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## Staff Report

RDA ITEM 8

**To: Lemoore Redevelopment Agency Board**  
**From: Judy Holwell, Redevelopment Project Manager**  
**Date: January 24, 2012**  
**Subject: Resolution No. 2012-03 of the Lemoore Redevelopment Agency transferring non-housing assets and functions to the City of Lemoore as the Successor Agency and transferring housing assets and functions to the Lemoore Housing Authority**

### Discussion

On February 1<sup>st</sup> the Lemoore Redevelopment Agency (Agency) is scheduled to dissolve per AB X1 26 as modified by the California Supreme Court in CRA v. Matosantos. Since the City did not opt out of becoming the Agency's successor agency by January 13, 2012, the City shall serve as the successor agency and receive all assets, including bond proceeds, properties, contracts, leases, books and records, buildings, and equipment of the former agency. The successor agency will be responsible for completing all enforceable obligations and winding down the affairs of the Agency as identified in the materials presented during the January 17 Council Meeting. As noted, limited funding is available for the administration of the successor agency until such time that all obligations are accomplished.

In addition to winding down the affairs of the Agency, the City must also either retain the housing assets and functions or select a local housing authority to perform the housing responsibilities. The City is scheduled to consider selecting the Lemoore Housing Authority at the same Special Meeting, and prior to any action taken here. The housing assets and functions to be transferred are as follows:

- All existing agreements, contracts, leases and covenants
- Low-moderate income housing programs, as funding permits
- Proceeds from the following sources
  - Receipts from single-family rental units
  - Receipts from transitional housing unit
  - Residual receipts from multi-family projects
    - Montgomery Crossing – current balance \$1,200,000
    - Cinnamon Villas – current balance \$2,680,000

- Low-moderate income housing fund balance \$6,115,215 (If SB 654 or similar bill becomes law.)
- Bond proceeds for low-moderate housing purposes - \$3,323,813
- Properties purchased with low-moderate income housing funds:

<u>APN #</u>	<u>Acres</u>	<u>Location</u>
023-020-064-000	2.92	SEC Smith & D Streets
023-020-065-000	2.00	532 Oleander Avenue
023-150-044-000	0.21	NEC Hwy 198 & Vine St.
023-530-011-000	0.00	1302 Stinson Drive
023-530-015-000	0.00	752 Carmel Drive
023-530-016-000	0.00	1315 Stinson Drive
023-530-017-000	0.00	1331 Stinson Drive

Some of the aforementioned assets may not transfer immediately pending further clarification and legislative enactments in the law. Assets that can be transferred will be transferred. Later, upon clarification of the law, any remaining assets determined to be transferrable, will be transferred as well.

The attached resolution, which was prepared with the assistance of our City Attorney's office, formalizes the transfer of the Agency's non-housing assets and functions to the City as the successor agency and the transfer of the Agency's housing assets and functions, those that are permitted by law, to the Lemoore Housing Authority, as selected by the City. The Resolution will take effect immediately upon its adoption.

### **Budget Impact**

All assets will be transferred out of the Agency.

### **Recommendation**

That the Redevelopment Agency Board adopt Resolution No. 2012-03 formalizing the transfer of all non-housing assets & functions to the City of Lemoore as the successor agency and all housing assets and functions to the Lemoore Housing Authority.