

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

506



FROM: Economic Development Agency

SUBMITTAL DATE:
February 3, 2011

SUBJECT: Funding of Supplemental Educational Augmentation Funds to the State of California

RECOMMENDED MOTION: That the Board of Supervisors approve the funding of the Supplemental Educational Revenue Augmentation Fund (SERAF) to the State of California through the Redevelopment Agency for the County of Riverside Tax Increment funds.

BACKGROUND: California Health and Safety Code, Section 33334.2(k), requires redevelopment agencies to shift \$350 million in property tax revenues during the 2010/2011 fiscal year via the Supplemental Revenue Augmentation Funds (SERAF) that the Chapter created in each county. The Redevelopment Agency for the County of Riverside share is \$5,722,195 for FY 2010/11. The county's Redevelopment Agency must allocate this amount to the county Auditor-Controller for deposit into the SERAF on or before May 10, 2011. By March 1, 2011, the legislative body is required to report to the Auditor-Controller how the Redevelopment Agency intends to fund its SERAF obligation. The funding for Riverside County's share will come from tax increment funds.

(Continued)

Robert Field

Robert Field
Assistant County Executive Officer/EDA

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|-----------------------|-------------------------------|--------------|-------------------------|---------|
| FINANCIAL DATA | Current F.Y. Total Cost: | \$ 5,722,195 | In Current Year Budget: | Yes |
| | Current F.Y. Net County Cost: | \$ 0 | Budget Adjustment: | No |
| | Annual Net County Cost: | \$ 0 | For Fiscal Year: | 2010/11 |

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: Yes

| | | |
|--|---|--------------------------|
| SOURCE OF FUNDS: Redevelopment Agency Tax Increment | Positions To Be Deleted Per A-30 | <input type="checkbox"/> |
| | Requires 4/5 Vote | <input type="checkbox"/> |

C.E.O. RECOMMENDATION:

APPROVE

BY: *Jennifer L. Sargent*
Jennifer L. Sargent

County Executive Office Signature

- Dep't Recomm.: Consent
- Per Exec. Ofc.: Consent
- Policy
- Policy

Prev. Agn. Ref.: 3.25 2/23/10

District: All

Agenda Number:

3.19

ATTACHMENTS FILED WITH
THE CLERK OF THE BOARD

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: *Samuel Wong*
 DATE: 2-11-11
 ANITA C. WILLIS
 FORM APPROVED COUNTY COUNSEL
 BY: *Anita C. Willis*
 DATE: 1-31-11

BACKGROUND: (Continued)

A companion item is submitted on today's agenda through the Redevelopment Agency, in which the payment will be designated and approval to sign a letter acknowledging the source of funds will be attached. The letter will be submitted to the Auditor-Controller as required by law.

Failure to make the SERAF payment will result in a "death penalty" for the Redevelopment Agency in which it will not be allowed to adopt a new redevelopment plan, amend an existing plan to add territory, issue bonds, further encumber funds or expend any monies derived from any source except to pay pre-existing indebtedness.