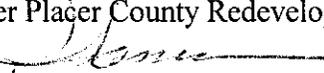


PLACER COUNTY
REDEVELOPMENT DEPARTMENT

MEMORANDUM

TO: Honorable Members of the Board of Supervisors Acting in its Capacity as Successor Agency to the Former Placer County Redevelopment Agency
FROM: Rae James, Director 
DATE: July 24, 2012
SUBJECT: Report on Dissolution of the Former Placer County Redevelopment Agency Activities in the North Lake Tahoe Redevelopment Area

ACTION REQUESTED

Accept a report on dissolution of the Former Placer County Redevelopment Agency Activities in the North Lake Tahoe Redevelopment Area.

BACKGROUND

On December 29, 2011, the California Supreme Court declared Assembly Bill 1x26 (Dissolution Act) constitutional and that the dissolution of all redevelopment agencies should go forward. The Dissolution Act was far reaching and prohibited the former agencies from such activities as incurring any new debt, making loans, entering into contracts, or disposing of any assets. By law all former redevelopment agency assets, property, staff, contracts, records, and leases were transferred to a "Successor Agency", or the entity that created the former redevelopment agency.

Additionally, the Dissolution Act required the creation of an Oversight Board whose role is to supervise the activities of the Successor Agency. In Placer County, the Oversight Board consists of seven members: three Board of Supervisor appointees (including a former Redevelopment Agency employee); two appointees from the County Superintendent of Education; one appointee by the Chancellor of California Community Colleges; and, an appointee from the largest special district taxing entity.

The Oversight Board directs the Successor Agency to determine whether contracts, agreements or other arrangements with the former Placer County Redevelopment Agency (RDA) should be terminated or renegotiated to reduce Successor Agency liabilities and increase net revenues to the taxing entities. The Oversight Board also approves the obligations which are enforceable. All Oversight Board actions are subject to review and approval of the state Department of Finance.

On January 24, 2012, the Placer County Board of Supervisors elected to become the Successor Agency for the former RDA. At that time, the Housing function and all housing assets were approved by the Board of Supervisors to transfer to the County's Community Resource Development Agency. On April 2, 2012, the Oversight Board met for the first time and began its work to monitor and approve the former RDA obligations and assets.

On June 27, 2012, the legislature passed and the Governor signed Assembly Bill 1484 (AB1484). AB1484 is a cleanup bill written to make technical and substantive amendments to the Dissolution Act.

The primary focus of AB1484 is to ensure that all monies, residual balances, unobligated expenditures and certain payments would be made and transferred to the County's taxing entities.

For the Successor Agency, the next months will involve winding down all former RDA activities and disposing of its assets. The former RDA's work program has been discontinued. It is anticipated that in the upcoming months the Oversight Board will determine the disposition of all the former RDA properties and remaining assets.

On July 10, 2012 the Successor Agency received a report of properties to be submitted to the Oversight Board for disposition. All properties owned by the former RDA are located in Kings Beach, North Lake Tahoe. There are twenty-two parcels located on ten sites. Four of those sites are critical to the development of the Kings Beach Commercial Core Improvement Project and staff requests consideration to retain those properties for governmental use as public parking lots. It should be noted that two of the remaining sites are under contaminated soils cleanup. Staff recommends that cleanup be continued and concluded prior to sale.

In the upcoming months, the Successor Agency will be focused on disposing of all properties. It is anticipated that the non-governmental sites will be sold and proceeds distributed to the taxing entities and land put back on the tax rolls.

FISCAL IMPACT

This is an informational report only.

ENVIRONMENTAL REVIEW

This is an administrative report and does not constitute a project. It is exempt from environmental review per the California Environmental Quality Act Guidelines Section 15378 (b) (5).

cc: Karin Schwab, Deputy County Counsel