

RESOLUTION NO. 2012-004 OB

**RESOLUTION OF THE OVERSIGHT BOARD
FOR THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE
CITY OF SAN LEANDRO**

**AUTHORIZING THE EXECUTION OF AN AMENDED AND RESTATED
COOPERATION AGREEMENT BETWEEN THE SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF SAN LEANDRO AND THE CITY OF
SAN LEANDRO REGARDING THE CONSTRUCTION AND FUNDING OF
PUBLIC IMPROVEMENTS**

WHEREAS, pursuant to Resolution 2012-001, adopted by the City Council of the City of San Leandro on January 9, 2012, the City of San Leandro agreed to serve as the Successor Agency to the Redevelopment Agency of the City of San Leandro ("**Redevelopment Agency**") commencing upon dissolution of the Redevelopment Agency on February 1, 2012 pursuant to Assembly Bill x1 26 ("**AB 26**");

WHEREAS, Health and Safety Code Section 33220 authorized any public body to enter into an agreement with a redevelopment agency for the purpose of aiding and cooperating in the planning, undertaking, construction, or operation of redevelopment projects located within the jurisdiction in which such public body is authorized to act, upon the terms and with or without consideration as such public body determines;

WHEREAS, Health and Safety Code Section 33126(b) authorized redevelopment agencies to enter into contracts with any other public agency pursuant to which the public agency would agree to furnish necessary staff services associated with or required by redevelopment;

WHEREAS, the governing board of the Redevelopment Agency and the San Leandro City Council ("**City Council**") each adopted the findings required by Health and Safety Code Section 33445 with respect to the public improvements described in Exhibit A attached hereto, consisting of the Eden Road Improvements, the Hays Street Improvements, the MacArthur Boulevard Improvements and the Doolittle Drive Improvements (collectively, the "**Public Improvements**"), by resolutions adopted on January 17, 2011;

WHEREAS, the City of San Leandro ("**City**") and the Redevelopment Agency entered into that certain Cooperative Agreement dated as of January 17, 2011 (the "**Original Cooperative Agreement**"), pursuant to which the City agreed to undertake the construction and installation of the Public Improvements, and the Redevelopment Agency agreed to provide funding for such work;

WHEREAS, in accordance with AB 26, the City, acting in its capacity as Successor Agency, prepared a Recognized Obligation Payment Schedule ("**ROPS**") setting forth the

schedule of existing Redevelopment Agency obligations, including among others, the Original Cooperative Agreement;

WHEREAS, this oversight board for the Successor Agency was established pursuant to AB 26 (the “**Oversight Board**”);

WHEREAS, the Oversight Board approved the ROPS on April 6, 2012;

WHEREAS, the State Department of Finance reviewed the ROPS, but by letter dated April 11, 2012, indicated that it objected to the Original Cooperative Agreement;

WHEREAS, Health and Safety Code Section 34178(a) provides that, with specified exceptions, commencing upon February 1, 2012, agreements, contracts and arrangements between a redevelopment agency and the city that formed the redevelopment agency are invalid; provided however, a successor agency that wishes to reenter into agreements with the city that formed the agency may do so upon obtaining approval of the oversight board;

WHEREAS, the City has made a significant investment in the Public Improvements, including the purchase of right-of-way and completion of project design for the Eden Road Improvements, and the establishment of procedures for the formation of an assessment district to secure additional funds required for the Eden Road Improvements;

WHEREAS, the City’s Transit Oriented Development Strategy identified the Town Hall Square location as a key opportunity site for future development, and the City has determined that development of this site would be severely hindered without reconfiguration of Hays Street;

WHEREAS, the planned Streetscape Improvements on MacArthur Boulevard represent the final phase of a two-stage project that was initiated in 2004, on which the Redevelopment Agency had already expended approximately \$2,500,000 and made assurances to adjacent property owners that the project would be completed in its entirety;

WHEREAS, the planned Streetscape Improvements on Doolittle Drive represent the final phase of a three-stage project that was initiated in 2004, on which the Redevelopment Agency had already expended approximately \$2,000,000 and made assurances to adjacent property owners that the project would be completed in its entirety;

WHEREAS, completion of the Public Improvements will be of benefit to all taxing entities that share in the property tax revenue generated by property located within the redevelopment project areas because such improvements will remove impediments to development, eliminate adverse conditions in the project areas, improve vehicular circulation, provide safer routes for pedestrians, and catalyze private development, thus resulting in an increase in assessed valuation and property tax revenue;

WHEREAS, the City and the Successor Agency desire to enter into an Amended and Restated Cooperative Agreement (the “**Agreement**”) to set forth the construction activities and services that the City will undertake or make available in furtherance of the completion of the

Public Improvements, and to provide that the Successor Agency will pay for or reimburse the City for actions undertaken and costs and expenses incurred in connection with such work;

WHEREAS, the execution of an amended and restated version of the Original Cooperative Agreement was approved by the governing board of the Successor Agency and by the City Council by resolutions adopted on May 7, 2012;

WHEREAS, the Oversight Board approved execution of an amended and restated version of the Original Cooperative Agreement by resolution adopted May 10, 2012 and in connection with such approval directed staff to revise such agreement to reinstate certain Public Improvements that had been included in the Original Cooperative Agreement;

WHEREAS, the City Council and the governing board of the Successor Agency approved the execution of the revised Agreement by resolutions adopted on June 4, 2012, subject to approval by the Oversight Board; and

WHEREAS, the City and the Successor Agency intend the Agreement to evidence their desire to re-enter into the Original Cooperative Agreement, as approved by the Oversight Board.

NOW THEREFORE, BE IT HEREBY RESOLVED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of San Leandro that it hereby:

1. Pursuant to Health and Safety Code Section 34178(a), approves the Agreement and authorizes the Successor Agency to execute and deliver the Agreement substantially in the form presented to the Oversight Board.
2. Authorizes the Agreement to be listed on an updated ROPS for the Successor Agency.

PASSED AND ADOPTED AT A REGULAR MEETING OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN LEANDRO ON JUNE 6, 2012 BY THE FOLLOWING VOTE:

AYES: Gin, Grant, Jermanis, Mack-Rose, Sims, Chan (6)


NOES:

ABSTAIN:

ABSENT: Williams (1)

ATTEST:


Secretary


Chair