

RESOLUTION NO. 2011-034

Adopted by the Redevelopment Agency

of the City of Sacramento

August 9, 2011

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO SUSPENDING ITS ALLOCATION TO THE LOW AND MODERATE INCOME HOUSING FUND FOR THE 2011-12 FISCAL YEAR AND MAKING CERTAIN FINDINGS AND DETERMINATIONS

BACKGROUND

- A. Sections 33334.2 and 33334.3 of California's Community Redevelopment Law [Health & Safety Code §§33000, et seq.] ("CRL") require the Redevelopment Agency of the City of Sacramento ("Agency") to use 20 percent of taxes allocated to the Agency pursuant to Section 33670 of the CRL ("Tax Increment") for the purpose of increasing, improving, and preserving the community's supply of low and moderate income housing and to hold such funds in a separate Low and Moderate Income Housing Fund until used ("Low and Moderate Income Housing Fund").
- B. Assembly Bill x1 27 ("AB 27") was passed by the State Legislature on June 15, 2011 and signed by the Governor on June 29, 2011.
- C. AB 27 will be codified at Part 1.9 of the California Health and Safety Code, commencing with Section 34192 ("**Part 1.9**").
- D. AB 27 establishes a voluntary alternative redevelopment program whereby the Agency would be authorized to continue to exist upon the enactment of an ordinance by the City of Sacramento ("City") to comply with the provisions of Part 1.9, including payment of an annual remittance to the County Auditor-Controller ("Remittance Ordinance").
- E. AB 27 authorizes the Agency to enter into an agreement with the City whereby the Agency would transfer a portion of its Tax Increment to the City in an amount not to exceed the amount of the City's annual remittance to the County Auditor-Controller ("Remittance Agreement").
- F. AB 27 authorizes the Agency to suspend its allocation of Tax Increment to the Low and Moderate Income Housing Fund for the 2011-2012 Fiscal Year if the City complies with the provisions of Part 1.9 and the Agency finds that there are insufficient other moneys to meet its debt and other obligations, current priority program needs or its obligations under the Remittance Agreement.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:

- Section 1. The Agency hereby finds and determines that the foregoing recitals are true and correct.
- Section 2. The Agency has reviewed and duly considered the documents and other written evidence presented at the meeting and believes that it will be in the best interests of the City and the health, safety, morals and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local law and requirements to suspend its allocation of Tax Increment to the Low and Moderate Income Housing Fund for the 2011-2012 Fiscal Year.
- Section 3. The Agency finds, based upon a review of financial data and projected future revenues, that there are insufficient other moneys to meet its debt and other obligations, current priority program needs, and its obligations under the Remittance Agreement.
- Section 4. The Agency finds and determines that it is necessary to suspend the Low and Moderate Income Housing Fund Allocation for the 2011-2012 Fiscal Year.
- Section 5. The Executive Director, or designee, is hereby authorized to take such actions as are necessary and appropriate to carry out and implement the Low and Moderate Income Housing Fund suspension for the 2011-2012 Fiscal Year upon the City's enactment of the Remittance Ordinance.
- Section 6. This Resolution shall take effect immediately upon its adoption.

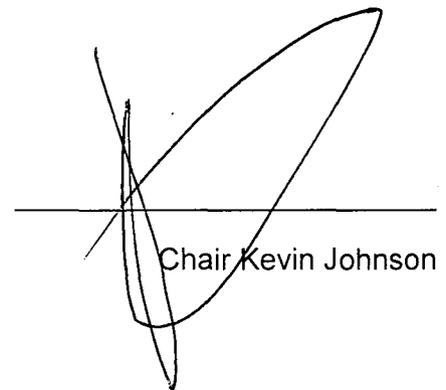
Adopted by the Redevelopment Agency of the City of Sacramento on August 9, 2011 by the following vote:

Ayes: Councilmembers Ashby, Cohn, D Fong, R Fong, McCarty, Pannell, Schenirer, Sheedy and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: None.



Chair Kevin Johnson

Attest:



Shirley Concolino, Secretary