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ROBERT E. SHANNON, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664 14 15

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ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LONG BEACH, DETERMINING IT WILL COMPLY WITH THE VOLUNTARY ALTERNATIVE REDEVELOPMENT PROGRAM PURSUANT TO PART 1.9 OF DIVISION 24 OF THE CALIFORNIA HEALTH AND SAFETY CODE IN ORDER TO PERMIT THE CONTINUED EXISTENCE AND OPERATION OF THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, CALIFORNIA; DECLARING THE URGENCY THEREOF; AND DECLARING THAT THIS ORDINANCE SHALL TAKE EFFECT IMMEDIATELY

WHEREAS, the City Council of the City of Long Beach ("City") adopted and approved certain redevelopment plans (the "Redevelopment Plans") for the North, Central, Downtown, West Beach, West Long Beach Industrial, Poly High and Los Altos redevelopment project areas covering certain properties within the City (the "Project Areas"); and

WHEREAS, the Redevelopment Agency of the City of Long Beach ("Agency") is engaged in activities to execute and implement the Redevelopment Plans pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code § 33000, et seq.) ("CRL"); and

WHEREAS, since adoption of the Redevelopment Plans, the Agency has undertaken redevelopment projects in the Project Areas to eliminate blight, to improve public facilities and infrastructure, to renovate and construct affordable housing, and to enter into partnerships with private industries to create jobs and expand the local economy; and

WHEREAS, over the next few years, the Agency hopes to implement a

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variety of redevelopment projects and programs to continue to eliminate and prevent blight, stimulate and expand the Project Areas' economic growth, create and develop local job opportunities and alleviate deficiencies in public infrastructure, to name a few; and

WHEREAS, as part of the 2011-12 State budget bill, the California Legislature has recently enacted and the Governor has signed, companion bills AB 1X 26 and AB 1X 27, requiring that each redevelopment agency be dissolved unless the community that created it enacts an ordinance committing it to making certain payments; and

WHEREAS, specifically, AB 1X 26 prohibits agencies from taking numerous actions, effective immediately and purportedly retroactively, and additionally provides that agencies are deemed to be dissolved as of October 1, 2011; and

WHEREAS, AB 1X 27 provides that a community may participate in an "Alternative Voluntary Redevelopment Program," in order to enable a redevelopment agency within that community to remain in existence and carry out the provisions of the CRL, by enacting an ordinance agreeing to comply with Part 1.9 of Division 24 of the Health and Safety Code; and

WHEREAS, the Alternative Voluntary Redevelopment Program requires that the community agree by ordinance to remit specified annual amounts to the county auditor-controller; and

WHEREAS, under the threat of dissolution pursuant to AB 1X 26, and upon the contingencies and reservations set forth herein, the City shall make the Fiscal Year 2011-2012 community remittance, currently estimated to be Thirty-Four Million Dollars (\$34,000,000.00), as well as the subsequent annual community remittances as set forth in the CRL; and

WHEREAS, the City reserves the right to appeal the California Director of Finance's determination of the Fiscal Year 2011-12 community remittance, as provided in Health and Safety Code Section 34194; and

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WHEREAS, an action challenging the constitutionality of AB 1X 26 and AB 1X 27 has been filed on behalf of cities, counties and redevelopment agencies, including the City and the Agency; and

WHEREAS, while the City currently intends to make these community remittances, they shall be made under protest and without prejudice to the City's right to recover such amounts and interest thereon, to the extent there is a final determination that AB 1X 26 and AB 1X 27 are unconstitutional; and

WHEREAS, the City reserves the right, regardless of any community remittance made pursuant to this ordinance, to challenge the legality of AB 1X 26 and AB 1X 27; and

WHEREAS, to the extent a court of competent jurisdiction enjoins, restrains, or grants a stay on the effectiveness of the Alternative Voluntary Redevelopment Program's payment obligation of AB 1X 26 and AB 1X 27, the City shall not be obligated to make any community remittance for the duration of such injunction, restraint, or stay;

NOW, THEREFORE, the City Council of the City of Long Beach ordains as follows:

Participation in the Alternative Voluntary Redevelopment Section 1. Program. In accordance with Health and Safety Code Section 34193, and based on the recitals set forth above, the City Council hereby determines that the City shall comply with the provisions of Part 1.9 of Division 24 of the Health and Safety Code, as enacted by AB 1X 27, and shall make the community remittances set forth in Health & Safety Code Section 34194 et seg., subject to Paragraph 2 below.

Section 2. Reservation of Rights. It is the position of the City that certain or all provisions of AB 26 and AB 27 violate the law, and are invalid and unenforceable. Neither the adoption of this ordinance, nor the acknowledgment of or references to any provisions of AB 26 and AB 27, nor the City's payment of any remittances contemplated

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by Part 1.9, shall be deemed to be, nor are they intended as, an acknowledgment of the validity of AB 26 and AB 27. The City reserves all rights of the City and the Agency to challenge the validity of any or all provisions of AB 26 and AB 27 in any administrative or judicial proceeding and to repeal this ordinance, without prejudice to the City's right to recover any amounts remitted under Part 1.9. The City shall not make any remittance under Part 1.9 in the event that a court of competent jurisdiction either grants a stay on the enforcement of AB 26 and AB 27 or determines that AB 26 and AB 27 are unconstitutional and therefore invalid, and all judicial appeals are exhausted or unsuccessful, or the time for filing an appeal has lapsed. Any remittance under Part 1.9 shall be made under protest and without prejudice to the City's right to recover the remittance amount and accrued interest thereon in the event that there is a final judicial determination that AB 26 and AB 27 are invalid. In addition, the City reserves all rights of the City and the Agency to pursue any and all appeals and any available legal or equitable remedy provided or available by law to obtain the correction of any erroneous decision regarding the amount of payments that may be required to be paid by the City under Part 1.9 or other applicable statutes or regulations.

Implementation. The City Council hereby authorizes and Section 3. directs the City Manager to take any action and execute any documents necessary to implement this ordinance, including but not limited to notifying the Los Angeles County Auditor-Controller, the Controller of the State of California, and the California Department of Finance of the adoption of this Ordinance and the City's agreement to comply with the provisions of Part 1.9 of Division 24 of the Health and Safety Code, as set forth in AB 1X 27.

Section 4. Severability. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this ordinance which can be given effect without

the invalid provision or application, and to this end the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof.

Section 5. <u>Urgency Clause</u>. The City Council finds and declares that this ordinance is required for the immediate preservation of the public peace, health and safety for the following reasons:

- (a) AB 1X 26 prohibits agencies from taking numerous actions, until the City Council adopts an ordinance agreeing to comply with Part 1.9 of Division 24 of the Health and Safety Code, including but not limited to incurring any new monetary or legal obligations or expanding any existing monetary or legal obligations, entering into agreements with any person for any purpose or amending or modifying any existing agreements and taking any action with respect to a redevelopment plan;
- (b) Prior to the enactment of an ordinance agreeing to comply with Part 1.9 of Division 24 of the Health and Safety Code, the Agency will be unable to continue efforts to eliminate and prevent blight (including remediation of buildings and structures which are unhealthy or unsafe to occupy or properties with hazardous waste), stimulate and expand the Project Areas' economic growth, create and develop local job opportunities and alleviate deficiencies in public infrastructure;
- (c) Blighting conditions in the Project Areas constitute substantial threats to public peace, health and safety, and are so prevalent they cannot be eliminated without Agency action, including but not limited to the use of Agency funds and authorization of redevelopment projects and programs;
- (d) During the current economic crisis, the Agency must have the ability to act and continue the efforts set forth in (b) above. The Agency must have all tools available in order to eliminate and prevent blighting conditions, including implementation of the Agency's economic development programs.
 - (e) The Agency is actively engaged in efforts to rehabilitate housing

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units, to provide assistance for property improvements and to provide safe and affordable						
housing. Adoption of this urgency ordinance will permit the Agency to continue these						
efforts immediately.						
Section 6. This ordinance is an emergency ordinance duly adopted by						
the City Council on, 2011, by a vote of at least five (5) of its						
members and shall take effect immediately. The City Clerk shall certify to a separate roll						
call and vote on the question of the emergency of this ordinance and to its passage by						
the vote of five members of the City Council of the City of Long Beach, and cause the						
same to be posted in three conspicuous places in the City of Long Beach.						
Section 7. This ordinance shall also be adopted by the City Council as a						
regular ordinance, to the end that in the event of any defect or invalidity in connection						
with the adoption of this ordinance as an emergency ordinance, the same shall,						
nevertheless, be and become effective on the thirty-first day after it is approved by the						
Mayor.						
Section 8. The City Clerk shall certify to the passage of this ordinance by						
the City Council and cause it to be posted in three (3) conspicuous places in the City of						
Long Beach, and it shall take effect on the thirty-first (31st) day after it is approved by the						
Mayor.						
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OFFICE OF THE CITY ATTORNEY ROBERT E. SHANNON, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664

	I he	reby certify that on a s	eparate roll call and vote which was taken by the
City	Council of the	he City of Long Beac	h upon the questions of the emergency of this
ordin	nance at its i	meeting of	, 2011, the ordinance was
decla	ared to be an	emergency by the follo	owing vote:
	Ayes:	Councilmembers:	
	Noes:	Councilmembers	
	Absent:	Councilmembers:	
i			
	I fu	rther certify that there	after, at the same meeting, upon a roll call and
vote	on adoption	of the ordinance, it wa	as adopted by the City Council of the City of Long
Bead	ch by the folk	owing vote:	
	Ayes:	Councilmembers:	
	•		
	Noes:	Councilmembers:	
	Absent:	Councilmembers:	
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	I furthe	er certify that the for	egoing ordinance was thereafter adopted on final				
reading of the City Council of the City of Long Beach at its meeting of,							
2011, by	the followir	ng vote:					
А	yes:	Councilmembers:					
N	loes:	Councilmembers:					
A	.bsent:	Councilmembers:					
			City Clerk				
Approved:(Date)			Mayor				