

LATE DISTRIBUTION

DATE 7-25-11

17



OFFICE OF COUNTY COUNSEL
INTER-DEPARTMENT MEMORANDUM

TO: Michael Drobesh
FROM: Louis B. Green, County Counsel
DATE: July 22, 2011
RE: Placerville Redevelopment

LBG

2011 JUL 25 AM 10:53

FILED
BOARD OF SUPERVISORS
EL DORADO COUNTY

Dear Mr. Drobesh,

On April 15, 2011, you submitted a list of questions to the Board of Supervisors regarding the County's possible action to approve the City of Placerville's redevelopment plan as it pertains to the County areas included in the redevelopment area. On April 25, 2011, you supplemented your list of questions with an additional question. I'm sorry I took so long to get back to you, but we have been working through a number of issues to prepare the item for the Board agenda. Consideration of the ordinance is now scheduled for the Board meeting of July 26, 2011, at 11:00a.m., in the Board Chambers, 330 Fair Lane, Placerville, California. I wanted to get you a response to your questions, before then, to the extent I am capable of answering them.

Taking your added question first, it was whether, if a Board member is determined to have a conflict of interest now, will past votes of the Board have to be retaken? We obtained an advice letter from the Fair Political Practices Commission discussing the potential conflict of interest of the various Board members as to the upcoming action. Their conclusion was that two members of the Board of Supervisors, Supervisors Briggs and Sweeney, have a conflict of interest in the matter and should recuse themselves. The FPPC advice letter did not address the Board's prior action. There are some differences in the nature of the actions. But, out of an abundance of caution, we are recommending that the Board, with Supervisors Briggs and Sweeney not participating, repeal Ordinance No. 4952, which was adopted on October 26, 2010, and consider readopting its provisions.

Your remaining questions have to do with the extent of the transfer of authority by the County to the City, with, as you state it, the main question being who will be responsible for the rights and responsibilities of the County residents residing in the County areas of the redevelopment area? This is a difficult question to answer because it has many facets.

Michael Drobesch
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The fact of the matter is, there are many jurisdictions which are responsible for the welfare of residents of the area. There is the County, fire districts, school districts, potentially CSDs and the City. The simplest answer to your question is that the County, by adopting the ordinance, is granting the City authority to engage in redevelopment activity in the County areas. First, and perhaps most importantly, this authorizes the Redevelopment Agency to use tax increment funding. As you know, this means that a portion of the tax increment (the increase in property taxes over the base year) goes to the Redevelopment Agency for use in redevelopment activities.

Control over land use approvals and building permit issuance in the County areas remains with the County as long as uses allowed are consistent with the County General Plan. There may be some additional CEQA mitigation measures applied to private projects that receive redevelopment funding or otherwise participate in redevelopment activities. The same is not true of private projects which have no connection to redevelopment.

As to Measure A, that measure was adopted in 1990 by the voters of the County. Measure A prohibits the use of certain types of lease revenue agreements in connection with the issuance of revenue bonds only upon majority approval of the voters. Measure A is applicable only to the County, and has no applicability to the City. Measure A is primarily intended to prevent the Board of Supervisors from encumbering the general fund for a lengthy period of time. Since the City cannot encumber the County's general fund, it has little bearing on the City. Measure A is not necessary as a protection against the levy of a tax since the levy of any tax constitutionally requires at least a majority, and in most cases a two-thirds vote of the people.

I hope this helps to answer your questions.

Cc: Board of Supervisors
Chief Administrative Officer

BOARD OF SUPERVISORS
EL DORADO COUNTY

2011 APR 15 PM 3:55

2011 APR 25 PM 1:46



El Dorado County Board of Supervisors

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CLERK OF THE BOARD OF SUPERVISORS

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Subject: Who's authority?

To the El Dorado County Board of Supervisors

Hello, I am a citizen of the City of Placerville and am looking for an answer to a few questions.

What level of County authority is being transferred to the City of Placerville, through their Redevelopment Agency, in regards to County properties within the Redevelopment Project Area?

Is it a full or partial transfer of authority? Are there any restrictions or covenants?

I ask this mainly in regards to bond indebtedness protection offered to County residents via Measure A of 1990. And any other protections, restrictions, rights, etc. that may currently affect County residents, but not Placerville residents.

I understand that existing rights and restrictions on County residents will not go away with them simply being included within Placerville's Redevelopment Project Area, until such time as annexed by Placerville.

So the main question to have answered up front is, who will be responsible for the rights and responsibilities of these County residents? The County or the City of Placerville? Or a combination thereof?

These aspects need to be precisely and plainly spelled out now, so there is zero questioning in the years to come.

Thank you, Michael Drobesh
530-748-9857

4/25/11 I HAVE A FOLLOWUP QUESTION, THE PAST VOTES TAKEN TO DATE BY THE BOARD OF SUPERVISORS, IN REGARD TO PLACERVILLE'S REDEVELOPMENT ADOPTION, ① IF A CONFLICT OF INTEREST IS DETERMINED TO EXIST NOW, OF B.O.S. MEMBERS, WILL PAST VOTES OF THE B.O.S. BE NULL & VOID AND/OR, WILL THOSE VOTES HAVE TO BE RETAKEN?

THANK YOU