

RESOLUTION NO. 2634

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE DISSOLVED SHAFTER
COMMUNITY DEVELOPMENT AGENCY, APPROVING AND ADOPTING A
PROPOSED ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2019
THROUGH JUNE 30, 2020, PURSUANT TO HEALTH AND SAFETY CODE SECTION
34177(j)**

WHEREAS, pursuant to Health and Safety Code Section 34173(d), the City of Shafter became the successor agency to the Shafter Community Development Agency (“Successor Agency”); and

WHEREAS, pursuant to Health and Safety Code Section 34173(g), the Successor Agency is now a separate legal entity from the City; and

WHEREAS, pursuant to Health and Safety Code Section 34179(j), on July 1, 2018 a single oversight board, staffed by the county auditor-controller, was created to oversee the actions of all successor agencies within Kern County, including the Successor Agency to the Shafter Community Development Agency, and

WHEREAS, Health and Safety Code Section 34177(j) requires the Successor Agency to prepare a proposed administrative budget covering each 6-month period, and submit it to the oversight board for approval; and

WHEREAS, pursuant to Health and Safety Code Section 34177(k), upon approval of the administrative budget by the oversight board, the Successor Agency is required to provide administrative cost estimates, from the approved administrative budget, that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the Kern County Auditor-Controller for each fiscal period covered by the administrative budget; and

WHEREAS, pursuant to Health and Safety Code Section 34171(b), the administrative cost allowance shall not be less than two hundred fifty thousand dollars (\$250,000) per fiscal year, unless the oversight board reduces this amount or the lesser amount is agreed to by the successor agency; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE DISSOLVED SHAFTER COMMUNITY DEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

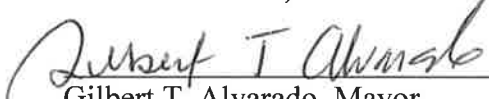
Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Approval of Proposed Administrative Budget. The Board of Directors of the Successor Agency hereby approves and adopts the proposed administrative budget covering the two six-month periods from July 1, 2019 to June 30, 2020, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code Section 34177.

Section 3. Transmittal of Proposed Administrative Budget. The City Manager and Administrative Services Director are hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the proposed administrative budget, including submitting the proposed administrative budget to the Successor Agency's oversight board, and upon oversight board approval of the administrative budget, the provision of administrative cost estimates, from the approved administrative budget, that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the Kern County Auditor-Controller.


Section 5. Effectiveness. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED THIS 15th DAY OF JANUARY, 2019.



Gilbert T. Alvarado, Mayor

ATTEST:



Yazmina Pallares, City Clerk

EXHIBIT A

PROPOSED ADMINISTRATIVE BUDGET

[Attached behind this page]

SHAFTER COMMUNITY DEVELOPMENT AGENCY - SUCCESSOR AGENCY
Administrative Budget: 7/1/19 - 6/30/20

EXPENSE CLASSIFICATION	ANNUAL BUDGET	7/1/19 - 12/31/19 BUDGET	1/1/20 - 6/30/20 BUDGET
Administrative Services Agreement Fee to the City of Shafter:	\$ 250,000	\$ 125,000	\$ 125,000
(A) TOTAL BUDGET	\$ 250,000	\$ 125,000	\$ 125,000

** Administrative Budget limited to 3% of property tax distributed to the successor agency by the county auditor-controller in the preceding fiscal year for payment of enforceable obligations less any city loan repayments and administrative cost allowances ("PY Net Property Tax"), but not less than \$250,000 per year, but in no case can exceed 50% of the PY Net Property Tax, per H&S 34171(b),*

Administrative Budget Compliance Test:

Actual prior year property tax distributed to the successor agency (2018-19):	\$ 1,161,025
Less: city loan repayments:	-
Less: administrative cost allowances:	<u>(250,000)</u>
PY Net Property Tax:	911,025
1. 3% net Property Tax - limit:	\$ 27,331
2. Statutory administrative cost allowance minimum:	\$ 250,000
3. Greater of 1 or 2:	\$ 250,000
4. 50% PY Net Property Tax - hard limit:	\$ 455,513
5. Administrative Budget (A):	\$ 250,000
6. In Compliance?	YES

CERTIFICATE OF GOVERNING BODY'S ACTION

STATE OF CALIFORNIA)
) ss.
COUNTY OF KERN)

I, Yazmina Pallares, City Clerk of the City of Shafter, California, DO HEREBY CERTIFY that the above Resolution 2534, a Resolution of the City Council of the City of Shafter as the Successor Agency to the Dissolved Shafter Community Development Agency, was duly passed and adopted at a Regular Meeting held on the 15th day of January, 2019, by the following vote:

AYES: Alvarado, Garcia, Givens, Lopez, and Prout.
NOES: None.
ABSENT: None.
ABSTAINING: None.

DATED: January 15, 2019

(SEAL)



City Clerk of the City of Shafter