

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Auditor-Controller *UK*

BOARD AGENDA # **B-1*

Urgent Routine

AGENDA DATE January 31, 2012

CEO Concur with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Establish an Interest Bearing Trust Fund for Each of the Eleven Successor Agencies in Stanislaus County as Required by State Legislation Dissolving Redevelopment Agencies

STAFF RECOMMENDATIONS:

Authorize the Auditor-Controller to establish an interest bearing trust fund for each of the eleven successor agencies to record property taxes that would have been allocated to each redevelopment agency in the county had the redevelopment agency not been dissolved pursuant to AB1x 26.

FISCAL IMPACT:

While there is no fiscal impact to the establishment of the eleven Redevelopment Property Tax Trust Funds, there will be significant fiscal impact to the Auditor-Controller's Office with the implementation of the Dissolution Act in the next year. The total fiscal impact to the department is unknown at this time.

BOARD ACTION AS FOLLOWS:

No. 2012-038

On motion of Supervisor Withdraw, Seconded by Supervisor De Martini

and approved by the following vote,

Ayes: Supervisors: Chiesa, Withdraw, Monteith, De Martini, and Chairman O'Brien

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

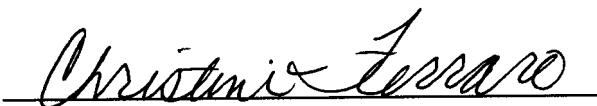
1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

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DISCUSSION:

On December 29, 2011, the California Supreme Court delivered its decision in the *California Redevelopment Association v. Matosantos* case, finding the "Redevelopment Agency Dissolution Act" (AB1x 26) constitutional.

The Court's decision requires all redevelopment agencies in California to be dissolved under the constitutional Dissolution Act effective February 1, 2012. A successor agency shall be established for each prior redevelopment agency. The Court revised the effective dates or deadlines under the Dissolution Act for those actions arising before May 1, 2012 by extending those dates and deadlines by four months.

There are eleven redevelopment agencies in Stanislaus County. They are:

Ceres Redevelopment Agency
Hughson Redevelopment Agency
Modesto Redevelopment Agency
Newman Redevelopment Agency
Oakdale Redevelopment Agency
Patterson Redevelopment Agency
Riverbank Redevelopment Agency
Stanislaus County Redevelopment Agency
Stanislaus-Ceres Redevelopment Commission
Turlock Redevelopment Agency
Waterford Redevelopment Agency

The Dissolution Act establishes certain duties for the Auditor-Controller. One of these duties is the establishment of a trust fund, "Redevelopment Property Tax Trust Fund" by February 1, 2012 for each successor agency. In addition, the Auditor-Controller will administer these trust funds for the benefit of the holders of former Redevelopment Agency debt.

POLICY ISSUES:

The Dissolution Act, SB1x 26, requires the Auditor-Controller to establish a trust fund per successor agency for the benefit of the holders of former Redevelopment Agency debt. Establishment of these trust funds complies with the requirements of the legislation and the County's goal of promoting Efficient Delivery of Public Services.

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STAFFING IMPACT:

There is no staffing impact with the creation of the eleven new trust funds.

CONTACT PERSON:

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