

RESOLUTION NO. 2012-001

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FONTANA ELECTING TO BECOME THE SUCCESSOR AGENCY TO THE FONTANA REDEVELOPMENT AGENCY PURSUANT TO PART 1.85 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE

WHEREAS, the City of Fontana ("City") currently has five effective redevelopment projects: (1) Downtown (Ordinance No. 537, December 16, 1975); (2) Jurupa Hills (Ordinance No. 706, October 6, 1981); (3) North Fontana (Ordinance No. 739, December 7, 1982); (4) Sierra Commercial Corridor (Ordinance No. 1055, June 16, 1992); and (5) Southwest Industrial Park (Ordinance No. 567, July 19, 1977; amended and restated by Ordinance No. 1619, June 23, 2010) (collectively and as amended, the "Project Areas"); and

WHEREAS, the Fontana Redevelopment Agency ("Agency") has been engaged in activities to redevelop the Project Areas pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.); and

WHEREAS, on June 28, 2011, the State of California enacted California Health and Safety Code Section 34161 et seq. as part of the State's enactment of Assembly Bill 1X 26 ("AB 1X 26"), immediately prohibiting further redevelopment activity by redevelopment agencies and dissolving all redevelopment agencies in the State of California on October 1, 2011; and

WHEREAS, on June 28, 2011, the State of California also enacted California Health and Safety Code Section 34192 et seq. under Assembly Bill 1X 27 ("AB 1X 27"), providing communities the opportunity to continue redevelopment activity through their local redevelopment agencies by electing to participate in the "Alternative Voluntary Redevelopment Program"; and

WHEREAS, on July 18, 2011, a Petition for Writ of Mandate was filed in the Supreme Court of the State of California in the matter of *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861 ("Legal Action"), challenging the constitutionality of AB 1X 26 and AB 1X 27, on behalf of cities, counties and redevelopment agencies and requesting a stay of enforcement of AB 1X 26 and AB 1X 27, pending the Supreme Court's determination of the constitutionality of AB 1X 26 and AB 1X 27; and

WHEREAS, on August 11, 2011, the Supreme Court issued an order in the Legal Action granting a partial stay of California Health and Safety Code Section 34161 et seq., exclusive of California Health and Safety Code Sections 34161 through 34167 (which prohibit all new redevelopment activity), and a complete stay of California Health and Safety Code Section 34192 et seq., such that the City and the Agency could not

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pursue new redevelopment activity under the Alternative Voluntary Redevelopment Program (collectively, "Stay"); and

WHEREAS, on August 17, 2011, the Supreme Court modified the Stay such that the Stay no longer affected California Health and Safety Code Sections 34167.5 through 34169.5, in addition to California Health and Safety Code Sections 34161 through 34167, or California Health and Safety Code Section 34194(b)(2); and

WHEREAS, on December 29, 2011, the Supreme Court issued its final decision in the Legal Action, upholding AB 1X 26, invalidating AB 1X 27, extending all statutory deadlines under Health and Safety Code Sections 34170 through 34191, and dissolving all redevelopment agencies throughout the State of California, effective February 1, 2012; and

WHEREAS, AB 1X 26 further provides that, upon their dissolution, any property taxes that would have been allocated to redevelopment agencies will no longer be deemed tax increment, and will be allocated first to successor agencies to make payments on the existing indebtedness of the dissolved redevelopment agencies, with remaining balances allocated in accordance with applicable constitutional and statutory provisions; and

WHEREAS, AB 1X 26 provides that the City will be the successor agency to the dissolved Agency, unless the City elects not to act as the successor agency, and that, with certain exceptions, all authority, rights, powers, duties and obligations previously vested with the Agency, under the CRL, will be vested in the City as of February 1, 2012; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF FONTANA DOES HEREBY RESOLVE AND FIND AS FOLLOWS:

Section 1. Recitals. The Recitals preceding this Resolution are true and correct and are incorporated into this Resolution.

Section 2. CEQA Compliance. The determination and election made in this Resolution do not commit the City to any action that may have a significant effect on the environment. As a result, such approvals do not constitute a project subject to the requirements of the California Environmental Quality Act. The City Clerk is authorized and directed to file a Notice of Exemption with the appropriate official of the County of San Bernardino, California, within five (5) days following the date of adoption of this Resolution.

Section 3. Election to be Successor Agency. In accordance with Health and Safety Code Section 34173, and based on the Recitals set forth above, the City Council hereby elects and determines that the City of Fontana shall become the "successor agency" to the former Fontana Redevelopment Agency. Upon dissolution of the Fontana Redevelopment Agency pursuant to Part 1.85 of Division 24 of the California Health and Safety Code, and except as provided under the CRL, all authority, rights, powers, duties and obligations previously vested with the former Fontana Redevelopment Agency, under the CRL, shall be vested in the City as the successor agency to the Fontana Redevelopment Agency.

Section 4. Implementation. The City Council hereby authorizes and directs the City Manager to take any action and execute any documents necessary to carry out the purposes of this Resolution, including but not limited to notifying the County of San Bernardino Auditor-Controller, the Controller of the State of California, and the California Department of Finance of the adoption of this Resolution and the City's election to be the successor agency to the Fontana Redevelopment Agency, in accordance with AB 1X 26.

Section 5. Severability. 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. The City Council declares that the City Council would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 6. Certification. The City Clerk shall certify to the adoption of this Resolution.

Section 7. Effective Date. This Resolution shall become effective immediately upon its adoption.

APPROVED AND ADOPTED this 10th day of January, 2012.

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READ AND APPROVED AS TO LEGAL FORM:



City Attorney

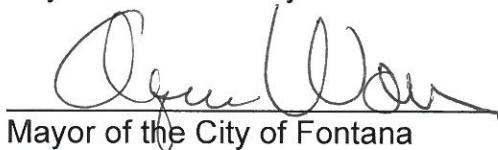
I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City of Fontana at a regular meeting on the 10th day of January, 2012, by the following vote to wit:

AYES: MAYOR WARREN, AND COUNCIL MEMBERS ROBERTS, SLOWIK, AND TAHAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

AND WIBERT

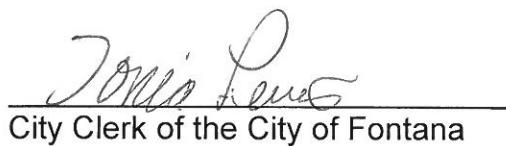


City Clerk of the City of Fontana



Mayor of the City of Fontana

ATTEST:



City Clerk of the City of Fontana

CITY OF FONTANA
SECRETARY'S CERTIFICATE

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) ss.
CITY OF FONTANA)

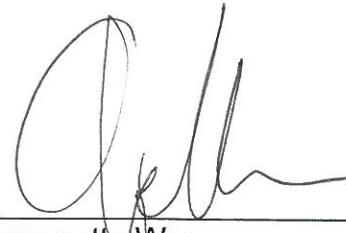
I, TONIA LEWIS, City Clerk of the City of Fontana, do hereby certify that the foregoing Resolution No. 2012-001 was duly and regularly adopted by the City Council of the City of Fontana at a regular meeting thereof on the 10th day of January, 2012 and that the same was passed and adopted by the following vote, to wit:

AYES: MAYOR WARREN, AND COUNCIL MEMBERS ROBERTS, SLOWIK, AND TAHAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

AND WIBERT



Tonia Lewis, City Clerk



Acquanetta Warren
Mayor
City of Fontana

ATTEST:



Tonia Lewis
City Clerk
City of Fontana