

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



FROM: Supervisor Bob Buster

SUBMITTAL DATE:
June 29, 2011

SUBJECT: Adoption of Resolution No. 2011-211 and Initiation of Ordinance Accepting the Requirements of the Alternative Voluntary Redevelopment Program and Committing to Annual Payments to the Riverside County Auditor-Controller for Fiscal Years 2011/12 and 2012/13

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt Resolution No. 2011-211 which indicates the intent of the County of Riverside to adopt an ordinance for participation in the Alternative Voluntary Redevelopment Program pursuant to Assembly Bill AB1X 27 (AB1X 27) as signed by Governor Brown on June 29, 2011;
2. Adopt an order initiating an ordinance that would accept the requirements of the Alternative Voluntary Redevelopment Program as detailed in AB1X 27 and commit to annual payments to the Riverside County Auditor-Controller (ACO) for fiscal years 2011/12 and 2012/13, as further described below; and
3. Direct the Economic Development Agency (EDA) to prepare and process the ordinance.

BACKGROUND: On June 29, 2011, Governor Brown signed AB1X 26 and AB1X 27. AB1X 26 dissolves redevelopment agencies throughout the State of California effective October 1, 2011; and AB1X 27 creates an alternative redevelopment program that allows agencies to continue redevelopment activity by voluntarily authorizing, via ordinance, the contribution of tax increment to county auditor-controller offices for deposit into an Educational Revenue Augmentation Fund (ERAF) and a Special District Allocation Fund (SDAF).

Bob Buster, 1st District Supervisor

Departmental Concurrence

Prev. Agn. Ref.:

District: ALL

Agenda Number.

3.56

BACKGROUND: (Continued)

AB1X 26 prescribes strict limits on activities that may be conducted by redevelopment agencies between the effective date of June 29, 2011 and the agency elimination date of October 1, 2011; unless the legislative body, pursuant to AB1X 27, enacts an ordinance that commits to make future payments to school districts and special districts via the county auditor-controller. Agencies are prohibited from entering into new agreements or indebtedness until enactment of the aforementioned ordinance.

Resolution No. 2011-211 declares the intent of Riverside County to adopt an ordinance that will commit Riverside County to make voluntary payments of tax increment to county auditor controller offices, as detailed in AB1X 27. After the ordinance is adopted, redevelopment activities may continue to be implemented by the Redevelopment Agency for the County of Riverside.

This request for initiation, if approved, would authorize the Economic Development Agency to prepare and process an ordinance that will accept the requirements of the Alternative Voluntary Redevelopment Program as mandated by AB1X 27; and commit the Board of Supervisors to make payments to the Riverside County Auditor-Controller (ACO) for fiscal years 2011-12 and 2012-13. Pursuant to AB1X 27, such payments will be deposited into the Educational Revenue Augmentation Fund (ERAF), and a newly established Special District Allocation Fund (SDAF).

FINANCIAL DATA:

Under Board Policy A-67, the Board of Supervisors is to consider the costs associated with preparing, processing, and implementing an ordinance in deciding whether to adopt an order initiating the ordinance. The estimated cost of preparing, processing, and implementing this ordinance is \$10,000, which will be paid by the Economic Development Agency Administrative Budget.

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3 **RESOLUTION NO. 2011-211**

4 **A NONBINDING RESOLUTION OF THE COUNTY OF RIVERSIDE INDICATING THE**
5 **INTENT TO ENACT AN ORDINANCE FOR PARTICIPATION IN THE ALTERNATIVE**
6 **VOLUNTARY REDEVELOPMENT PROGRAM**

7 **WHEREAS**, in 1985, the Redevelopment Agency for the County of Riverside was
8 duly created, established, and authorized to transact business and exercise its powers,
9 pursuant to the provisions of the California Community Redevelopment Law (the
10 "CRL"), set forth in Part 1 of Division 24 of the California Health and Safety Code,
11 commencing with Section 33000 thereof;

12 **WHEREAS**, on June 29, 2011, Governor Edmund G. Brown Jr. signed Assembly
13 Bill AB1X 26 and AB1X 27 (AB1X 26 and AB1X 27) that became effective as of that
14 date;

15 **WHEREAS**, AB1X 26 suspends various redevelopment agency activities and
16 dissolves all redevelopment agencies effective October 1, 2011, unless the sponsoring
17 jurisdiction enacts an ordinance pursuant to AB1X 27;

18 **WHEREAS**, AB1X 27 allows redevelopment agencies to continue redevelopment
19 activities after the sponsoring jurisdictions enact an ordinance that authorizes
20 participation in an Alternative Voluntary Redevelopment Program; which requires an
21 annual community remittance, via the county auditor-controller, by the sponsoring
22 jurisdiction in an amount determined by the State of California Department of Finance
23 (DOF) for deposit into an Educational Revenue Augmentation Fund (ERAF) and a
24 Special District Allocation Fund (SDAF); and

25 **WHEREAS**, adoption of an ordinance mandating the provisions of AB1X 27
26 allows the Board of Supervisors of the County of Riverside, through its Redevelopment
27 Agency, to continue redevelopment activities, which preserve and promote public
28 welfare and benefits the residents of the redevelopment project areas within
unincorporated territory of Riverside County.

1 **NOW, THEREFORE, BE IT RESOLVED, FOUND, AND DETERMINED** by the
2 Board of Supervisors of the County of Riverside as follows:

3 **Section 1.** That it is the intent of Board of Supervisors to enact an ordinance for
4 participation in the Alternative Voluntary Redevelopment Program, pursuant to AB1X 27
5 on or before November 1, 2011; and,

6 **Section 2.** That the Board hereby notifies the State of California Department of
7 Finance, the Controller of the State of California, and the Riverside County Auditor
8 Controller of this intent.

9 **Section 3.** This resolution shall take effect from and after its adoption.
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FORM APPROVED COUNTY COUNSEL
BY: *Anita C. Willis* 2-7-11
ANITA C. WILLIS DATE