BOARD OF TRUSTEE SUMMARY REPORT

DIVISION: Business Services

SUBMITTED BY: Dr. Kevin Collins, Assistant Superintendent, Business and Operations

SUBJECT: Resolution No., 20-04 Making Findings and Determinations Re: Use of Redevelopment Agency Pass-Through Payments Received Pursuant to AB 1290

RECOMMENDATION:
Staff recommends that Board adopt Resolution No20-04

HISTORY/BACKGROUND
Former RDAs were dissolved on February 1, 2012 and replaced by Successor Agencies pursuant to provisions of ABX1 26 ("RDA Dissolution Law"). However, the District is entitled to continue to receive Pass-Throughs from the County Auditor-Controller on behalf of these Successor Agencies for 17 to 19 future years, and possibly more. These Pass-Throughs include:

- Statutory Pass-Throughs per AB 1290 ("AB 1290 Pass-Throughs"), the 56.7% facilities share of which is subject to geographic usage restrictions found in Health and Safety Code ("HSC") Section 33607.5(a)(5)

  The District's four AB 1290 Pass-Throughs— one for the former County RDA, one for the former Oakland RDA, and two for the former San Leandro RDA— require certain findings and determinations by the District's Board of Trustees in order for the 56.7% facilities share to be used for educational facilities located outside the redevelopment project areas ("Projects") and/or former RDAs which generate the payments.

- Statutory Inflationary Pass-Throughs ("2 Percent Pass-Throughs")

  The District's 2 Percent Pass-Through for one Project of the former San Leandro RDA, for which the facilities shares are 100%, is not subject to any geographic usage restrictions.

- Contractual Pass-Throughs ("Agreement Pass-Throughs")

  The District's Agreement Pass-Through for a joint Project of the former County RDA and San Leandro RDA, for which the facilities share is 100%, is not subject to any geographic usage restrictions.

The District's redevelopment consultant, Public Economics, Inc. ("PEI"), has advised the District that geographic usage restrictions that apply to the 56.7% facilities share of AB 1290 Pass-Throughs may be satisfied by a determination by the Board of Trustees that the 56.7% facilities share of AB 1290 Pass-Throughs from a given Project are "of benefit to the Project" even if used for educational facilities outside the Projects of the former RDA. Because the

District has a current facilities master plan, such a determination may be made on a one-time basis so that the 56.7% facilities share of AB 1290 Pass-Throughs from any Project may be used for the cost of educational facilities located anywhere within District, including costs paid from the ongoing and major maintenance account ("OMMA") and/or restricted routine maintenance account ("RRMA") for benefit of the District's General Fund.

Resolution No. 20-04 includes one-time determinations that the 56.7% facilities share of AB 1290 payments (i) are of benefit to all four Projects that generate AB 1290 Pass-Throughs; and (ii) may be used to be the cost of educational facilities located anywhere within the District. Resolution No. 20-04 also ratifies past compliance with the geographic usage restrictions found in HSC Section 33607.5(a)(5) for all AB 1290 Pass-Throughs received by the District prior to adoption of this resolution.