

AMENDED IN SENATE JUNE 16, 2015

AMENDED IN ASSEMBLY APRIL 9, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 204**

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**Introduced by Assembly Member O'Donnell**

January 29, 2015

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

LEGISLATIVE COUNSEL'S DIGEST

AB 204, as amended, 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 and the board approves that resolution, 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, that is of the type of special  
32 district that is eligible to receive property tax revenues pursuant  
33 to Section 34188.

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

4 (4) One member appointed by the county superintendent of  
5 education to represent schools, if the superintendent is elected. If  
6 the county superintendent of education is appointed, then the  
7 appointment made pursuant to this paragraph shall be made by the  
8 county board of education.

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

12 (6) One member of the public appointed by the county board  
13 of supervisors.

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

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

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

(10) If a redevelopment agency was formed by an entity that is both a charter city and a county, the oversight board shall be composed of seven members selected as follows: three members appointed by the mayor of the city, if that appointment is subject to confirmation by the county board of supervisors; one member appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the former redevelopment agency, that is the type of special district that is eligible to receive property tax revenues pursuant to Section 34188; one member appointed by the county superintendent of education to represent schools; one member appointed by the Chancellor of the California Community Colleges to represent community college districts; and one member representing employees of the former redevelopment agency appointed by the mayor of the city, if that appointment is subject to confirmation by the county board of supervisors, to represent the largest number of former redevelopment agency employees employed by the successor agency at that time.

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

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

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

(e) A majority of the total membership of the oversight board shall constitute a quorum for the transaction of business. A majority vote of the total membership of the oversight board is required for the oversight board to take action. The oversight board shall be deemed to be a local entity for purposes of the Ralph M. Brown Act, the California Public Records Act, and the Political Reform

1 Act of 1974. All actions taken by the oversight board shall be  
2 adopted by resolution.

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

6 (g) Each member of an oversight board shall serve at the  
7 pleasure of the entity that appointed that member.

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

1 shall not affect a past allocation of property tax or create a liability  
2 for 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 *Title 1* of the Government  
8 Code shall apply to oversight boards. Notwithstanding Section  
9 1099 of the Government Code, or any other law, any individual  
10 may simultaneously be appointed to up to five oversight boards  
11 and may hold an office in a city, county, city and county, special  
12 district, school district, or community college district.

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

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

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

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

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

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

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

38 (7) One member may be appointed by the recognized employee  
39 organization representing the largest number of successor agency  
40 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 legal or financial advice in addition to that provided by agency  
15 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 and its oversight board approves that resolution,  
25 after which time the successor agency shall be overseen by the  
26 oversight board established pursuant to subdivision (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.