

RESOLUTION NUMBER R- **315973**DATE OF FINAL PASSAGE **JAN 23 2025**

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO, ACTING IN ITS CAPACITY AS THE BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO, (i) APPROVING THE NINETEENTH RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY 1, 2025, THROUGH JUNE 30, 2026 (ROPS 19), (ii) APPROVING AN ADMINISTRATIVE BUDGET FOR THE ROPS 19 FISCAL YEAR, AND (iii) AUTHORIZING THE MAYOR AND CHIEF FINANCIAL OFFICER TO CARRY OUT CERTAIN RELATED ACTIONS.

RECITALS

The Council of the City of San Diego (Council) adopts this Resolution based on the following:

A. From its formation in 1958 until its elimination on February 1, 2012, the Redevelopment Agency of the City of San Diego (Former RDA) implemented various redevelopment projects, programs, and activities within designated redevelopment project areas throughout the City of San Diego (City). The Former RDA dissolved as of February 1, 2012, upon the deadline for elimination of all redevelopment agencies throughout California set forth in Assembly Bill x1 26 (AB 26), as modified by the California Supreme Court in *California Redevelopment Assn. v. Matosantos*, 53 Cal. 4th 231 (2011).

B. The Council adopted Resolution R-307238 (Jan. 12, 2012), electing to have the City, solely in its capacity as the designated successor agency to the Former RDA (Successor Agency), serve as the successor agency to the Former RDA, and further electing to have the City serve as the housing successor to the Former RDA in order to retain housing assets and assume housing responsibilities. At the time of the Former RDA's dissolution on February 1, 2012, the Successor Agency became vested with the Former RDA's authority, rights, powers, duties, and

obligations under the California Community Redevelopment Law and, by operation of law, received all assets, properties, and contracts of the Former RDA.

C. The Successor Agency is winding down the Former RDA's operations in accordance with AB 26, enacted on June 28, 2011, Assembly Bill 1484, enacted on June 27, 2012, and subsequent related legislation (collectively, Dissolution Laws). As required by California Health and Safety Code (Code) section 34179(j), the Countywide Redevelopment Successor Agency Oversight Board for the County of San Diego (Oversight Board) was formed in July 2018 to oversee certain actions and decisions of the Successor Agency and other local successor agencies under the Dissolution Laws. The San Diego County Auditor-Controller (County Auditor), the State Controller, and the State Department of Finance (State DOF) also possess certain rights and obligations under the Dissolution Laws with respect to the Successor Agency's administration of winding down the Former RDA's operations.

D. Under Code section 34177(o), Successor Agency staff must prepare a Recognized Obligation Payment Schedule (ROPS) on a forward-looking basis, showing the payments to be made toward "enforceable obligations" as defined in Code section 34171(d) and the funding sources for the payments during the upcoming fiscal year. Successor Agency staff prepared the proposed nineteenth ROPS covering the fiscal year beginning July 1, 2025, and ending June 30, 2026 (ROPS 19), also known as ROPS 25-26, included as Attachment A to the staff report accompanying this Resolution (Staff Report). Successor Agency staff prepared ROPS 19 using the State DOF's most current ROPS template but may need to update certain information and correspondingly adjust the Notes spreadsheet for various line items in ROPS 19.

E. Code section 34177(o) requires the Successor Agency to obtain the Oversight Board's approval of ROPS 19 and submit ROPS 19 to the State DOF by February 1, 2025, and

subjects both the City and the Successor Agency to specified civil penalties if ROPS 19 is not timely submitted to the State DOF. The anticipated dates for the County Auditor's semi-annual distributions of property taxes generated in the redevelopment project areas to the Successor Agency and local taxing entities with respect to ROPS 19 are the first business day in June 2025 and the first business day in January 2026 (each, a ROPS 19 Distribution Date).

F. Code section 34177(o)(1) requires the State DOF to review ROPS 19 and determine the validity of enforceable obligations and proposed funding sources in ROPS 19 no later than April 15, 2025. Code section 34177(o)(1) further provides that the Successor Agency may, within five business days after the State DOF's initial determination on ROPS 19, request additional review by the State DOF and an opportunity to meet and confer with the State DOF on disputed items in ROPS 19, and the State DOF must notify the Successor Agency and the County Auditor regarding the outcome of its additional review at least 15 days before the first ROPS 19 Distribution Date.

G. Code section 34177(j) requires the Successor Agency to prepare, and submit to the Oversight Board for approval, an administrative budget for each six-month fiscal period, estimating the administrative costs to be expended during the applicable six-month fiscal period, identifying the proposed sources of payment for such administrative costs, and identifying proposed arrangements for administrative and operations services provided by the City or any other entity. Successor Agency staff prepared a proposed Annual Administrative and Project Management Budget for the Successor Agency, comprised of two six-month budgets for July 1, 2025, through December 31, 2025, and January 1, 2026, through June 30, 2026, respectively, covering the entire ROPS 19 period (collectively, the ROPS 19 Administrative Budget), included as Attachment B to the Staff Report. The ROPS 19 Administrative Budget shows the total

amount of administrative and project management costs during the ROPS 19 fiscal year, to be paid using a combination of the three percent administrative cost allowance permitted under the Dissolution Laws and other, non-ROPS funding sources, consisting of rent and lease payments received by the City with respect to certain Former RDA properties. The ROPS 19 Administrative Budget contemplates the Successor Agency's payment of funds to the City in exchange for the provision of certain services by the City and its consultant, Civic San Diego, related to winding down the Former RDA's operations.

H. Code section 34179(p) states that decisions made by the Oversight Board, within its purview, will supersede decisions made by the Successor Agency or its staff. The Oversight Board's decision regarding approval of ROPS 19 will not become effective until after the decision has been approved or deemed approved by the State DOF in accordance with Code sections 34177(o) and 34179(h). It is thus assumed for purposes of this Resolution that any modifications to ROPS 19 made by the Oversight Board or the State DOF will be binding on the Successor Agency, subject to the outcome of any meet-and-confer process on disputed items in ROPS 19 initiated by Successor Agency staff with the State DOF.

I. Under Code section 34179(h)(1)(B), the Oversight Board's decision with respect to the ROPS 19 Administrative Budget will become effective immediately, without any need for review by the State DOF.

J. The Office of the City Attorney prepared this Resolution based on the information provided by City staff (including information provided by affected third parties and verified by City staff), with the understanding that this information is complete and accurate.

ACTION ITEMS

Be it resolved by the Council of the City of San Diego, acting in its capacity as the board of the Successor Agency, as follows:

1. The Council approves ROPS 19, covering the fiscal year beginning July 1, 2025, and ending June 30, 2026, which will be placed on file in the Office of the City Clerk as Document No. RR- **315973-1**.

2. The Mayor or designee is authorized and directed, on the Successor Agency's behalf, to take all actions necessary and appropriate to carry out and implement the purposes of this Resolution and to fulfill the Successor Agency's statutory obligations with respect to ROPS 19, including, but not limited to: (a) submitting ROPS 19 to the Oversight Board, the County Administrative Officer, the County Auditor, the State Controller, and the State DOF; (b) posting ROPS 19 on the Successor Agency's internet website; (c) making any necessary adjustments and adding information to ROPS 19, including the Notes spreadsheet, to conform to the State DOF's most current ROPS template, provided that the substantive content of ROPS 19 remains substantially the same as approved by the Successor Agency; and (d) requesting additional review by the State DOF of disputed items in ROPS 19, after receipt of the State DOF's initial determination on ROPS 19, and engaging in a meet-and-confer process with the State DOF on disputed items in ROPS 19, as may be deemed by the Mayor or designee to be in the best interests of the Successor Agency or the City, or both.

3. The Chief Financial Officer is authorized to appropriate and expend funds as needed in accordance with ROPS 19, contingent upon approval of ROPS 19 by the Oversight Board and the State DOF.

4. The Council adopts the ROPS 19 Administrative Budget, which will be placed on file in the Office of the City Clerk as Document No. RR- 315973-2.

5. The Mayor or designee is authorized and directed, on the Successor Agency's behalf, to take all actions necessary and appropriate to fulfill the Successor Agency's statutory obligations with respect to the ROPS 19 Administrative Budget.

6. The Chief Financial Officer is authorized to appropriate and expend funds as needed in accordance with the ROPS 19 Administrative Budget, utilizing the funding sources identified therein, contingent upon approval of the ROPS 19 Administrative Budget by the Oversight Board.

7. The Successor Agency and the City reserve all legal rights and remedies with respect to the approval and implementation of ROPS 19 and the ROPS 19 Administrative Budget. The actions taken in this Resolution are not intended as, and shall not constitute, a waiver by the Successor Agency or the City of any of their rights to challenge the validity or effectiveness of all or any portion of the Dissolution Laws through administrative or judicial proceedings.

APPROVED: HEATHER FERBERT, City Attorney

By Kevin Reisch
Kevin Reisch
Senior Deputy City Attorney

KJR/jdf
12/19/2024
Or. Dept: Econ. Dev.
Doc. No.: 3910224

I certify that the Council of the City of San Diego adopted this Resolution at a meeting held on
JAN 13 2025.

DIANA J.S. FUENTES
City Clerk

By Kristell Medina
Deputy City Clerk

Approved: 1/23/25
(date)

Todd Gloria
TODD GLORIA, Mayor

Vetoed: _____
(date)

TODD GLORIA, Mayor

Passed by the Council of The City of San Diego on JAN 13 2025, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Joe LaCava	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jennifer Campbell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stephen Whitburn	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Henry L. Foster III	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marni von Wilpert	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kent Lee	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Raul A. Campillo	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vivian Moreno	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sean Elo-Rivera	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JAN 23 2025.

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

TODD GLORIA
Mayor of The City of San Diego, California.

(Seal)

DIANA J.S. FUENTES
City Clerk of The City of San Diego, California.

By Cennic Patterson, Deputy

Office of the City Clerk, San Diego, California
Resolution Number R- **315973**