



MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE OFFICE
COUNTY OF PLACER

To: Honorable Board of Supervisors
From: David Boesch, County Executive Officer
By Allison Carlos, Principal Management Analyst
Date: July 24, 2012
Subject: Establish the Placer County Successor Agency

ACTION REQUESTED

Adopt an ordinance to:

1. Amend Placer County Code, Chapter 2, Article 2.19 to formally establish the Placer County Redevelopment Successor Agency as a separate public entity pursuant to Health and Safety Code Section 34173(g) and designate the Board of Supervisors as the legislative body
2. Delete Placer County Code, Chapter 2, Article 2.112, Section 2.112.080 in entirety

BACKGROUND

- In 1991, the Placer County Redevelopment Agency (RDA) was created to address substandard commercial development, improve infrastructure, facilitate affordable housing development, and remove impediments to investment and improvement within blighted communities.
- In 2011, the legislature enacted the Dissolution Act (AB1x-26) which eliminated redevelopment agencies and the Alternative Redevelopment Program Act (AB 1x-27) which provided an alternative payment program to avoid dissolution. A lawsuit was filed by various outside associations.
- On December 29, 2011 the California Supreme Court upheld the Dissolution Act, and found the alternative program unconstitutional, thereby dissolving California redevelopment agencies.
- On January 24, 2012, your Board elected to serve as the Successor Agency to the RDA.
- On February 1, 2012, the RDA was dissolved.
- On June 27 2012, AB 1484, a cleanup trailer bill was enacted and prescribed, among other requirements, state oversight of the accounting and processing associated with dissolution, and the designation of the successor agency ("SA") as a separate "public entity".

DISCUSSION

Under the Dissolution Act, the entity that authorized the creation of a redevelopment agency could elect to serve as its successor entity. On January 24, 2012, your Board elected to serve as the SA to the RDA. At that time the Dissolution Act did not call for the SA to be a separate legal entity. However, AB 1484 amended Health & Safety Code section 34173 to render a SA as a separate public entity from the public agency that provides for its governance. In addition, the law stipulates that as a separate legal entity, the SA:

- Retains all liability of the dissolved RDA, including all litigation involving the dissolved RDA
- Has no authority to participate in redevelopment activities except to complete the work on enforceable obligations
- Is not merged with other public agencies and is considered a "local public entity"
- Is subject to the Brown Act

Therefore, staff is recommending the County Code amendments presented in Attachment A to comply with the provisions of this new law and to clean up existing code relating to redevelopment. This includes adopting an ordinance: (1) amending County Code to establish a Placer County Successor Agency pursuant to Health and Safety Code Section 34173(g) and designate the Board of Supervisors as the legislative body, and (2) deleting County Code provisions related to this matter.

FISCAL IMPACT

No new fiscal impact from dissolution of the former Placer County Redevelopment Agency is anticipated due to this action.

cc: Auditor-Controller

Attachment A:
Ordinance amendment

Before the Board of Supervisors County of Placer, State of California

In the matter of:

Ordinance No. _____

AN ORDINANCE AMENDING PLACER COUNTY CODE CHAPTER 2, ARTICLE 2.19 ESTABLISHING THE REDEVELOPMENT SUCCESSOR AGENCY TO THE FORMER PLACER COUNTY REDEVELOPMENT AGENCY AND DELETING CHAPTER 2, ARTICLE 2.112, SECTION 2.112.080

The following Ordinance was duly passed by Board of Supervisors 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

Clerk of said Board

WHEREAS, the Placer County Redevelopment Agency (“Agency”) was a redevelopment agency organized and existing under California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*) (the “CRL”);

WHEREAS, the California Legislature adopted, the Governor signed, and the California Supreme Court, in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, has upheld Assembly Bill x1 26 (“ABx1 26”), legislation that amends the CRL, provides that the Agency will be

dissolved effective as of February 1, 2012, and empowers a designated “successor agency” to wind down the affairs of the Agency, subject to review and approval by a local oversight board;

WHEREAS, on January 24, 2012 the Placer County Board of Supervisors elected to serve as the “successor agency” and according to Health and Safety Code Section 34175(b) assumed all assets, properties, contracts, leases, books and records, buildings, and equipment of the former Redevelopment Agency, including all cash or cash equivalents and amounts owed to the Redevelopment Agency as of February 1, 2012;

WHEREAS, Health and Safety Code Section 34173(g) provides that a “successor agency” is a separate public entity from the public agency (Placer County).

WHEREAS, the Board of Supervisors of the County of Placer hereby creates the redevelopment successor agency to the Placer County Redevelopment Agency as a legally separate public entity to assume the responsibilities, rights and powers of a successor agency pursuant to Health and Safety Code Section 34177.

WHEREAS, the County of Placer hereby designates the board of supervisors as the legislative body of the successor agency.

WHEREAS, the County makes this election in reliance upon the limitation of liability set forth in Health and Safety Code Section 34173(e) through (g).

NOW, THEREFORE, the Board of Supervisors of the County of Placer, State of California, does hereby ordain as follows:

Section 1. Placer County Code, Chapter 2 ADMINISTRATION; Article 2.19 REDEVELOPMENT DEPARTMENT is hereby amended as follows:

2.19.010 Office created

~~The director of the redevelopment department is hereby created. The purpose of the department is to plan and direct redevelopment successor agency activities.~~

2.19.020 Director, redevelopment duties and services generally.

~~Administer redevelopment successor agency activities. Plan, organize, direct and manage redevelopment agency dissolution activities including, but not limited to: assets assessment and disposal; operational and organization requirements; coordination with other parties, entities, public boards, and agencies as necessary; project planning; budgeting; and management.~~

Article 2.19 REDEVELOPMENT DEPARTMENT SUCCESSOR AGENCY

2.19.010 Agency established.

Pursuant to California Health and Safety Code section 34176(a)(2), the Successor Agency to the former Placer County Redevelopment Agency is hereby established.

2.19.020 Governing Board of the Successor Agency.

The Board of Supervisors shall serve as the governing body for the Successor Agency.

2.19.030 Duties of the Successor Agency.

The Successor Agency shall perform those duties outlined in the California Health and Safety Code section 33500 et seq. (Dissolution Act) and as amended by Assembly Bill 1484 and as may be further amended by legislation or court action.

Section 2. Placer County Code, Chapter 2 ADMINISTRATION; Article 2.112, Section 2.112.080 Redevelopment agency; is deleted in its entirety as follows:

~~2.112.080 Redevelopment agency.~~

~~A. Pursuant to the Health and Safety Code there is created a Placer County redevelopment agency.~~

~~B. The board of supervisors shall act as the legislative body for the redevelopment agency of the Placer County pursuant to Health and Safety Code Section 33200.~~

Section 3. This ordinance shall take effect and be in full force thirty (30) days after the date of its passage. The Clerk is directed to publish this ordinance, or a summary thereof, within fifteen (15) days in accordance with Government Code Section 25124.

