OVERSIGHT BOARD AGENDA: FEBRUARY 25, 2013

SCHEDULED MATTER

SUBJECT: LITIGATION WITH COUNTY OF TULARE REGARDING THE 2010 AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE PORTERVILLE REDEVELOPMENT AREA NO. 1

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT

COMMENT: At the January 10, 2013, Oversight Board meeting, staff advised the board of the civil complaint filed by the County of Tulare challenging the validity of the 2010 Amendment to the Redevelopment Plan for the Porterville Redevelopment Project Area No. 1.

The Board directed Members Ennis and Hess to speak with County Counsel on behalf of the Oversight Board to request that the County dismiss the Oversight Board from the lawsuit. In addition, Staff was directed to locate three law firms that would be willing to represent the Oversight Board in the lawsuit.

On January 16, 2013, Members Ennis and Hess sent a letter to Tulare County Counsel requesting dismissal of the Oversight Board as a defendant in Case No. 249877.

RECOMMENDATION: That the Oversight Board receive the report and give staff any necessary direction.

ATTACHMENTS: Letter dated January 16, 2013, from Members Ennis and Hess to Tulare County Council

DD ☐ APPROPRIATED/FUNDED ☒ CM ☐ ITEM NO. 4
Kathleen Bales-Lange  
Tulare County Counsel  
2900 W. Burrel Ave.  
Visalia, CA 93291

January 16, 2013

RE: Tulare County Superior Court Case No. 249877, December 14, 2012

Request to Dismiss the Oversight Board to the Successor Agency of the City of Porterville Redevelopment Agency as a Defendant in this Case

The Oversight Board to the Successor Agency of the Porterville Redevelopment Agency held its first meeting on April 11, 2012. Since that time, the Oversight Board members and Successor Agency staff have worked to oversee the dissolution process of the former Porterville Redevelopment Agency as required by California statute. On January 10, 2013, Successor Agency staff provided the Oversight Board with a copy of Tulare County Superior Court Case No. 249877 filed on December 14, 2012 with the Clerk of the Tulare County Superior Court by the County of Tulare.

In summary, this lawsuit appears to be a challenge to the Porterville Redevelopment Agency’s and the Porterville City Council’s action to add 1,525 acres of territory to the existing Porterville Redevelopment Project No. 1. This new territory was added through an Amendment to the Redevelopment Plan for the Porterville Redevelopment Project No. 1 by Ordinance No. 1765 adopted at a joint public hearing of the Porterville Redevelopment Agency and the Porterville City Council on June 15, 2010.

The Oversight Board to the Porterville Successor Agency is listed as a Defendant to Tulare County Superior Court Case No. 249877. The Oversight Board did not exist on June 15, 2010. The Oversight Board has not acted in any way regarding the amended territory and has no authority or involvement in the eight Causes of Action listed in this Case. Furthermore, the Oversight Board has no ability to amend Redevelopment Plans to add or remove territory from Redevelopment Projects or approve California Environmental Quality Act (CEQA) documents. Primarily, Oversight Board members have fiduciary responsibilities to the holders of recognized obligations and any those taxing entities effected by the dissolution process.

For these reasons, on January 10, 2013, the Oversight Board of the Porterville Redevelopment Successor Agency agreed to submit this letter to your office formally requesting that the County of Tulare dismiss the Oversight Board as a listed Defendant in Tulare County Superior Court Case No. 249877.

Sincerely,

[Signature]
Mike Ennis  
Supervisor, District 5  
Oversight Board Member

[Signature]
John L. Hess, Administrative Analyst  
Oversight Board Member

Cc: Nina Dong, Tulare County Deputy County Counsel  
Jean Rousseau, Tulare County Administrative Officer  
John Lollis, Porterville City Manager  
Brad Dunlap, Porterville Community Development Director