



**CITY OF HUNTINGTON BEACH  
INTERDEPARTMENTAL COMMUNICATION  
ECONOMIC DEVELOPMENT DEPARTMENT**

TO: Scott Hess, Planning and Building Director

FROM: Kellee Fritzal, Deputy Director of Economic Development *KF*

DATE: March 9, 2011

**SUBJECT: MARCH 17<sup>TH</sup> PLANNING WORKSHOP ITEM**

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Due to the fast and ever changing status of the status of Redevelopment Agency's' and the State Budget, the Planning Commissioner's requested power point will be provided at the Workshop. Attached is the power point from the City Council/Redevelopment Agency meeting of March 7, 2011 regarding actions taken to protect the City assets.

KF



## REDEVELOPMENT ACTIONS

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Approve Transfer of Real Property  
and other Assets of the Agency to  
City

Approve Creation of a Housing  
Authority



## Legislation

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On March 3<sup>rd</sup>, the State Budget  
Conference Committee voted to  
approve the Governor's proposal to  
eliminate redevelopment agencies.

The vote is scheduled for March 10<sup>th</sup>  
by both the Assembly and Senate  
members.



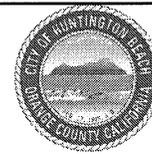
## Agency Debt

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The Agency must have debt to be able to receive Tax Increment from the County.

Since 1983, the Agency has incurred debt (i.e. borrowed) from the City and special funds.

This debt has been for capital projects within the Project Area and staffing



## Agency Assets

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If the bill is passed, Agency Bonds and DDA's/OPA's would be the States responsibility.

However, the City's legal debt, may not be honored/repaid.

Therefore, the Agency assets of real property and leases are being transferred to the City to pay off the debt owed to it



## Housing Authority

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If Agencies are eliminated, the 20% housing set aside will go to the County Housing Authority.

A City Housing Authority would instead allow us to maintain our housing funds and continue activities such as the First Time Homebuyers Program.