



Contra  
Costa  
County

To: Board of Supervisors  
From: David Twa, County Administrator  
Date: July 12, 2016

Subject: REQUEST FOR SUBORDINATION - SUCCESSOR AGENCY TO THE FORMER EL CERRITO  
REDEVELOPMENT AGENCY

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the County Administrator, or designee, to sign a letter acknowledging subordination of revenue due to the County, Library and Flood Control and Water Conservation Districts from certain pass-through payments, pursuant to and required by the Fiscal Agreement, dated December 21, 1993, between the parties and the former El Cerrito Redevelopment Agency.

**FISCAL IMPACT:**

No anticipated fiscal impact. The County (including the Library and Flood Control and Water Conservation District) share of negotiated property tax pass-through payments is anticipated to be \$471,598 in fiscal year 2016/17 following the scheduled refunding of tax allocation bonds of the former El Cerrito Redevelopment Agency.

**BACKGROUND:**

The subordination of pass-through payments for debt issuances by the former El Cerrito Redevelopment Agency was pre-negotiated in a December 1993 fiscal agreement between the County and the Agency. In that agreement, the County agrees to subordinate future pass-through payments to assist the Agency in providing investors with a more senior lien

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☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **07/12/2016** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: Candace Andersen, District II  
Supervisor  
Mary N. Piepho, District III  
Supervisor  
Karen Mitchoff, District IV  
Supervisor  
Federal D. Glover, District V  
Supervisor

ABSENT: John Gioia, District I  
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: July 12, 2016

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Timothy Ewell,  
925-335-1036

cc:

position on tax-increment revenue. This provides additional security to investors, which should translate to more favorable interest rates for the Agency (now the Successor Agency).

CONSEQUENCE OF NEGATIVE ACTION:

The Successor Agency to the former El Cerrito Redevelopment Agency will be unable to secure the subordination of pass-through payments from all taxing entities, which may have a negative impact on interest rates available to the Successor Agency as part of its refunding of outstanding tax allocation bonds.

CHILDREN'S IMPACT STATEMENT:

No impact.