Redevelopment Agencies
Redevelopment Agencies (RDAs)

What is an RDA?

- Agency created by City or County, or jointly
- Legislative body usually City Council or Board of Supervisors
- Powers typically limited to redevelopment project area

Reasons for redevelopment projects/agencies

- Eliminate blighted conditions
- Expand supply of low-and-moderate-income housing
- Expand employment opportunities
Redevelopment Agencies (RDAs)

- RDAs issued bonds for projects and used future income streams from increased property values to repay bonds
- RDAs entered into agreements with affected parties to provide a tax increment pass-through
- Cities, counties, K-12, community colleges, county offices of education and special districts were affected
• RDAs ceased to exist, new Successor Agencies are created
  o Old RDA = New Successor Agency

• Successor Agencies
  o Are established to wind down the former RDA’s affairs
  o Will continue to pay legally enforceable obligations of the RDA
  o Need to develop obligation payment schedules
  o Are monitored/supervised by Oversight Boards
  o Will dissolve after all obligations are paid
Oversight Board for each Successor Agency

Oversight Boards consist of 7 members appointed by:
- County Board of Supervisors
- Mayor for the city that formed the former RDA
- County Superintendent of Schools
- Chancellor of the California Community Colleges
- Member of the public appointed by the County Board of Supervisors
- Member by the recognized employee organization representing the largest number of successor agency employees in the county
Marin County RDAs

- MCCD is involved in 3 RDAs in Marin County
  - Marin County RDA – 1956
  - San Rafael RDA – 1972
  - Novato/Hamilton RDA – 1990

- MCCD is on 3 Oversight Boards, one for each RDA
San Rafael RDA (SRRDA)

- Several agreements between SRRDA and MCCD have existed over the years

- More recent agreement allowed for SRRDA to continue to receive certain tax increment revenue

- In exchange, SRRDA provided financial assistance in the development and rehabilitation of facilities at several sites in, or serving residents of, the San Rafael Redevelopment Project Area
SRRDA Funded MCCD Projects

- Network infrastructure
- Matching funds for handicap barrier removal
- Matching funds for scheduled maintenance projects
- Remodel Marin Conservation Corps facility so ESL and basic skills instruction could be offered in the Canal Area
- Develop a high-tech language lab on KTD campus for students in ESL and modern languages
- Develop an information literacy center in the KTD library
- Improve access to Austin Science Center (ADA)
In 2002/03, MCCCD issued $2.7M bonds for:

- Facilities and capital repair
- Renewal projects
- Capital equipment purchases

Purpose of the bond was to make significant funds available in the near term for capital improvements

$2.5M spent on projects
Bond Projects

- IVC One Stop $598K
- KTD/IVC Roof Repairs $467K
- Telephone System $464K
- Facilities Masterplan $349K
- Misc Facilities Renewal/Cap Equip $402K
- ADA projects $120K
- IVC Sewer Crossing $83K
- IVC Fire Mitigation $54K

Total Projects $2,537K
Novato/Hamilton RDA

- Bond was structured so the repayment schedule would match the revenue stream due from the Novato/Hamilton RDA

- Bond payment schedule
  - Payments due annually on June 1
  - $90K principal and interest due in 2012
  - Payments increase each year
  - $665K final payment due June 1, 2033
Dissolving RDAs

• Implications of dissolving Marin County and San Rafael RDAs are probably minimal to the district, expectation of increased property tax revenues

• Dissolution of the Novato/Hamilton RDA may be problematic
  o Lack of continued investment/redevelopment may result in lower than anticipated future revenue stream to repay bonds
  o MCCD may need to fund future bond payments from anticipated new revenue sources resulting from the dissolving RDA.