

OVERSIGHT BOARD RESOLUTION NUMBER OB-2012-33

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE CITY OF SAN DIEGO REDEVELOPMENT SUCCESSOR AGENCY AUTHORIZING THE TRANSMITTAL OF A LETTER DISPUTING THE SAN DIEGO COUNTY AUDITOR-CONTROLLER'S OBJECTION TO THE PROPOSED FUNDING SOURCE FOR TWO LINE ITEMS IN THE THIRD RECOGNIZED OBLIGATION PAYMENT SCHEDULE

WHEREAS, the former Redevelopment Agency of the City of San Diego (Former RDA) administered the implementation of various redevelopment projects, programs, and activities within designated redevelopment project areas throughout the City of San Diego (City); and

WHEREAS, in accordance with Assembly Bill x1 26 (AB 26), the Former RDA dissolved as of February 1, 2012, at which time the City of San Diego, solely in its capacity as the designated successor agency to the Former RDA (Successor Agency), assumed the Former RDA's assets and obligations; and

WHEREAS, the Successor Agency is required to administer the winding down of the Former RDA's operations and to ensure compliance with the Former RDA's obligations in accordance with AB 26, as amended by Assembly Bill 1484 (AB 1484); and

WHEREAS, California Health and Safety Code section 34182.5 permits the San Diego County Auditor-Controller (County Auditor) to transmit notice, by October 1, 2012, of objections to (i) the inclusion of any items in the third Recognized Obligation Payment Schedule (ROPS 3) that are not demonstrated to be enforceable obligations and (ii) the funding source proposed for any items; and

WHEREAS, California Health and Safety Code section 34182.5 also allows the Oversight Board, if it disputes any finding of the County Auditor, to refer the matter to the California Department of Finance (DOF) for a determination of what will be approved for inclusion in the applicable ROPS; and

WHEREAS, the County Auditor transmitted a letter dated October 1, 2012 to the DOF, in which the County Auditor, among other things, objected to the use of the Redevelopment Property Tax Trust Fund (“RPTTF”), rather than the administrative cost allowance, as the proposed funding source for two specific line items in ROPS 3, namely line item 434 for funding of the annual audit in the amount of \$200,000 and line item 476 for funding of the Oversight Board’s independent legal counsel in the amount of \$250,000; and

WHEREAS, the Oversight Board disputes the County Auditor’s objection to the funding source for the two pertinent line items in ROPS 3, for the reasons described in the Staff Report accompanying this item.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board that the Oversight Board Chair is authorized to execute, and Successor Agency staff is authorized to submit, a letter to the County Auditor and the DOF disputing the County Auditor’s objection to the proposed funding source in ROPS 3 for the annual audit of the Successor Agency and the Oversight Board’s legal counsel, for the reasons described in the Staff Report accompanying this item.

**PASSED AND ADOPTED** by the Oversight Board at a duly noticed meeting of the Oversight Board held on October 16, 2012.

  
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Chair, Oversight Board