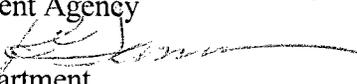


PLACER COUNTY
REDEVELOPMENT DEPARTMENT

MEMORANDUM

TO: Honorable Board of Supervisors Acting in its Capacity as Successor Agency to the Former Redevelopment Agency
FROM: Rae James, Director 
Redevelopment Department
DATE: April 10, 2012
SUBJECT: California State Controller Request to Review all Asset Transfers Between the Former Redevelopment Agency and Placer County or any Other Public Entity; and Designate the Redevelopment Department Director as Successor Agency Officer for purpose of Response to Administrative Information Requests from State Officials and the County Auditor-Controller Pursuant to the Dissolution Act

ACTION REQUESTED

Adopt a resolution declaring that the former Placer County Redevelopment Agency (Agency) transferred only eligible and proper assets to Placer County or to any other public entity during the period of January 1, 2011 through January 31, 2012; and designate the Redevelopment Department Director as "Successor Agency Officer" for purpose of Response to Administrative Information Requests from State Officials and the County Auditor-Controller pursuant to the Dissolution Act.

BACKGROUND

On March 15, 2012, the California State Controller (Controller) issued a letter to the Placer County Auditor-Controller requesting that every redevelopment agency's successor agency complete and return by April 16, 2012, an Asset Transfer Assessment Form to be used as part of an upcoming field review. This review will determine the value and status of all former Agency assets, as well as identify potential improper asset transfers.

Pursuant to Health and Safety Code §34167.5, the Controller is reviewing the activities of all former redevelopment agencies in the state to determine what asset transfers between the former Redevelopment Agency and the County and/or other public entities occurred during the time period of January 1, 2011 through January 31, 2012.

Staff has reviewed the accounting records of the former Agency and determined that only a payment under an enforceable obligation to the Tahoe City Public Utility District, or currently budgeted operational payments made to Placer County by the former Agency were transferred during the time period of January 1, 2011 and January 31, 2012. It is staff's position that the aforementioned qualify as eligible and proper asset transfers.

It is anticipated that due to the immediacy and ongoing nature of new administrative reports and requests for information pursuant to the Dissolution Act from State officials and the County Auditor-Controller, it may be more efficient to designate the Redevelopment Department Director, or designee, to serve as the "Successor Agency Officer" for purposes of submission of this and future similar administrative information to the State Controller and County Auditor-Controller. Any

information or reports requested by either the State Controller or the County Auditor-Controller that involves policy decisions or substantive determinations would continue to be presented to your Board for action.

ENVIRONMENTAL STATUS

The proposed action is administrative in nature and exempt from environmental review per California Environmental Quality Act Guidelines section 15378(b) (5).

FISCAL IMPACT

This action has no fiscal impact.

Attachments: California State Controller Letter
State Controller's Office Asset Transfer Assessment form

DOCUMENT FOR REVIEW ONLY AT THE
CLERK OF THE BOARD

cc: Karin Schwab, Deputy County Counsel

**Before the Placer County
Board of Supervisors Acting in its Capacity as
the Successor Agency to the Former
Redevelopment Agency
County of Placer, State of California**

In the matter of:

Declaration of Asset Transfers for the period of January 1, 2011 through January 31, 2012 and designation of the Redevelopment Department Director as "Successor Agency Officer" for Purposes of Transmittal of Administrative Information to the California State Controller.

Reso. No. _____

The following Resolution was duly passed by the Placer County Board of Supervisors acting in its capacity as the Successor Agency to the Former Redevelopment Agency of the County of Placer at a regular meeting held _____,

by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:

Chair, Board of Supervisors acting in its capacity as Successor Agency to the Former Redevelopment Agency

Clerk of said Board

WHEREAS, pursuant to California Health and Safety Code Section 34167.5, this resolution is adopted by the Placer County Board of Supervisors acting in its capacity as Successor Agency to the Former Placer County Redevelopment Agency (Agency).

WHEREAS, on March 15, 2012, the California State Controller (State Controller) issued a statewide letter to all Auditor-Controllers to have every successor agency under their purview complete an Asset Transfer Assessment Form and return it to the State Controller's Office by April 16, 2012.

WHEREAS, the State Controller has defined "asset" as any item of economic value owned by a redevelopment agency on December 31, 2010, especially that which could be converted to cash.

WHEREAS, staff reviewed its records in light of the State Controller's request and determined that only assets that qualified as eligible and proper were transferred by the former Redevelopment Agency to Placer County, or to any other public entity, between the dates of January 1, 2011 and January 31, 2012.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors acting in its capacity as Successor Agency of the former Placer County Redevelopment Agency, declares that the Agency has not transferred any assets as defined by the California State Controller to Placer County, or any other public entity during the period January 1, 2011 through January 31, 2012.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors acting in its capacity as Successor Agency of the former Placer County Redevelopment Agency appoints the Redevelopment Department Director to serve as "Successor Agency Officer" and authorizes her to execute and submit the Asset Transfer Assessment Form to the State Controller and County Auditor-Controller on or before April 16, 2012.

NOW, BE IT FURTHER RESOLVED, that the Board of Supervisors acting in its capacity as Successor Agency of the former Placer County Redevelopment Agency authorizes the Redevelopment Department Director, or designee to serve as "Successor Agency Officer" and submit future administrative information and reports needed to implement the Dissolution Act and as requested by the State Controller and/or County Auditor-Controller.



JOHN CHIANG
California State Controller
Division of Audits

March 15, 2012

County Auditor-Controller:

This letter is to notify you that we are requesting that every redevelopment agency's successor agency complete and return the Asset Transfer Assessment form included with this letter. This assessment form will be used as part of the upcoming field review of your county's successor agencies to determine the value and status of all former RDA assets, as well as to identify improper asset transfers. Please send this assessment form to the appropriate successor agency representatives in your county as soon as possible since the form is due back to the State Controller's Office by **April 16, 2012**.

Pursuant to Health and Safety Code section 34167.5, the Controller is reviewing "the activities of redevelopment agencies in the state to determine whether an asset transfer has occurred after January 1, 2011, between the city or county, or city and county that created a redevelopment agency or any other public agency, and the redevelopment agency." The period to be reviewed will be between January 1, 2011 and January 31, 2012.

Additionally, if a city, county, or other public agency, directly or indirectly, received any ineligible assets from a redevelopment agency after January 1, 2011, it will be ordered to immediately reverse the transfer and return the applicable assets to the successor agency of the relevant redevelopment agency. This order applies in all situations except if the city, county, or other public agency has previously contractually committed to a third party for the expenditures or encumbrance of a specific asset. Such a commitment must be in place prior to June 29, 2011.

This order applies to all transferred assets, including, but not limited to, real and personal property, cash funds, accounts receivable, deeds of trust and mortgages, contract rights and any rights to payment of any kind. This order directly applies to economic development corporations, joint powers authorities, or other public agencies that received assets, directly or indirectly, from a redevelopment agency after January 1, 2011. Ineligible asset transfers must be reversed. If you have any question as to whether a particular asset must be returned, you should place such assets into a reserve pending our review and you should not engage in any attempt to encumber or expend such assets.

MAILING ADDRESS: P.O. Box 942850, Sacramento, CA 94250
STREET ADDRESS: 3301 C Street, Suite 710, Sacramento, CA 95816

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We have included the assessment forms and instructions/definitions. We request that the completed forms be returned to the State Controller's Office no later than **April 16, 2012** at the address below:

State Controller's Office
Division of Audits
Local Government Bureau
Attn: Steven Mar
3301 C Street
Sacramento, CA 95816

If you have any questions, please call Steven Mar at (916) 324-7226, Division of Audits, Local Government Bureau.

Sincerely,

JEFFREY V. BROWNFIELD
Chief, Division of Audits

Definitions

“Asset” is any item of economic value owned by a redevelopment agency on December 31, 2010, especially that which could be converted to cash. Examples are cash, securities, accounts receivable, inventory, office equipment, real estate, and other property. Assets are classified into the following categories: current assets (cash and other liquid items), long-term assets (real estate, buildings, equipment), prepaid and deferred assets (expenditures for future costs such as insurance, rent, interest), and intangible assets (trademarks, patents, copyrights, goodwill).

“Carrying Value” or book value represents the purchase price (cost) less allowed depreciation.

“Transfer of Assets” column are any assets that the redevelopment agency transferred to the successor agency, the city, or any other public entity between the dates of January 1, 2011 and January 31, 2012. Forgiveness of a loan to a city, county, or other public agency would be considered a transfer.

Instructions for Assessment

1) – Type in original redevelopment agency name and the unique 11-digit ID # for the agency that is provided on the State Controller’s Financial Transactions Report for redevelopment agencies.

2) – Provide the contact information for the person preparing the report to include name, phone number, title, and email address.

Column A – List all redevelopment agency assets recorded on the books as of December 31, 2010 and January 31, 2012. **Note:** Please add lines on the form as necessary to include all the agency assets.

Column B – Include carrying values (book values) for all assets listed in Column A as of December 31, 2010 and January 31, 2012.

Column C – List any assets the redevelopment agency transferred between January 1, 2011 and January 31, 2012. Include the date the asset was transferred, and the city, county, or other public agency to whom the asset was transferred.

Column D – State yes or no whether any asset(s) were contractually committed or encumbered to a third party after June 29, 2011. If yes, include date of contract.

Column E – State yes or no whether any transferred asset(s) were reversed and sent back to the redevelopment agency.

Asset Transfer Assessment

Cover Page

Successor Agency _____
Agency ID Number _____

Successor Agency Officer Certification:

TO STATE CONTROLLER, I hereby certify, to the best of my knowledge and belief, that the information reported on the asset transfer assessment is accurate, accounted for, and fully disclosed.

Successor Agency Officer:

Signature

Title

Name (Printed)

Telephone No. _____
Date