

Redevelopment Agency Dissolution

Department of Finance
Local Government Unit

Finance Goals and Objectives of RDA Dissolution Process

- Protect Core Public Services
- Protect Bond Holders
- Expeditiously Wind Down former RDA Affairs
- Solve Problems (Get to Yes when Possible)
- Develop Positive Working Relationships
- Minimize Litigation when Possible

Governor's Budget Impact

- Dissolution is Critical Component of Maintaining Narrowly Balanced State Budget
- \$3.2 Billion in Estimated Prop 98 GF Savings Over 2-Year Period (2012-13 and 2013-14)
 - Residual Property Tax Distributions (\$1.3 Billion)
 - Liquid Asset Sweeps (\$1.9 Billion)
- Ongoing Savings Estimated at \$1 Billion

Local Taxing Entities

- Provides General Purpose Revenues to Affected Taxing Entities (Counties, Cities, and Special Districts)
 - \$1.6 Billion to Counties
 - \$1.2 Billion to Cities
 - \$400 Million to Special Districts
- Increases Local Flexibility

Department of Finance's Role

- Facilitate the Winding Down of RDAs Through the Review, Approval, and Implementation of the following tasks:
 - Housing Asset Transfers
 - Recognized Obligation Payment Schedules (ROPS)
 - Final and Conclusive Requests
 - Due Diligence Reviews
 - Oversight Board Actions
 - Finding of Completion Issuances
 - Long-Range Property Management Plans