

AMENDED IN SENATE AUGUST 22, 2014

AMENDED IN SENATE JUNE 17, 2014

AMENDED IN SENATE JUNE 2, 2014

AMENDED IN ASSEMBLY APRIL 22, 2014

AMENDED IN ASSEMBLY APRIL 3, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1582

Introduced by Assembly Member Mullin

February 3, 2014

An act to ~~amend, repeal, and add Section 34177~~ *amend Section 34191.4* of the Health and Safety Code, relating to redevelopment.

LEGISLATIVE COUNSEL'S DIGEST

AB 1582, as amended, Mullin. Redevelopment: successor agencies: ~~Recognized Obligation Payment Schedule~~. *postcompliance provisions: loans.*

The Community Redevelopment Law authorized the establishment of redevelopment agencies in communities to address the effects of blight, as defined. Existing law dissolved redevelopment agencies as of February 1, 2012, and provides for the designation of successor agencies, as defined. Existing law requires successor agencies to wind down the affairs of the dissolved redevelopment agencies. Existing law requires a successor agency to, among other things, prepare a Recognized Obligation Payment Schedule for payments on enforceable obligations for each 6-month fiscal period.

~~This bill would, commencing January 1, 2016, revise the timeline for the preparation of the required Recognized Obligation Payment Schedule to provide that the successor agency prepare a schedule for a 12-month fiscal period, with the first of these periods beginning July 1, 2016, and would authorize the Recognized Obligation Payment Schedule to be amended by the oversight board during a 12-month fiscal period if the amendment is approved at least 90 days before the date of the next property tax distribution.~~

Under existing law, the Department of Finance is authorized to issue a finding of completion to a successor agency that completes specified requirements. Upon receiving a finding of completion, the successor agency is authorized to participate in a loan repayment program and limited property management activities. Under existing law, after the successor agency receives a finding of completion, upon application by the successor agency and approval by the oversight board, loan agreements entered into between the redevelopment agency and the city, county, or city and county that created the redevelopment agency are deemed to be enforceable obligations, provided that the oversight board makes a finding that the loan was for legitimate redevelopment purposes.

This bill would require the interest rate on the amount of principal calculated from the loan origination date, and any increase thereto that remains unpaid as of the date of oversight board approval of the loan as an enforceable obligation, to be subject to an adjusted interest rate, as prescribed.

This bill would incorporate additional changes to Section 34191.4 of the Health and Safety Code proposed by AB 2493 and SB 1129 that would become operative if this bill and either AB 2493 and SB 1129, or both, are enacted and this bill is enacted last.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 34191.4 of the Health and Safety Code
- 2 is amended to read:
- 3 34191.4. The following provisions shall apply to any successor
- 4 agency that has been issued a finding of completion by the
- 5 Department of Finance:

1 (a) All real property and interests in real property identified in
2 subparagraph (C) of paragraph (5) of subdivision (c) of Section
3 34179.5 shall be transferred to the Community Redevelopment
4 Property Trust Fund of the successor agency upon approval by the
5 Department of Finance of the long-range property management
6 plan submitted by the successor agency pursuant to subdivision
7 (b) of Section 34191.5 unless that property is subject to the
8 requirements of any existing enforceable obligation.

9 (b) (1) Notwithstanding subdivision (d) of Section 34171, upon
10 application by the successor agency and approval by the oversight
11 board, loan agreements, *contracts, or arrangements* entered into
12 between the redevelopment agency and the city, county, or city
13 and county that created the redevelopment agency shall be deemed
14 to be *existing* enforceable obligations provided that the oversight
15 board makes a finding that the loan was for legitimate
16 redevelopment purposes.

17 (2) If the oversight board finds that the loan *agreement, contract,*
18 *or arrangement entered into between the redevelopment agency*
19 *and the city, county, or city and county that created the*
20 *redevelopment agency* is an *existing* enforceable obligation, the
21 accumulated interest on the remaining principal amount of the loan
22 shall be recalculated from *the loan* origination at the *historic*
23 interest rate earned by funds deposited into the Local Agency
24 Investment Fund. ~~The Fund at the time of the loan origination and~~
25 *adjusted quarterly over time. For purposes of this paragraph, the*
26 *term “remaining principal amount” means the amount of principal*
27 *calculated from the loan origination date and any increase thereto*
28 *that remains unpaid as of the date of oversight board approval.*
29 *After the interest on the remaining principal amount has been*
30 *calculated, the loan shall be repaid to the city, county, or city and*
31 *county in accordance with a defined schedule over a reasonable*
32 *term of years at an interest rate not to exceed the quarterly adjusted*
33 *interest rate earned by funds deposited into the Local Agency*
34 *Investment Fund. The annual loan repayments provided for in the*
35 *recognized obligation payment schedules shall be subject to all of*
36 *the following limitations:*

37 (A) Loan repayments shall not be made prior to the 2013–14
38 fiscal year. Beginning in the 2013–14 fiscal year, the maximum
39 repayment amount authorized each fiscal year for repayments
40 made pursuant to this subdivision and paragraph (7) of subdivision

1 (e) of Section 34176 combined shall be equal to one-half of the
2 increase between the amount distributed to the taxing entities
3 pursuant to paragraph (4) of subdivision (a) of Section 34183 in
4 that fiscal year and the amount distributed to taxing entities
5 pursuant to that paragraph in the 2012–13 base year, provided,
6 however, that calculation of the amount distributed to taxing
7 entities during the 2012–13 base year shall not include any amounts
8 distributed to taxing entities pursuant to the due diligence review
9 process established in Sections 34179.5 to 34179.8, inclusive.
10 Loan or deferral repayments made pursuant to this subdivision
11 shall be second in priority to amounts to be repaid pursuant to
12 paragraph (7) of subdivision (e) of Section 34176.

13 (B) Repayments received by the city, county, or city and county
14 that formed the redevelopment agency shall first be used to retire
15 any outstanding amounts borrowed and owed to the Low and
16 Moderate Income Housing Fund of the former redevelopment
17 agency for purposes of the Supplemental Educational Revenue
18 Augmentation Fund and shall be distributed to the Low and
19 Moderate Income Housing Asset Fund established by subdivision
20 (d) of Section 34176.

21 (C) Twenty percent of any loan repayment shall be deducted
22 from the loan repayment amount and shall be transferred to the
23 Low and Moderate Income Housing Asset Fund, after all
24 outstanding loans from the Low and Moderate Income Housing
25 Fund for purposes of the Supplemental Educational Revenue
26 Augmentation Fund have been paid.

27 (c) (1) Bond proceeds derived from bonds issued on or before
28 December 31, 2010, shall be used for the purposes for which the
29 bonds were sold.

30 (2) (A) Notwithstanding Section 34177.3 or any other
31 conflicting provision of law, bond proceeds in excess of the
32 amounts needed to satisfy approved enforceable obligations shall
33 thereafter be expended in a manner consistent with the original
34 bond covenants. Enforceable obligations may be satisfied by the
35 creation of reserves for projects that are the subject of the
36 enforceable obligation and that are consistent with the contractual
37 obligations for those projects, or by expending funds to complete
38 the projects. An expenditure made pursuant to this paragraph shall
39 constitute the creation of excess bond proceeds obligations to be
40 paid from the excess proceeds. Excess bond proceeds obligations

1 shall be listed separately on the Recognized Obligation Payment
2 Schedule submitted by the successor agency.

3 (B) If remaining bond proceeds cannot be spent in a manner
4 consistent with the bond covenants pursuant to subparagraph (A),
5 the proceeds shall be used to defease the bonds or to purchase
6 those same outstanding bonds on the open market for cancellation.

7 *SEC. 1.5. Section 34191.4 of the Health and Safety Code is*
8 *amended to read:*

9 34191.4. The following provisions shall apply to any successor
10 agency that has been issued a finding of completion by the
11 Department of Finance:

12 (a) All real property and interests in real property identified in
13 subparagraph (C) of paragraph (5) of subdivision (c) of Section
14 34179.5 shall be transferred to the Community Redevelopment
15 Property Trust Fund of the successor agency upon approval by the
16 Department of Finance of the long-range property management
17 plan submitted by the successor agency pursuant to subdivision
18 (b) of Section 34191.5 unless that property is subject to the
19 requirements of any existing enforceable obligation.

20 (b) (1) Notwithstanding subdivision (d) of Section 34171, upon
21 application by the successor agency and approval by the oversight
22 board, loan agreements, *contracts, or arrangements* entered into
23 between the redevelopment agency and the city, county, or city
24 and county that created the redevelopment agency shall be deemed
25 to be *existing* enforceable obligations provided that the oversight
26 board makes a finding that the loan was for legitimate
27 redevelopment purposes.

28 (2) If the oversight board finds that the loan *agreement, contract,*
29 *or arrangement entered into between the redevelopment agency*
30 *and the city, county, or city and county that created the*
31 *redevelopment agency is an existing* enforceable obligation, the
32 accumulated interest on the remaining principal amount of the loan
33 shall be recalculated from *the loan* origination at the *historic*
34 interest rate earned by funds deposited into the Local Agency
35 Investment Fund. ~~The Fund~~ *at the time of the loan origination and*
36 *adjusted quarterly over time. For purposes of this paragraph, the*
37 *term "remaining principal amount" means the amount of principal*
38 *calculated from the loan origination date and any increase thereto*
39 *that remains unpaid as of the date of oversight board approval.*
40 *After the interest on the remaining principal amount has been*

1 *calculated, the* loan shall be repaid to the city, county, or city and
 2 county in accordance with a defined schedule over a reasonable
 3 term of years at an interest rate not to exceed the *quarterly adjusted*
 4 interest rate earned by funds deposited into the Local Agency
 5 Investment Fund. The annual loan repayments provided for in the
 6 recognized obligation payment schedules shall be subject to all of
 7 the following limitations:

8 (A) Loan repayments shall not be made prior to the 2013–14
 9 fiscal year. Beginning in the 2013–14 fiscal year, the maximum
 10 repayment amount authorized each fiscal year for repayments
 11 made pursuant to this subdivision and paragraph (7) of subdivision
 12 (e) of Section 34176 combined shall be equal to one-half of the
 13 increase between the amount distributed to the taxing entities
 14 pursuant to paragraph (4) of subdivision (a) of Section 34183 in
 15 that fiscal year and the amount distributed to taxing entities
 16 pursuant to that paragraph in the 2012–13 base year, provided,
 17 however, that calculation of the amount distributed to taxing
 18 entities during the 2012–13 base year shall not include any amounts
 19 distributed to taxing entities pursuant to the due diligence review
 20 process established in Sections 34179.5 to 34179.8, inclusive.
 21 Loan or deferral repayments made pursuant to this subdivision
 22 shall be second in priority to amounts to be repaid pursuant to
 23 paragraph (7) of subdivision (e) of Section 34176.

24 (B) Repayments received by the city, county, or city and county
 25 that formed the redevelopment agency shall first be used to retire
 26 any outstanding amounts borrowed and owed to the Low and
 27 Moderate Income Housing Fund of the former redevelopment
 28 agency for purposes of the Supplemental Educational Revenue
 29 Augmentation Fund and shall be distributed to the Low and
 30 Moderate Income Housing Asset Fund established by subdivision
 31 (d) of Section 34176.

32 (C) Twenty percent of any loan repayment shall be deducted
 33 from the loan repayment amount and shall be transferred to the
 34 Low and Moderate Income Housing Asset Fund, after all
 35 outstanding loans from the Low and Moderate Income Housing
 36 Fund for purposes of the Supplemental Educational Revenue
 37 Augmentation Fund have been paid.

38 (c) (1) Bond proceeds derived from bonds issued on or before
 39 ~~December 31, 2010~~, *June 28, 2011*, shall be used for the purposes
 40 for which the bonds were sold.

1 (2) ~~(A)~~ Notwithstanding Section 34177.3 or any other
2 conflicting provision of law, bond proceeds *derived from bonds*
3 *issued on or before December 31, 2010*, in excess of the amounts
4 needed to satisfy approved enforceable obligations shall thereafter
5 be expended in a manner consistent with the original bond
6 covenants. Enforceable obligations may be satisfied by the creation
7 of reserves for projects that are the subject of the enforceable
8 obligation and that are consistent with the contractual obligations
9 for those projects, or by expending funds to complete the projects.
10 An expenditure made pursuant to this paragraph shall constitute
11 the creation of excess bond proceeds obligations to be paid from
12 the excess proceeds. Excess bond proceeds obligations shall be
13 listed separately on the Recognized Obligation Payment Schedule
14 submitted by the successor agency.

15 (3) (A) *Bond proceeds derived from bonds issued between*
16 *January 1, 2011, and June 28, 2011, shall only be used for projects*
17 *which meet the following criteria, as determined by a resolution*
18 *issued by the oversight board:*

19 (i) *The project shall be consistent with the applicable regional*
20 *sustainable communities strategy or alternative planning strategy*
21 *adopted pursuant to Section 65080 of the Government Code that*
22 *the State Air Resources Board has determined would, if*
23 *implemented, achieve the greenhouse gas emission reduction*
24 *targets established by the board or, if a sustainable communities*
25 *strategy is not required for a region by law, a regional*
26 *transportation plan that includes programs and policies to reduce*
27 *greenhouse gas emissions.*

28 (ii) *Two or more significant planning or implementation actions*
29 *shall have occurred on or before December 31, 2010. The term*
30 *“significant planning and implementation actions” means any of*
31 *the following:*

32 (I) *An action approved by the governing body of the city, county,*
33 *city and county, the board of the former redevelopment agency,*
34 *or the planning commission directly related to the planning or*
35 *implementation of the project.*

36 (II) *The project is included within an approved city, county, city*
37 *and county, or redevelopment agency planning document,*
38 *including, but not limited to, a redevelopment agency five-year*
39 *implementation plan, capital improvement plan, master plan, or*
40 *other planning document.*

1 (III) The expenditure by the city, county, city and county, or
2 project sponsor, of more than twenty-five thousand dollars
3 (\$25,000) on planning-related activities for the project within one
4 fiscal year, or fifty thousand dollars (\$50,000) in total, over
5 multiple fiscal years.

6 (iii) Documentation dated on or before December 31, 2010,
7 shall be provided indicating the intention to finance all or a portion
8 of the project with the future issuance of long-term debt, or
9 documentation showing that the issuance of long-term
10 redevelopment agency debt was being planned on or before
11 December 31, 2010.

12 (iv) Each construction contract over one hundred thousand
13 dollars (\$100,000) shall include a provision that prevailing wage
14 will be paid by the contractor and all of that contractor's
15 subcontractors.

16 (v) For each construction contract over two hundred fifty
17 thousand dollars (\$250,000), the successor agency shall require
18 prospective contractors to submit a standardized questionnaire
19 and financial statements as part of their bid package, to establish
20 the contractor's financial ability and experience in performing
21 large construction projects.

22 (B) Any city, county, or city and county that funded an eligible
23 project, meeting the criteria listed in clauses (i) to (iii), inclusive,
24 of subparagraph (A) with funds other than redevelopment funds,
25 between June 28, 2011, and the effective date of the act adding
26 this paragraph, shall be eligible to be reimbursed utilizing 2011
27 bond proceeds, if the project meets the purpose for which the bonds
28 were issued.

29 (C) Any successor agency requesting the use of bond proceeds
30 derived from bonds issued between January 1, 2011, and June 28,
31 2011, in accordance with subparagraphs (A) and (B), shall place
32 that request on its Recognized Obligation Payment Schedule. The
33 successor agency shall place each project on a separate
34 Recognized Obligation Payment Schedule line item. The successor
35 agency shall detail in the resolution adopting the Recognized
36 Obligation Payment Schedule how each project will meet the
37 requirements in subparagraphs (A) and (B), and all documentation
38 showing how the project meets those criteria shall be attached to
39 the resolution. The resolution adopting the Recognized Obligation
40 Payment Schedule, including the supporting documentation, shall

1 *be forwarded to the Department of Finance for review and*
2 *approval or denial. Pursuant to subdivision (h) of Section 34179,*
3 *the Department of Finance may review and deny any action by*
4 *the oversight board.*

5 ~~(B)~~

6 (4) *If remaining bond proceeds derived from bonds issued on*
7 *or before December 31, 2010, cannot be spent in a manner*
8 *consistent with the bond covenants pursuant to subparagraph (A);*
9 *paragraph (2), or if bond proceeds derived from bonds issued*
10 *between January 1, 2011, and June 28, 2011, cannot be used for*
11 *projects that met the requirements in subparagraphs (A) and (B)*
12 *of paragraph (3), the proceeds shall be used to defease all or a*
13 *portion of the bonds or to purchase all or a portion of those same*
14 *outstanding bonds on the open market for cancellation. If only a*
15 *portion of the bonds proceeds will be used, the successor agency*
16 *shall defease or purchase bonds for cancellation in a manner that*
17 *maximizes fiscal savings.*

18 *SEC. 2. (a) Section 1 of this bill shall become operative only*
19 *if (1) this bill is enacted and becomes effective on or before January*
20 *1, 2015, (2) this bill amends Section 34191.4 of the Health and*
21 *Safety Code, and (3) both Assembly Bill 2493 and Senate Bill 1129*
22 *are not enacted, or as enacted do not amend that section, in which*
23 *case Section 1.5 of this bill shall not become operative.*

24 *(b) Section 1.5 of this bill incorporates amendments to Section*
25 *34191.4 of the Health and Safety Code proposed by both this bill*
26 *and Assembly Bill 2493. It shall only become operative if (1) both*
27 *bills are enacted and become effective on or before January 1,*
28 *2015, (2) each bill amends Section 34191.4 of the Health and*
29 *Safety Code, and (3) Senate Bill 1129 is not enacted or as enacted*
30 *does not amend that section, and (4) this bill is enacted after*
31 *Assembly Bill 2493, in which case Section 1 of this bill shall not*
32 *become operative.*

33 ~~SECTION 1. Section 34177 of the Health and Safety Code is~~
34 ~~amended to read:~~

35 ~~34177. Successor agencies are required to do all of the~~
36 ~~following:~~

37 ~~(a) Continue to make payments due for enforceable obligations.~~

38 ~~(1) On and after February 1, 2012, and until a Recognized~~
39 ~~Obligation Payment Schedule becomes operative, only payments~~
40 ~~required pursuant to an enforceable obligations payment schedule~~

1 shall be made. The initial enforceable obligation payment schedule
2 shall be the last schedule adopted by the redevelopment agency
3 under Section 34169. However, payments associated with
4 obligations excluded from the definition of enforceable obligations
5 by paragraph (2) of subdivision (d) of Section 34171 shall be
6 excluded from the enforceable obligations payment schedule and
7 be removed from the last schedule adopted by the redevelopment
8 agency under Section 34169 prior to the successor agency adopting
9 it as its enforceable obligations payment schedule pursuant to this
10 subdivision. The enforceable obligation payment schedule may
11 be amended by the successor agency at any public meeting and
12 shall be subject to the approval of the oversight board as soon as
13 the board has sufficient members to form a quorum. In recognition
14 of the fact that the timing of the California Supreme Court's ruling
15 in the case California Redevelopment Association v. Matosantos
16 (2011) 53 Cal.4th 231 delayed the preparation by successor
17 agencies and the approval by oversight boards of the January 1,
18 2012, through June 30, 2012, Recognized Obligation Payment
19 Schedule, a successor agency may amend the Enforceable
20 Obligation Payment Schedule to authorize the continued payment
21 of enforceable obligations until the time that the January 1, 2012,
22 through June 30, 2012, Recognized Obligation Payment Schedule
23 has been approved by the oversight board and by the Department
24 of Finance. The successor agency may utilize reasonable estimates
25 and projections to support payment amounts for enforceable
26 obligations if the successor agency submits appropriate supporting
27 documentation of the basis for the estimate or projection to the
28 Department of Finance and the auditor-controller.

29 (2) The Department of Finance and the Controller shall each
30 have the authority to require any documents associated with the
31 enforceable obligations to be provided to them in a manner of their
32 choosing. Any taxing entity, the department, and the Controller
33 shall each have standing to file a judicial action to prevent a
34 violation under this part and to obtain injunctive or other
35 appropriate relief.

36 (3) Commencing on the date the Recognized Obligation Payment
37 Schedule is valid pursuant to subdivision (1), only those payments
38 listed in the Recognized Obligation Payment Schedule may be
39 made by the successor agency from the funds specified in the
40 Recognized Obligation Payment Schedule. In addition, after it

1 becomes valid, the Recognized Obligation Payment Schedule shall
2 supersede the Statement of Indebtedness, which shall no longer
3 be prepared nor have any effect under the Community
4 Redevelopment Law (Part 1 (commencing with Section 33000)):

5 (4) Nothing in the act adding this part is to be construed as
6 preventing a successor agency, with the prior approval of the
7 oversight board, as described in Section 34179, from making
8 payments for enforceable obligations from sources other than those
9 listed in the Recognized Obligation Payment Schedule.

10 (5) From February 1, 2012, to July 1, 2012, a successor agency
11 shall have no authority and is hereby prohibited from accelerating
12 payment or making any lump-sum payments that are intended to
13 prepay loans unless such accelerated repayments were required
14 prior to the effective date of this part.

15 (b) Maintain reserves in the amount required by indentures,
16 trust indentures, or similar documents governing the issuance of
17 outstanding redevelopment agency bonds.

18 (c) Perform obligations required pursuant to any enforceable
19 obligation.

20 (d) Remit unencumbered balances of redevelopment agency
21 funds to the county auditor-controller for distribution to the taxing
22 entities, including, but not limited to, the unencumbered balance
23 of the Low and Moderate Income Housing Fund of a former
24 redevelopment agency. In making the distribution, the county
25 auditor-controller shall utilize the same methodology for allocation
26 and distribution of property tax revenues provided in Section
27 34188.

28 (e) Dispose of assets and properties of the former redevelopment
29 agency as directed by the oversight board; provided, however, that
30 the oversight board may instead direct the successor agency to
31 transfer ownership of certain assets pursuant to subdivision (a) of
32 Section 34181. The disposal is to be done expeditiously and in a
33 manner aimed at maximizing value. Proceeds from asset sales and
34 related funds that are no longer needed for approved development
35 projects or to otherwise wind down the affairs of the agency, each
36 as determined by the oversight board, shall be transferred to the
37 county auditor-controller for distribution as property tax proceeds
38 under Section 34188. The requirements of this subdivision shall
39 not apply to a successor agency that has been issued a finding of

- 1 completion by the Department of Finance pursuant to Section
 2 34179.7.
- 3 (f) Enforce all former redevelopment agency rights for the
 4 benefit of the taxing entities, including, but not limited to,
 5 continuing to collect loans, rents, and other revenues that were due
 6 to the redevelopment agency.
- 7 (g) Effectuate transfer of housing functions and assets to the
 8 appropriate entity designated pursuant to Section 34176.
- 9 (h) Expeditiously wind down the affairs of the redevelopment
 10 agency pursuant to the provisions of this part and in accordance
 11 with the direction of the oversight board.
- 12 (i) Continue to oversee development of properties until the
 13 contracted work has been completed or the contractual obligations
 14 of the former redevelopment agency can be transferred to other
 15 parties. Bond proceeds shall be used for the purposes for which
 16 bonds were sold unless the purposes can no longer be achieved,
 17 in which case, the proceeds may be used to defease the bonds.
- 18 (j) Prepare a proposed administrative budget and submit it to
 19 the oversight board for its approval. The proposed administrative
 20 budget shall include all of the following:
- 21 (1) Estimated amounts for successor agency administrative costs
 22 for the upcoming six-month fiscal period.
- 23 (2) Proposed sources of payment for the costs identified in
 24 paragraph (1).
- 25 (3) Proposals for arrangements for administrative and operations
 26 services provided by a city, county, city and county, or other entity.
- 27 (k) Provide administrative cost estimates, from its approved
 28 administrative budget that are to be paid from property tax revenues
 29 deposited in the Redevelopment Property Tax Trust Fund, to the
 30 county auditor-controller for each six-month fiscal period.
- 31 (l) (1) Before each six-month fiscal period, prepare a
 32 Recognized Obligation Payment Schedule in accordance with the
 33 requirements of this paragraph. For each recognized obligation,
 34 the Recognized Obligation Payment Schedule shall identify one
 35 or more of the following sources of payment:
- 36 (A) Low and Moderate Income Housing Fund.
- 37 (B) Bond proceeds.
- 38 (C) Reserve balances.
- 39 (D) Administrative cost allowance.

1 ~~(E) The Redevelopment Property Tax Trust Fund, but only to~~
2 ~~the extent no other funding source is available or when payment~~
3 ~~from property tax revenues is required by an enforceable obligation~~
4 ~~or by the provisions of this part.~~

5 ~~(F) Other revenue sources, including rents, concessions, asset~~
6 ~~sale proceeds, interest earnings, and any other revenues derived~~
7 ~~from the former redevelopment agency, as approved by the~~
8 ~~oversight board in accordance with this part.~~

9 ~~(2) A Recognized Obligation Payment Schedule shall not be~~
10 ~~deemed valid unless all of the following conditions have been met:~~

11 ~~(A) A Recognized Obligation Payment Schedule is prepared~~
12 ~~by the successor agency for the enforceable obligations of the~~
13 ~~former redevelopment agency. The initial schedule shall project~~
14 ~~the dates and amounts of scheduled payments for each enforceable~~
15 ~~obligation for the remainder of the time period during which the~~
16 ~~redevelopment agency would have been authorized to obligate~~
17 ~~property tax increment had the a redevelopment agency not been~~
18 ~~dissolved.~~

19 ~~(B) The Recognized Obligation Payment Schedule is submitted~~
20 ~~to and duly approved by the oversight board. The successor agency~~
21 ~~shall submit a copy of the Recognized Obligation Payment~~
22 ~~Schedule to the county administrative officer, the county~~
23 ~~auditor-controller, and the Department of Finance at the same time~~
24 ~~that the successor agency submits the Recognized Obligation~~
25 ~~Payment Schedule to the oversight board for approval.~~

26 ~~(C) A copy of the approved Recognized Obligation Payment~~
27 ~~Schedule is submitted to the county auditor-controller, the~~
28 ~~Controller's office, and the Department of Finance, and is posted~~
29 ~~on the successor agency's Internet Web site.~~

30 ~~(3) The Recognized Obligation Payment Schedule shall be~~
31 ~~forward looking to the next six months. The first Recognized~~
32 ~~Obligation Payment Schedule shall be submitted to the Controller's~~
33 ~~office and the Department of Finance by April 15, 2012, for the~~
34 ~~period of January 1, 2012, to June 30, 2012, inclusive. This~~
35 ~~Recognized Obligation Payment Schedule shall include all~~
36 ~~payments made by the former redevelopment agency between~~
37 ~~January 1, 2012, through January 31, 2012, and shall include all~~
38 ~~payments proposed to be made by the successor agency from~~
39 ~~February 1, 2012, through June 30, 2012. Former redevelopment~~
40 ~~agency enforceable obligation payments due, and reasonable or~~

1 necessary administrative costs due or incurred, prior to January 1,
 2 2012, shall be made from property tax revenues received in the
 3 spring of 2011 property tax distribution, and from other revenues
 4 and balances transferred to the successor agency.

5 (m) ~~The Recognized Obligation Payment Schedule for the period~~
 6 ~~of January 1, 2013, to June 30, 2013, shall be submitted by the~~
 7 ~~successor agency, after approval by the oversight board, no later~~
 8 ~~than September 1, 2012. Commencing with the Recognized~~
 9 ~~Obligation Payment Schedule covering the period July 1, 2013,~~
 10 ~~through December 31, 2013, successor agencies shall submit an~~
 11 ~~oversight board approved Recognized Obligation Payment~~
 12 ~~Schedule to the Department of Finance and to the county~~
 13 ~~auditor-controller no fewer than 90 days before the date of property~~
 14 ~~tax distribution. The Department of Finance shall make its~~
 15 ~~determination of the enforceable obligations and the amounts and~~
 16 ~~funding sources of the enforceable obligations no later than 45~~
 17 ~~days after the Recognized Obligation Payment Schedule is~~
 18 ~~submitted. Within five business days of the department's~~
 19 ~~determination, a successor agency may request additional review~~
 20 ~~by the department and an opportunity to meet and confer on~~
 21 ~~disputed items. The meet and confer period may vary; an untimely~~
 22 ~~submittal of a Recognized Obligation Payment Schedule may result~~
 23 ~~in a meet and confer period of less than 30 days. The department~~
 24 ~~shall notify the successor agency and the county auditor-controllers~~
 25 ~~as to the outcome of its review at least 15 days before the date of~~
 26 ~~property tax distribution.~~

27 (1) ~~The successor agency shall submit a copy of the Recognized~~
 28 ~~Obligation Payment Schedule to the Department of Finance~~
 29 ~~electronically, and the successor agency shall complete the~~
 30 ~~Recognized Obligation Payment Schedule in the manner provided~~
 31 ~~for by the department. A successor agency shall be in~~
 32 ~~noncompliance with this paragraph if it only submits to the~~
 33 ~~department an electronic message or a letter stating that the~~
 34 ~~oversight board has approved a Recognized Obligation Payment~~
 35 ~~Schedule.~~

36 (2) ~~If a successor agency does not submit a Recognized~~
 37 ~~Obligation Payment Schedule by the deadlines provided in this~~
 38 ~~subdivision, the city, county, or city and county that created the~~
 39 ~~redevelopment agency shall be subject to a civil penalty equal to~~
 40 ~~ten thousand dollars (\$10,000) per day for every day the schedule~~

1 is not submitted to the department. The civil penalty shall be paid
2 to the county auditor-controller for allocation to the taxing entities
3 under Section 34183. If a successor agency fails to submit a
4 Recognized Obligation Payment Schedule by the deadline, any
5 creditor of the successor agency or the Department of Finance or
6 any affected taxing entity shall have standing to and may request
7 a writ of mandate to require the successor agency to immediately
8 perform this duty. Those actions may be filed only in the County
9 of Sacramento and shall have priority over other civil matters.
10 Additionally, if an agency does not submit a Recognized Obligation
11 Payment Schedule within 10 days of the deadline, the maximum
12 administrative cost allowance for that period shall be reduced by
13 25 percent.

14 (3) If a successor agency fails to submit to the department an
15 oversight board-approved Recognized Obligation Payment
16 Schedule that complies with all requirements of this subdivision
17 within five business days of the date upon which the Recognized
18 Obligation Payment Schedule is to be used to determine the amount
19 of property tax allocations, the department may determine if any
20 amount should be withheld by the county auditor-controller for
21 payments for enforceable obligations from distribution to taxing
22 entities, pending approval of a Recognized Obligation Payment
23 Schedule. The county auditor-controller shall distribute the portion
24 of any of the sums withheld pursuant to this paragraph to the
25 affected taxing entities in accordance with paragraph (4) of
26 subdivision (a) of Section 34183 upon notice by the department
27 that a portion of the withheld balances are in excess of the amount
28 of enforceable obligations. The county auditor-controller shall
29 distribute withheld funds to the successor agency only in
30 accordance with a Recognized Obligation Payment Schedule
31 approved by the department. County auditor-controllers shall lack
32 the authority to withhold any other amounts from the allocations
33 provided for under Section 34183 or 34188 unless required by a
34 court order.

35 (4) (A) The Recognized Obligation Payment Schedule payments
36 required pursuant to this subdivision may be scheduled beyond
37 the existing Recognized Obligation Payment Schedule cycle upon
38 a showing that a lender requires cash on hand beyond the
39 Recognized Obligation Payment Schedule cycle.

1 ~~(B) When a payment is shown to be due during the Recognized~~
 2 ~~Obligation Payment Schedule period, but an invoice or other billing~~
 3 ~~document has not yet been received, the successor agency may~~
 4 ~~utilize reasonable estimates and projections to support payment~~
 5 ~~amounts for enforceable obligations if the successor agency submits~~
 6 ~~appropriate supporting documentation of the basis for the estimate~~
 7 ~~or projection to the department and the auditor-controller.~~

8 ~~(C) A Recognized Obligation Payment Schedule may also~~
 9 ~~include appropriation of moneys from bonds subject to passage~~
 10 ~~during the Recognized Obligation Payment Schedule cycle when~~
 11 ~~an enforceable obligation requires the agency to issue the bonds~~
 12 ~~and use the proceeds to pay for project expenditures.~~

13 ~~(n) Cause a postaudit of the financial transactions and records~~
 14 ~~of the successor agency to be made at least annually by a certified~~
 15 ~~public accountant.~~

16 ~~(o) This section shall remain in effect only until July 1, 2016,~~
 17 ~~and as of that date is repealed.~~

18 ~~SEC. 2. Section 34177 is added to the Health and Safety Code,~~
 19 ~~to read:~~

20 ~~34177. Successor agencies are required to do all of the~~
 21 ~~following:~~

22 ~~(a) Continue to make payments due for enforceable obligations.~~

23 ~~(1) On and after February 1, 2012, and until a Recognized~~
 24 ~~Obligation Payment Schedule becomes operative, only payments~~
 25 ~~required pursuant to an enforceable obligations payment schedule~~
 26 ~~shall be made. The initial enforceable obligation payment schedule~~
 27 ~~shall be the last schedule adopted by the redevelopment agency~~
 28 ~~under Section 34169. However, payments associated with~~
 29 ~~obligations excluded from the definition of enforceable obligations~~
 30 ~~by paragraph (2) of subdivision (d) of Section 34171 shall be~~
 31 ~~excluded from the enforceable obligations payment schedule and~~
 32 ~~be removed from the last schedule adopted by the redevelopment~~
 33 ~~agency under Section 34169 prior to the successor agency adopting~~
 34 ~~it as its enforceable obligations payment schedule pursuant to this~~
 35 ~~subdivision. The enforceable obligation payment schedule may~~
 36 ~~be amended by the successor agency at any public meeting and~~
 37 ~~shall be subject to the approval of the oversight board as soon as~~
 38 ~~the board has sufficient members to form a quorum. In recognition~~
 39 ~~of the fact that the timing of the California Supreme Court's ruling~~
 40 ~~in the case California Redevelopment Association v. Matosantos~~

1 ~~(2011) 53 Cal.4th 231~~ delayed the preparation by successor
2 agencies and the approval by oversight boards of the January 1,
3 2012, through June 30, 2012, Recognized Obligation Payment
4 Schedule, a successor agency may amend the Enforceable
5 Obligation Payment Schedule to authorize the continued payment
6 of enforceable obligations until the time that the January 1, 2012,
7 through June 30, 2012, Recognized Obligation Payment Schedule
8 has been approved by the oversight board and by the Department
9 of Finance. The successor agency may utilize reasonable estimates
10 and projections to support payment amounts for enforceable
11 obligations if the successor agency submits appropriate supporting
12 documentation of the basis for the estimate or projection to the
13 Department of Finance and the auditor-controller.

14 (2) ~~The Department of Finance and the Controller shall each~~
15 ~~have the authority to require any documents associated with the~~
16 ~~enforceable obligations to be provided to them in a manner of their~~
17 ~~choosing. Any taxing entity, the department, and the Controller~~
18 ~~shall each have standing to file a judicial action to prevent a~~
19 ~~violation under this part and to obtain injunctive or other~~
20 ~~appropriate relief.~~

21 (3) ~~Commencing on the date the Recognized Obligation Payment~~
22 ~~Schedule is valid pursuant to subdivision (1), only those payments~~
23 ~~listed in the Recognized Obligation Payment Schedule may be~~
24 ~~made by the successor agency from the funds specified in the~~
25 ~~Recognized Obligation Payment Schedule. In addition, after it~~
26 ~~becomes valid, the Recognized Obligation Payment Schedule shall~~
27 ~~supersede the Statement of Indebtedness, which shall no longer~~
28 ~~be prepared nor have any effect under the Community~~
29 ~~Redevelopment Law (Part 1 (commencing with Section 33000)).~~

30 (4) ~~Nothing in the act adding this part is to be construed as~~
31 ~~preventing a successor agency, with the prior approval of the~~
32 ~~oversight board, as described in Section 34179, from making~~
33 ~~payments for enforceable obligations from sources other than those~~
34 ~~listed in the Recognized Obligation Payment Schedule.~~

35 (5) ~~From February 1, 2012, to July 1, 2012, a successor agency~~
36 ~~shall have no authority and is hereby prohibited from accelerating~~
37 ~~payment or making any lump-sum payments that are intended to~~
38 ~~prepay loans unless the accelerated repayments were required prior~~
39 ~~to the effective date of this part.~~

1 ~~(b) Maintain reserves in the amount required by indentures,~~
2 ~~trust indentures, or similar documents governing the issuance of~~
3 ~~outstanding redevelopment agency bonds.~~

4 ~~(c) Perform obligations required pursuant to any enforceable~~
5 ~~obligation.~~

6 ~~(d) Remit unencumbered balances of redevelopment agency~~
7 ~~funds to the county auditor-controller for distribution to the taxing~~
8 ~~entities, including, but not limited to, the unencumbered balance~~
9 ~~of the Low and Moderate Income Housing Fund of a former~~
10 ~~redevelopment agency. In making the distribution, the county~~
11 ~~auditor-controller shall utilize the same methodology for allocation~~
12 ~~and distribution of property tax revenues provided in Section~~
13 ~~34188.~~

14 ~~(e) Dispose of assets and properties of the former redevelopment~~
15 ~~agency as directed by the oversight board; provided, however, that~~
16 ~~the oversight board may instead direct the successor agency to~~
17 ~~transfer ownership of certain assets pursuant to subdivision (a) of~~
18 ~~Section 34181. The disposal is to be done expeditiously and in a~~
19 ~~manner aimed at maximizing value. Proceeds from asset sales and~~
20 ~~related funds that are no longer needed for approved development~~
21 ~~projects or to otherwise wind down the affairs of the agency, each~~
22 ~~as determined by the oversight board, shall be transferred to the~~
23 ~~county auditor-controller for distribution as property tax proceeds~~
24 ~~under Section 34188. The requirements of this subdivision shall~~
25 ~~not apply to a successor agency that has been issued a finding of~~
26 ~~completion by the Department of Finance pursuant to Section~~
27 ~~34179.7.~~

28 ~~(f) Enforce all former redevelopment agency rights for the~~
29 ~~benefit of the taxing entities, including, but not limited to,~~
30 ~~continuing to collect loans, rents, and other revenues that were due~~
31 ~~to the redevelopment agency.~~

32 ~~(g) Effectuate transfer of housing functions and assets to the~~
33 ~~appropriate entity designated pursuant to Section 34176.~~

34 ~~(h) Expeditiously wind down the affairs of the redevelopment~~
35 ~~agency pursuant to the provisions of this part and in accordance~~
36 ~~with the direction of the oversight board.~~

37 ~~(i) Continue to oversee development of properties until the~~
38 ~~contracted work has been completed or the contractual obligations~~
39 ~~of the former redevelopment agency can be transferred to other~~
40 ~~parties. Bond proceeds shall be used for the purposes for which~~

1 ~~bonds were sold unless the purposes can no longer be achieved,~~
2 ~~in which case, the proceeds may be used to defease the bonds.~~

3 ~~(j) Prepare a proposed administrative budget and submit it to~~
4 ~~the oversight board for its approval. The proposed administrative~~
5 ~~budget shall include all of the following:~~

6 ~~(1) Estimated amounts for successor agency administrative costs~~
7 ~~for the upcoming 12-month fiscal period.~~

8 ~~(2) Proposed sources of payment for the costs identified in~~
9 ~~paragraph (1).~~

10 ~~(3) Proposals for arrangements for administrative and operations~~
11 ~~services provided by a city, county, city and county, or other entity.~~

12 ~~(k) Provide administrative cost estimates, from its approved~~
13 ~~administrative budget that are to be paid from property tax revenues~~
14 ~~deposited in the Redevelopment Property Tax Trust Fund, to the~~
15 ~~county auditor-controller for each 12-month fiscal period.~~

16 ~~(l) (1) Before each 12-month fiscal period, prepare a~~
17 ~~Recognized Obligation Payment Schedule in accordance with the~~
18 ~~requirements of this paragraph. For each recognized obligation,~~
19 ~~the Recognized Obligation Payment Schedule shall identify one~~
20 ~~or more of the following sources of payment:~~

21 ~~(A) Low and Moderate Income Housing Fund.~~

22 ~~(B) Bond proceeds.~~

23 ~~(C) Reserve balances.~~

24 ~~(D) Administrative cost allowance.~~

25 ~~(E) The Redevelopment Property Tax Trust Fund, but only to~~
26 ~~the extent no other funding source is available or when payment~~
27 ~~from property tax revenues is required by an enforceable obligation~~
28 ~~or by the provisions of this part.~~

29 ~~(F) Other revenue sources, including rents, concessions, asset~~
30 ~~sale proceeds, interest earnings, and any other revenues derived~~
31 ~~from the former redevelopment agency, as approved by the~~
32 ~~oversight board in accordance with this part.~~

33 ~~(2) A Recognized Obligation Payment Schedule shall not be~~
34 ~~deemed valid unless all of the following conditions have been met:~~

35 ~~(A) A Recognized Obligation Payment Schedule is prepared~~
36 ~~by the successor agency for the enforceable obligations of the~~
37 ~~former redevelopment agency. The initial schedule shall project~~
38 ~~the dates and amounts of scheduled payments for each enforceable~~
39 ~~obligation for the remainder of the time period during which the~~
40 ~~redevelopment agency would have been authorized to obligate~~

1 property tax increment had the redevelopment agency not been
2 dissolved.

3 (B) ~~The Recognized Obligation Payment Schedule is submitted~~
4 ~~to and duly approved by the oversight board. The successor agency~~
5 ~~shall submit a copy of the Recognized Obligation Payment~~
6 ~~Schedule to the county administrative officer, the county~~
7 ~~auditor-controller, and the Department of Finance at the same time~~
8 ~~that the successor agency submits the Recognized Obligation~~
9 ~~Payment Schedule to the oversight board for approval.~~

10 (C) ~~A copy of the approved Recognized Obligation Payment~~
11 ~~Schedule is submitted to the county auditor-controller, the~~
12 ~~Controller's office, and the Department of Finance, and is posted~~
13 ~~on the successor agency's Internet Web site.~~

14 (3) ~~The Recognized Obligation Payment Schedule shall be~~
15 ~~forward looking to the next 12-month fiscal period, for the first~~
16 ~~12-month fiscal period commencing after January 1, 2016. The~~
17 ~~first Recognized Obligation Payment Schedule shall be submitted~~
18 ~~to the Controller's office and the Department of Finance by April~~
19 ~~15, 2012, for the period of January 1, 2012, to June 30, 2012,~~
20 ~~inclusive. This Recognized Obligation Payment Schedule shall~~
21 ~~include all payments made by the former redevelopment agency~~
22 ~~between January 1, 2012, through January 31, 2012, and shall~~
23 ~~include all payments proposed to be made by the successor agency~~
24 ~~from February 1, 2012, through June 30, 2012. Former~~
25 ~~redevelopment agency enforceable obligation payments due, and~~
26 ~~reasonable or necessary administrative costs due or incurred, prior~~
27 ~~to January 1, 2012, shall be made from property tax revenues~~
28 ~~received in the spring of 2011 property tax distribution, and from~~
29 ~~other revenues and balances transferred to the successor agency.~~

30 (4) ~~The Recognized Obligation Payment Schedule may be~~
31 ~~amended by the oversight board during a 12-month fiscal period~~
32 ~~as long as the amendment is approved at least 90 days before the~~
33 ~~date of the next property tax distribution.~~

34 (m) ~~The Recognized Obligation Payment Schedule for the period~~
35 ~~of January 1, 2013, to June 30, 2013, shall be submitted by the~~
36 ~~successor agency, after approval by the oversight board, no later~~
37 ~~than September 1, 2012. Commencing with the Recognized~~
38 ~~Obligation Payment Schedule covering the period of July 1, 2013,~~
39 ~~through December 31, 2013, successor agencies shall submit an~~
40 ~~oversight board-approved Recognized Obligation Payment~~

1 ~~Schedule to the Department of Finance and to the county~~
2 ~~auditor-controller no fewer than 90 days before the date of property~~
3 ~~tax distribution. The Department of Finance shall make its~~
4 ~~determination of the enforceable obligations and the amounts and~~
5 ~~funding sources of the enforceable obligations no later than 45~~
6 ~~days after the Recognized Obligation Payment Schedule is~~
7 ~~submitted. Within five business days of the department's~~
8 ~~determination, a successor agency may request additional review~~
9 ~~by the department and an opportunity to meet and confer on~~
10 ~~disputed items. The meet and confer period may vary; an untimely~~
11 ~~submittal of a Recognized Obligation Payment Schedule may result~~
12 ~~in a meet and confer period of less than 30 days. The department~~
13 ~~shall notify the successor agency and the county auditor-controllers~~
14 ~~as to the outcome of its review at least 15 days before the date of~~
15 ~~property tax distribution.~~

16 ~~(1) The successor agency shall submit a copy of the Recognized~~
17 ~~Obligation Payment Schedule to the Department of Finance~~
18 ~~electronically, and the successor agency shall complete the~~
19 ~~Recognized Obligation Payment Schedule in the manner provided~~
20 ~~for by the department. A successor agency shall be in~~
21 ~~noncompliance with this paragraph if it only submits to the~~
22 ~~department an electronic message or a letter stating that the~~
23 ~~oversight board has approved a Recognized Obligation Payment~~
24 ~~Schedule.~~

25 ~~(2) If a successor agency does not submit a Recognized~~
26 ~~Obligation Payment Schedule by the deadlines provided in this~~
27 ~~subdivision, the city, county, or city and county that created the~~
28 ~~redevelopment agency shall be subject to a civil penalty equal to~~
29 ~~ten thousand dollars (\$10,000) per day for every day the schedule~~
30 ~~is not submitted to the department. The civil penalty shall be paid~~
31 ~~to the county auditor-controller for allocation to the taxing entities~~
32 ~~under Section 34183. If a successor agency fails to submit a~~
33 ~~Recognized Obligation Payment Schedule by the deadline, any~~
34 ~~creditor of the successor agency or the Department of Finance or~~
35 ~~any affected taxing entity shall have standing to and may request~~
36 ~~a writ of mandate to require the successor agency to immediately~~
37 ~~perform this duty. Those actions may be filed only in the County~~
38 ~~of Sacramento and shall have priority over other civil matters.~~
39 ~~Additionally, if an agency does not submit a Recognized Obligation~~
40 ~~Payment Schedule within 10 days of the deadline, the maximum~~

1 administrative cost allowance for that period shall be reduced by
2 25 percent.

3 (3) ~~If a successor agency fails to submit to the department an~~
4 ~~oversight board approved Recognized Obligation Payment~~
5 ~~Schedule that complies with all requirements of this subdivision~~
6 ~~within five business days of the date upon which the Recognized~~
7 ~~Obligation Payment Schedule is to be used to determine the amount~~
8 ~~of property tax allocations, the department may determine if any~~
9 ~~amount should be withheld by the county auditor-controller for~~
10 ~~payments for enforceable obligations from distribution to taxing~~
11 ~~entities, pending approval of a Recognized Obligation Payment~~
12 ~~Schedule. The county auditor-controller shall distribute the portion~~
13 ~~of any of the sums withheld pursuant to this paragraph to the~~
14 ~~affected taxing entities in accordance with paragraph (4) of~~
15 ~~subdivision (a) of Section 34183 upon notice by the department~~
16 ~~that a portion of the withheld balances are in excess of the amount~~
17 ~~of enforceable obligations. The county auditor-controller shall~~
18 ~~distribute withheld funds to the successor agency only in~~
19 ~~accordance with a Recognized Obligation Payment Schedule~~
20 ~~approved by the department. County auditor-controllers shall lack~~
21 ~~the authority to withhold any other amounts from the allocations~~
22 ~~provided for under Section 34183 or 34188 unless required by a~~
23 ~~court order.~~

24 (4) (A) ~~The Recognized Obligation Payment Schedule payments~~
25 ~~required pursuant to this subdivision may be scheduled beyond~~
26 ~~the existing Recognized Obligation Payment Schedule cycle upon~~
27 ~~a showing that a lender requires cash on hand beyond the~~
28 ~~Recognized Obligation Payment Schedule cycle.~~

29 (B) ~~When a payment is shown to be due during the Recognized~~
30 ~~Obligation Payment Schedule period, but an invoice or other billing~~
31 ~~document has not yet been received, the successor agency may~~
32 ~~utilize reasonable estimates and projections to support payment~~
33 ~~amounts for enforceable obligations if the successor agency submits~~
34 ~~appropriate supporting documentation of the basis for the estimate~~
35 ~~or projection to the department and the auditor-controller.~~

36 (C) ~~A Recognized Obligation Payment Schedule may also~~
37 ~~include appropriation of moneys from bonds subject to passage~~
38 ~~during the Recognized Obligation Payment Schedule cycle when~~
39 ~~an enforceable obligation requires the agency to issue the bonds~~
40 ~~and use the proceeds to pay for project expenditures.~~

1 ~~(n) Cause a postaudit of the financial transactions and records~~
2 ~~of the successor agency to be made at least annually by a certified~~
3 ~~public accountant.~~

4 ~~(o) The 12-month fiscal period specified in subdivisions (j), (k),~~
5 ~~and (l) shall correspond to the period from July 1 through June 30,~~
6 ~~inclusive, unless an oversight board and the Department of Finance~~
7 ~~approve a successor agency's request for the 12-month fiscal period~~
8 ~~to correspond with a different fiscal year used by the city, county,~~
9 ~~or city and county that created the former redevelopment agency.~~

10 ~~(p) This section shall not be construed to alter the semiannual~~
11 ~~distribution of Redevelopment Property Tax Trust Fund payments~~
12 ~~made in accordance with the projected payment schedule of the~~
13 ~~approved Recognized Obligation Payment Schedule.~~

14 ~~(q) This section shall become operative on January 1, 2016.~~