

**SONOMA COUNTY**  
**CONSOLIDATED OVERSIGHT BOARD**

To: Chairperson and Consolidated Oversight Board Members

From: Kathleen H. Kane, Interim Assistant Executive Director,  
Sonoma County Community Development Commission

Agenda Title: Ratification of Agreement Amendments for the Successor Agency to the  
former Redevelopment Agency of the County of Sonoma

Agenda Action: Adopt a Resolution Ratifying Amendments to Enforceable Obligations and  
Making Related Findings

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**RECOMMENDED ACTION:**

Consider and adopt the attached Resolution ratifying amendments to four (4) Successor Agency enforceable obligation agreements, which extend the terms of the agreements to allow completion of all work on the remaining enforceable obligations listed on the approved ROPS 2022-23.

**BACKGROUND:**

Health & Safety Code Section 34177 (o) requires successor agencies to prepare and submit the Recognized Obligation Payment Schedule (ROPS) to the State Department of Finance (DOF) on an annual basis. On January 28, 2022, the Consolidated Oversight Board approved the Sonoma County Successor Agency's ROPS 2022-23, which includes two projects, Highway 12 Phase 2 Stage 2 and Roseland Village Public Improvements, as well as related project management costs, all of which are subject to the requirements of a court approved Settlement Agreement (described in more detailed below). The Successor Agency subsequently executed administrative amendments to extend the terms of four (4) agreements (collectively referred to the "Amended Enforceable Obligations") related to the two projects, including:

1. Amendment to the Supplemental Agreement for Highway 12 Phase 2 Stage 2 between the Successor Agency and County of Sonoma.
2. Amendment to the Supplemental Agreement for Roseland Public Improvements between the Successor Agency and County of Sonoma.
3. Amendment to the Agreement for Management Services between the Successor Agency and Sonoma County Community Development Commission.

4. Amendment to the Agreement for Legal Services between the Successor Agency and Goldfarb & Lipman.

Under Health and Safety Code Section 34181(e) the Countywide Oversight Board may approve amendments to enforceable obligations if it finds that the amendments are in the best interest of the taxing entities.

**ANALYSIS:**

The Successor Agency is responsible for implementing the Supplemental Agreement for Roseland Village Public Improvements and the Supplemental Agreement for Highway 12 Phase 2, Stage 2, which are the supplemental contracts re-authorized by both the Successor Agency and the Oversight Board pursuant to Health and Safety Code Sections 34178(a) and 34180(h) under Oversight Board Resolution 2012-01 on March 26, 2012, both of which were upheld as valid enforceable obligations under the Settlement Agreement in *Successor Agency to Sonoma County Community Redevelopment Agency v. Matosantos, et. al*, Case Number 34-2013-80001378 and *Successor Agency to Sonoma County Community Redevelopment Agency v. Matosantos, et. al*, Case Number 34-2013-80001537 (the "Settlement Agreement").

By its terms, Section 1(d) of the Settlement Agreement requires the Successor Agency to pay for the costs and obligations relating to the Supplemental Agreement for Highway 12 Phase 2, Stage 2 and the Supplemental Agreement for Roseland Village Public Improvements, "until such funds are exhausted, or such costs and obligations are fully satisfied."

The Settlement Agreement does not contain any deadlines, or expiration dates limiting or excusing the Successor Agency's performance of its obligations under the Settlement Agreement. Furthermore, Section 11 of the Settlement Agreement expressly requires the parties to "take such action and to execute such documents as are necessary to carry out the terms and purpose of the [Settlement] Agreement."

Given the limited discretion and the need to comply with the terms of the Settlement Agreement, the Successor Agency processed administrative amendments to the Amended Enforceable Obligations.

The Successor Agency entered into agreements with the County of Sonoma (County) and the Sonoma County Community Development Commission (CDC) to perform the work on the Highway 12 and Roseland projects. The Highway 12 scope of work includes parking mitigation, which entails lease of a parking lot to replace spaces lost through the road widening. The 20-year lease, with two 5-year extensions, runs through March 2048. After that date, the enforceable obligation will be complete. The timeframe for completion of the Roseland project is less defined, as the project has been delayed by litigation and the need to obtain additional funds due to increasing costs; however, it is anticipated that it will take several years to complete the public improvements. The project agreements with the County, the management services agreement with the CDC, and a legal services agreement

with Goldfarb & Lipman, required term extensions to enable completion of the projects. The Successor Agency executed amendments with all parties for this purpose in April 2022. The administrative amendments to the Amended Enforceable Obligations accommodate the revised timelines for performance.

Under Health and Safety Code Section 34181(e), the Countywide Oversight Board may approve amendments to enforceable obligations if it finds that the amendments are in the best interest of the taxing entities. In this instance, ratifying the administrative amendments to the Amended Enforceable Obligations is in the best interest of the taxing entities because it will help the Successor Agency fulfill its obligations under existing enforceable obligations and avoid potential legal liability for failure to comply with the terms of the Settlement Agreement. The ratification of the revisions to Amended Enforceable Obligations is in the best interests of the taxing entities because they result in the continued, efficient and cost-effective management, maintenance and implementation of enforceable obligations, minimize costs and expedite the winding down of the affairs of the Successor Agency.

In order to ensure compliance with applicable provisions of Health & Safety Code, staff now recommends that the Oversight Board consider and adopt the attached Resolution ratifying the amendments to the Amended Enforceable Obligations.

**ATTACHMENTS:**

- Resolution Ratifying Amendments for Four Enforceable Obligation Agreements Pursuant to Section 34181(e) of California Health and Safety Code and Making Related Findings

**CONTACT**

Kathleen H. Kane  
Sonoma County Community Development Commission  
kathleen.kane@sonoma-county.org  
(707)-565-7537

**OVERSIGHT BOARD RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY  
COUNTY OF SONOMA RATIFYING AMENDMENTS FOR FOUR ENFORCEABLE  
OBLIGATION AGREEMENTS, PURSUANT TO SECTION 34181(e) OF CALIFORNIA  
HEALTH AND SAFETY CODE AND MAKING RELATED FINDINGS**

**WHEREAS**, the Redevelopment Dissolution Law (AB IX 26, enacted June 28, 2011, as amended by AB 1484, enacted June 27, 2012, (and hereinafter, "Dissolution Law") provided for the creation of the Successor Agency County of Sonoma ("Successor Agency"), as successor agency to the Former Redevelopment Agency of the County of Sonoma ("Redevelopment Agency") and required the Successor Agency, among other things, to expeditiously wind down the Commission's affairs, while continuing to meet the Commission's enforceable obligations and overseeing completion of redevelopment projects and disposing of the assets and properties of the Commission, all as directed by the oversight board created pursuant to Section 34179 of the Health and Safety Code ("Oversight Board"); and

**WHEREAS**, Section 34177(o) of the Health and Safety Code requires the County of Sonoma as the successor agency to submit to the State Department of Finance ("DOF") and the Sonoma County Auditor-Controller Treasurer-Tax-Collector ("County Auditor") an Oversight Board approved Recognized Obligation Payment Schedules ("ROPS"); and

**WHEREAS**, pursuant to Section 34177(o), the ROPS for the period of July 1, 2022 to June 30, 2023 ("ROPS 22-23") was approved by the Oversight Board on January 28, 2022 and subsequently submitted to the County Auditor, State Controller's Office and DOF; and

**WHEREAS**, Successor Agency subsequently executed administrative amendments to extend the terms of four agreements to enable completion of the work related to enforceable obligations on the Sonoma County Successor Agency ROPS 2022-23, attached hereto as Exhibits A through D (collectively referred to the "Amended Enforceable Obligations"),:

1. Amendment to the Supplemental Agreement for Highway 12 Phase 2 Stage 2 between the Successor Agency and County of Sonoma.
2. Amendment to the Supplemental Agreement for Roseland Public Improvements between the Successor Agency and County of Sonoma.
3. Amendment to the Agreement for Management Services between the Successor Agency and Sonoma County Community Development Commission.
4. Amendment to the Agreement for Legal Services between the Successor Agency and Goldfarb & Lipman; and

**WHEREAS**, the revisions to the Amended Enforceable Obligations are required to enable the Successor Agency's continued compliance with the terms of the Settlement Agreement in *Successor Agency to Sonoma County Community Redevelopment Agency v. Matosantos, et. al*, Case Number 34-2013-80001378 and *Successor Agency to Sonoma County Community Redevelopment Agency v. Matosantos, et. al*, Case Number 34-2013-80001537 (the "Settlement Agreement") and are compelled under the terms of the Settlement Agreement; and

**WHEREAS**, DOF approved the Sonoma County ROPS 2022-23 on May 17, 2022; and

**WHEREAS**, under Health and Safety Code Section 34181(e), the Countywide Oversight Board may approve amendments to enforceable obligations if it finds that the amendments are in the best interest of the taxing entities; and

**WHEREAS**, the staff recommends that the Board ratify the amendments to the attached Amended Enforceable Obligations; and

**WHEREAS**, the staff report, attached hereto as Attachment B and incorporated herein by this reference, provides supporting information upon which the actions set forth in this Resolution are based.

**NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY COUNTY OF SONOMA DOES RESOLVE AS FOLLOWS:**

The Countywide Oversight Board hereby finds, resolves, and determines that the foregoing recitals are true and correct and are incorporated herein by reference, and, together with information provided by staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.

Based on the information presented in the staff report and testimony received, the Countywide Oversight Board finds: (i) that the ratification of the revisions to Amended Enforceable Obligations are reasonable and necessary to satisfy the Successor Agency's contractual obligations, and (ii) that the ratification of the revisions to Amended Enforceable Obligations is in the best interests of the taxing entities because they result in the continued, efficient and cost-effective management, maintenance and implementation of enforceable obligations, minimize costs and mitigate against potential breach of contract and related damages.

The Countywide Oversight Board hereby ratifies the amendments to the Amended Enforceable Obligations in substantially the form attached hereto as Exhibits A through D.

If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Countywide Oversight Board declares that the Countywide Oversight Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

The Countywide Oversight Board hereby authorizes and directs the administrative staff to take all actions necessary under the Dissolution Act to file, post, mail or otherwise deliver via electronic mail, internet posting, and/or hardcopy, all notices and transmittals necessary or convenient in connection with the approval of this Resolution,

Pursuant to Health and Safety Code Section 34179, specified actions taken by the Countywide Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective until five (5) business days after approval, subject to a request

for review by the State of California Department of Finance, or at the time and in the manner prescribed in Health and Safety Code section 34179(h).

Passed, approved, and adopted at a meeting of Sonoma County Consolidated Oversight Board held this 17<sup>th</sup> day of June 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Attachments:

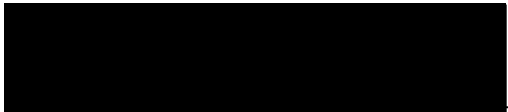
- Exhibit A – Amendment to the Supplemental Agreement for Highway 12 Phase 2 Stage 2 between the Successor Agency and County of Sonoma
- Exhibit B - Amendment to the Supplemental Agreement for Roseland Public Improvements between the Successor Agency and County of Sonoma
- Exhibit C – Amendment to the Agreement for Management Services between the Successor Agency and Sonoma County Community Development Commission
- Exhibit D – Amendment to the Agreement for Legal Services between the Successor Agency and Goldfarb & Lipman



***IN WITNESS WHEREOF***, the parties hereto have executed this instrument or caused this Amendment to be executed by their duly authorized agents this 7<sup>TH</sup> day of APRIL, 2022.

COUNTY OF SONOMA, DEPARTMENT OF  
TRANSPORTATION & PUBLIC WORKS

Dated: 4-7-2022

By:   
Johannes J. Noevertsz, Director

SUCCESSOR AGENCY

Dated: 4/5/2022

By:   
Dave Kim, Interim Executive Director

APPROVED AS TO FORM:

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Aldo Mercado, Deputy County Counsel



*IN WITNESS WHEREOF*, the parties hereto have executed this instrument or caused this Amendment to be executed by their duly authorized agents this 7<sup>TH</sup> day of APRIL, 2022.

COUNTY OF SONOMA, DEPARTMENT OF  
TRANSPORTATION & PUBLIC WORKS

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Johannes J. Hoevertsz, Director

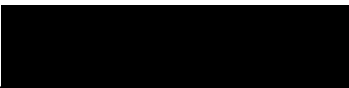
SUCCESSOR AGENCY

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Dave Kiff, Interim Executive Director

APPROVED AS TO FORM:

Dated: 4/6/2022

By:  \_\_\_\_\_  
Aldo Mercado, Deputy County Counsel

**EXHIBIT B**

**FIRST AMENDMENT TO SUPPLEMENTAL AGREEMENT  
FOR FUNDING OF PUBLIC IMPROVEMENTS FOR THE ROSELAND  
REDEVELOPMENT PROJECT AREA  
BETWEEN THE SUCCESSOR AGENCY FOR THE SONOMA COUNTY  
COMMUNITY REDEVELOPMENT AGENCY  
AND COUNTY OF SONOMA**

*WHEREAS*, the Successor Agency for the Sonoma County Community Redevelopment Agency, hereinafter referred to as "Successor Agency," and the County of Sonoma, hereinafter referred to as "County," have previously entered into that certain Supplemental Agreement for services associated with construction of public improvements in the Roseland Redevelopment Project Area, dated as of March 26, 2012, hereinafter referred to as the "Original Agreement"; and

*WHEREAS*, the parties mutually desire to amend said Supplemental Agreement to revise: Section 5.B. Term of Agreement;

*NOW, THEREFORE, BE IT RESOLVED* that Successor Agency and County, in consideration of their mutual promises herein contained, do agree and covenant to amend that certain Agreement by and between them by amending the Agreement as follows:

**Section 5.B. of the Agreement shall read as follows:**

Term of Agreement: County agrees to provide the services described in this Agreement for a period beginning with the execution of the Original Agreement and continuing until June 30, 2026, unless extended by mutual written agreement of the parties hereto or terminated pursuant to Section 5.D below.

Except as expressly provided herein, all other terms and conditions of the Agreement remain in full force and effect.

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***IN WITNESS WHEREOF***, the parties hereto have executed this instrument or caused this Amendment to be executed by their duly authorized agents this 8<sup>th</sup> day of APRIL, 2022.

COUNTY OF SONOMA, GENERAL SERVICES  
DEPARTMENT

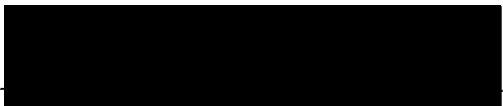
Dated: Apr 8, 2022



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Johannes J. Hovertsz, Director

SUCCESSOR AGENCY

Dated: 4/6/2022

By: 

\_\_\_\_\_  
Dave Kim, Interim Executive Director

APPROVED AS TO FORM:

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Aldo Mercado, Deputy County Counsel

***IN WITNESS WHEREOF***, the parties hereto have executed this instrument or caused this Amendment to be executed by their duly authorized agents this 8<sup>TH</sup> day of APRIL, 2022.

COUNTY OF SONOMA, GENERAL SERVICES DEPARTMENT

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Johannes J. Hovertsz, Director

SUCCESSOR AGENCY

Dated: 4/6/2022

By: \_\_\_\_\_  
[Redacted Signature] \_\_\_\_\_  
Dave Kim, Interim Executive Director

APPROVED AS TO FORM:

Dated: Apr 8, 2022

By: \_\_\_\_\_  
[Redacted Signature] \_\_\_\_\_  
Aldo Mercado, Deputy County Counsel

EXHIBIT C

AMENDMENT TO THE AGREEMENT FOR SUCCESSOR AGENCY MANAGEMENT SERVICES BETWEEN THE COUNTY OF SONOMA, ACTING AS THE SUCCESSOR AGENCY TO THE SONOMA COUNTY COMMUNITY REDEVELOPMENT AGENCY AND THE SONOMA COUNTY COMMUNITY DEVELOPMENT COMMISSION.

WHEREAS, the County of Sonoma, acting as the Successor Agency to the Sonoma County Community Redevelopment Agency (hereinafter "Successor Agency") and the Sonoma County Community Development Commission (hereinafter "Commission"), have previously entered into that certain Agreement dated February 1, 2012; and

WHEREAS, the parties mutually desire to amend said Agreement to revise Section 3, Term of Agreement;

NOW, THEREFORE, BE IT RESOLVED that Successor Agency and Commission, in consideration of their mutual promises herein contained, do agree and covenant to amend that certain Agreement by and between them by amending the Agreement as follows:

Section 3 of the Agreement shall read as follows:

Term of Agreement. The term of this Agreement shall be from February 1, 2012 to June 30, 2025 unless terminated earlier in accordance with the provisions of Section 4 below.

Except as expressly provided herein, all other terms and conditions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on this 5<sup>th</sup> day of APRIL, 2022.

COUNTY OF SONOMA, IN ITS CAPACITY AS THE SUCCESSOR AGENCY TO THE SONOMA COUNTY COMMUNITY REDEVELOPMENT AGENCY

Dated: 4-5-2022

By: [Redacted Signature]  
Sheryl Bratton, County Administrator

SONOMA COUNTY COMMUNITY DEVELOPMENT COMMISSION

Dated: 3-17-2022

By: [Redacted Signature]  
[Redacted Name], Executive Director

APPROVED AS TO FORM:

Dated: \_\_\_\_\_

By: [Redacted Signature]  
Aldo R. Mercaado, Deputy County Counsel

EXHIBIT D

**SECOND AMENDMENT TO THE LEGAL SERVICES  
AGREEMENT BETWEEN THE SUCCESSOR AGENCY TO THE  
SONOMA COUNTY COMMUNITY REDEVELOPMENT AGENCY  
AND GOLDFARB AND LIPMAN**

**WHEREAS**, the Successor Agency to the Sonoma County Community Redevelopment Agency, hereinafter referred to as "Successor Agency," and Goldfarb and Lipman, a general partnership, herein referred to as "Attorneys," have previously entered into that certain Agreement dated July 30, 2013, and amended on June 30, 2016;

**WHEREAS**, the parties mutually desire to amend said Agreement to revise: Section 3, Term.

**NOW, THEREFORE, BE IT RESOLVED** that Successor Agency and Attorneys, in consideration of their mutual promises herein contained, do agree and covenant to amend that certain Agreement by and between them by amending the Agreement as follows:

Section 3 of the Agreement shall read as follows:

3. Term. The term of this Agreement shall commence upon the Effective Date and shall terminate on June 30, 2026.

Except as expressly provided herein, all other terms and conditions of the Agreement remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this instrument or caused this Amendment to be executed by their duly authorized agents this 7<sup>TH</sup> day of APRIL, 2022.

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SIGNATURES BEGIN ON NEXT PAGE

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**ATTORNEYS**

Dated: 4.8.2022

By: GOLFARB & Lipman, LLP

Name: Rafael Yacoub

Title: Partner

**SUCCESSOR AGENCY**

Dated: 4/7/2022

By: [Redacted]  
Director, Sonoma  
County Community Development Commission,  
on behalf of Successor Agency

**CERTIFICATES OF INSURANCE  
ON FILE WITH AND APPROVED  
AS TO SUBSTANCE BY THE  
SUCCESSOR AGENCY**

Dated: 4/7/2022

By: [Redacted]  
Dave Kih, Interim Executive Director, Sonoma  
County Community Development Commission,  
on behalf of Successor Agency

**APPROVED AS TO FORM**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Aldo Mercado, Deputy County Counsel

