

REDEVELOPMENT AGENCY ISSUES

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AUTHORITY

- Authorized by Community Redevelopment Act (1945)
 - Primary purposes include reduce blight, create jobs, and construct low-income housing
- Health and Safety Code Section 33000

TYPES OF RDAS

- Pass-Through Agreements (pre-1994)
 - LEAs can elect 2% payment in-lieu-of PTA
 - Agreements remain in effect until RDA expires

TYPES OF RDAS

- AB 1290 Payments (post-1994)
 - Two types: HSC Sections 33607.5 & 33607.7
 - HSC Section 33607.5 (a)(4)(C) – 19% considered property tax; 81% reserved for facilities
 - Section (5) “Local education agencies that use funds received pursuant to this section for school facilities shall spend these funds at schools that are: (A) within the project area, (B) attended by students from the project area, (C) attended by students generated by projects that are assisted directly by the redevelopment agency, or (D) determined by the governing board of a local education agency to be of benefit to the project area.”

TYPES OF RDAS

- AB 1290 Payments (post 1994)
 - HSC Section 33607.7 – similar to HSC 33607.5 but addresses amendments to plans adopted prior to January 1, 1994

OPSC ISSUES

- RDA revenues are available for facilities
- Are you “showing” OPSC your RDA dollars?
- Must maintain a nexus between the proposed facility and any RDAs
 - Not all RDAs can contribute to a specific site
 - PTAs may have restrictive language on revenue use
- COEs are answerable to redevelopment agencies for expenditure of funds
- Payments from County Auditor-Controller lumped together

FUTURE OF RDAS

- ABX1 26 and ABX1 27
 - Effectively “dissolves” RDAs beginning October 1, 2011
- Relieves state of a portion of revenue limit offset
- PTAs remain in effect
- Pending litigation by several agencies