

(the site).

Pursuant to Assembly Bill X1 26, enacted in June 2011, the Former Agency was dissolved as of February 1, 2012. The Successor Agency to the Redevelopment Agency of the City of Seaside (Successor Agency) was established. Pursuant to California Health and Safety Code section 34175(b), properties of the Former Agency transferred to the Successor Agency by operation of law, including the site. As required by state law, the Successor Agency prepared a Long-Range Property Management Plan (LRPMP), which was approved by the California Department of Finance. The LRPMP authorizes transfer of the site to the City of Seaside, subject to the City entering into a compensation agreement with any affected taxing entity to compensate it for property tax revenues. Execution of the tax compensation agreement is a condition of transfer of the site from the Successor Agency to the City; the transfer is currently in escrow which is expected to close within 7 to 10 days. The proposed Master Taxing Entity Agreement addresses Monterey County's pro rata share of prospective revenues from sale of the site, part of which is designated for the Monterey County General Fund (approximately \$1,786,832) and part of which is designated for the Monterey County Free Libraries (approximately \$208,453), as specified by state statute. The operative DDA provides for periodic sales of portions of the site from the City to the Developer. Under the Agreement, the City will thus receive sales proceeds in installments, as portions of the site are sold. Within 10 business days after the City of Seaside receives each installment of net proceeds of a sale to Developer (sales price minus agreed-upon expenses), it will remit revenues in the ratios specified by tax allocation laws in effect on the day of distribution. The agreement provides that the City of Seaside will make the distribution to the Monterey County Auditor-Controller which shall distribute funds, as specified by applicable laws, to the Monterey County General Fund and the Monterey County Free Libraries.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed the Master Taxing Entity Agreement as to form.

FINANCING:

The City of Seaside shall remit proceeds arising from sale of the site to the Monterey County Auditor-Controller's Office for distribution to the Monterey County General Fund and to the Monterey County Free Libraries.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Approval of the agreement will enable Monterey County and the Monterey County Free Libraries to realize property tax revenue from the transfer of the site and subsequent sales, as provided for by law.

Economic Development

Administration

Health & Human Services

Infrastructure

Public Safety

Prepared by: Nick Chiulos, Assistant County Administrative Officer, 5145

Approved by: Nick Chiulos, Assistant County Administrative Officer, 5145

Nicholas E. Chiulos, Assistant County Administrative Officer

Date

Attachments:

Master Taxing Entity Agreement with the City of Seaside

Attachments are on file with the Clerk of the Board