



STAFF REPORT

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: Dennis Bozanich

DATE: September 16, 2025

SUBJECT: Consider Adopting a Resolution of the City Council of the City of Clayton Declaring there Is No Need for the City of Clayton Successor Agency to the Redevelopment Agency to Function in the Community and Requesting that the Contra Costa County Oversight Board Approve the Dissolution of the City of Clayton Successor Agency

RECOMMENDATION

Approve the attached resolution dissolving the City of Clayton Successor Agency and authorizing staff to submit the resolution to the Countywide Oversight Board and County Auditor-Controller and authorizing the City Manager to take necessary actions to dissolve the Successor Agency.

BACKGROUND

On January 17, 2012, the City Council passed Resolution No. 03-2012 electing to serve as the Successor Agency to the Redevelopment Agency of the City of Clayton (the "Successor Agency") and to assume the responsibilities, rights and powers of a successor agency to wind down the affairs of the Agency, as required under the Redevelopment Dissolution Law (Health and Safety Code Section 34170 et seq.) (the "Dissolution Law").

The Successor Agency has now repaid all debt and fulfilled all other obligations as required under the Dissolution Law. The City Council now desires to dissolve the Successor Agency. By adoption of this Resolution, the City Council is requesting that the Contra Costa County Oversight Board ("Oversight Board") approve the dissolution of the Successor Agency and forward the request to the California Department of Finance ("Department").

ANALYSIS

In June 2011, the California Legislature passed AB x1 26 (as subsequently amended, the Dissolution Law) which dissolved all redevelopment agencies in the State of California in 2012 and created successor agencies to wind down the redevelopment activities of the former redevelopment agencies.

On January 17, 2012, the Clayton City Council adopted Resolution No. 03-2012 accepting for the City the role of the City of Clayton Successor Agency to the former Redevelopment Agency of the City of Clayton (the "Redevelopment Agency").

The Successor Agency's duties were to manage the Redevelopment Property Tax Trust Fund ("Fund") to pay enforceable obligations, maintain bond reserves, remit unencumbered Redevelopment Agency funds to Contra Costa County, dispose of Redevelopment Agency assets, enforce Redevelopment Agency rights, and oversee contractual development of Redevelopment Agency properties.

The Successor Agency was also required to prepare a "recognized obligation payment schedule" ("ROPS") for each fiscal year which lists the outstanding obligations of the former Redevelopment Agency. The ROPS states the amounts of required payments on those obligations and states the source of funds for the payments. The Successor Agency was required to submit a Last and Final ROPS to the Oversight Board and the Department for approval when the remaining debt is limited to administrative costs and payments pursuant to enforceable obligations, all remaining obligations have been previously listed and approved for payment by the Department, and the agency is not a party to outstanding litigation.

Once the Successor Agency fulfills all of its obligations, it must be formally dissolved under State law. To do so, the Successor Agency may adopt a resolution that confirms that all criteria have been met and requests formal dissolution. The Successor Agency must submit the resolution to the Oversight Board as a request to approve the dissolution of the Successor Agency and forward the request to the Department for approval.

The attached Resolution is the formal request for dissolution. If the Resolution is approved, submission to the County Oversight Board will occur on Wednesday, September 17, 2025. The City of Clayton Successor Agency must also send a copy of the request to the County Auditor-Controller. The County Oversight Board will have 30 days to approve the dissolution before submitting the request to the State Department of Finance, which will also have 30 days to approve the dissolution. The County Oversight Board is meeting on September 22, 2025. The letter of request for dissolution by the Countywide Oversight Board is also attached for reference. The letter will also be submitted to the Contra Costa County Auditor-Controller.

Within 100 days of the Department's approval, the Successor Agency must dispose of any remaining assets as directed by the Oversight Board and submit the sale proceeds to the County Auditor-Controller for distribution to the affected taxing agencies and notify the Oversight Board of these actions. The Oversight Board will have 14 days to verify the Successor Agency's actions before adopting a final resolution of dissolution for the Successor Agency to be effective immediately.

The Successor Agency has now repaid all debt and fulfilled all other obligations. By adopting this resolution, the Successor Agency is confirming that all criteria have been met and initiating the formal dissolution process.

Upon dissolution of the Successor Agency, all passthrough payment agreements between the Successor Agency and any taxing entities are automatically terminated and no further property tax will be distributed to the Fund.

CEQA

This proposed action is not a project as defined by CEQA.

FISCAL IMPACT

Upon dissolution, the City will receive property tax disbursements based on the City's normal share of the *ad valorem* property tax.

ATTACHMENTS

[Att A - RES ###-2025 Dissolution of the City of Clayton Successor Agency.pdf](#)

[Att B - SA Dissolution Request Letter](#)