

OVERSIGHT BOARD RESOLUTION NUMBER OB-2012-28

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE CITY OF SAN DIEGO REDEVELOPMENT SUCCESSOR AGENCY CONFIRMING THAT THE SUCCESSOR AGENCY IS AUTHORIZED TO CONSENT TO OR APPROVE REFINANCING, LOAN MODIFICATIONS, OR LOAN SUBORDINATIONS PURSUANT TO ENFORCEABLE OBLIGATIONS

WHEREAS, the former Redevelopment Agency of the City of San Diego (Former RDA) administered the implementation of various redevelopment projects, programs, and activities within designated redevelopment project areas throughout the City of San Diego (City); and

WHEREAS, in accordance with Assembly Bill x1 26 (AB 26), the Former RDA dissolved as of February 1, 2012, at which time the City of San Diego, solely in its capacity as the designated successor agency to the Former RDA (Successor Agency), assumed the Former RDA's assets and obligations; and

WHEREAS, the Successor Agency is winding down the Former RDA's affairs in accordance with AB 26, as amended by Assembly Bill 1484 (AB 1484), enacted on June 27, 2012 (collectively the Dissolution Laws); and

WHEREAS, the Oversight Board has been formed to oversee certain actions and decisions of the Successor Agency in accordance with the Dissolution Laws; and

WHEREAS, California Health and Safety Code section 34177(c) requires the Successor Agency to perform obligations required pursuant to any enforceable obligation; and

WHEREAS, certain enforceable obligations of the Successor Agency allow for refinancing, loan modifications, or loan subordinations, subject to the consent or approval of the Successor Agency;

WHEREAS, the Dissolution Laws are unclear as to whether the Successor Agency can consent to or approve such refinancing, loan modifications, or loan subordinations without the

approval of the Oversight Board when the terms of the enforceable obligation give the Successor Agency some limited discretion in granting the consent or approval; and

WHEREAS, given the lack of clarity in the Dissolution Laws, the Successor Agency has, in an abundance of caution, requested that the Oversight Board authorize the Successor Agency to consent to or approve refinancing, loan modifications, or loan subordinations under these circumstances.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board that the Successor Agency is authorized to consent to or approve refinancing, loan modifications, and loan subordinations pursuant to enforceable obligations, and to execute all related documents, if the proposed refinancing, loan modification or loan subordination will not have any substantial adverse impact on the Successor Agency's financial interests.

PASSED AND ADOPTED by the Oversight Board at a duly noticed meeting of the Oversight Board held on September 18, 2012.



Chair, Oversight Board