

RESOLUTION NO. OBSARDA2012-001

**A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF
THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF HIGHLAND
PURSUANT TO PART 1.85 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND
SAFETY CODE ESTABLISHING RULES AND REGULATIONS FOR THE
OPERATIONS OF THE BOARD**

RECITALS:

A. The City of Highland Redevelopment Agency was a redevelopment agency in the City of Highland (the "City"), duly created pursuant to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (the "Redevelopment Law").

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

C. 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 were unconstitutional.

D. 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.

E. 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.

F. As a result of the Supreme Court's decision, on February 1, 2012, all redevelopment agencies were dissolved and replaced by successor agencies established pursuant to Health and Safety Code Section 34173.

G. The City Council of the City of Highland (the "City") adopted Resolution No. 2012-003 on January 10, 2012, pursuant to Part 1.85 electing for the City to serve as the successor agency for the City of Highland Redevelopment Agency upon the Agency's dissolution.

H. Each successor agency shall have an oversight board which may direct staff of the successor agency to perform work in the furtherance of the oversight board's duties and responsibilities pursuant to Health and Safety Code Section 34179.

I. The Successor Agency Oversight Board for the former Highland Redevelopment Agency hereby desires to adopt a name and establish rules and regulations that will apply to the governance and operations of the Board.

NOW, THEREFORE, THE OVERSIGHT BOARD, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. Designated Oversight Board. Each member of the Oversight Board has been appointed pursuant to Health and Safety Code Section 34179.

Section 2. Governance.

A. Board Officers. The Board members shall elect a Chair to preside at and conduct all meetings and a Vice Chair who shall act in the absence of the Chair.

B. Meetings of the Board. The Oversight Board shall hold a regular meeting on the second Tuesday of April at three o'clock p.m. If a regular meeting falls on a City holiday, such meeting shall be held on the immediately following day at 3:00 p.m. The Board may adopt such rules and procedures for conducting such meetings and other business as the Board deems appropriate. All meetings of the Board including, without limitation, regular, adjourned regular, and special meetings shall be called, noticed and conducted in accordance with the provisions of the Ralph M. Brown Act, Sections 54950 *et seq.* of the California Government Code.

C. Quorum. A majority of the total membership of the Oversight Board shall constitute a quorum for the transaction of business.

D. Voting. A majority vote of the total membership of the Board is required for the Board to take action. Less than a quorum may adjourn or continue meetings from time to time.

E. Executive Director. The City Manager of the City shall serve as Executive Director of the Oversight Board. The Executive Director may appoint officers and employees as necessary to perform the duties of the Oversight Board. The Executive Director also may delegate the performance of his or her duties to other officers or employees.

F. Secretary. The City Clerk of the City shall serve as secretary to the Oversight Board.

G. Director of Administrative Services. The Director of Administrative Services of the City shall serve as Finance Officer of the Oversight Board. The Director of Administrative Services shall have the care and custody of all funds of the Oversight Board.

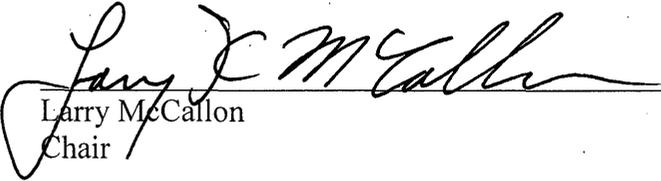
Section 3. Additional Duties. The officers of the Oversight Board shall perform such other duties and functions as may from time to time be required or directed by the Board.

Section 4. Indemnification and Liability.

A. Indemnification. The Oversight Board shall defend, indemnify, and hold harmless the City, and its City Council, boards, commissions, officers, employees and agents, from any and all claims, losses, damages, costs, injuries and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of the Oversight Board.

B. Liability. In accordance with Health and Safety Code Section 34173(e), the liability of the Oversight Board, acting pursuant to the powers granted under Part 1.85, shall be limited to the extent of, and payable solely from, the total sum of property tax revenues it receives pursuant to Part 1.85 and the value of assets transferred to it. The debts, assets, liabilities, and obligations of the Oversight Board shall be solely the debts, assets, liabilities, and obligations of the Oversight Board and not of the City.

PASSED, APPROVED AND ADOPTED this 10th day of April, 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 Oversight Board of the Successor Agency to the Highland Redevelopment Agency of the City of Highland, California, do hereby certify Oversight Board of the Successor Agency to the Redevelopment Agency Resolution No. OBSARDA2012-001 was duly and regularly adopted by the Oversight Board of the Successor Agency to the Highland Redevelopment Agency, Highland, California, at a special meeting thereof held on the 10th day of April, 2012, by the following vote:

- AYES: Haller, Huff, Jaquess, McCallon, Saks, Sutorus

- NOES: None

- ABSTAIN: None

- ABSENT: Peukert



BETTY HUGHES, MMC
SECRETARY