

**Before the Consolidated Oversight Board  
Successor Agency for the  
County of Monterey, State of California**

**Resolution No. 2023-10**

Approve the Final Dissolution of the Successor Agency of the )  
Redevelopment Agency of the City of Monterey Pursuant to Health and )  
Safety Code Section 34187(f), Making Related Findings and Declarations )  
and Taking Related Actions in Connection Therewith )

WHEREAS, the California state legislature enacted Assembly Bill X1 26 (as amended by AB 1484, the "Dissolution Act") to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.); and

WHEREAS, the Redevelopment Agency of the City of Monterey (the "Former Agency") was dissolved as of February 1, 2012, and the Successor Agency of the Redevelopment Agency of the City of Monterey (the "Successor Agency") was constituted; and

WHEREAS, the Successor Agency was formed to and charged with paying the enforceable obligations, disposing of the properties and other assets, and expeditiously unwinding the affairs of the dissolved Former Agency; and

WHEREAS, Health and Safety Code section 34179 provides for the appointment of a consolidated oversight board (the "Consolidated Oversight Board"), as of July 1, 2018, with specific duties to approve certain Successor Agency actions pursuant to Health and Safety Code section 34180 and to direct successor agencies in certain other actions pursuant to Health and Safety Code section 34181; and

WHEREAS, pursuant to Health and Safety Code section 34187(b), "when all of the [successor agency's] enforceable obligations have been retired or paid off, all real property has been disposed of pursuant to section 34181 or 34191.4, and all outstanding litigation has been resolved, the successor agency shall, within 30 days of meeting the aforementioned criteria, submit to the oversight board a request, with a copy of the request to the county auditor-controller, to formally dissolve the successor agency."; and

WHEREAS, the Consolidated Oversight Board shall approve the request within 30 days, and shall submit the request to the Department of Finance; and

WHEREAS, on November 18, 2022, the Successor Agency submitted a request to the Consolidated Oversight Board and the County Auditor-Controller to formally dissolve the Successor Agency pursuant to Health and Safety Code section 34187(b) and confirming that the Successor Agency has retired or paid off all of the enforceable obligations of the Former Agency, transferred all real property of the Former Agency pursuant to Health and Safety Code sections 34181 or 34191.4, and confirming that the Successor Agency has no outstanding litigation and has thereby satisfied all of the conditions to dissolve the Successor Agency under Health and Safety Code section 34187(b); and

WHEREAS, on January 27, 2023 the Consolidated Oversight Board adopted Resolution No. 2023-01 approving the dissolution of the Successor Agency and notified the Department of Finance of its approval on January 31, 2023; and

WHEREAS, in a letter dated March 2, 2023, the Department of Finance approved Resolution No. 2023-01; and

WHEREAS, on April 18, 2023, the Successor Agency adopted Resolution No. 868, which was the final step the Successor Agency needed to take to allow the Consolidated Oversight Board to formally dissolve the Successor Agency; and

WHEREAS, the accompanying staff report, and attachments, attached hereto and incorporated herein by this reference, provide the supporting information upon which the actions set forth in this Resolution are based.

NOW, THEREFORE, BE IT RESOLVED that the Consolidated Oversight Board hereby finds and determines that the foregoing recitals are true and correct, and together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions and determinations set forth below.

Section 1. The Consolidated Oversight Board hereby finds, resolves, and determines that the foregoing recitals are true and correct and are incorporated herein by reference, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.

Section 2. Based upon a review of the evidence and information presented on the matter as it relates to the dissolution of the Successor Agency, the Consolidated Oversight Board finds that such approval is exempt from the California Environmental Quality Act (CEQA) Section 15061(b)(3) as it can be seen with certainty that there is no possibility that this proposal will have a significant impact on the environment.

Section 3. The Consolidated Oversight Board hereby finds that the final dissolution of the Successor Agency is in the best interest of the taxing entities, has verified that the Successor Agency has retired or paid off all of the enforceable obligations of the Former Agency, all litigation has been resolved, and all remaining assets have been disposed of with any proceeds remitted to the county auditor-controller. The Successor Agency has thereby satisfied all of the conditions for dissolution under Health and Safety Code section 34187(f) and the Consolidated Oversight Board hereby approves the final dissolution of the Successor Agency.

Section 4. The Consolidated Oversight Board hereby authorizes and directs the County Auditor-Controller staff and the Successor Agency Staff of the County of Monterey staff to take all actions necessary under the Dissolution Act to file, post, mail or otherwise deliver via electronic mail, internet posting, and/or hardcopy, all notices and transmittals necessary or convenient in connection with the approval of this Resolution and to within 30 days of its adoption notify the Department of Finance of this approval.

Section 5. This Resolution shall take effect immediately.

PASSED AND ADOPTED this 5<sup>TH</sup> day of June, by the following vote, to wit:

AYES:

NOES:

ABSENT:

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, Chair



**TO: Consolidated Oversight Board for the County of Monterey Chair and Board Members**

**FROM: Hans Uslar, Executive Director, Successor Agency of the Redevelopment Agency of the City of Monterey**

**DATE: May 12, 2023**

**SUBJECT: Resolution of the Consolidated Oversight Board for the County of Monterey Approving the Final Dissolution of the Successor Agency of the Redevelopment Agency of the City of Monterey pursuant to Health and Safety Code Section 34187(f)**

**Background:**

Pursuant to AB X1 26 and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.* (53 Cal.4th 231(2011)), the Redevelopment Agency of the City of Monterey (the "Former Agency") was dissolved as of February 1, 2012, and the Successor Agency of the Redevelopment Agency of the City of Monterey (the "Successor Agency") was constituted. Pursuant to AB X1 26, the Successor Agency was formed to and charged with paying the enforceable obligations, disposing of the properties and other assets, and expeditiously unwinding the affairs of the dissolved Former Agency.

Health and Safety Code section 34179 provides for the appointment of a countywide oversight board (the "Countywide Oversight Board") with specific duties to approve certain Successor Agency actions pursuant to Health and Safety Code section 34180 and to direct successor agencies in certain other actions pursuant to Health and Safety Code section 34181.

Under Health and Safety Code section 34187(b), "when all of the enforceable obligations have been retired or paid off, all real property has been disposed of pursuant to section 34181 or 34191.4, and all outstanding litigation has been resolved, the successor agency shall, within 30 days of meeting the aforementioned criteria, submit to the oversight board a request, with a copy of the request to the county auditor-controller, to formally dissolve the successor agency. The oversight board shall approve the request within 30 days and shall submit the request to the department."

On November 4, 2022, the City of Monterey accepted fee title to the Hotel Pacific, located at 300 Pacific Street, City of Monterey, County of Monterey, California (the "Property") from the Successor Agency in accordance with the State Department of Finance (the "Department") approved Long Range Property Management Plan ("LRPMP"). The Property was subject to the terms of that certain Compensation Agreement, which by its terms, terminated at such time as the Successor Agency transferred the Property to the City in fee.

According to Successor Agency staff, as of November 16, 2022, the Successor Agency has retired or paid off all of the enforceable obligations of the Former Agency and transferred all real property of the Former Agency pursuant to Health and Safety Code sections 34181 or 34191.4, and confirmed that the Successor Agency has no outstanding litigation; thereby satisfying all of the conditions to dissolve the Successor Agency under Health and Safety Code section 34187(b).

The Successor Agency has an obligation to, within 30 days of meeting the criteria for dissolution under Health and Safety Code Section 34187(b), submit to the Consolidated Oversight Board a request, with a copy of the request sent to the County Auditor-Controller, to formally dissolve the Successor Agency. Such request was submitted to the Consolidated Oversight Board and the County Auditor-Controller on November 18, 2022.

On January 27, 2023, the Consolidated Oversight Board adopted Resolution No. 2023-01 approving the dissolution of the Successor Agency and notified the Department of Finance of its approval on January 31, 2023. In a letter dated March 2, 2023, the Department of Finance approved Resolution No. 2023-01.

The Successor Agency adopted SA/RDA Resolution No. 868 on April 18, 2023, which was the final step the Successor Agency needed to take to allow the Consolidated Oversight Board to formally dissolve the Successor Agency. Pursuant to Health and Safety Code section 34187(f), upon receipt of notification the Consolidated Oversight Board shall: (i) verify all of the Successor Agency obligations have been retired or paid off, all outstanding litigation has been resolved, and all remaining assets have been disposed of with any proceeds remitted to the County Auditor-Controller for distribution to the affected taxing entities; and (ii) within 14 days of verification, adopt a final resolution of dissolution for the Successor Agency, which shall be effective immediately.

### **Financial Impact:**

If the Oversight Board adopts the attached resolution, the Successor Agency will cease to exist and be dissolved in accordance with Health and Safety Code section 34187(f). When the Successor Agency is dissolved, all statutory and contractual pass-through obligations will cease, no funds will be deposited into the Redevelopment Property Tax Trust Fund, and all property tax revenues will be distributed as required by the United States Department of Housing and Urban Development, which requires that all revenue from lease payments and any proceeds from any future sale of the Property be treated as restricted Community Development Block Grant (“CDBG”) program income and must continue to be transferred to the City of Monterey's CDBG program and spent in accordance with the CDBG program requirements.

### **Environmental Impact**

Based upon a review of the evidence and information presented on the matter as it relates to the dissolution of the Successor Agency, the Consolidated Oversight Board has determined that such approval is exempt from the California Environmental Quality Act (CEQA) Section 15061(b)(3) as it can be seen with certainty that there is no possibility that this proposal will have a significant impact on the environment.

### **Recommended Action:**

Staff recommends that the Consolidated Oversight Board adopt the attached resolution to approve the final dissolution of the Successor Agency and to make determinations that such approval is exempt from the California Environmental Quality Act (CEQA) Section 15061(b)(3).

**Attachments:**

Draft Consolidated Oversight Board Resolution  
Successor Agency Resolution No. 868

**SA/RDA RESOLUTION NO. 868****A RESOLUTION OF THE SUCCESSOR AGENCY OF THE REDEVELOPMENT  
AGENCY OF THE CITY OF MONTEREY****DIRECTING NOTIFICATION TO THE COUNTY CONSOLIDATED OVERSIGHT  
BOARD REGARDING THE DISPOSITION OF ASSETS IN CONNECTION WITH THE  
SUCCESSOR AGENCY'S DISSOLUTION, DIRECTING DISSOLUTION UPON THE  
COUNTY CONSOLIDATED OVERSIGHT BOARD'S ADOPTION OF THE FINAL  
RESOLUTION PURSUANT TO HEALTH AND SAFETY CODE SECTION 34187(e)**

WHEREAS, the Redevelopment Agency for the City of Monterey (the "Former Agency") was formed, existed, and exercised its powers pursuant to the Community Redevelopment law (California Health and Safety Code section 33000 et seq. the "CRL");

WHEREAS, pursuant to Section 34173 of the Health and Safety Code, effective February 1, 2012, the Successor Agency of the Redevelopment Agency of the City of Monterey, a separate legal entity (the "Successor Agency") was formed to, and charged with, paying the enforceable obligations, disposing of the properties and other assets, and unwinding the affairs of the dissolved Former Agency, a separate legal entity as of June 27, 2012;

WHEREAS, Section 34179 (j) of the Health and Safety Code provides for the appointment of a countywide oversight board (the "Countywide Oversight Board") with specific duties to approve certain Successor Agency actions, pursuant to Section 34180 of the Health and Safety Code, and to direct the Successor Agency in certain other actions, pursuant to Section 34181 of the Health and Safety Code;

WHEREAS, under Health and Safety Code Section 34187(b), "when all of the enforceable obligations have been retired or paid off, all real property has been disposed of pursuant to section 34181 or 34191.4, and all outstanding litigation has been resolved, the successor agency shall, within 30 days of meeting the aforementioned criteria, submit to the oversight board a request, with a copy of the request to the county auditor-controller, to formally dissolve the Successor Agency;

WHEREAS, on November 1, 2022, the City of Monterey adopted Resolution 22-146 and accepted the transfer of fee title to the Hotel Pacific, located at 300 Pacific Street, City of Monterey, County of Monterey, California (the "Property") from the Successor Agency in accordance with the State Department of Finance (the "Department") approved Long Range Property Management Plan ("LRPMP");

WHEREAS, the deed to the Property was signed, delivered and recorded on November 7, 2022, as reflected in Monterey County Recorder document 2022047660;

WHEREAS, the Monterey County Assessor's office rejected the transfer due to the grant deed not referencing the Urban Renewal Agency and a corrected grant deed was signed, delivered and recorded on March 29, 2023, as reflected in Monterey County Recorder document 2023009219.

WHEREAS, the Successor Agency has retired or paid off all the enforceable obligations of the Former Agency and all real property has been disposed of, pursuant to Health and Safety Code Sections 34181 or 34191.4, and no litigation is outstanding, thereby satisfying the conditions of Health and Safety Code Section 34187(b);

WHEREAS, the dissolution of the Successor Agency is for the benefit of the taxing entities and will result in no further property taxes being allocated to the Redevelopment Property Tax Trust Fund, as all property tax revenues will be distributed as required by the United States Department of Housing and Urban Development, which requires that all revenue from lease payments and any proceeds from any future sale of the Property be treated as restricted Community Development Block Grant ("CDBG") program income and must continue to be transferred to the City of Monterey's CDBG program and spent in accordance with the CDBG program requirements;

WHEREAS, pursuant to the California Environmental Quality Act (CEQA), based upon a review of the evidence and information presented on the matter as it relates to the dissolution of the Successor Agency, the Successor Agency has determined that such approval is exempt from the California Environmental Quality Act (CEQA) Section 15061(b)(3) as it can be seen with certainty that there is no possibility that this proposal will have a significant impact on the environment;

WHEREAS, on November 16, 2022, the Successor Agency, having determined that all dissolution criteria in Section 34187(b) had been met, adopted SA/RDA Resolution 867 to request the Consolidated Oversight Board approve the formal dissolution of the Successor Agency;

WHEREAS, pursuant to Health and Safety Code section 34187(e), the Consolidated Oversight Board approved the Successor Agency's request by adopting Resolution 2023-01. Resolution 2023-01, along with a copy of SA/RDA Resolution 867, was submitted to the California State Department of Finance ("DOF") for approval;

WHEREAS, the DOF issued its letter, dated March 2, 2023, approving the Consolidated Oversight Board's approval resolution;

WHEREAS, pursuant to Health and Safety Code section 34187( e), within 100 days after the issuance of the DOF approval, the Successor Agency shall dispose of all remaining assets as directed by the Consolidated Oversight Board;

WHEREAS, pursuant to Health and Safety Code section 34187( e)(2), the Successor Agency shall send a notification to the Consolidated Oversight Board after completing the transfer of the Property;

WHEREAS, pursuant to Health & Safety Code section 34187(f), upon receipt of the notification, the Consolidated Oversight Board shall: (i) verify all of the Successor Agency's obligations have been retired or paid off, all outstanding litigation has been resolved, and all remaining assets have been disposed of; and ( ii) within 14 days of verification, adopt a final resolution of dissolution for the Successor Agency, which shall be effective immediately; and

WHEREAS, the Successor Agency has no outstanding assets or obligations.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF MONTEREY that it hereby finds, resolves, and determines that the foregoing recitals are true and correct and are incorporated herein by reference, and together with information provided by the City and Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below:

1. The Successor Agency's governing board hereby finds that it is in the best interest of the taxing entities to dissolve the Successor Agency and that all the conditions set forth in Health and Safety Code Section 34187(b) have been satisfied.
2. The Successor Agency is hereby directed to cause a copy of this Resolution to be submitted to the Consolidated Oversight Board. This Resolution shall serve as notification for the purposes of Health and Safety Code section 34187(e)(2).
3. The Consolidated Oversight Board is hereby requested to adopt a final resolution, without any further action by the Successor Agency.
4. The Successor Agency hereby authorizes and directs the Executive Director of the Successor Agency, or designee, to take any further actions on behalf of the Successor Agency, as may be necessary or appropriate, to implement the request and satisfy the requirements of the Dissolution Law. The authorization and direction in this section includes but is not limited to the submittal of this Resolution to the Auditor-Controller in accordance with Section 34187(b), the Consolidated Oversight Board, and the submittal of any documents as may be requested by the Consolidated Oversight Board or the DOF.
5. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The



Successor Agency's governing board declares that it would have adopted this Resolution irrespective of the invalidity of any portion of this Resolution.

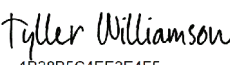
- 6. The Successor Agency's governing board hereby authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to file, post, mail or otherwise deliver via electronic mail, internet posting, and/or hardcopy, all notices and transmittals necessary or convenient in connection with the approval of this Resolution.

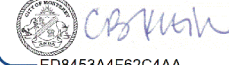
PASSED AND ADOPTED BY THE BOARD OF THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF MONTEREY this 18th day of April 2023, by the following vote:

|          |   |                 |  |
|----------|---|-----------------|--|
| AYES:    | 5 | AGENCY MEMBERS: | Barber, Garcia, Haffa, Smith, Williamson |
| NOES:    | 0 | AGENCY MEMBERS: | None                                     |
| ABSENT:  | 0 | AGENCY MEMBERS: | None                                     |
| ABSTAIN: | 0 | AGENCY MEMBERS: | None                                     |

APPROVED:

ATTEST:

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 Chair of the Successor Agency of the  
 Redevelopment Agency  
 of the City of Monterey, California

DocuSigned by:  
  
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 Secretary of the Successor Agency of the  
 Redevelopment Agency  
 of the City of Monterey, California