

**SUCCESSOR AGENCY  
CITY OF OCEANSIDE**

**OVERSIGHT BOARD MEETING DATE: April 23, 2012**

**ITEM TITLE: Consideration of a Resolution Adopting Bylaws for the Oversight Board of Successor Agency City of Oceanside**

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**SYNOPSIS**

Adopt a Resolution of the Oversight Board of Successor Agency City of Oceanside adopting Bylaws for the Oversight Board.

**BACKGROUND**

Pursuant to Section 34172 of the Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*; "CRL"), as modified by the California Supreme Court decision entered December 29, 2011, in *California Redevelopment Assn. v. Matosantos* (Case No. S194861), on February 1, 2012, all redevelopment agencies in the State of California were dissolved. On that date, by operation of law pursuant to CRL Section 34175, all assets, properties, contracts, leases, books and records, buildings and equipment of redevelopment agencies were transferred to successor agencies. On January 9, 2012, the City Council of the City of Oceanside adopted Resolution No. 2012-3, affirming that the City would serve as the Successor Agency to the former Oceanside Redevelopment Agency ("Redevelopment Agency"), in which capacity the City will wind down the affairs of the former Redevelopment Agency at the direction of an oversight board. The Oversight Board has been established pursuant to H&S Code Section 34179 to assist in the close out and wind down of the dissolved Redevelopment Agency.

In order to facilitate the process of meetings and establish rules for the Oversight Board, a set of Bylaws will need to be adopted. Staff has prepared suggested Bylaws (Exhibit A of Attachment 1) for the Board's consideration. Also provided as Attachment 2 are a summary of Robert's Rules of Order for conducting meetings, referred to in the Bylaws.

**FISCAL IMPACT**

The Successor Agency has and will continue to incur administrative expenses in the preparation of materials presented to the Oversight Board and conducting meetings of the Oversight Board. The Successor Agency is entitled to at least \$250,000 annually for reimbursement of the costs of administration.

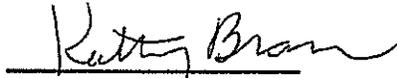
**CITY ATTORNEY'S ANALYSIS**

The referenced documents have been reviewed by the City Attorney and approved as to form.

**RECOMMENDATION**

Staff recommends that the Oversight Board approve the Resolution of the Oversight Board of Successor Agency City of Oceanside adopting Bylaws for the Oversight Board.

**PREPARED BY:**



Kathy Brann

Downtown Development Manager

Attachments:

1. Resolution of the Oversight Board
2. Bylaws for Oversight Board

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE OVERSIGHT BOARD OF SUCCESSOR AGENCY CITY OF OCEANSIDE ADOPTING BYLAWS FOR THE OVERSIGHT BOARD**

**WHEREAS**, the Oceanside Redevelopment Agency ("Agency") was a redevelopment agency organized and existing under the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) ("CRL") and was authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the Community Development Commission ("Commission"); and

**WHEREAS**, in connection with the approval and adoption of the State Budget for Fiscal year 2011-12, the California Legislature approved, and the Governor signed (i) Assembly Bill 1X26 (Stats. 2011, First Extraordinary Session, chap. 5, "AB1X26"), which immediately suspended all otherwise legal redevelopment activities and incurrence of indebtedness, and created a procedure to dissolve all redevelopment agencies effective October 1, 2011 (the "Dissolution Act"); and (ii) Assembly Bill 1X27 (Stats. 2011, First Extraordinary Session, chap. 6, "AB1X27"), which allowed communities to avoid the consequences of the Dissolution Act and continue their redevelopment agency if the community agreed to comply with the alternative voluntary redevelopment program described in Section 2 of AB1X27 (the "Alternative Redevelopment Program"); and

**WHEREAS**, the constitutionality of the Dissolution Act and Alternative Redevelopment Program was challenged by the filing of a Petition for Writ of Mandate in the California Supreme Court on July 18, 2011 (California Redevelopment Association, *et al.*, v. Ana Matosantos, *et al.*, Case No. S194861) on behalf of California cities, counties and redevelopment agencies; and

**WHEREAS**, on December 29, 2011, the California Supreme Court upheld AB1X26 and struck down AB1X27, effectively ending redevelopment in the State of California, and, as part of its decision, generally reformed the timelines applicable to Dissolution Act, extending most of them by 4 months; and

**WHEREAS**, the City Council adopted Resolution No. 12-R0058-1 on January 10, 2012, affirming that the City would serve as the Successor Agency to the former Agency ("Successor Agency City of Oceanside"), in which capacity the City will wind down the affairs of the Agency at the direction of an oversight board; and

**WHEREAS**, on February 1, 2012, pursuant to Section 34172 of the CRL, the former Agency was dissolved by operation of law, and pursuant to Section 34175(b), all assets, properties, contracts, leases, books and records, buildings and equipment of the former Agency were transferred to the control of the City, in its capacity as Successor Agency, for administration pursuant to the provisions of Part 1.85 of the CRL (Health and Safety Code Section 34170 et seq.); and

**WHEREAS**, the Oversight Board of Successor Agency City of Oceanside has been established pursuant to CRL Section 34179 to take certain actions to wind down the affairs of the Agency in accordance with the CRL; and

**WHEREAS**, the Oversight Board desires to adopt bylaws for the general operation of the Oversight Board, including but not limited to the designation of officers and conduct of meetings.

**NOW, THEREFORE,** the Oversight Board of Successor Agency City of Oceanside does hereby resolve as follows:

**Section 1. Recitals.** The recitals set forth above are true and correct and incorporated herein.

**Section 2. Adoption of Bylaws.** The Bylaws of the Oversight Board, a copy of which is attached hereto and incorporated herein as Exhibit A, are hereby approved and adopted.

**PASSED AND ADOPTED** this 23rd day of March, 2012, by the following vote:

**AYES:  
NAYS:  
ABSENT:**

\_\_\_\_\_  
**Chairperson**  
Oversight Board of Successor Agency  
City of Oceanside

**ATTEST:**

\_\_\_\_\_  
**Secretary**  
Oversight Board of Successor Agency  
City of Oceanside

**BYLAWS OF THE OVERSIGHT BOARD  
FOR THE SUCCESSOR AGENCY CITY OF OCEANSIDE  
(Successor Agency of the former Oceanside Redevelopment Agency)**

**ARTICLE I. THE OVERSIGHT BOARD**

**Section 1.1**            **Oversight Board**

Successor Agency      The name of the Board shall be the "Oversight Board for the City of Oceanside" (hereinafter referred to as the "Oceanside Oversight Board").

**Section 1.2**            **Purpose**

The Oceanside Oversight Board shall perform the duties described in Chapter 4 (commencing with Section 34179) of Part 1.85 of Division 24 of the Health and Safety Code in connection with the winding down of the affairs of the former Oceanside Redevelopment Agency (hereinafter the "former Oceanside Redevelopment Agency") by the City of Oceanside in its capacity as the successor agency (hereinafter the "Oceanside Successor Agency") of the former Oceanside Redevelopment Agency.

a.            **Duties and Responsibilities**

The duties and responsibilities of the Oceanside Oversight Board are to direct the Oceanside Successor Agency to do all of the following:

- (1) Dispose of all assets and properties of the former Oceanside Redevelopment Agency that were funded by tax increment revenues expeditiously and in a manner aimed at maximizing value; provided, however, that the Oceanside Oversight Board may instead direct the Oceanside Successor Agency to transfer ownership of those assets that were constructed and used for a governmental purpose to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset, with any compensation for the asset governed by the agreements relating to the construction or use of that asset;
- (2) Cease performance in connection with and terminate all existing agreements that do not qualify as enforceable obligations, as that term is defined in subdivision (d) of Section 34171 of the Health and Safety Code;
- (3) Transfer housing responsibilities and all rights, powers, duties and obligations related thereto to the entity designated by the City of Oceanside pursuant to Section 34176 of the Health and Safety Code;
- (4) Terminate any agreement between the former Oceanside Redevelopment Agency and any public entity located in the County of San Diego that obligates the former Oceanside Redevelopment Agency to provide funding for any debt

service obligations of the public entity or for the construction or operation of facilities owned or operated by such public entity, in any instance where the Oceanside Oversight Board finds that early termination would be in the best interests of the taxing entities; and

- (5) Determine whether any contracts, agreements or other arrangements between the former Oceanside Redevelopment Agency and any private parties should be terminated or renegotiated to reduce liabilities and increase net revenues to the taxing entities, and present proposed termination or amendment agreements to the Oceanside Oversight Board for consideration and approval; the Oceanside Oversight Board may approve any amendments to or early termination of such agreements where it finds that amendments or early termination would be in the best interests of the taxing entities.

b. Approvals Required

The following actions of the Oceanside Successor Agency shall first be approved by the Oceanside Oversight Board:

- (1) The establishment of new repayment terms for outstanding loans where the terms have not been specified prior to February 1, 2012;
- (2) Refunding of outstanding bonds or other debt of the former Oceanside Redevelopment Agency by the Oceanside Successor Agency in order to provide for savings or to finance debt service spikes; provided, however, that no additional debt is created and debt service is not accelerated;
- (3) Setting aside of amounts in reserves as required by indentures, trust indentures, or similar documents governing the issuance of outstanding bonds of the former Oceanside Redevelopment Agency;
- (4) Merging of project areas of the former Oceanside Redevelopment Agency;
- (5) Continuing the acceptance of federal or state grants, or other forms of financial assistance from either public or private sources, where assistance is conditioned upon the provision of matching funds by the Oceanside Successor Agency, as successor to the former Oceanside Redevelopment Agency, in an amount greater than five percent (5%);
- (6) Approving agreements between the City of Oceanside and other taxing entities permitting the City of Oceanside to retain properties of the former Oceanside Redevelopment Agency in exchange for

compensation as determined by subdivision (f) of Section 34180 of the Health and Safety Code;

- (7) Establishing the recognized obligation payment schedule pursuant to Section 34177 of the Health and Safety Code;
- (8) Requesting the Oceanside Successor Agency enter into an agreement with the City of Oceanside; and
- (9) Requesting the Oceanside Successor Agency or a taxing entity to pledge, or to enter into an agreement for the pledge of, property tax revenues pursuant to subdivision (b) of Section 34178 of the Health and Safety Code.

c. Review by State Department of Finance

The State Department of Finance (hereinafter "DOF") may review any action of the Oceanside Oversight Board. The Downtown Development Manager shall be the contact between the Oceanside Oversight Board and DOF and shall provide his/her telephone and email contact information to DOF. Actions taken by the Oceanside Oversight Board shall not be effective for three (3) business days, pending a request for review by DOF. In the event that DOF requests review of an action taken by the Oceanside Oversight Board, DOF shall have ten (10) days from the date of its request to approve the action or return it to the Oceanside Oversight Board for reconsideration, with suggested modifications. In the event that DOF returns the action to the Oceanside Oversight Board for reconsideration, the Oceanside Oversight Board shall consider the modified action; and resubmit the modified actions to DOF for approval; the modified action shall not become effective until approved by DOF.

## **ARTICLE II. MEMBERSHIP**

### **Section 2.1      Composition**

The Oceanside Oversight Board shall consist of seven (7) regular members with no alternate members.

A. Membership/Appointment

- (1) One member shall be appointed by the Board of Supervisors of the County of San Diego;
- (2) One member shall be appointed by the Mayor of the City of Oceanside;
- (3) One member shall be appointed by the largest, by property tax share, special district (as defined in Revenue and Taxation Code Section 95) with territory in the territorial jurisdiction of the former Oceanside Redevelopment Agency;

- (4) One member, to represent schools, shall be appointed by the elected County of San Diego Superintendent of Education or, if the County Superintendent is appointed, then this member shall be appointed by the County of San Diego Board of Education;
- (5) One member shall be appointed by the Chancellor of the California Community Colleges to represent community college districts in the County of San Diego;
- (6) One member shall be a member of the public appointed by the Board of Supervisors of the County of San Diego; and
- (7) One member, to represent the employees of the former Oceanside Redevelopment Agency, shall be appointed by the Mayor of the City of Oceanside from the recognized employee organization representing the largest number of former Oceanside Redevelopment Agency employees employed by the Oceanside Successor Agency at the time of appointment.

The Governor may appoint individuals to fill any member position identified herein that has not been filled by May 15, 2012. Following its initial formation, the Oceanside Oversight Board shall report the names of its officers and other members to DOF.

The members shall serve without compensation and without reimbursement for expenses. Each member shall serve at the pleasure of the entity that appointed said member.

B. Duration

The Oceanside Oversight Board shall be and remain in effect until the sooner of (1) the date that all indebtedness of the former Oceanside Redevelopment Agency has been repaid, or (2) July 1, 2016, at which time the Oceanside Oversight Board shall be dissolved and replaced by a single oversight board for all successor agencies within the County of San Diego.

**Section 2.2. Local Entity**

Pursuant to subdivision (e) of Section 34179 of the Health and Safety Code, the Oceanside Oversight Board shall be deemed to be a local entity for purposes of the Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act of 1974.

**Section 2.3. Personal Immunity**

Oceanside Oversight Board members shall have personal immunity from suit for their actions taken within the scope of their responsibilities as members of the Oceanside Oversight Board.

**Section 2.4**            **Fiduciary Responsibilities**

Oceanside Oversight Board members shall have fiduciary responsibilities to holders of enforceable obligations, as that term is defined in subdivision (d) of Section 34171 of the Health and Safety Code, and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Health and Safety Code.

**Section 2.5.**            **Resignation**

Any Oceanside Oversight Board member may resign at any time by giving written notice to the Chairperson, who shall forward such notice to the Oceanside Successor Agency and to the DOF. The member is also required to give written notice to their appointing agency. Any such resignation will take effect upon receipt or upon any date specified therein. The acceptance of such resignation shall not be necessary to make it effective.

**Section 2.6**            **Filling of Vacancies**

In the event of a vacancy on the Oceanside Oversight Board, the appointing entity for the vacant seat shall select a member to fill such vacancy as soon as reasonably practicable, provided, however, that the Governor may appoint individuals to fill any member position that remains vacant for more than sixty (60) days.

**ARTICLE III. OFFICERS**

**Section 3.1.**            **Officers**

The officers of the Oceanside Oversight Board shall consist of a Chairperson and a Vice Chairperson, who shall be elected in the manner set forth in this Article II.

**Section 3.2.**            **Chairperson**

The Chairperson shall preside at all meetings of the Oceanside Oversight Board, and shall submit in coordination with staff such agenda, recommendations and information at such meetings as are reasonable and proper for the conduct of the business affairs and policies of the Oceanside Oversight Board. The Chairperson shall sign all documents necessary to carry out the business of the Oceanside Oversight Board. The Downtown Development Manager shall be the contact between the Oceanside Oversight Board and DOF and shall provide his/her telephone and email contact information to the DOF.

**Section 3.3.**            **Vice Chairperson**

The Vice Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson. In the event of the death, resignation or removal of the Chairperson, the Vice Chairperson shall assume the Chairperson's duties until such time as the Oceanside Oversight Board shall elect a new Chairperson.

**Section 3.4.**            **Additional Duties**

The officers of the Oceanside Oversight Board shall perform such other duties and functions as may from time to time be required by the Oceanside Oversight Board, these Bylaws, or other rules and regulations, or which duties and functions are incidental to the office held by such officers.

**Section 3.5.**            **Election**

The Chairperson and Vice Chairperson shall be elected from among the members of the Oceanside Oversight Board by majority vote at the first regular public meeting of the Oceanside Oversight Board. Thereafter, the Chairperson and Vice Chairperson shall be elected from among the members of the Oceanside Oversight Board at each annual meeting. Each officer shall hold office until the next annual meeting of the Oceanside Oversight Board following his/her election and until his/her successor is elected and in office. Any such officer shall not be prohibited from succeeding himself or herself, but no person shall be elected as an officer for more than two consecutive terms.

**Section 3.6.**            **Vacancies**

Should the office of the Chairperson or Vice Chairperson become vacant, the Oceanside Oversight Board shall elect a successor from among the Oceanside Oversight Board members at the next regular or special meeting, and such office shall be held for the unexpired term of said office.

**ARTICLE IV. MEETINGS**

**Section 4.1.**            **Regular Meetings**

The Oceanside Oversight Board shall meet regularly on the fourth Monday of each month, at 3:00 p.m., in the Council Chambers at City Hall, Oceanside, California. In the event that the regular meeting date shall be a legal holiday, then any such regular meeting shall be held on the third Monday of the month. In the event there is no official business to discuss, the monthly meeting will be cancelled. A notice, agenda and other necessary documents shall be delivered to the members, email or by mail, at least seventy-two (72) hours prior to the meeting.

**Section 4.2.**            **Special Meetings**

Special meetings may be held upon call of the Chairperson, or an affirmative vote by a majority of the members of the Oceanside Oversight Board present at a regular or special meeting of the Oceanside Oversight Board at which a quorum is present, for the purpose of transacting any business designated in the call, after notification of all members of the Oceanside Oversight Board by written notice personally delivered or by mail at least twenty-four (24) hours before the time specified notice for a special meeting. At such special meeting, no business other than that designated in the call shall be considered.

**Section 4.4.**            **Adjourned Meetings**

Any meeting of the Oceanside Oversight Board may be adjourned to an adjourned meeting without the need for notice requirements of a special meeting, provided the adjournment indicates the date, time and place of the adjourned meeting. Oceanside Oversight Board members absent from the meeting at which the adjournment decision is made shall be notified by the Chairperson of the adjourned meeting.

**Section 4.5.**            **All Meetings to be Open and Public**

All meetings of the Oceanside Oversight Board shall be open and public to the extent required by law. All persons shall be permitted to attend any such meetings, except as otherwise provided by law.

**Section 4.6.**            **Posting Agendas/Notices**

Staff shall post an agenda for each regular meeting containing a brief description of each item of business to be transacted or discussed at the meeting together with the time and location of the meeting. Agendas/notices shall be posted at City Hall, Oceanside, California (a location readily accessible to the public) at least seventy-two (72) hours in advance of each regular meeting and at least twenty-four (24) hours in advance of each special meeting.

**Section 4.7.**            **Right of Public to Appear and Speak**

At every regular meeting, members of the public shall have an opportunity to address the Oceanside Oversight Board on matters within the Oceanside Oversight Board subject matter jurisdiction. Public input and comment on matters on the agenda, as well as public input and comment on matters not otherwise on the agenda, shall be made during the time set aside for public comment; provided, however, that the Oceanside Oversight Board may direct that public input and comment on matters on the agenda be heard when the matter regularly comes up on the agenda.

The Chairperson may limit the total amount of time allocated for public discussion on particular issues and/or the time allocated for each individual speaker.

**Section 4.8.**            **Non-Agenda Items**

Matters brought before the Oceanside Oversight Board at a regular meeting which were not placed on the agenda of the meeting shall not be acted upon by the Oceanside Oversight board at that meeting unless action on such matters is permissible pursuant to the Ralph M. Brown Act (Gov. Code § 54950 et seq.). Those non-agenda items brought before the Oceanside Oversight Board consideration and action and where Oceanside Oversight Board action at that meeting is not so authorized may be placed on the agenda for the next regular meeting.

**Section 4.9.**            **Quorum**

The powers of the Oceanside Oversight Board shall be vested in the members thereof in office from time to time. A majority of the total membership of the Oceanside Oversight Board shall constitute a quorum for the purpose of conducting the business of the Oceanside Oversight Board, exercising its powers and for all other

purposes, but less than that number may adjourn the meeting from time to time until a quorum is obtained. An affirmative vote by a majority of the total membership of the Oceanside Oversight Board shall be required for approval of any questions brought before the Oceanside Oversight Board.

**Section 4.11.**            **Order of Business**

Except as otherwise provided by state law, all business and matter before the Oceanside Oversight Board shall be transacted in conformance with Chapter 2, Article 1, of the Oceanside City Code and Robert's Rules of Order. In the event of a conflict between Robert's Rules of Order and the City Code, the City Code shall prevail.

**Section 4.12.**            **Minutes**

Action minutes of the meetings of the Oceanside Oversight Board shall be prepared in writing by the staff. Copies of the action minutes of each Oceanside Oversight Board meeting shall be made available to each member of the Oceanside Oversight Board and the Oceanside Successor Agency. Approved minutes shall be filed in the official book of minutes of the Oceanside Oversight Board. CD's or media files of the meetings will be retained as well.

**ARTICLE V. COMMITTEES**

**Section 5.1**            **Establishment**

The Oceanside Oversight Board shall have the authority to and may establish standing or ad-hoc committees as necessary to accomplish the purposes set forth in Section 1.2 herein. Committees may meet to discuss specific issues within the scope of responsibility for the Oceanside Oversight Board and to make recommendations for action by the Oceanside Oversight Board. Membership composition and terms shall be determined by the Oceanside Oversight Board for any committee created; however, no committee shall consist of more than three (3) Oceanside Oversight Board members, as not to cause a majority of Oceanside Oversight Board members to serve on one (1) committee. Standing Committees shall be subject to the Brown Act. Ad-hoc committees shall address a single issue and shall not continue for more than six (6) months absent reauthorization from the Oceanside Oversight Board. Ad-hoc committees are not required to comply with the notice and agenda requirement of the Brown Act unless directed to do so by the Oceanside Oversight Board.

**Section 5.2**            **Appointment of Committee Members**

Members on a standing or ad-hoc committee shall be appointed by the Chairperson with the approval of a majority of the Oceanside Oversight Board members.

**Section 5.3**            **Committee Reports**

Committee(s) shall from time to time make reports, written or verbal, to the Oceanside Oversight Board.

**ARTICLE VI. REPRESENTATION BEFORE PUBLIC BODIES**

Any official representations on behalf of the Oceanside Oversight Board before the Oceanside Successor Agency, the San Diego County Auditor-Controller, the State Controller, DOF, or any other public body shall be made by the Chairperson.

**ARTICLE VII. AMENDMENTS**

These Bylaws may be amended upon an affirmative vote by a majority of the total membership of the Oceanside Oversight Board, but no such amendment shall be adopted unless at least seven (7) days written notice thereof has previously been given to all members of the Oceanside Oversight Board. Notice of the amendment shall identify the section or sections of these Bylaws proposed to be amended. The Oceanside Successor Agency shall be notified of any amendments to these Bylaws.