

**RESOLUTION NO. SARDA2012-003**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SUCCESSOR AGENCY TO THE HIGHLAND REDEVELOPMENT  
AGENCY CREATING THREE REDEVELOPMENT OBLIGATION  
RETIREMENT FUNDS PURSUANT TO HEALTH AND SAFETY CODE  
SECTION 34170.5 AND TAKING CERTAIN ACTIONS IN  
CONNECTION THEREWITH**

RECITALS:

A. AB X1 26 and AB X1 27 were signed by the Governor of California on June 29, 2011, making certain changes to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (the "Redevelopment Law"), including adding Part 1.8 (commencing with Section 34161)("Part 1.8") and Part 1.85 (commencing with Section 34170) ("Part 1.85").

B. The California Redevelopment Association and League of California Cities filed a lawsuit in the Supreme Court of California (*California Redevelopment Association, et al. v. Matosantos, et al.* (Case No. S194861)) alleging that AB X1 26 and AB X1 27 are unconstitutional. On December 29, 2011, the Supreme Court issued its opinion in the *Matosantos* case, largely upholding AB X1 26, invalidating AB X1 27, and holding that AB X1 26 may be severed from AB X1 27 and enforced independently.

C. The Supreme Court generally revised the effective dates and deadlines for performance of obligations in Part 1.85 arising before May 1, 2012, to take effect four months later.

D. As a result of the Supreme Court's decision, the Highland Redevelopment Agency (the "Redevelopment Agency"), a redevelopment agency in the City of Highland (the "City"), created pursuant to the Redevelopment Law, was dissolved pursuant to Part 1.85 on February 1, 2012.

E. By its Resolution No. 2012-003, adopted on January 10, 2012, the City Council of the City made an election to serve as the successor agency for the Redevelopment Agency under Part 1.85 (the "Successor Agency").

F. By its Resolution No. 2012-003, adopted on January 10, 2012, the City Council, acting as the governing board for the Successor Agency, established rules and regulations applicable to the governance and operation of the Successor Agency, and pursuant to such resolution provided that the Successor Agency will be governed by a Board of Directors (the "Board") consisting of the members of the City Council of the City.

G. Health and Safety Code Section 34170.5 provides that each successor agency shall create within its treasury a Redevelopment Obligation Retirement Fund to be administered by the successor agency.

H. Accordingly, the Board desires to adopt this Resolution creating a Redevelopment Obligation Retirement Fund within the treasury of the Successor Agency.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE HIGHLAND REDEVELOPMENT AGENCY HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:**

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

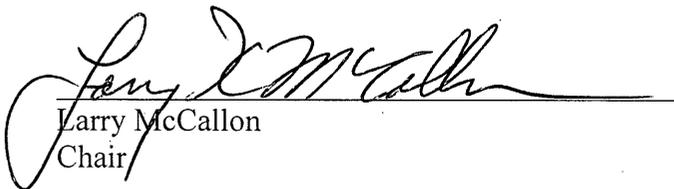
Section 2. This Resolution is adopted pursuant to Health and Safety Code Section 34170.5.

Section 3. The Executive Director and the Finance Director are hereby authorized and directed to create within the treasury of the Successor Agency a Redevelopment Obligation Retirement Fund to be administered by the Successor Agency.

Section 4. The Secretary is hereby authorized and directed to file a certified copy of this Resolution with the County Auditor-Controller.

Section 5. The officers and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, and any such actions previously taken by such officers are hereby ratified and confirmed.

**PASSED, APPROVED AND ADOPTED** this 14th day of February, 2012.

  
Larry McCallon  
Chair

ATTEST:

  
Betty Hughes, MMC  
Secretary

STATE OF CALIFORNIA            )

COUNTY OF SAN BERNARDINO)

CITY OF HIGHLAND            )

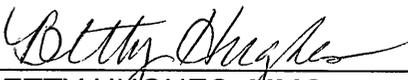
I, BETTY HUGHES, Secretary of the Successor Agency to the Highland Redevelopment Agency of the City of Highland, California, do hereby certify Successor Agency to the Redevelopment Agency Resolution No. SARDA2012-003 was duly and regularly adopted by the Successor Agency to the Highland Redevelopment Agency, Highland, California, at a special meeting thereof held on the 14th day of February, 2012, by the following vote:

AYES:           Lilburn, McCallon, Racadio, Timmer

NOES:           None

ABSTAIN:       None

ABSENT:        Scott

  
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BETTY HUGHES, MMC  
SECRETARY