

# ***RDA Basics***

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## ***OVERVIEW OF REDEVELOPMENT***

- What Is Redevelopment?
  - Who Creates?
- Legislature's Purpose In Allowing Redevelopment
  - Elimination Of Blight
- Fundamentals Of Redevelopment

## ***HOW REDEVELOPMENT OPERATES***

- Use Of Tax Increment Financing
- Impact Of Redevelopment On Taxing Entities
- Redevelopment's Impact On School Districts

## ***SCHOOL DISTRICT PARTICIPATION IN REDEVELOPMENT***

- Pre-January 1, 1984 Redevelopment Projects
- Post-January 1, 1984 Redevelopment Projects
- Effect Of Assembly Bill 1290 On School District Participation In Redevelopment

## ***REDEVELOPMENT ENTITLEMENTS WHICH SCHOOL DISTRICTS MAY RECEIVE***

- Contractual
  - Pass-Through Payments
  - Participation Payments
- Statutory
  - 2% Revenues
  - AB 1290 Payments

## ***CONFLICTS IN CALCULATING REDEVELOPMENT PAYMENTS***

- Redevelopment Agencies vs. Taxing Entities
- Incorrect Tax Increment Base Amount
- Incorrect Taxing Entity's Share
- Incorrect Formula For Calculating Redevelopment Payment

## ***REDEVELOPMENT PROJECT AMENDMENTS***

- Some Amendments Trigger Entitlements, Others Do Not
- Adding Territory To An Existing Redevelopment Project
- Amending A Redevelopment Plan To Increase Or Extend The Time Of The Plan Or The Amounts Of Tax Increment Which Can Be Collected

## ***REQUESTS FOR SUBORDINATION***

- Requirements For Subordination
- What Should A School District Do If It Receives A Subordination Request?
- Time Periods To Respond To Subordination Requests
- Effect Of Subordination On Redevelopment Payments

## ***FREQUENTLY ASKED QUESTIONS***

1. How Does A School District Determine If There Are Redevelopment Projects Within Its Boundaries?
2. How Does A School District Determine What Types of Revenues It is Receiving From A Redevelopment Project:
  - Which Category Of Entitlement Is Being Received?
  - Is The Entitlement Calculated Correctly?
  - Why Are There Disputes Over The Amounts To Be Received?

## ***FREQUENTLY ASKED QUESTIONS***

3. What Should A School District Do If It Desires To Secure Redevelopment Payments From An Existing Redevelopment Project?
  - Pre-AB 1290 Projects
  - Post-AB 1290 Projects

## ***FREQUENTLY ASKED QUESTIONS***

4. What Should A School District Do If It Determines It Has Not Received An Accurate Allocation Of Redevelopment Payments?
5. Can A School District Re-Capture Redevelopment Payments That Have Not Been Allocated Correctly?

## ***FREQUENTLY ASKED QUESTIONS***

6. What Happens If An Old Redevelopment Project (Pre-January 1, 1994) Is Amended?
7. For What Purposes Can School Districts Use Redevelopment Payments?
  - Pass-Through Payments
  - 2% Revenues
  - AB 1290 Payments

## ***FREQUENTLY ASKED QUESTIONS***

8. Do Redevelopment Payments Have To Be Spent Within The Redevelopment Project Area?
9. Is A School District Required To Adopt A Resolution To Receive 2% Revenues From A Pre-1994 Redevelopment Project?

## ***FREQUENTLY ASKED QUESTIONS***

10. Do School Districts Receive 2% Revenues From Post-1994 Redevelopment Projects?
11. Do Redevelopment Payments Count Against A School District's Revenue Limit?

## ***FREQUENTLY ASKED QUESTIONS***

### **12. Why Should School Districts Get Involved in Redevelopment Projects?**

- Securing Funds for School Facilities
- Financing School Facility Projects With Tax Increment Financing
- Asset Management

## ***SCHOOL DISTRICT'S REDEVELOPMENT PLAN***

- Identify Entitlements
- Determine Correct Amounts To Be Received
- Collect Underpayments
- Accurately Account For Payments
- Project Future Payments

## ***PROPOSED LEGISLATION***

- Senate Bill 360
  - County Auditor To Administer Redevelopment Calculations And Distributions
- Use Of Redevelopment Revenues To Address State Budget Issues
  - Potential Shift In Redevelopment Revenues

**OTHER QUESTIONS...**