

**RESOLUTION No. 12-05**  
**CITY OF MILLBRAE, COUNTY OF SAN MATEO**  
**STATE OF CALIFORNIA**

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**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILLBRAE AFFIRMING ITS  
ELECTION TO HAVE THE CITY OF MILLBRAE SERVE AS SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE CITY OF MILLBRAE PURSUANT TO HEALTH AND  
SAFETY CODE SECTIONS 34173 AND 34177, AND ELECTING TO RETAIN THE HOUSING  
ASSETS AND HOUSING FUNCTIONS PREVIOUSLY PERFORMED BY THE AGENCY  
PURSUANT TO HEALTH AND SAFETY CODE SECTION 34176**

**WHEREAS**, the Redevelopment Agency of the City of Millbrae (“Agency”) is a redevelopment agency organized and existing under California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*) (the “CRL”); and

**WHEREAS**, the California Legislature adopted, the Governor signed, and the California Supreme Court, in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, has upheld Assembly Bill x1 26 (“ABx1 26”), legislation that amends the CRL, provides that the Agency will be dissolved effective as of February 1, 2012, and empowers a designated “successor agency” to wind down the affairs of the Agency, subject to review and approval by a local oversight board; and

**WHEREAS**, Health and Safety Code Section 34173(d)(1) provides that the City will automatically become the successor to the Agency unless the City affirmatively declines such role and files a duly authorized resolution to that effect with the county auditor-controller no later than January 13, 2012; and

**WHEREAS**, ABx1 26 provides that if a city that authorized the creation of a redevelopment agency elects not to serve as a successor agency, the county auditor-controller shall determine the first local agency in the county that elects to become the successor agency, or if no local agency elects to serve as the successor agency, the Governor shall appoint three county residents to serve as the governing board of a designated local authority serving as a successor agency until a local agency elects to become the successor agency; and

**WHEREAS**, Health and Safety Code Section 34173(e) provides that the liability of any successor agency acting pursuant to ABx1 26 shall be limited to the extent of the total sum of property tax revenues it receives pursuant to ABx1 26 and the value of assets transferred to it as a successor agency for a dissolved redevelopment agency; and

**WHEREAS**, the City Council previously expressed its desire to have the City serve as the successor agency to the Agency; and

**WHEREAS**, Health and Safety Code Section 34176 provides that the City may elect to retain the housing assets and functions previously performed by the Agency, and further provides that if the City does not elect to retain such assets and functions, the Agency’s housing rights, powers, assets, liabilities, duties and obligations will be transferred to the local housing authority; and

**WHEREAS**, the City Council believes that it is in the best interest of the community for the City to retain the rights, powers, assets, liabilities, duties and obligations associated with the housing activities of the Agency.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Millbrae hereby:

1. Affirms its election to have the City serve as successor agency to the Redevelopment Agency of the City of Millbrae and to assume the responsibilities, rights and powers of a successor agency pursuant to Health and Safety Code Section 34177.
2. Elects to have the City of Millbrae retain the housing assets and functions previously performed by the Agency and to assume all rights, powers, assets, liabilities, duties and obligations associated with the housing activities of the Redevelopment Agency of the City of Millbrae in accordance with Health and Safety Code Section 34176; provided however, the City Council reserves the right to rescind this election if the City determines that insufficient resources are available to enable the City to fulfill such duties and obligations.
3. The City Manager is hereby authorized to take all action necessary to implement this Resolution.

**REGULARLY PASSED AND ADOPTED this 24<sup>th</sup> day of January, 2012, by the following vote, to wit:**

**AYES:** Colapietro, Papan, Holober, Lee, and Gottschalk

**NOES:**

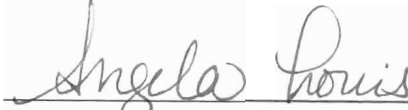
**ABSTAIN:**

**ABSENT:**

**EXCUSED:**

  
MAYOR

**ATTEST:**

  
CITY CLERK