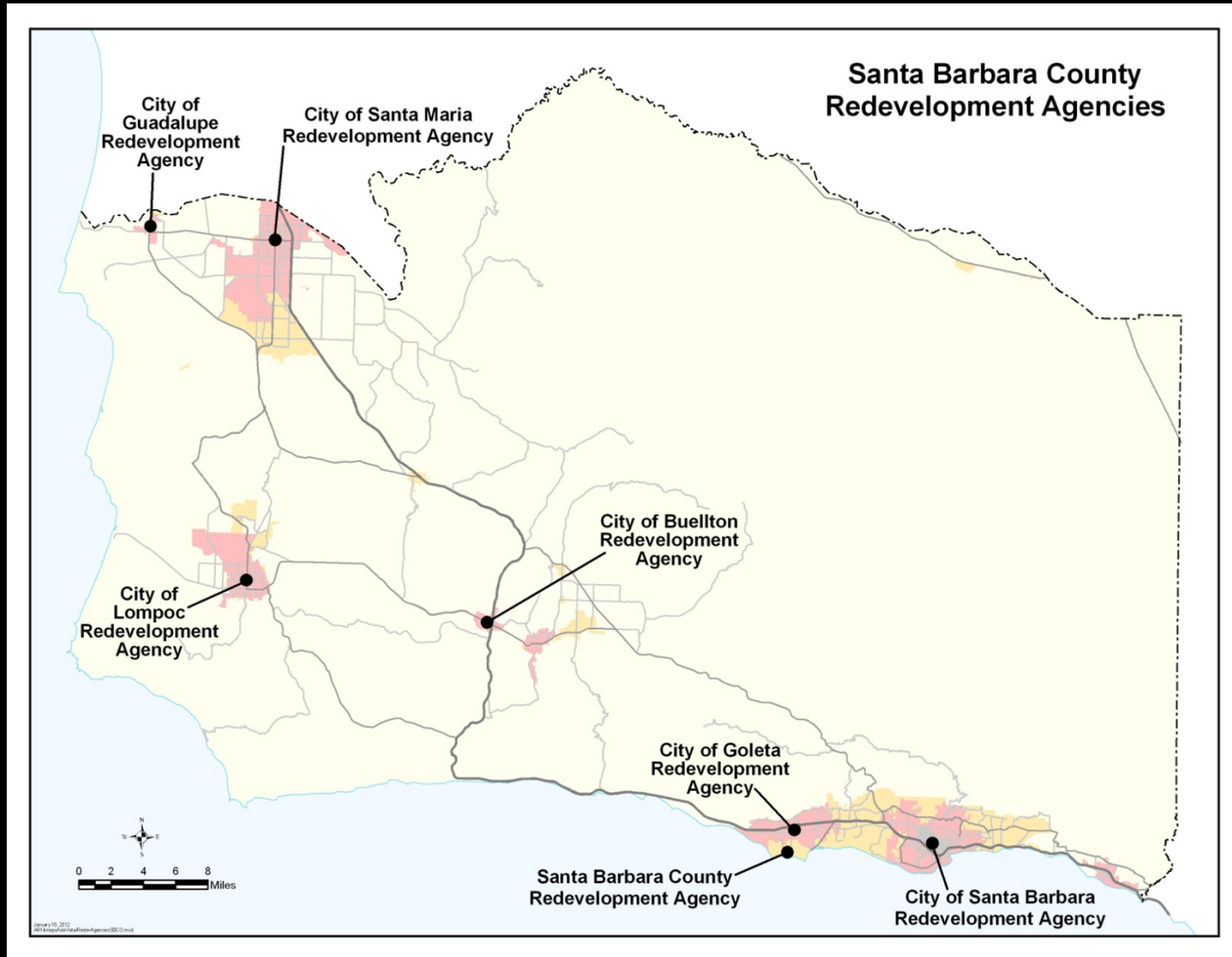


ABX1 26 Overview

Dissolution Act Introduction

- During the Annual Budget process California passed a law dissolving RDA's (ABX1 26) and offering a path for the continuation of the agencies (ABX1 27).
- On December 29, 2011, the California Supreme Court upheld ABX1 26 but found ABX1 27 invalid.
- As a result, RDA's are dissolved as of February 1, 2012.

The Seven Redevelopment Agencies in Santa Barbara County



Project Team Roles

- A separate project team has been established to handle the County's interest in other RDA's as opposed to the County's RDA
 - CEO staff to lead the project
 - Assistant CEO will be assisted with technical support from a finance team comprised of the:
 - County Budget Director;
 - A-C Advanced Accounting Division Chief;
 - Public Works Assistant Director of Finance;
 - A-C Property Tax Division Manager.

Gross Tax Increment

REDEVELOPMENT AGENCIES IN SANTA BARBARA COUNTY	
Agency	Current Year Tax Increment Revenue
Buellton City	\$ 783,326
Goleta City	3,884,457
Guadalupe City	1,528,499
Lompoc City	2,635,843
Santa Barbara City	19,860,903
Santa Barbara County - Isla Vista	6,561,244
Santa Maria City	1,111,261
Total All Agencies	\$ 36,365,533

Tax Increment by Affected Taxing Entity

Affected Taxing Entities\Redevelopment Agency	Buellton RDA	Goleta RDA	Guadalupe RDA	Lompoc RDA	Santa Barbara RDA	SB CO IV RDA	Santa Maria RDA	Total
County and Controlled Districts	\$ 187,661	\$ 1,128,473	\$ 294,055	\$ 625,017	\$ 5,645,931	\$ 1,890,649	\$ 322,867	\$ 10,094,653
Cities	156,353	208,960	197,789	443,452	2,569,579	68,246	137,297	3,781,676
Independent Districts	4,362	34,094	110,257	78,618	64,982	678,296	29,364	999,973
School Districts	434,950	2,512,930	926,398	1,488,754	11,580,411	3,924,053	621,733	21,489,229
Total	\$ 783,326	\$ 3,884,457	\$ 1,528,499	\$ 2,635,841	\$ 19,860,903	\$ 6,561,244	\$ 1,111,261	\$ 36,365,531

Solving the Puzzle

A Calculation Example

	Pre-Dissolution	Dissolution
Gross Tax Increment	\$6,500,000	\$6,500,000
Less:		
Pass Through Payments	(2,300,000)	(2,300,000)
Property Tax Administration Fees (SB 2557)	(125,000)	(125,000)
Auditor – Controller Cost of Implementation	(0)	(25,000)
Housing Set Aside	(1,200,000)	(0)
Enforceable Obligations and Other Required Payments	(1,750,000)	(1,750,000)
Successor Agency Cost Reimbursement		(250,000)
Net Available for other RDA General Operations	\$1,125,000	
Net Available for Distributions		\$2,050,000

****Numbers provided above are for example purposes only, and do not reflect the results of any current agency in the County*

- AB 26 Eliminates:
 - Housing Set Aside Payments
- AB 26 Protects:
 - (amounts unknown for individual agencies)*
 - Pass through payments
 - Holders of Enforceable Obligations
- AB 26 Results:
 - (amounts unknown for individual agencies)*
 - Funds being transferred away from sponsoring agency control to the affected taxing entities

Successor Agency

- 1 created for each agency
- Mission is to *expeditiously* wind down the affairs of the Agency
- Generally the sponsoring government of the affected RDA, however, sponsoring governments can opt out.

Successor Agency Roles

Roles include:

- Validate the assets and liabilities of the Agency
- Prepare a draft Recognized Obligation Payment Schedule
- Liquidate assets
- Manage the affairs of the former RDA

Role of the County Auditor- Controller

- Perform, or cause to be performed, agreed upon procedures audit of all RDA's in the County
 - Internal Audit Division to work independently to perform A-C statutory responsibilities with regard to Audits
- Establish Trust Funds for the benefit of the Affected Taxing Entities
- Calculate pass – through amounts
- Distribute funds to Affected Taxing Entities

Trust Fund Payments

- Trust fund payments go in the following order of priority:
 - Payment of Pass-Through (keep schools whole)
 - Payment of Property Tax Administrative Costs
 - Payment of Enforceable Obligations (recognized obligations)
 - Reimburse Successor Agency costs
 - Distribute remainder to Affected Taxing Entities

Oversight Boards

- Formed to oversee that the duties of the Successor Agency are properly carried out
- Fiduciary responsibility to the:
 - Holders of Enforceable/Recognized obligations
 - Affected Taxing Entities
- One person may be appointed to serve on up to 5 boards simultaneously
 - Currently anticipated that there will be 7 Oversight Boards in Santa Barbara County

Oversight Board Appointments

***Draft – Subject to Change

Oversight Committee Membership Appointments Matrix								
	Health and Safety Code Section	34179(a)(1)	34179(a)(2)	34179(a)(3)	34179(a)(4)	34179(a)(5)	34179(a)(6)	34179(a)(7)
Redevelopment Agency	Sponsoring Entity-Successor Agency	County	City	Special District†	K-12 School District	Community College District	Public at Large	RDA Employee Union
Buellton City- Buellton RDA	City of Buellton	BOS	Mayor	County Fire	Superintendent of Education	Chancellor of CCC	BOS	Mayor
Goleta City - Old Town Project	City of Goleta	BOS	Mayor	County Fire	Superintendent of Education	Chancellor of CCC	BOS	Mayor
Rancho Guadalupe RDA Project	City of Guadalupe	BOS	Mayor	Guadalupe Lighting or Guadalupe Cemetery*	Superintendent of Education	Chancellor of CCC	BOS	Mayor
Lompoc - Old Town Proj Area 1 (Original)	City of Lompoc	BOS	Mayor	Lompoc Health Care	Superintendent of Education	Chancellor of CCC	BOS	Mayor
Lompoc - Old Town Proj Area 2 (Amended)								
Lompoc - Old Town Proj Area 3 (Amended)								
Santa Barbara - Central City	City of Santa Barbara	BOS	Mayor	South Coast Flood Zone 2	Superintendent of Education	Chancellor of CCC	BOS	Mayor
SB Co - Isla Vista Project	County of Santa Barbara	BOS	City Council**	County Fire	Superintendent of Education	Chancellor of CCC	BOS	Chair BOS
Santa Maria - Project III	City of Santa Maria	BOS	Mayor	Santa Maria Flood Zone	Superintendent of Education	Chancellor of CCC	BOS	Mayor
Santa Maria Town Center Project # IV								

* If Guadalupe Lighting Dist which is a City Tax Fund qualifies as a district, otherwise Guadalupe Cemetery is largest

** Portions of IVRDA territory include City of Goleta, therefore City gets an appointment pursuant to 34179(a)8

† R&T 95(m) defines Special District to not include County, Cities, school district

***This schedule was prepared based on the Auditor-Controller's interpretation of the applicable code sections and is subject to further review and validation by County Counsel and Successor Agency Counsel.