

ASSEMBLY BILL

No. 204

Introduced by Assembly Member O'Donnell

January 29, 2015

An act to amend Section 34179 of the Health and Safety Code, relating to redevelopment.

LEGISLATIVE COUNSEL'S DIGEST

AB 204, as introduced, O'Donnell. Redevelopment: County of Los Angeles.

Existing law dissolved redevelopment agencies and community development agencies as of February 1, 2012, and provides for the designation of successor agencies to wind down the affairs of the dissolved redevelopment agencies, subject to review by oversight boards, and to, among other things, make payments due for enforceable obligations and to perform obligations required pursuant to any enforceable obligation. Existing law authorizes, in each county where more than one oversight board was created, only one oversight board to be appointed on and after July 1, 2016.

This bill would require an oversight board within the County of Los Angeles to continue to independently operate past the July 1, 2016, consolidation date, until its successor agency adopts a resolution dissolving the board, as provided.

This bill would make legislative findings and declarations as to the necessity of a special statute for the County of Los Angeles.

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. (a) The Legislature finds and declares that the
2 oversight boards to individual successor agencies were established
3 pursuant to the Redevelopment Agency Dissolution Act, which
4 prescribes that all oversight boards in the County of Los Angeles
5 will be consolidated into a single countywide oversight board by
6 July 1, 2016.

7 (b) The Legislature further finds that collapsing all functions
8 of the 71 oversight boards in the County of Los Angeles into a
9 single countywide oversight board would create administrative
10 gridlock and be a severe impediment to the expeditious disposition
11 of properties owned by former redevelopment agencies.

12 (c) In recognition of these findings and to ensure that the duties
13 of the 71 oversight boards and successor agencies in the County
14 of Los Angeles will be met in a timely manner, it is the intent of
15 the Legislature to continue all oversight boards in the County of
16 Los Angeles in existence until the respective successor agency
17 requests dissolution of its oversight board and transfer of fiduciary
18 duties to the countywide oversight board.

19 SEC. 2. Section 34179 of the Health and Safety Code is
20 amended to read:

21 34179. (a) Each successor agency shall have an oversight
22 board composed of seven members. The members shall elect one
23 of their members as the chairperson and shall report the name of
24 the chairperson and other members to the Department of Finance
25 on or before May 1, 2012. Members shall be selected as follows:

26 (1) One member appointed by the county board of supervisors.

27 (2) One member appointed by the mayor for the city that formed
28 the redevelopment agency.

29 (3) (A) One member appointed by the largest special district,
30 by property tax share, with territory in the territorial jurisdiction
31 of the former redevelopment agency, ~~which~~ *that* is of the type of
32 special district that is eligible to receive property tax revenues
33 pursuant to Section 34188.

34 (B) On or after the effective date of this subparagraph, the
35 county auditor-controller may determine which is the largest special
36 district for purposes of this section.

37 (4) One member appointed by the county superintendent of
38 education to represent schools, if the superintendent is elected. If

1 the county superintendent of education is appointed, then the
2 appointment made pursuant to this paragraph shall be made by the
3 county board of education.

4 (5) One member appointed by the Chancellor of the California
5 Community Colleges to represent community college districts in
6 the county.

7 (6) One member of the public appointed by the county board
8 of supervisors.

9 (7) One member representing the employees of the former
10 redevelopment agency appointed by the mayor or chair of the
11 board of supervisors, ~~as the case may be,~~ from the recognized
12 employee organization representing the largest number of former
13 redevelopment agency employees employed by the successor
14 agency at that time. ~~In the case where~~ *If* city or county employees
15 performed administrative duties of the former redevelopment
16 agency, the appointment shall be made from the recognized
17 employee organization representing those employees. If a
18 recognized employee organization does not exist for either the
19 employees of the former redevelopment agency or the city or
20 county employees performing administrative duties of the former
21 redevelopment agency, the appointment shall be made from among
22 the employees of the successor agency. In voting to approve a
23 contract as an enforceable obligation, a member appointed pursuant
24 to this paragraph shall not be deemed to be interested in the contract
25 by virtue of being an employee of the successor agency or
26 community for purposes of Section 1090 of the Government Code.

27 (8) If the county or a joint powers agency formed the
28 redevelopment agency, ~~then~~ the largest city by acreage in the
29 territorial jurisdiction of the former redevelopment agency may
30 select one member. If there are no cities with territory in a project
31 area of the redevelopment agency, the county superintendent of
32 education may appoint an additional member to represent the
33 public.

34 (9) If there are no special districts of the type that are eligible
35 to receive property tax pursuant to Section 34188, within the
36 territorial jurisdiction of the former redevelopment agency, ~~then~~
37 the county may appoint one member to represent the public.

38 (10) If a redevelopment agency was formed by an entity that is
39 both a charter city and a county, the oversight board shall be
40 composed of seven members selected as follows: three members

1 appointed by the mayor of the city, if that appointment is subject
2 to confirmation by the county board of ~~supervisors~~, *supervisors*;
3 one member appointed by the largest special district, by property
4 tax share, with territory in the territorial jurisdiction of the former
5 redevelopment agency, ~~which~~ *that* is the type of special district
6 that is eligible to receive property tax revenues pursuant to Section
7 ~~34188~~, *34188*; one member appointed by the county superintendent
8 of education to represent ~~schools~~, *schools*; one member appointed
9 by the Chancellor of the California Community Colleges to
10 represent community college ~~districts~~, *districts*; and one member
11 representing employees of the former redevelopment agency
12 appointed by the mayor of the city, if that appointment is subject
13 to confirmation by the county board of supervisors, to represent
14 the largest number of former redevelopment agency employees
15 employed by the successor agency at that time.

16 (b) The Governor may appoint individuals to fill any oversight
17 board member position described in subdivision (a) that has not
18 been filled by May 15, 2012, or any member position that remains
19 vacant for more than 60 days.

20 (c) The oversight board may direct the staff of the successor
21 agency to perform work in furtherance of the oversight board's
22 duties and responsibilities under this part. The successor agency
23 shall pay for all of the costs of meetings of the oversight board
24 and may include ~~such~~ *those* costs in its administrative budget.
25 Oversight board members shall serve without compensation or
26 reimbursement for expenses.

27 (d) Oversight board members are protected by the immunities
28 applicable to public entities and public employees governed by
29 Part 1 (commencing with Section 810) and Part 2 (commencing
30 with Section 814) of Division 3.6 of Title 1 of the Government
31 Code.

32 (e) A majority of the total membership of the oversight board
33 shall constitute a quorum for the transaction of business. A majority
34 vote of the total membership of the oversight board is required for
35 the oversight board to take action. The oversight board shall be
36 deemed to be a local entity for purposes of the Ralph M. Brown
37 Act, the California Public Records Act, and the Political Reform
38 Act of 1974. All actions taken by the oversight board shall be
39 adopted by resolution.

1 (f) All notices required by law for proposed oversight board
2 actions shall also be posted on the successor agency's Internet
3 Web site or the oversight board's Internet Web site.

4 (g) Each member of an oversight board shall serve at the
5 pleasure of the entity that appointed ~~such~~ *that* member.

6 (h) The Department of Finance may review an oversight board
7 action taken pursuant to this part. Written notice and information
8 about all actions taken by an oversight board shall be provided to
9 the department by electronic means and in a manner of the
10 department's choosing. An action shall become effective five
11 business days after notice in the manner specified by the
12 department is provided unless the department requests a review.
13 Each oversight board shall designate an official to whom the
14 department may make those requests and who shall provide the
15 department with the telephone number and e-mail contact
16 information for the purpose of communicating with the department
17 pursuant to this subdivision. Except as otherwise provided in this
18 part, ~~in the event that~~ *if* the department requests a review of a given
19 oversight board action, it shall have 40 days from the date of its
20 request to approve the oversight board action or return it to the
21 oversight board for reconsideration and the oversight board action
22 shall not be effective until approved by the department. ~~In the~~
23 ~~event that~~ *If* the department returns the oversight board action to
24 the oversight board for reconsideration, the oversight board shall
25 resubmit the modified action for department approval and the
26 modified oversight board action shall not become effective until
27 approved by the department. If the department reviews a
28 Recognized Obligation Payment Schedule, the department may
29 eliminate or modify any item on that schedule prior to its approval.
30 The county auditor-controller shall reflect the actions of the
31 department in determining the amount of property tax revenues to
32 allocate to the successor agency. The department shall provide
33 notice to the successor agency and the county auditor-controller
34 as to the reasons for its actions. To the extent that an oversight
35 board continues to dispute a determination with the department,
36 one or more future recognized obligation schedules may reflect
37 any resolution of that dispute. The department may also agree to
38 an amendment to a Recognized Obligation Payment Schedule to
39 reflect a resolution of a disputed ~~item;~~ *item*, however, this shall

1 not affect a past allocation of property tax or create a liability for
2 any affected taxing entity.

3 (i) Oversight boards shall have fiduciary responsibilities to
4 holders of enforceable obligations and the taxing entities that
5 benefit from distributions of property tax and other revenues
6 pursuant to Section 34188. Further, the provisions of Division 4
7 (commencing with Section 1000) of the Government Code shall
8 apply to oversight boards. Notwithstanding Section 1099 of the
9 Government Code, or any other law, any individual may
10 simultaneously be appointed to up to five oversight boards and
11 may hold an office in a city, county, city and county, special
12 district, school district, or community college district.

13 (j) Commencing on and after July 1, 2016, in each county where
14 more than one oversight board was created by operation of the act
15 adding this part, there shall be ~~only~~ one oversight board appointed
16 as follows:

17 (1) One member may be appointed by the county board of
18 supervisors.

19 (2) One member may be appointed by the city selection
20 committee established pursuant to Section 50270 of the
21 Government Code. In a city and county, the mayor may appoint
22 one member.

23 (3) One member may be appointed by the independent special
24 district selection committee established pursuant to Section 56332
25 of the Government Code, for the types of special districts that are
26 eligible to receive property tax revenues pursuant to Section 34188.

27 (4) One member may be appointed by the county superintendent
28 of education to represent schools if the superintendent is elected.
29 If the county superintendent of education is appointed, then the
30 appointment made pursuant to this paragraph shall be made by the
31 county board of education.

32 (5) One member may be appointed by the Chancellor of the
33 California Community Colleges to represent community college
34 districts in the county.

35 (6) One member of the public may be appointed by the county
36 board of supervisors.

37 (7) One member may be appointed by the recognized employee
38 organization representing the largest number of successor agency
39 employees in the county.

1 (k) The Governor may appoint individuals to fill any oversight
2 board member position described in subdivision (j) that has not
3 been filled by July 15, 2016, or any member position that remains
4 vacant for more than 60 days.

5 (l) Commencing on and after July 1, 2016, in each county where
6 only one oversight board was created by operation of the act adding
7 this part, then there will be no change to the composition of that
8 oversight board as a result of the operation of subdivision (b).

9 (m) Any oversight board for a given successor agency shall
10 cease to exist when all of the indebtedness of the dissolved
11 redevelopment agency has been repaid *or a successor agency has*
12 *dissolved the oversight board pursuant to subdivision (q).*

13 (n) An oversight board may direct a successor agency to provide
14 ~~additional legal or financial advice than what was given in addition~~
15 ~~to that provided by agency staff.~~

16 (o) An oversight board is authorized to contract with the county
17 or other public or private agencies for administrative support.

18 (p) On matters within the purview of the oversight board,
19 decisions made by the oversight board supersede those made by
20 the successor agency or the staff of the successor agency.

21 (q) *Notwithstanding subdivision (j), an oversight board within*
22 *the County of Los Angeles shall continue to independently operate*
23 *until its successor agency adopts a resolution dissolving its*
24 *oversight board, after which time the successor agency shall be*
25 *overseen by the oversight board established pursuant to subdivision*
26 *(j).*

27 SEC. 3. The Legislature finds and declares that a special law
28 is necessary and that a general law cannot be made applicable
29 within the meaning of Section 16 of Article IV of the California
30 Constitution because of the unique circumstances of the County
31 of Los Angeles.