENT OF LOANS MADE TO THE FORMER TAFT COMMUNITY DEVELOPMENT AGENCY (TCDA) BY THE CITY OF TAFT

SUMMARY STATEMENT:

The Successor Agency administers the enforceable obligations of the former Agency and otherwise unwinds the Agency's affairs, all subject to the review and approval by a seven-member oversight board ("Oversight Board"); and pursuant to Health and Safety Code Section 34191.4(b), loan agreements entered into between the Agency and the City may be considered enforceable obligations; provided that the following conditions are satisfied: (1) the Department of Finance ("DOF") must have issued a Finding of Completion to the Successor Agency; (2) the Oversight Board must find that the loans were made for legitimate redevelopment purposes and must approve repayment of the loans as enforceable obligations in the Recognized Obligation Payment Schedule ("ROPS"); and (3) the Oversight Board's action is subject to review and approval by the DOF.

The City and Successor Agency desire to reinstate the Prior Loan previously made by the City to the Agency by entering into that certain Loan Agreement for Reinstated City/Agency Loan Pursuant to Health and Safety Code Section 34191.4 in substantially the form

RECOMMENDED ACTION:

Motion to adopt a resolution entitled **A RESOLUTION OF THE SUCCESSOR AGENCY TO THE TAFT COMMUNITY DEVELOPMENT AGENCY APPROVING REINSTATEMENT AND REPAYMENT OF CERTAIN PRIOR LOANS MADE TO THE FORMER AGENCY BY THE CITY OF TAFT; FINDING THE PRIOR LOANS WERE FOR LEGITIMATE REDEVELOPMENT PURPOSES PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.4(b); AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH.**

IMPACT ON BUDGET (Y/N): Yes

ATTACHMENT (Y/N): Yes, Resolution

PREPARED BY: Teresa Binkley, Finance Director

SUCCESSOR AGENCY RESOLUTION NO. _____

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE TAFT COMMUNITY DEVELOPMENT AGENCY APPROVING REINSTATEMENT AND REPAYMENT OF CERTAIN PRIOR LOANS MADE TO THE FORMER AGENCY BY THE CITY OF TAFT; FINDING THE PRIOR LOANS WERE FOR LEGITIMATE REDEVELOPMENT PURPOSES PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.4(b); AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH

WHEREAS, the former Taft Community Development Agency (the “Agency”) was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.* (the “CRL”), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Taft (the “City”); and

WHEREAS, Assembly Bill 1x 26, chaptered and effective on June 28, 2011 (“AB1x 26”), added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 (“AB 1484”), chaptered and effective on June 27, 2012 (as further amended from time to time, the “Dissolution Act”); and

WHEREAS, as of February 1, 2012 the Agency was dissolved pursuant to the Dissolution Act and the City Council serves as the governing board of the Successor Agency to the Taft Community Development Agency (the “Successor Agency”); and

WHEREAS, the Successor Agency administers the enforceable obligations of the former Agency and otherwise unwinds the Agency’s affairs, all subject to the review and approval by a seven-member oversight board (“Oversight Board”); and

WHEREAS, AB 1484 added Health and Safety Code Section 34191.4 to the Dissolution Act, which allows reinstatement of loans previously made by the City to Agency, under certain conditions; and

WHEREAS, pursuant to Health and Safety Code Section 34191.4(b), loan agreements entered into between the Agency and the City may be considered enforceable obligations; provided that the following conditions are satisfied: (1) the Department of Finance (“DOF”) must have issued a Finding of Completion to the Successor Agency; (2) the Oversight Board must find that the loans were made for legitimate redevelopment purposes and must approve repayment of the loans as enforceable obligations in the Recognized Obligation Payment Schedule (“ROPS”); and (3) the Oversight Board’s action is subject to review and approval by the DOF; and

WHEREAS, the DOF issued the Finding of Completion to the Successor Agency on September 12, 2014; and

WHEREAS, prior to the dissolution of the Agency, the City loaned money to the Agency from time to time (collectively, the “Prior Loan”); and

WHEREAS, the Prior Loan was disbursed over the course of several years and was structured to come due every June 30; if not paid, then principal and accrued interest owed by the former Agency to the City were included in a new loan for the next fiscal year, which would become due and payable the following June 30; and

WHEREAS, as of February 1, 2012, the date the Agency was dissolved, the Agency owed the City the Prior Loan in the principal amount of \$2,457,797.91 (the “Loan Amount”); and

WHEREAS, proceeds of the Prior Loan were disbursed to the Agency over the course of six years and were used by the Agency to purchase real property for redevelopment projects, to fund required Supplemental Educational Revenue Augmentation Fund (“SERAF”) payments, and to pay certain operating costs of the former Agency; and

WHEREAS, the City and Successor Agency desire to reinstate the Prior Loan previously made by the City to the Agency by entering into that certain Loan Agreement for Reinstated City/Agency Loan Pursuant to Health and Safety Code Section 34191.4 in substantially the form attached hereto as Exhibit A and incorporated herein (the “Loan Agreement”); and

WHEREAS, after reinstatement of the Prior Loan pursuant to Health and Safety Code Section 34191.4(b), AB 1484 restricts the repayment of the Prior Loan in accordance with the formula set forth in Health and Safety Code Section 34191.4(b).

NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE TAFT COMMUNITY DEVELOPMENT AGENCY:

- Section 1. The foregoing recitals are true and correct and constitute a substantive part of this Resolution.
- Section 2. The Successor Agency hereby finds and determines, based on all the evidence in the record before it, that the Prior Loan was validly entered into in accordance with the California Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.*, including without limitation Health and Safety Code Sections 33132 and 33220, for valid redevelopment purposes, and that the Prior Loan was therefore made for legitimate redevelopment purposes. The foregoing finding is based on evidence that the proceeds of the Prior Loan were used by the Agency to purchase real property for redevelopment projects pursuant to the California Community Redevelopment Law and the Redevelopment Plan for the Taft Redevelopment Project No. 1 (the “Redevelopment Plan”). Other proceeds of the Prior Loan were used by the Agency to make SERAF payments, as required by the CRL. Finally, certain proceeds of the Prior Loan were used to pay operating costs of the former Agency, without which the Agency could not have continued to pursue its redevelopment activities under the Redevelopment Plan and the CRL.
- Section 3. The Successor Agency further finds and determines, based on all the evidence in the record before it, that upon approval thereof by the Oversight Board and the DOF, the Loan Agreement shall constitute an enforceable obligation within the meaning of Section 34171(d) of the Dissolution Act.
- Section 4. The Successor Agency hereby finds and determines, based on all the evidence in the record before it, that the Prior Loan, as reinstated pursuant to the Loan Agreement, constitutes an enforceable obligation eligible for payment through the ROPS from Redevelopment Property Tax Trust Fund (“RPTTF”) moneys, in accordance with the formula set forth in Health and Safety Code Section 34191.4(b).
- Section 5. The Successor Agency hereby approves the reinstatement of the Prior Loan pursuant to the Loan Agreement, including the recalculation of interest on the Prior Loan at a simple 3% interest rate. The Successor Agency Executive Director is hereby authorized and directed to create and update a defined payment schedule from time to time, as appropriate, to reflect the actual amount of RPTTF moneys available for payment to the taxing entities (and therefore available for payment of amounts due under the Loan Agreement) in each fiscal year

following reinstatement of the Prior Loan pursuant to this Agreement. Such defined payment schedule shall reflect the recalculation of interest on the unpaid balance of the Prior Loan from the date of origination of the Prior Loan and thereafter as described in the Loan Agreement.

- Section 6. The Successor Agency hereby directs the Successor Agency Executive Director to include repayment of the Prior Loan on the annual ROPS covering the period from July 1, 2016 through June 30, 2017 and to take all actions necessary and appropriate to accomplish the repayment of the Prior Loan to the City, including without limitation including the Prior Loan and the Loan Agreement on each ROPS until the Loan Amount, including interest, is repaid to the City in full (including all required deposits into the Low and Moderate Income Housing Asset Fund held by the housing successor, as provided by Health and Safety Code Section 34191.4(b)(3)(C)).
- Section 7. All unpaid amounts owing under the Loan Agreement shall continue to accrue interest and shall either be paid from excess available RPTTF moneys in future ROPS periods or the defined payment schedule for the Prior Loan shall be extended to provide for payment of such unpaid amounts, in the option of the City. In such event, the defined payment schedule shall be modified to reflect the method of repayment of such unpaid amounts.
- Section 8. The Chair and Secretary of the Successor Agency shall sign the passage and adoption of this Resolution and thereupon the same shall take effect and be in force.
- Section 9. The Successor Agency Executive Director is hereby directed to transmit this Resolution and the accompanying staff report and all exhibits thereto, each of which is incorporated herein, to the Oversight Board for approval pursuant to Health and Safety Code Section 34191.4(b) and, upon receiving Oversight Board approval thereof, to the DOF pursuant to Health and Safety Code Section 34179(h).

APPROVED AND ADOPTED this 28th day of January, 2016.

Chair
Successor Agency to the
Taft Community Development Agency

ATTEST:

Secretary
Successor Agency to the
Taft Community Development Agency

EXHIBIT A

**LOAN AGREEMENT FOR REINSTATED CITY/AGENCY LOAN
PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.4**

[Attached on following pages]

**LOAN AGREEMENT
FOR REINSTATED CITY/AGENCY LOAN PURSUANT TO
HEALTH AND SAFETY CODE SECTION 34191.4**

This **LOAN AGREEMENT FOR REINSTATED CITY/AGENCY LOAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.4** (“Agreement”) is dated as of January 1, 2016 for purposes of identification (“Date of Agreement”) and entered into between the **CITY OF TAFT**, a California municipal corporation, (“City”) and the **SUCCESSOR AGENCY TO THE TAFT COMMUNITY DEVELOPMENT AGENCY**, a public body corporate and politic pursuant to Parts 1.8 and 1.85 of Division 24 of the California Health & Safety Code (“Successor Agency”).

RECITALS

A. The City is a municipal corporation organized and operating under the laws of the State of California.

B. The Successor Agency is a public body corporate and politic, organized and operating under Parts 1.8 and 1.85 of Division 24 of the California Health and Safety Code, and the successor the former Taft Community Development Agency (“former Agency”) that was previously a community redevelopment agency organized and existing pursuant to the Community Redevelopment Law, Health and Safety Code Section 33000, *et seq.*

C. Assembly Bill x1 26 (“AB x1 26”) added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code and which laws were modified, in part, and determined constitutional by the California Supreme Court in the petition *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861 (“*Matosantos Decision*”), which laws and court opinion caused the dissolution of all redevelopment agencies and winding down of the affairs of former redevelopment agencies; thereafter, such laws were amended further by Assembly Bill 1484 and other subsequent legislation (together AB x1 26, the *Matosantos Decision*, and such other legislation are referred to as the “Dissolution Laws”). All statutory references herein are to the Health and Safety Code unless otherwise stated.

D. As of February 1, 2012 the former Agency was dissolved pursuant to the Dissolution Laws and as a separate public entity, corporate and politic the Successor Agency administers the enforceable obligations of the former Agency and otherwise unwinds the former Agency’s affairs, all subject to the review and approval by a seven-member oversight board (“Oversight Board”).

E. Section 34177(o) requires the Successor Agency to prepare a Recognized Obligation Payment Schedule (“ROPS”) for each annual period (July 1 to June 30) that lists its enforceable obligations and requests Redevelopment Property Tax Trust Fund (“RPTTF”) moneys to be distributed to the Successor Agency each January 2 and June 1 to pay such enforceable obligations.

F. Section 34191.4(b) authorizes the City and Successor Agency to re-establish and reinstate prior loan agreement(s) between the City and the former Agency, including loans the proceeds of which were used to purchase real property.

G. The Successor Agency received its Finding of Completion from the State Department of Finance (“DOF”) by letter dated September 12, 2014.

H. Prior to the dissolution of the former Agency, the City loaned money to the former Agency from time to time (collectively, the “Prior Loan”). The Prior Loan was disbursed over the course of several years and was structured to come due every June 30; if not paid, then principal and accrued interest owed by the former Agency to the City were included in a new loan for the next fiscal year, which would become due and payable the following June 30.

I. As of February 1, 2012, the date the former Agency was dissolved, the former Agency owed the City the Prior Loan in the principal amount of **\$2,457,797.91** (the “Loan Amount”). The Loan Amount reflects outstanding principal only and does not include interest accrued prior to February 1, 2012. The Loan Amount was disbursed by the City to the Agency over the course of six years. Proceeds of the Prior Loan were used by the Agency to purchase real property for redevelopment projects, to fund required Supplemental Educational Revenue Augmentation Fund payments, and to pay certain operating costs of the former Agency.

J. This Agreement sets forth the terms of the reinstated loan in the principal amount of the Loan Amount, with interest accruing on such principal at 3% simple interest pursuant to Section 34191.4(b), provides for repayments to the City in accordance with the defined repayment schedule set forth in Health and Safety Code Section 34191.4(b), which shall be developed and updated from time to time by the Successor agency Executive Director, and establishes other terms as set forth hereinafter.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the City and Successor Agency agree as follows:

Section 1. Recitals. The City and Successor Agency represent and warrant to each other that each and all of the respective recitals are true and correct, are a material part hereof, and are hereby incorporated into this Agreement by reference as if fully set forth and such Recitals evidence the intent of the parties regarding the Prior Loan.

Section 2. Loan Amount. The Prior Loan is hereby reinstated and affirmed; the City has loaned to the Successor Agency the principal sum of the Loan Amount.

Section 3. Interest. The Loan Amount shall accrue simple interest at 3%, recalculated from the date of origination of the Prior Loan.

Section 4. Payment. The Successor Agency agrees to repay the principal and all accrued interest bi-annually corresponding to the time that is within ten (10) days of the date that the Successor Agency receives monies allocated from the RPTTF for this Agreement and the reinstated Prior Loan as an enforceable obligation as listed on each annual Recognized Obligation Payment Schedule, until repaid in full with interest pursuant to the provisions of the Dissolution Laws.

Section 5. Loan for Legitimate Redevelopment Purpose; Submittal of Agreement to Oversight Board and DOF. The Successor Agency shall submit this Agreement to the Oversight Board for its review, approval and determination that (a) the Prior Loan monies advanced by the City to the Successor Agency were loaned for a legitimate redevelopment purpose, and (b) this Agreement is an enforceable obligation. Thereafter, if approved by the Oversight Board, the reinstated Prior Loan and this Agreement shall be submitted to the DOF for its review and approval pursuant to the Dissolution Laws.

Section 6. Successor Agency to List Agreement as an Enforceable Obligation on Each ROPS until the Prior Loan is Repaid. The Successor Agency agrees to list this Agreement as an enforceable obligation on each annual ROPS until the Prior Loan and all accrued interest is repaid in full pursuant to the provisions of the Dissolution Laws, with the amount of that listed enforceable obligation to be the Loan Amount plus accrued interest (or such lesser amount as remains outstanding).

Section 7. Term. This Agreement shall be in full force and effect from the Date of Agreement until such time as the entire Loan Amount plus accrued interest has been repaid in full.

Section 8. Remedies. In the event of a default, the parties hereto shall be entitled to pursue any and all remedies available at law or equity under California law for purposes of enforcing the terms and conditions of this Agreement.

Section 9. General Provisions

9.1 *Successors and Assigns.* The terms hereof shall be binding upon and inure to the benefit of the successors and assigns of the parties.

9.2 *Partial Invalidity.* If any provision of this Agreement shall be declared invalid, illegal, or unenforceable, then the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.

9.3 *Severability.* If any term, provision, covenant or condition of this Agreement is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the parties have been materially altered or abridged by such judicial determination.

9.4 *Governing Law.* This Agreement and instruments given pursuant hereto, if any, shall be construed in accordance with and be governed by the laws of the State of California.

9.5 *Counterparts.* This Agreement may be executed in counterparts, which when taken together, shall constitute a single signed original as though all Parties had executed the same page.

9.6 *Waivers and Amendments.* All waivers of the provisions of this Agreement and all amendments to this Agreement must be in writing and signed by the authorized representatives of the each of the parties.

9.7 *Entire Agreement.* This Agreement constitutes the entire agreement by and between the parties with respect to the subject matter of this Agreement, and may be amended only in writing.

[Signatures appear on next page]

[Signatures to Loan Agreement appear below]

IN WITNESS WHEREOF, said parties have caused this *Loan Agreement For Reinstated City/Agency Loan Pursuant to Health and Safety Code Section 34191.4* to be executed by their officers duly authorized on the Date of Agreement.

CITY OF TAFT,
a California municipal corporation

Randy Miller, Mayor

ATTEST:

Yvette Mayfield, City Clerk

APPROVED AS TO FORM:
PRENTICE LONG & EPPERSON, PC

Jason S. Epperson, City Attorney

**SUCCESSOR AGENCY TO THE TAFT
COMMUNITY DEVELOPMENT
AGENCY,**
a public body corporate and politic

Craig Jones, Executive Director

ATTEST:

Yvette Mayfield, Secretary

APPROVED AS TO FORM:
STRADLING YOCCA CARLSON & RAUTH

Vanessa S. Locklin, Special Counsel



City of Taft / Successor Agency Agenda Report

DATE: JANUARY 28, 2016

TO: MAYOR MILLER AND COUNCIL MEMBERS

AGENDA MATTER:

SETTLEMENT AGREEMENT AMONG THE SUCCESSOR AGENCY, THE KERN COUNTY SUPERINTENDENT OF SCHOOLS AND THE TAFT CITY SCHOOL DISTRICT

SUMMARY STATEMENT:

The Former Agency was obligated to make certain statutory pass through payments to the Taxing Agencies pursuant to Health and Safety Code Section 33676 and all relevant times, the Tax Sharing Payments were calculated and disbursed by the Kern County Auditor-Controller ("KCAC") on the behalf of the Former Agency.

The Action includes, among other things, claims by the Taxing Agencies that the Successor Agency owes the Taxing Agencies certain monetary amounts due to underpayment of the Tax Sharing Payments for fiscal years 2008-09, 2009-10 and 2010-11.

RECOMMENDED ACTION:

Motion to adopt a resolution entitled A RESOLUTION OF THE SUCCESSOR AGENCY TO THE TAFT COMMUNITY DEVELOPMENT AGENCY APPROVING A SETTLEMENT AGREEMENT AND MUTUAL RELEASE REGARDING STATUTORY PASS THROUGH OBLIGATIONS AMONG THE SUCCESSOR AGENCY, THE KERN COUNTY SUPERINTENDENT OF SCHOOLS AND THE TAFT CITY SCHOOL DISTRICT AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH

IMPACT ON BUDGET (Y/N): Yes

ATTACHMENT (Y/N): Yes, Resolution and Settlement Agreement

PREPARED BY: Teresa Binkley, Finance Director

RESOLUTION NO. _____

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE TAFT COMMUNITY DEVELOPMENT AGENCY APPROVING A SETTLEMENT AGREEMENT AND MUTUAL RELEASE REGARDING STATUTORY PASS THROUGH OBLIGATIONS AMONG THE SUCCESSOR AGENCY, THE KERN COUNTY SUPERINTENDENT OF SCHOOLS AND THE TAFT CITY SCHOOL DISTRICT AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH

WHEREAS, prior to February 1, 2012, the Taft Community Development Agency (the “Former Agency”) was a community redevelopment agency duly organized and existing under the California Community Redevelopment Law (Health and Safety Code Section 33000, et seq.), and was authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council of the City of Taft; and

WHEREAS, Assembly Bill 1x 26, chaptered and effective on June 28, 2011, added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies (as amended from time to time, the “Dissolution Act”); and

WHEREAS, as of February 1, 2012 the Former Agency was dissolved pursuant to the Dissolution Act and the Successor Agency to the Taft Community Development Agency (“Successor Agency”) serves as the successor agency to the Former Agency; and

WHEREAS, the Successor Agency administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency’s affairs, all subject to the review and approval by a seven-member oversight board (“Oversight Board”); and

WHEREAS, the Former Agency was obligated to make certain statutory pass through payments to various affected taxing agencies, including the Kern County Superintendent of Schools and the Kern County School District, pursuant to Health and Safety Code Section 33676 (“Tax Sharing Payments”); and

WHEREAS, at all relevant times, the Tax Sharing Payments were calculated and disbursed by the Kern County Auditor-Controller (“KCAC”) on the behalf of the Former Agency; and

WHEREAS, the Kern County Superintendent of Schools and the Kern County School District (collectively, the “Taxing Agencies”) and the Successor Agency are currently parties (together with other entities that have not asserted claims against the Successor Agency) to the following legal proceeding: *Kern County Superintendent of Schools, et al. v. Successor Agency to the Dissolved Arvin Redevelopment Agency, et al.*, pending in the Kern County Superior Court (Case No. BCV-15-100357) (the “Action”); and

WHEREAS, the Action includes, among other things, claims by the Taxing Agencies that the Successor Agency owes the Taxing Agencies certain monetary amounts due to underpayment of the Tax Sharing Payments for fiscal years 2008-09, 2009-10 and 2010-11; and

WHEREAS, the Taxing Agencies allege that the underpayments of the Tax Sharing Payments were the result of KCAC incorrectly calculating the Tax Sharing Payments; and

WHEREAS, the Successor Agency and the Taxing Agencies have negotiated the terms of a Settlement Agreement and Mutual Release Regarding Statutory Pass Through Obligations (“Agreement”), in substantially the form attached to this Resolution as Exhibit A and incorporated herein; and

WHEREAS, the Agreement provides that the Successor Agency will place certain payments (defined in the agreement as the “Payments”) on ROPS 16-17 (covering the period from July 1, 2016 through June 30, 2017) and, subject to approval by the Oversight Board and the California Department of Finance (“DOF”), will make the Payments to the Taxing Agencies as provided in the Agreement; and

WHEREAS, in consideration of the Successor Agency’s agreement to place the Payments on the ROPS and, subject to Oversight Board and DOF approval, to make the Payments, the Agreement requires the Taxing Agencies to indemnify the Successor Agency and the City from and against all claims or damages relating to the Payments, the Tax Sharing Payments, the Taxing Agency Allegations or the Agreement, and to release and waive any further claims relating to the Tax Sharing Payments; and

WHEREAS, the Successor Agency has duly considered all terms and conditions of the proposed Agreement and believes that the Agreement is in the best interests of the Successor Agency, the City and the taxing agencies and in accord with the public purposes and provisions of applicable State and local law requirements.

NOW, THEREFORE, BE IT RESOLVED by the Successor Agency to the Taft Community Development Agency as follows:

1. Each of the foregoing recitals is true and correct.
2. The Successor Agency hereby finds and determines that the Agreement is in the best interests of the Successor Agency, the City and the affected taxing agencies.
3. The Successor Agency Board hereby approves the Agreement in substantially the form attached hereto as Exhibit A, which is incorporated herein. The Successor Agency Executive Director and Secretary are authorized to execute the Agreement with such revisions as the Executive Director and Successor Agency legal counsel deem appropriate. The Successor Agency Executive Director and his authorized designees are authorized to take such actions as may be necessary or appropriate to implement the Agreement, including executing further instruments and agreements, issuing warrants, and taking other appropriate actions to perform the obligations and exercise the rights of the Successor Agency under the Agreement. A copy of the Agreement when executed shall be placed on file in the office of the Successor Agency Secretary.

4. The Chair and Secretary of the Oversight Board shall sign the passage and adoption of this Resolution.

5. The Successor Agency Executive Director is hereby directed to transmit this Resolution and the accompanying staff report and all exhibits thereto, each of which is incorporated herein, to the Oversight Board and DOF pursuant to Health and Safety Code Sections 34179(h).

[Signatures on subsequent page]

ADOPTED this 28th day of January, 2016.

Chair

AYES: Members: _____

NOES: Members: _____

ABSTAIN: Members: _____

NOT PRESENT: Members: _____

CERTIFICATION OF ATTESTATION AND ORIGINALITY

I, Yvette Mayfield, Secretary of the Oversight Board to the Successor Agency to the Taft Community Development Agency, do hereby attest to and certify the attached Resolution No. _____ to be the original resolution adopted by the Oversight Board to the Successor Agency to the Taft Community Development Agency on January 28, 2016.

Date: _____

Oversight Board Secretary

EXHIBIT A

**SETTLEMENT AGREEMENT AND MUTUAL RELEASE
REGARDING STATUTORY PASS THROUGH OBLIGATIONS**

[Attached on following pages]

**SETTLEMENT AGREEMENT AND MUTUAL RELEASE
REGARDING
STATUTORY PASS THROUGH OBLIGATIONS**

This Settlement Agreement and Mutual Release Regarding Statutory Pass Through Obligations (“Agreement”) is dated for reference purposes only as of _____, 2016.

PARTIES

This Agreement is entered into by and among the following parties, which are at times referred to herein collectively as the “Parties” and individually as a “Party”:

1. The Successor Agency to the Taft Community Development Agency (the “Successor Agency”);
2. The Kern County Superintendent of Schools (the “Superintendent”);
3. The Taft City School District (the “School District”).

The Superintendent and School District are at times collectively referred to herein collectively as the “Taxing Agencies” and individually as a “Taxing Agency.”

RECITALS

The Parties hereby represent, acknowledge and agree as follows:

A. WHEREAS, prior to February 1, 2012, the Taft Community Development Agency (herein referred to as the “Former Agency”) was a community redevelopment agency duly organized and existing under the California Community Redevelopment Law (Health and Safety Code Section 33000, *et seq.*), and was authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council of the City of Taft.

B. WHEREAS, the Former Agency was obligated to make certain statutory pass through payments to the Taxing Agencies pursuant to Health and Safety Code Section 33676 (“Tax Sharing Payments”).

C. WHEREAS, at all relevant times, the Tax Sharing Payments were calculated and disbursed by the Kern County Auditor-Controller (“KCAC”) on the behalf of the Former Agency.

D. WHEREAS, Assembly Bill 1x 26, chaptered and effective on June 28, 2011, added Parts 1.8 and 1.85 to Division 24 of the California Health and Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484, chaptered and effective on June 27, 2012 (together, the “Dissolution Act”).

E. WHEREAS, as of February 1, 2012 the Former Agency was dissolved pursuant to the Dissolution Act and the Successor Agency succeeded to all rights, title and interest held by the Former Agency.

F. WHEREAS, the Successor Agency administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency's affairs, all subject to the review and approval by a seven-member oversight board (the "Oversight Board").

G. WHEREAS, the Parties are currently parties (together with other entities that are not Parties to this Agreement) to the following legal proceeding: *Kern County Superintendent of Schools, et al. v. Successor Agency to the Dissolved Arvin Redevelopment Agency, et al.*, pending in the Kern County Superior Court (Case No. BCV-15-100357) (the "Action").

H. WHEREAS, the Action includes, among other things, claims by the Taxing Agencies that the Successor Agency owes the Taxing Agencies certain monetary amounts due to underpayment of the Tax Sharing Payments for fiscal years 2008-09, 2009-10 and 2010-11.

I. WHEREAS, the Taxing Agencies allege that the underpayments of the Tax Sharing Payments were the result of KCAC incorrectly calculating the Tax Sharing Payments.

J. WHEREAS, subject to the terms and conditions hereof, the Parties desire to compromise and settle all claims and terminate all disputes that have been or could have been asserted by and among the Parties relating to the Action, all without admitting liability on behalf of any of the Parties.

A G R E E M E N T

NOW, THEREFORE, in consideration of the foregoing recitals, the covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Effective Date. This Agreement shall become effective (the "Effective Date") upon all of the following occurring: (A) execution of this Agreement by all of the Parties, (B) approval of this Agreement by resolution of the Oversight Board and (C) following Oversight Board approval, upon passage of the time periods prescribed by applicable law, either by no review of such Oversight Board action being timely requested by the State of California Department of Finance ("DOF"), or by DOF approval or lack of objection thereto.

2. If DOF initially disapproves of the Payments on ROPS 16/17, or on any future ROPS as the case may be, Successor Agency shall timely request a meet and confer session with DOF. The Successor Agency shall notify the Superintendent and the School District of DOF's initial disapproval, of the meet and confer request, and of the meet and confer date, time, and location, and shall invite the Superintendent and the School District to participate in the meet and confer session. The Successor Agency shall urge DOF in the meet and confer session to approve the Payments. If, following the meet and confer session, DOF issues a final decision disapproving the Payments, the Successor Agency shall not have any further duty with respect to this Agreement.

3. Dismissal of Successor Agency. The Taxing Agencies hereby agree to dismiss, and cause all other petitioners to dismiss, the Successor Agency from the Action not later than fifteen (15) days after the Effective Date of this Agreement. Such dismissal shall be with prejudice.

4. Payments to Taxing Agencies. The Successor Agency hereby agrees to tender a lump sum of \$6,637 to the Superintendent and a lump sum of \$31,900.00 to the School District (collectively, the "Payments"). The Payments shall be made within thirty (30) days following the Successor Agency's receipt of moneys from the KCAC for the applicable fiscal year covered by the first Recognized Obligation Payment Schedule ("ROPS") on which the Payments are approved as a line item following the Effective Date hereof.

A. Subordinate Obligation; Distribution of RPTTF. The Parties acknowledge and agree that all Redevelopment Property Tax Trust Fund ("RPTTF") moneys attributable to the Former Agency's redevelopment project areas will be distributed by the KCAC in accordance with Health & Safety Code Section 34183. The Payments shall be satisfied out of excess RPTTF moneys ("Excess RPTTF") available after payment of the County administration fee, all pass through payments, all enforceable obligations including bonds and other indebtedness, and the Successor Agency's administrative expenses (collectively, the "Prior Obligations"). Further, the Taxing Agencies acknowledge that the City has in the past, and may in the future, loan money to the Successor Agency to cover Successor Agency administrative expenses and the City shall be entitled to repayment of such loaned amounts, with interest as provided in the Dissolution Act, as a Prior Obligation. To the extent Excess RPTTF is available after payment of all Prior Obligations, such Excess RPTTF shall be applied to payment of the Payments. If the Excess RPTTF from a January 2 or June 1 RPTTF distribution is insufficient to enable the Successor Agency to make the Payments due during that ROPS period, the insufficiency shall be paid from future Excess RPTTF, without interest, as and when sufficient Excess RPTTF moneys are available.

B. Subject to Prior Obligations. The Parties acknowledge and agree that the Payments under this Agreement are junior to all obligations of the Successor Agency with a prior claim on, or pledge of, moneys in the RPTTF, pursuant to Health & Safety Code Section 34183 or other laws, including all Prior Obligations on each applicable ROPS.

5. Mutual Release.

A. Release by Taxing Agencies. Except for the obligations imposed under this Agreement, the Taxing Agencies, on behalf of themselves, their predecessors, successors, assigns, agents, relatives, heirs, beneficiaries, affiliates, attorneys, insurers and all others claiming by and through each respective Taxing Agency, do hereby release, discharge and covenant not to sue the Successor Agency and the City, as well as their board members, staff, officers, directors, partners, employees, shareholders, members, managers, subsidiaries, parent and related corporations or entities, agents, representatives, attorneys, successors, assigns, heirs, relatives, descendants, administrators, executors, beneficiaries, trustees, insurers and predecessors and successors-in-interest, from and for all actions, claims, charges, liabilities, obligations, benefits, compensation, damages, fees, expenses, or suits of any kind whatsoever, known or unknown, which the Taxing Agencies now have, or may ever have had, arising out of or relating to the Tax Sharing Payments and/or the Action.

B. Release by Successor Agency. Except for the obligations imposed under this Agreement, the Successor Agency, on behalf of itself, its predecessors, successors, assigns, agents, relatives, heirs, beneficiaries, affiliates, attorneys, insurers and all others claiming by and

through the Successor Agency, does hereby release, discharge and covenant not to sue the Taxing Agencies, as well as their board members, officers, directors, partners, employees, shareholders, members, managers, subsidiaries, parent and related corporations or entities, agents, representatives, attorneys, successors, assigns, heirs, relatives, descendants, administrators, executors, beneficiaries, trustees, insurers and predecessors and successors-in-interest from and for all actions, claims, charges, liabilities, obligations, benefits, compensation, damages, fees, expenses, or suits of any kind whatsoever, known or unknown, which the Successor Agency now has, or may ever have had, arising out of or relating to the Tax Sharing Payments and/or the Action.

C. Full Defense. The provisions of this Section 4 may be pleaded as a full and complete defense to, and may be used as the basis for any injunction against, any action, suit, or other proceeding that may be instituted, prosecuted, or attempted in breach of this Section 4.

D. Waiver of Civil Code Section 1542. The Parties acknowledge and understand that the matters released herein may involve facts and circumstances currently unknown to them, but nevertheless the Parties intend that the releases provided herein shall be general releases, and that they shall effectively release all actions, claims, charges, liabilities, obligations, benefits, compensation, damages, fees or suits of any kind whatsoever in connection with, arising out of or relating to the Tax Sharing Payments and/or the Action, even if they involve unknown facts and circumstances. The Parties hereby acknowledge that they have been fully advised of the contents of Section 1542 of the Civil Code of the State of California, which reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

The Parties hereby expressly waive and relinquish any and all rights and benefits under Civil Code Section 1542 and any law or legal principle of similar effect in any jurisdiction with respect to the releases granted in this Section 4.

JAG
School District

MCB
Superintendent

Successor Agency

E. Non-Parties. It is the express intention of the Parties that except as specifically provided in this Section 4, nothing in this Agreement is intended to release, waive or alter any right, claim or defense any Party may have against anyone who is not a party to this Agreement.

6. Indemnification by Taxing Agencies. The Taxing Agencies hereby agree to indemnify and hold harmless Successor Agency, City and their respective affiliates, officers, directors, agents, servants, employees, contractors and subcontractors and the employees of any

of the foregoing (each, "Indemnitees"), from and against any and all liabilities, claims, losses, fines, damages, costs and expenses (including costs and expenses of defense), which are caused in whole or in part by or arise out of this Agreement, including without limitation the Payments required by this Agreement, and further expressly including claims or damages asserted against the Indemnitees by other affected taxing agencies or other third parties. If any provision of this indemnity is determined by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of this indemnity will remain in effect to the maximum extent permitted by law.

7. No Material Reliance. There are no unwritten, oral or verbal understandings, agreements, promises or representations of any kind whatsoever as between the Parties that are not contained in this Agreement. The Parties each represent and acknowledge that, in executing this Agreement, they have not relied upon any representation, statement, omission, agreement or promise made by any other Party except as set forth in this Agreement, nor have they relied upon any representation, statement, agreement, omission or promise made by the other Party's agents, representatives, or attorneys, except as set forth in this Agreement.

8. Final and Binding Agreement. The Parties have each made such investigation of the facts pertaining to this Agreement as they have deemed necessary. This Agreement is intended to be and is the final, binding and fully integrated agreement of the Parties, regardless of any claims of any claims of any of the Parties of misrepresentation, concealment of fact, or mistake of law or fact.

9. Modifications. This Agreement may only be changed or modified and any provisions hereof may only be waived by a writing signed by the Party against whom enforcement of any waiver, change or modification is sought. This Agreement may be amended only in writing by mutual consent of the Parties.

10. No Admission of Liability. The Parties stipulate that this Agreement does not constitute an admission of liability, does not constitute any factual or legal precedent whatsoever, and may not be used as evidence in any subsequent proceeding of any kind, except in an action alleging a breach of this Agreement.

11. Entire Agreement. This Agreement supersedes all prior and contemporaneous oral and written agreements, understandings, and representations, if any, between the Parties concerning the Tax Sharing Payments or the Action.

12. Neutral Interpretation. The Parties each acknowledge that they are entering into this Agreement having fully reviewed its terms and legal effect, in consultation with their respective legal counsel. The wording of this Agreement was reviewed and accepted by each Party and their legal counsel prior to execution. This Agreement was drafted equally by all Parties, and no Party shall be entitled to have any wording construed for or against any other Party in the event of a dispute.

13. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed an original and together constitute the same agreement, whether each Party executes a separate counterpart.

14. Notices. All notices and requests required or permitted under this Agreement shall be made in writing by email and United States mail to the following:

Successor Agency:	Successor Agency to the Taft Community Development Agency 209 E. Kern Street Taft, CA 93268 Attention: Craig Jones, Executive Director
Superintendent:	Kern County Superintendent of Schools 1300 17 th Street Bakersfield, CA 93301 Attention: Debbie Riedmiller, Chief Financial Operations Officer
School District:	Taft City School District 820 Sixth Street Taft, CA 93268 Attention: Julie Graves, Superintendent

15. Parties Shall Bear Their Own Fees And Costs. Each Party shall bear its own attorneys' fees and costs relating to this Agreement.

16. Attorneys' Fees. In the event it is necessary for any Party to this Agreement to initiate legal proceedings to enforce this Agreement or adjudicate any issues under this Agreement, the prevailing Party shall be entitled to recover its reasonable attorneys' fees, costs and disbursements, including reasonable expert fees and costs, if any.

17. Choice of Law; Venue. Enforcement of this Agreement shall be governed by the laws of the State of California. Any action concerning this Agreement must be brought in a state or federal court in the County of Kern, State of California.

18. Successor and Assigns. This Agreement shall be binding upon and inure to the Parties hereto and their respective heirs, executors, administrators, successors and assigns.

19. Severability. In the event any term, clause, or provision of this Agreement is found to be waived or invalid, the validity and enforceability of the remaining terms, clauses and provisions shall not be affected.

20. Authority to Execute. Each of the persons signing below on behalf of the Parties specifically represents and acknowledges that he or she has been authorized to do so by the Party on whose behalf he or she has executed this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

SUCCESSOR AGENCY TO THE TAFT
COMMUNITY DEVELOPMENT AGENCY

By: _____
Its: _____

ATTEST

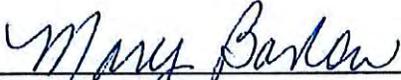
By: _____
Title: _____

APPROVED AS TO FORM

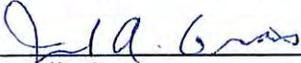
STRADLING YOCCA CARLSON & RAUTH

Vanessa S. Locklin, Special Counsel

KERN COUNTY SUPERINTENDENT OF
SCHOOLS

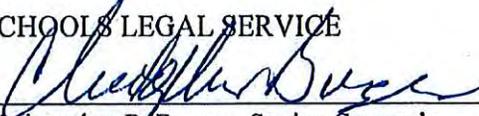

By: Mary Baylow
Title: Associate Superintendent

TAFT CITY SCHOOL DISTRICT


By: Julie Graves
Its: Superintendent

APPROVED AS TO FORM

SCHOOLS LEGAL SERVICE


Christopher P. Burger, Senior Counsel



City of Taft / Successor Agency Agenda Report

DATE: JANUARY 28, 2016

TO: MAYOR MILLER AND COUNCIL MEMBERS

AGENDA MATTER:

RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 16-17) FOR JULY 2016 THROUGH JUNE 2017

SUMMARY STATEMENT:

The Recognized Obligation Payment Schedule 16-17 (ROPS 16-17) for the period of July 2016 through June 2017, along with a resolution approving and adopting the ROPS 16-17 schedule. (Will be distributed at the meeting).

RECOMMENDED ACTION:

- 1) Motion to adopt a resolution entitled **A RESOLUTION OF THE SUCCESSOR AGENCY TO THE DISSOLVED TAFT COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TAFT APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 16-17) FOR THE PERIOD JULY 1, 2016 THROUGH JUNE 30, 2017, PURSUANT TO THE PROVISIONS SET FORTH IN HEALTH AND SAFETY CODE SECTION 34177.**
- 2) Direct Staff to present the ROPS 16-17 to the Oversight Board for approval

IMPACT ON BUDGET (Y/N): Yes

ATTACHMENT (Y/N): Yes, Resolution and ROPS 16-17 (to be distributed)

PREPARED BY: Teresa Binkley, Finance Director

RESOLUTION NO.

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE TAFT COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF TAFT APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD JULY 1, 2016 THROUGH JUNE 30, 2017, PURSUANT TO THE PROVISIONS SET FORTH IN HEALTH AND SAFETY CODE SECTION 34180(g)(AB 1X 26)

WHEREAS, on December 29, 2011, the California Supreme Court upheld the validity of AB 1X 26 ("AB 1X 26"), requiring that each redevelopment agency be dissolved; and

WHEREAS, Assembly Bill 1484, Chaptered on June 27, 2012 requires that Successor Agency's to former Redevelopment Agency's review, approve and forward the Recognized Obligation Payment Schedule (ROPS) to the Oversight Board in order to have the Oversight Board approval of the ROPS prior to submission date; and

WHEREAS, pursuant to HSC section 34177 (o), commencing with the ROPS covering the period from July 1, 2016 to June 30, 2017 and thereafter, agencies shall submit an Oversight Board approved annual ROPS to Department of Finance and the County Auditor-Controller by February 1, 2016, and each February 1 thereafter; and

WHEREAS, the City Council of the City of Taft by operation of law and by action duly and regularly taken became the successor agency to the dissolved redevelopment agency ("Successor Agency"); and

WHEREAS, pursuant to the requirements of AB 1X 26, the Successor Agency has prepared a Recognized Obligation Payment Schedule for the period July 1, 2016 through June 30, 2017; and

WHEREAS, the Oversight Board to the Successor Agency has been appointed pursuant to Health and Safety Code Section 34179; and

WHEREAS, the Successor Agency has presented the Recognized Obligation Payment Schedule described above to the Oversight Board for its approval pursuant to Health and Safety Code Section 34180(g).

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board finds as follows:

Section 1. The forgoing Recitals are incorporated herein and made a part hereof.

Section 2. The Recognized Obligation Payment Schedule for the period July 1, 2016 through June 30, 2017, attached as "Exhibit A" to this Resolution, is hereby approved and adopted.

Section 3. The Board has authorized and directed Successor Agency staff to (1) post the Recognized Obligation Payment Schedule on the Successor Agency's website; (2) notify by mail or electronic means, the County Auditor-Controller, the State Department of Finance, and the State Controller of the Oversight Board's action approving and adopting the Recognized Obligation Payment Schedule; and (3) provide those offices with an address to the City's website where the Recognized Obligation Payment Schedule is posted.

Section 4. The City Clerk shall certify to the adoption of this Resolution.

Resolution No. _____

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On motion by _____, seconded by _____, and on the following roll-call vote, to wit:

AYES:	Board Members -
NOES:	Board Members -
ABSENT:	Board Members -
ABSTAIN:	Board Members -

the foregoing Resolution was **PASSED, APPROVED, and ADOPTED** at a special meeting of the Oversight Board, Taft, California this 28th day of January, 2016.

RANDY MILLER, MAYOR

Attest:

YVETTE MAYFIELD, CITY CLERK