



Impacts of the Redevelopment Restructuring Act on the County Redevelopment Agency

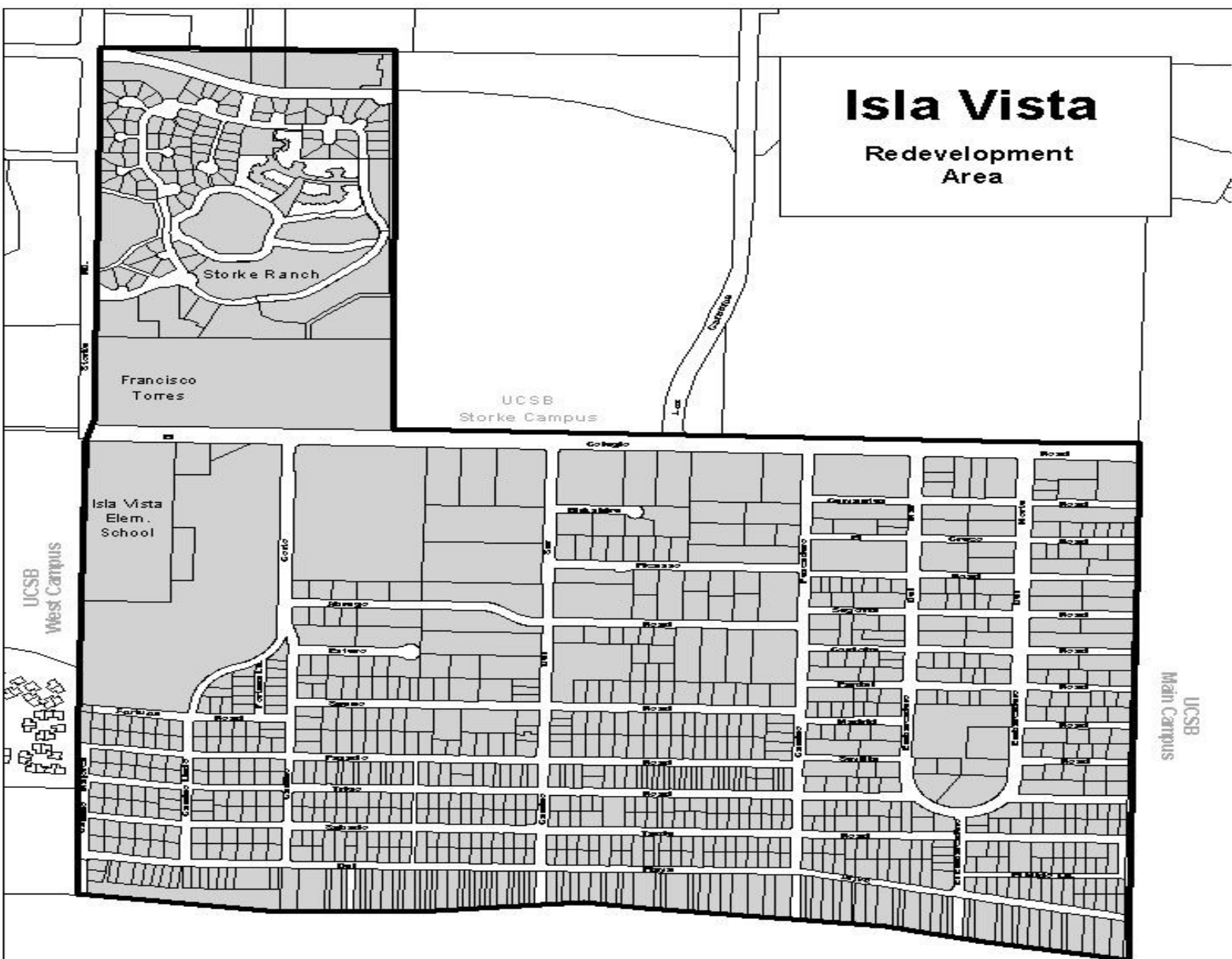


SANTA BARBARA COUNTY
REDEVELOPMENT AGENCY

September 6, 2011

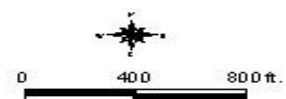
Isla Vista

Redevelopment Area



- Legend**
-  Isla Vista Redevelopment Boundary
 -  Assessor Parcel Lines
 -  Isla Vista Redevelopment Area

Santa Barbara Channel



Source: Santa Barbara County Planning and Development

Redevelopment Restructuring Act

On June 28, 2011, two new bills were enacted which affect all California Redevelopment Agencies

- **ABX1 26** (i.e. the “Dissolution Bill”) eliminates all redevelopment agencies effective October 1, 2011.
- **ABX1 27** (i.e. the “Continuation Bill”) would allow RDA’s to continue if certain payments to the State are made.

Litigation Update

July 18th: Litigation challenged ABX1 26 and ABX1 27 in Cal. Supreme Ct. & requested stays

August 11th & 18th: Cal. Supreme Court stayed most of ABX1 26 & almost all of ABX1 27

August 22nd: CRA requested further stay modifications; Court's ruling pends.

Preserving County's Options

Not clear how Court will resolve litigation

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Court's decision not expected until January 2012

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If Court upholds ABX1 26 and/or ABX1 27, effect not clear on already-passed deadlines

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Recommendations 1-3 best preserve County's options, but may require repeat actions later

Key Dates for Decisions on ABX1 26 & ABX1 27

August 9th Hearing

September 6th Hearing

October 4th Hearing

August 15: Stay
Granted

October 1: RDA
Dissolves Unless...

Appeal Remittance
Calculation?
By August 15
§34194(b)(2)(L)(i)

Nonbinding
Resolution of
Intent?
By September 30
§34193(b)

"Enact" Ordinance
for ABX1 27
Voluntary
Program?
By November 1*
§34193

RDA Adopts
Enforceable Obligations
Payment Schedule By
August 28
§34169(g)(1)

RDA Provides Draft of
Initial Recognized
Obligation Payment
Schedule to Successor
Agency By September
30 §34169(h)

(*November 1, Only If Prior Nonbinding Resolution)
("Enact" = "Second Reading")

Successor Agency
Prepares Draft
Recognized Obligations
Payment Schedule By
November 1
§34177(l)(2)(A)

Successor Agency
Opt Out?
By September 1
§34173(d)(1)

Retain Housing
Assets &
Functions? Silent:
By October 1
§34176(a)

Housing Assets & Functions

- County may elect to retain RDA's housing assets and functions, if RDA dissolves
- Otherwise, housing assets and functions go to County Housing Authority
- Section 34176(a) = stayed, but Staff recommends conditional resolution for County to retain

Nonbinding Resolution of Intent to Continue the RDA

- Extends County's time to enact AVRP ordinance
- Does not obligate County to enter ABX1 27's AVRP
- Section 34193(b) stayed, but Staff recommends conditional, nonbinding resolution

Preliminary Draft Initial ROPS

- Projects dates and amounts of RDA's scheduled payments
- RDA required to provide to Successor Agency by September 30th. Section 34169(h) not stayed.
- Staff recommends that RDA Board adopt resolution to forward preliminary draft initial ROPS to County, as Successor Agency

Analysis of RDA Continuation and Dissolution

- Fiscal Impacts - Continuation
- Fiscal Impacts - Dissolution
- Impacts on Affordable Housing Activities and the Housing Element
- Encouraging Economic Development
- Direct staff to return on October 4th to introduce a Continuation Ordinance

Recommendations

That the Board of Supervisors:

1. Adopt a resolution retaining the housing assets, functions and powers previously performed by the Redevelopment Agency.
2. Adopt a non-binding resolution of intent to participate in the Alternative Voluntary Redevelopment Program.
3. Direct staff to return on October 4th to introduce an ordinance to enter the Alternative Voluntary Redevelopment Program, and to adopt a reimbursement agreement between the County and the RDA to provide for RDA reimbursement of required remittances to the State under ABX1 27.

That the Redevelopment Agency Board of Directors:

1. Adopt a resolution directing staff to forward the preliminary draft of the initial Recognized Obligation Payment Schedule to the Successor Agency.