

**RESOLUTION NO. OB-2018-\_\_\_\_\_**

**RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF DESERT HOT SPRINGS APPROVING THE SUCCESSOR AGENCY'S SUPPLEMENTAL EDUCATIONAL REVENUE AUGMENTATION FUND LOAN REPAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34171**

**WHEREAS**, pursuant to Health and Safety Code (the "HSC") § 34172 (a) (1), the Redevelopment Agency of the City of Desert Hot Springs was dissolved on February 1, 2012; and

**WHEREAS**, consistent with the provisions of the HSC, the City Council of the City of Desert Hot Springs previously elected to serve in the capacity of the Successor Agency to the former Redevelopment Agency of the City of Desert Hot Springs (the "Successor Agency"); and

**WHEREAS**, the Oversight Board for the Successor Agency (the "Oversight Board") has been established pursuant to HSC § 34179 to assist in the wind-down of the former redevelopment agency; and

**WHEREAS**, pursuant to HSC § 34171 (d) (1) (G), amounts borrowed from, or payments owing to the Low- and Moderate-Income Housing Fund ("LMIHF") are enforceable obligations, provided that the Oversight Board approves a repayment schedule; and

**WHEREAS**, HSC § 34191.4 (b) (2) (B) provides for the repayment of any outstanding amounts borrowed from or owned to the LMIHF with respect to the Supplemental Educational Revenue Augmentation Fund ("SERAF"); and

**WHEREAS**, pursuant to the formula described within HSC § 34176 (e) (6) (B), LMIHF loan repayment amounts, inclusive of SERAF loans, during any given fiscal year cannot exceed an amount equal to one-half of the increase between the amount distributed to the taxing entities in that fiscal year and the amount distributed to the taxing entities during fiscal year 2012-13 (i.e., the base fiscal year) ("SERAF Repayment Formula"); and

**WHEREAS**, pursuant to ROPS 18-19 A & B, the Successor Agency currently has an outstanding principal balance owing on its SERAF loan of \$3,442,921 (enforceable obligation No. 41); and

**WHEREAS**, the Successor Agency shall apply the SERAF Repayment Formula to the amounts payable on the SERAF loan until the loan is fully repaid and such payments shall constitute the "Successor Agency's SERAF Loan Repayment Schedule"; and

**WHEREAS**, pursuant to guidance provided by the California Department of Finance with respect to the SERAF Repayment Formula, the Oversight Board may approve the Successor Agency's SERAF Loan Repayment Schedule if it is consistent with HSC § 34176 (e)(6)(B); and

**WHEREAS**, the Successor Agency's SERAF Loan Repayment Schedule conforms to the SERAF Loan Repayment Formula prescribed by HSC § 34176 (e) (6) (B); and

**WHEREAS**, the Oversight Board's adoption of this Resolution will approve the Successor Agency's SERAF Loan Repayment Schedule, as described herein; and

**WHEREAS**, all of the prerequisites with respect to the approval of this Resolution have been met.

**NOW, THEREFORE, BE IT RESOLVED** by the Oversight Board for the Successor Agency to the former Redevelopment Agency of the City of Desert Hot Springs, as follows:

**Section 1.** The foregoing recitals are true and correct and are a substantive part of this Resolution.

**Section 2.** The Successor Agency's SERAF Loan Repayment Schedule conforms to the SERAF Repayment Formula prescribed by HSC § 34176 (e) (6) (B).

**Section 3.** The repayment of the Successor Agency's SERAF loan is confirmed as an enforceable obligation, consistent with HSC § 34171 (d) (1) (G).

**Section 4.** This Resolution shall take effect upon the date of its adoption.

**PASSED, APPROVED AND ADOPTED** this 10th day of January 2018 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

[SIGNATURES FOLLOW ON THE NEXT PAGE]

**ATTEST:**

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Jerryl Soriano  
Oversight Board Secretary

**APPROVED:**

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Russ Martin  
Oversight Board Chair

**APPROVED AS TO FORM:**

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Barry J. Schultz  
Oversight Board Legal Counsel