

August 2, 2011, 6:45 p.m.

City Council Chambers, 333 Civic Center Plaza

Web Site: www.ci.tracy.ca.us

1. CALL TO ORDER - The Mayor called the meeting to order at 6:45 p.m.
2. ROLL CALL – Roll call found Agency Members Abercrombie, Elliott, Rickman, Maciel and Chairman Ives present.
3. ITEMS FROM AUDIENCE – None.
4. APPROVAL OF MINUTES – It was moved by Agency Member Abercrombie and seconded by Agency Member Maciel to approve the minutes of April 19, 2011. Voice vote found all in favor; passed and so ordered.
5. ADOPTION OF AN ENFORCEABLE OBLIGATION PAYMENT SCHEDULE OF THE COMMUNITY DEVELOPMENT AGENCY – Zane Johnston, Director of Finance and Administrative Services, presented the staff report.

Recently adopted Assembly Bills (“AB”) 26 and 27 require that the Community Development Agency adopt an Enforceable Obligation Payment Schedule. The Enforceable Obligation Payment Schedule includes a list of the Agency’s existing enforceable obligations should these need to continue in the event the Agency is dissolved. Pursuant to these two bills, a redevelopment agency could make an optional payment to the State and, in return, be permitted to continue, or not to make the payment and be dissolved. The League of California Cities, the California Redevelopment Association, and others, have filed a lawsuit claiming the action is unconstitutional. These plaintiffs have asked the State Supreme Court to issue a stay preventing the State from taking this action until the case challenging the constitutionality of the State’s action is heard. The plaintiffs have requested a stay of execution by August 15, 2011.

In September, staff will present a report to the City Council fully outlining the process to “opt in” or “opt out” of the payment together with a recommendation. At that time, it should be known whether a stay has been issued by the Supreme Court. If the State’s action is upheld or the stay is not granted, it is important that agencies have met various deadlines in the interim. One such deadline is August 28, 2011, for agencies to have adopted an Enforceable Obligation Payment Schedule identifying existing obligations. Such obligations will be transferred to a successor agency if an existing city redevelopment agency opts out of the payment and is dissolved. Just because a redevelopment agency is dissolved, its existing obligations are not. For example, bonds issued by the agency will still need to be paid even if that agency closes up shop. The successor agency will assume these obligations and pay them before any remaining monies find their way to the State of California. Since August 2, 2011, could be the last City Council/Agency meeting before the deadline, staff recommended that the Agency adopt an Enforceable Obligation Payment Schedule.

Chairperson Ives asked for a list of projects the Redevelopment Agency has provided in the past. Mr. Johnston responded the projects include the Downtown Parking Lots and Streetscape, over 800 units of affordable housing assistance, and financing for the refurbishment of the Grand Theatre and the Sixth Street Plaza.

Chairperson Ives invited members of the audience to address the Agency on the item. There was no one wishing to address the Agency.

Andrew Malik, Director of Development and Engineering Services, stated the deadline to "opt in" or "opt out" of the State's plan is October 1, 2011. Staff will return to Council on September 6, 2011, with a more in-depth staff report.

It was moved by Agency Member Abercrombie and seconded by Agency Member Elliott to adopt CDA Resolution 255, approving an Enforceable Obligation Payment Schedule for the Community Development Agency. Voice vote found all in favor; passed and so ordered.

6. ADJOURNMENT – It was moved by Agency Member Abercrombie and seconded by Agency Member Elliott to adjourn. Voice vote found all in favor; passed and so ordered. Time: 6:53 p.m.

The above agenda was posted at the Tracy City Hall on July 28, 2011. The above are summary minutes. A recording is available at the office of the City Clerk.

Chair

ATTEST

Secretary

The August 2, 2011, Redevelopment Agency minutes were not adopted due to the disbanding of all California Redevelopment Agencies effective February 1, 2012, pursuant to the Dissolution Act. On January 17, 2012, the City elected to serve as the Successor Agency to retain the housing assets and functions previously performed by the Redevelopment Agency (Resolution 2012-021).