



CITY OF OAKLAND

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2012 JUL -6 AM 9:56

# AGENDA REPORT

TO: DEANNA J. SANTANA  
CITY ADMINISTRATOR

FROM: Fred Blackwell

SUBJECT: Electing to Receive Pass Through      DATE: July 3, 2012  
Payment from Central District

City Administrator  
Approval

*Deanna J. Santana*

Date

*7/6/12*

COUNCIL DISTRICT: Citywide

## RECOMMENDATION

Staff recommends that the City Council adopt the following legislation:

**A CITY RESOLUTION RATIFYING RECEIPT AND ELECTING TO RECEIVE  
A PORTION OF THE TAX INCREMENTS FROM THE CENTRAL DISTRICT  
REDEVELOPMENT PROJECT AREA**

## EXECUTIVE SUMMARY

Per a June 22, 2012 letter, the Alameda County Auditor-Controller is among other things requiring a resolution from the Oakland City Council "specifically and expressly ratifying the receipt of pre-June 29, 2011, passthrough payments directed, requested, or acknowledged by a City officer or employee." The attached legislation acknowledges and ratifies receipt of passthrough payments pursuant to Health and Safety Code Section 33607.7 from the Central District since the 2004 amendment to the Central District Urban Renewal Plan. The legislation will also allow the City to receive the passthrough payment from the second tax increment payment for FY 2011-12 that was redirected to the Redevelopment Property Tax Trust Fund. Alameda County has held approximately \$700,000 from the City from the trust until this legislation is passed.

## OUTCOME

Approval of the proposed legislation is required to satisfy the Alameda County Auditor-Controller's requirements. Supplying the resolution and other documentation will allow the City to receive the \$700,000 payment from the Redevelopment Property Tax Trust Fund to the General Fund.

Item: \_\_\_\_\_  
CED Committee  
July 10, 2012

## BACKGROUND/LEGISLATIVE HISTORY

On January 6, 2004, the City Council adopted Ordinance No. 12570 C.M.S. amending the Central District Urban Renewal Plan to eliminate the time limit on establishing loans, advances or indebtedness for the Central District pursuant to Health and Safety Code Section 33333.6. This action triggered passthrough payments to the taxing entities, including the City.

## ANALYSIS

The City has made elections by resolution to receive its share of passthrough payments when it adopted or expanded redevelopment project area, including the Coliseum, Oak Knoll, Oakland Army Base, Broadway/MacArthur/San Pablo, Central City East and West Oakland project areas. However, redevelopment law is not clear whether a specific City election is required for an amendment eliminating the debt incurrence time limit. In fact, the City has been receiving and accepting its share of passthrough payments from the Central District since the amendment was passed in 2004. However, making this election by formal resolution will resolve any ambiguities in the law, and will allow Alameda County to release the \$700,000 payment from Redevelopment Property Tax Trust Fund to the City.

## PUBLIC OUTREACH/INTEREST

There is no opportunity for public outreach for this legislation.

## COORDINATION

Preparation of the staff report and legislation required review by the City Attorney's Office and the Budget Office.

## COST SUMMARY/IMPLICATIONS

The City Budget has for a number of years anticipated receiving pass through payments from the Redevelopment Agency. Starting in FY 2004-05, the Agency's payments have included a passthrough payment from the Central District, which was triggered by the 2004 plan amendment eliminating time limits on debt incurrence in the Central District. This legislation just confirms that the City intended to collect these passthrough payments and will allow the City to collect the \$700,000 payment from the FY 2011-12 Redevelopment Property Tax Trust Fund to the General Fund.

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**SUSTAINABLE OPPORTUNITIES**

There are no direct sustainable opportunities from this legislation.

**CEQA**

This action is exempt from CEQA pursuant to CEQA Guidelines section 15378(b)(5), which provides that organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment are not "projects" subject to CEQA review. As a separate and independent basis, this action is exempt from CEQA pursuant to, without limitation, CEQA Guidelines Section 15061(b)(3).

For questions regarding this report, please contact Gregory Hunter, Neighborhood Investment Officer at (510) 238-2992.

Respectfully submitted,



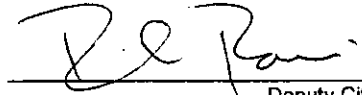
Fred Blackwell  
Assistant City Administrator

Prepared by:  
Patrick Lane, Redevelopment Manager  
Office of Neighborhood Investment

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APPROVED AS TO FORM AND LEGALITY



Deputy City Attorney

## OAKLAND CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_ C.M.S.

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### A RESOLUTION RATIFYING RECEIPT AND ELECTING TO RECEIVE A PORTION OF THE TAX INCREMENTS FROM THE CENTRAL DISTRICT REDEVELOPMENT PROJECT AREA

**WHEREAS**, Section 33607.5 of the California Health and Safety Code provides that in any fiscal year in which a redevelopment agency receives tax increments, the community that has adopted the redevelopment project area may elect to receive, and the agency shall pay to it, its share of pass-through payments required to be made to taxing entities; and

**WHEREAS**, Health and Safety Code Section 33607.7 provides for pass-through payments to taxing entities upon enactment of an redevelopment plan amendment eliminating the time limit on establishing loans, advances or indebtedness; and

**WHEREAS**, on January 6, 2004, the City Council adopted Ordinance No. 12570 C.M.S. amending the Central District Urban Renewal Plan to eliminate the time limit on establishing loans, advances or indebtedness for the Central District pursuant to Health and Safety Code Section 33333.6; and

**WHEREAS**, the City has been receiving its share of pass-through payments made from the Central District since 2004, and such funds have been included in City budgets since then; now, therefore, be it

**RESOLVED**: That the City hereby acknowledges and ratifies receipt of pass-through payments pursuant to Health and Safety Code Section 33607.7 from the Central District since the 2004 amendment to the Central District Urban Renewal Plan; and be it further

**RESOLVED**: That the City hereby elects under Health and Safety Code Section 33607.5 to receive its share of pass-through payments from the Central District pursuant to Health and Safety Code Section 33607.7 generated from the Central District Redevelopment Project Area; and be it further

**RESOLVED:** That the City Administrator or her designee is hereby authorized to transmit a copy of this Resolution to the Tax Collector and Auditor-Controller of Alameda County.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_, 2012

**PASSED BY THE FOLLOWING VOTE:**

**AYES-** BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, SCHAAF,  
AND PRESIDENT REID

**NOES-**

**ABSENT-**

**ABSTENTION-**

**ATTEST:** \_\_\_\_\_  
**LATONDA SIMMONS**  
City Clerk and Clerk of the  
Council of the City of Oakland,  
California