

J. Matthew Carroll
Assistant County Executive Officer

Paul Derse
Assistant County Executive Officer/
Chief Financial Officer

Catherine Rodriguez
Assistant County Executive Officer/
Labor Relations & Strategic Development

January 24, 2012

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

Subject: Adoption of a Resolution Retaining the Housing Assets, Functions, and Powers Previously Performed by The Redevelopment Agency of the County of Ventura Pursuant to Health and Safety Code Section 34176 (a)

Recommendation:

Adopt a resolution retaining the housing assets, functions, and powers previously performed by The Redevelopment Agency of the County of Ventura pursuant to Health and Safety Code Section 34176 (a).

Fiscal/Mandates Impacts:

This action will have a minimal fiscal impact on the County's general fund.

Executive Summary:

On December 29, 2011, the State Supreme Court ruled that ABx1 26 which eliminated redevelopment agencies would be allowed to stand and that ABx1 27 which allowed redevelopment agencies to continue would fall. The Court also established revised deadlines for certain actions that ABx1 26 prescribes, including retention of housing assets, powers, and functions. Accordingly, for the County of Ventura to assume the housing functions previously performed by The Redevelopment Agency of the County of Ventura (the "Agency"), a resolution to that effect must be adopted prior to February 1, 2012. Today staff is recommending, due to the vital role our Housing Program plays within the community of Piru, your Board adopt the resolution presented.

Discussion:

On June 28, 2011, the Governor signed two pieces of legislation that affected redevelopment agencies within the State of California: ABx1 26, which added Parts 1.8 and 1.85, and ABx1 27, which added Part 1.9, to Division 24 of the Health and Safety Code. ABx1 26 provides for the dissolution of all redevelopment agencies in California as of October 1, 2011, while ABx1 27 provides a mechanism to save redevelopment agencies.

On July 18, 2011, the California Redevelopment Association, the League of California Cities, and the cities of San Jose and Union City filed a lawsuit with the California State Supreme Court challenging the constitutionality of both ABx1 26 and 27. On December 29, 2011, the State Supreme Court issued its ruling allowing ABx1 26 to stand while finding that ABx1 27 was unconstitutional. The Court also clarified the timeline for implementation of ABx1 26, stating "we exercise our power of reformation and revise each effective date or deadline for performance of an obligation in part 1.85 of division 24 of the Health and Safety Code (Sections 34170-34191) arising before May 1, 2012, to take effect four months later" than set forth in ABx1 26. By this action, the Court extended the date for any election to retain the housing assets, powers, and functions previously performed by redevelopment agencies, from October 1, 2011, to February 1, 2012.

As discussed with your Board during the September 20, 2011, Board Presentation regarding ABx1 26 and 27, under Health and Safety Code Section 34171 (j), added by ABx1 26, as reformed by the Court, the County of Ventura will become the "successor agency" to the Agency effective February 1, 2012. Pursuant to Section 34171 (j), the "successor agency" is defined as "the county, city, or city and county that authorized the creation of [the] redevelopment agency or another entity as provided in Section 34173." Section 34173 (a) and (b) further define the successor agency as the successor entity to the former redevelopment agency and specifies "all authority, rights, powers, duties, and obligations previously vested with the former redevelopment [agency], under the Community Redevelopment Law, are hereby vested in the successor [agency]."

Section 34173(d)(1) provides that a "city, county, city and county ... that authorized the creation of [the] redevelopment agency may elect not to serve as a successor agency under this part." Any election not to serve as the successor agency to the redevelopment agency, had to have been made by a duly authorized resolution filed with the county auditor-controller's office no later than January 13, 2012, pursuant to the Court's ruling. Based upon feedback provided by your Board at the September 20, 2011, presentation, this election "not to serve as [the] successor agency" was not made, and, therefore effective February 1, 2012, the County of Ventura will become the "successor agency" to the Agency.

As provided by Health and Safety Code Section 34176 (a), "The city, county, or city and county that authorized the creation of a redevelopment agency may elect to retain the

housing assets and functions previously performed by the redevelopment agency.” Under that section, “If a city, county , or city and county elects to retain the responsibility for performing housing functions previously performed by the redevelopment agency, all rights, powers, duties, and obligations, excluding any amounts on deposit in the Low and Moderate Income Housing Fund, shall be transferred to the city, county, or city and county.”

Today, staff recommends that your Board elect to assume the housing assets and functions of the Agency. By electing to take this action, upon the Agency’s dissolution on February 1, 2012, the Agency’s housing assets and functions and all related rights, powers, obligations, and duties will be transferred to the County.

If your Board chooses not to retain the Agency’s housing assets and functions, Health and Safety Code Section 34176 (b) requires that all such functions and assets, excluding any amounts in the Low and Moderate Income Housing Fund, shall be transferred to the Area Housing Authority of the County of Ventura.

Conclusion:

In order for the County to retain The Redevelopment Agency of the County of Ventura’s housing assets and maintain administrative oversight of the Piru Housing Conservation Program, staff is recommending your Board adopt the proposed resolution to retain the housing assets and functions previously performed by the Agency and assume all related rights, powers, duties and obligations.

This letter has been reviewed by the Auditor-Controller’s Office and County Counsel. If you have any questions regarding this Board Letter, please contact Jeff Burgh at 477-1994.

Sincerely,



Jeff Burgh
Deputy Executive Officer



Michael Powers
County Executive Officer

Attachment – Resolution