



OVERVIEW OF AB1X 26

- Roles and Responsibilities
- Relationships Among the Entities
- Successor Agency Administration
- Meetings and Ethics



Overview of AB1X 26

AB1X 26 (Part 1.85 of the Health and Safety Code)

- Dissolves all redevelopment agencies (§34170)
- Creates a Successor Agency and Oversight Board to continue to satisfy the enforceable obligations and administer the dissolution and wind-down of the dissolved Revitalization Authority
- Establishes a process to wind-down the former Revitalization Authority
- Assigns responsibilities to the Department of Finance, State Controller and County Auditor-Controller in the wind-down process



Role of Successor Agency

- Make payments and perform other obligations due for enforceable obligations
- Staff Oversight Board
- Prepare a Recognized Obligation Payment Schedule and budget for Oversight Board approval
- Dispose of assets and property
- Wind-down affairs of former Revitalization Authority



Role of Oversight Board

1. Supervise activities and actions of Successor Agency.
2. "Oversight boards shall have fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from the distributions of property tax and other revenues." §34179(i)
3. Under oversight of Department of Finance; actions of board subject to approval.



Review by Department of Finance

- “The Department of Finance **may** review an oversight board action.... As such, all oversight board actions shall not be effective for three business days, pending a request for review by the Department.” §34179(h)



Responsibilities:

The Board's responsibilities and discretion fall in two categories:

- Approve actions proposed by the Successor Agency (§34180.)
- Direct the Successor Agency to take certain actions (§34181.)



Responsibilities:

Oversight Board **approves** following actions proposed by Successor Agency:

- restructuring or refinancing of loans and bonds, and the setting aside of reserve funds for such bonds or indebtedness;
- approval of “recognized obligation payment schedules”;
- agreements between Successor Agency and City;
- administrative budget
- compensation agreements with city to retain property.

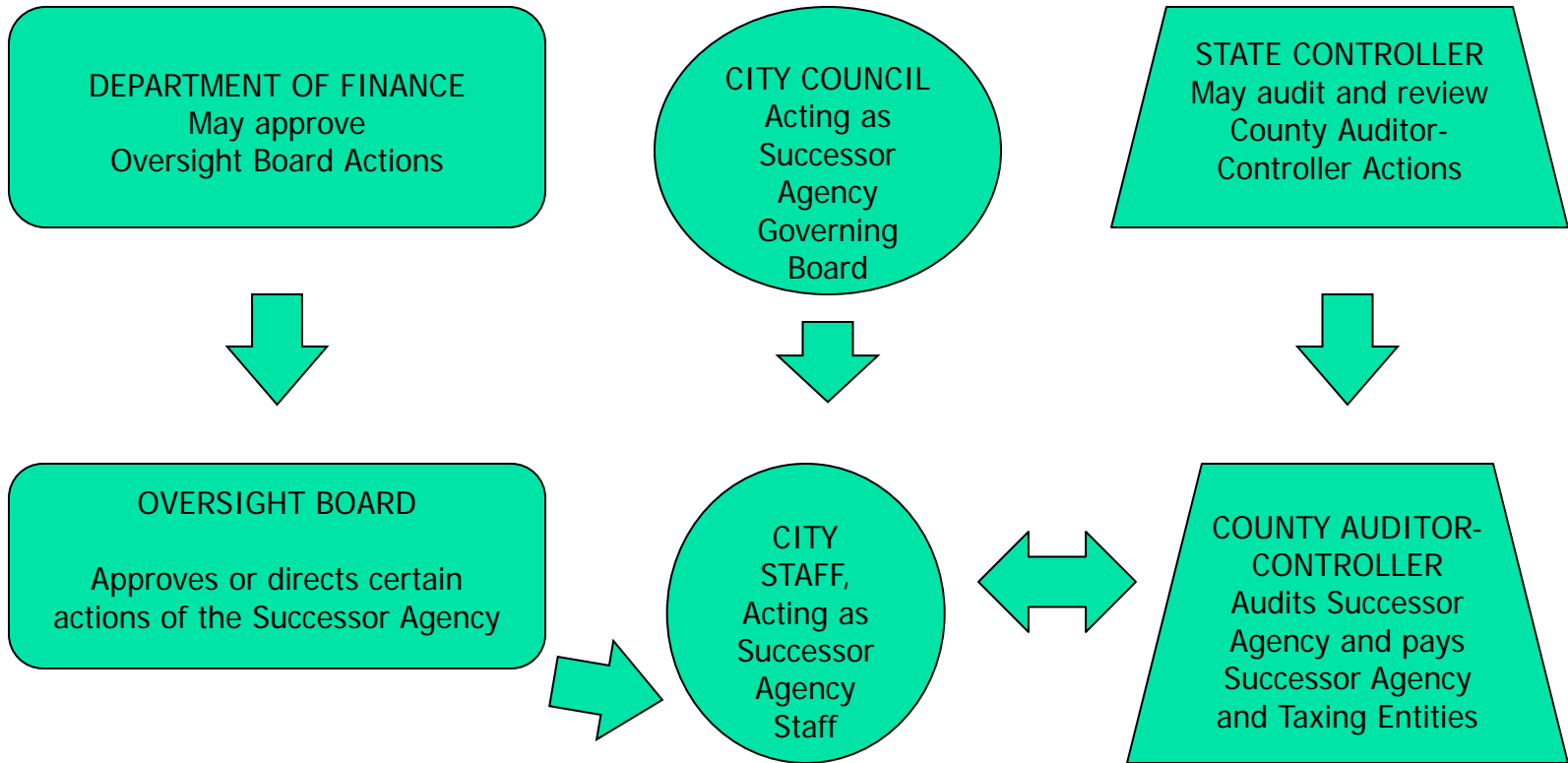


Responsibilities:

Board **must direct** Successor Agency to take following actions (except where the Board **may** direct at its discretion):

- to dispose of all assets and properties of former Revitalization Authority, except Board **may** *instead* direct Successor Agency to transfer to the City (or other public jurisdictions) those assets that were constructed and used for a governmental purpose;
- to cease performance of and terminate all existing agreements other than “enforceable obligations”;
- to terminate any agreement between the former Redevelopment Agency and any public entity located in the same county that obligates the former agency to provide funding for any debt service obligation.

Relationships Among Entities





Successor Agency Administration

- Successor Agency is the City. §34170(j).
- The Oversight Board **may** direct Successor Agency staff to perform work in areas of the Oversight Board's responsibilities enumerated under AB1X 26. §34179(c).
- City staff is Successor Agency staff and will perform all work of the Successor Agency, subject to the powers, authority and regulations of the City Council, state laws (including AB1X 26) and the Mountain View City Code.



Meetings and Ethics

- Successor Agency to arrange and pay for costs of Oversight Board meetings. §34179(c)
- A majority of the total membership of the Board shall constitute quorum and a majority vote of the total membership is required to take action. §34179(e)
- Board members shall serve without compensation or reimbursement. §34179(c)
- Meetings subject to the Brown Act and all meeting notices must be posted on City's website. §34179(e) and (f)
- Members have personal immunity from suit for their actions as board members. §34179(d)
- Members subject to Political Reform Act and must file form 700 with City Clerk, if not already filing as an officer of the City.



Auditor-Controller

- County of Santa Clara serves as the Auditor-Controller
- Performs an agreed upon procedures audit of Former Revitalization Authority
- Required to provide State Controller a copy of audit
- Calculates and distributes property tax revenues under oversight of State Controller