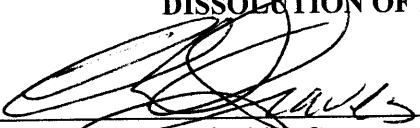





City of Carson Report to Redevelopment Agency

January 17, 2012
New Business Consent

SUBJECT: CONSIDER RESOLUTION NO. 12-09 SUPPORTING SENATE BILL 659 TO TEMPORARILY POSTPONE THE FEBRUARY 1, 2012, DEADLINE FOR DISSOLUTION OF REDEVELOPMENT AGENCIES


Submitted by Clifford W. Graves
Economic Development General Manager


Approved by David C. Biggs
Executive Director

I. SUMMARY

The Carson Redevelopment Agency is asked to approve Resolution No. 12-09 (Exhibit No. 1) supporting Senate Bill (SB) 659 which would delay the dissolution of redevelopment agencies from February 1, 2012, to April 15, 2012. This delay would allow time for the orderly transfer to the successor agency and for the Legislature to create a restructured redevelopment program.

II. RECOMMENDATION

WAIVE further reading and ADOPT Resolution No. 12-09, "A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF CARSON, CALIFORNIA, SUPPORTING SB 659 TO POSTPONE THE FEBRUARY 1, 2012 DEADLINE FOR DISSOLUTION OF REDEVELOPMENT AGENCIES."

III. ALTERNATIVES

TAKE the following actions:

1. MODIFY and APPROVE Resolution No. 12-09 as the Agency Board may require.
2. TAKE another action the Agency Board deems appropriate.

IV. BACKGROUND

On December 29, 2011, the California Supreme Court ruled in the redevelopment litigation, CRA v. Matosantos, upholding ABX126 which abolished redevelopment agencies, and striking down companion legislation that would have allowed redevelopment agencies to continue if they contribute money to the state.

As part of the Court's ruling, agencies are to be dissolved on February 1, 2012. A coalition of labor, business, local government, public safety, affordable housing, and redevelopment supporters is working with members of the Legislature to temporarily postpone the February 1, 2012, dissolution deadline (SB 659) in order to preserve the ability to create a restructured redevelopment program.

The objective of SB 659 is to provide time for the League of California Cities and California Redevelopment Association to work with the Governor and Legislature

on other legislation that would replace redevelopment in some form. Attached is a fact sheet on SB 659 (Exhibit No. 2).

SB 659 has passed the Senate and was submitted to the Office of Legislative Counsel on January 11, 2012. SB 659 is awaiting action by the Assembly's Local Government Committee. Upon adoption of the resolution, copies will be sent to the Governor and the Legislature.

V. FISCAL IMPACT

None.

VI. EXHIBITS

1. Resolution No. 12-09. (pg. 3)
2. SB 659 Fact Sheet. (pg. 4)

Prepared by: Boris Sztorch, Senior Redevelopment Project Manager

TO:Rev091911

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Development Services
Economic Development	Public Services

Action taken by Redevelopment Agency

Date _____ Action _____

RESOLUTION NO. 12-09

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF
THE CITY OF CARSON, CALIFORNIA, SUPPORTING SB 659
TO POSTPONE THE FEBRUARY 1, 2012 DEADLINE FOR
DISSOLUTION OF REDEVELOPMENT AGENCIES

WHEREAS, the Carson Redevelopment Agency (Agency) is a community redevelopment agency duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the California Community Redevelopment Law (CRL) (Health and Safety Code Section 33000 *et seq.*); and

WHEREAS, SB 659 would temporarily postpone the February 1, 2012, deadline to April 15, 2012, for dissolving California's 425 redevelopment agencies; and

WHEREAS, without the extension the successor agency responsible for winding down the activities of the Carson Redevelopment Agency by February 1, 2012, would find it incredibly difficult and would lead to potential litigation and chaos; and

WHEREAS, postponing the February 1, 2012, deadline would allow for a responsible discussion about the future of redevelopment and to create jobs and revitalize communities.

NOW, THEREFORE, based on the evidence presented to the Agency, including the written staff report and oral testimony on this matter, the Agency does hereby find, determine and resolve as follows:

Section 1. The Agency Secretary shall transmit a copy of this resolution to the Governor and State Legislature within 10 days of the adoption of this resolution.

Section 2. The Agency Secretary shall certify as to the adoption of this resolution and shall cause the same to be processed in the manner required by law.

PASSED, APPROVED and ADOPTED this _____ day of January, 2012.

Chairman Jim Dear

ATTEST:

Chief Deputy Agency Secretary Wanda S. Higaki

APPROVED AS TO FORM:

Agency Counsel

SB 659 FACT SHEET

LEGISLATURE MUST PASS SB 659 QUICKLY TO POSTPONE SCHEDULED DISSOLUTION OF REDEVELOPMENT AGENCIES ON FEBRUARY 1, 2012

Temporarily Postponing February 1 Deadline for Dissolution of Agencies Will Ensure the State and Education Receive the Funding Intended by the Legislature, and allow Time to Develop a New Job Creation and Neighborhood Renewal Program

Background: On December 29, 2011, the California Supreme Court ruled in the redevelopment litigation -- *CRA v. Matosantos* -- upholding ABX1 26 which abolished redevelopment agencies, but striking down companion legislation that would have allowed agencies to survive if they contribute money to the State. As part of the Supreme Court's ruling, agencies are to be dissolved on February 1, 2012. A coalition of labor, business, local government, public safety and affordable housing advocates is working with members of the Legislature to pass SB 659 and temporarily postpone the February 1, 2012 dissolution deadline in order to preserve the ability to develop a new job creation and neighborhood renewal program. Here's why:

- **SB 659 will temporarily postpone the February 1 dissolution deadline allowing critical time to develop a new job creation and neighborhood renewal program.**
 - If agencies are dissolved on February 1, 2012, successor agencies are responsible for winding down all assets, properties, contracts, leases, records, buildings, and equipment of the former redevelopment agencies, and laying off workers -- actions that are incredibly difficult to undo.
- **Passing SB 659 is the first step toward creating a new program that helps the State budget, local communities and education.**
 - We are committed to working with lawmakers to create a new program that is appropriately focused on job creation, environmentally sustainable growth, affordable housing, and the elimination of blight and economic disparity.
 - Any new program will provide the State and local entities with additional budgetary relief that is now put in question because of the California Supreme Court ruling. We all are acutely aware that any job creation and neighborhood renewal program must give the state and education increased revenues for this fiscal year and beyond.
- **Allowing the dissolution process to proceed on February 1 will lead to mass litigation and chaos, shut down projects and lead to loss of jobs.**
 - Once the dissolution process starts, it will lead to lawsuits, endless delays, and ongoing conflict, making it more difficult to develop a new job creation and community revitalization program in California.
 - The dissolution process could take years. Thousands of jobs and vital economic development and affordable housing projects will be lost in the meantime.