

RESOLUTION NUMBER 4374

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS APPROVING THE EXECUTION A FINANCIAL ASSISTANCE AND COOPERATION AGREEMENT BETWEEN THE CITY OF PERRIS AND THE REDEVELOPMENT AGENCY OF THE CITY OF PERRIS TO FUND THE CONSTRUCTION OF PUBLIC IMPROVEMENTS AND HOUSING PROJECTS, PERMITTING THE TRANSFER OF CERTAIN PROPERTY TO THE CITY AND PROVIDING FOR CERTAIN OBLIGATIONS, PLEDGES OF AGENCY FUNDS AND FINDINGS RELATED THERETO

WHEREAS, the City of Perris (City), is a general law city, duly organized under the laws and Constitution of the State of California; and

WHEREAS, the Redevelopment Agency of the City of Perris (Agency) is a public body, corporate and politic, organized and existing under the California Community Redevelopment Law (Health & Safety Code § 33000, et seq.) (CRL) responsible for the administration of redevelopment activities within the City of Perris; and

WHEREAS, the Agency is governed by the City's legislative body, the City Council; and

WHEREAS, the City Council has previously formed and adopted the redevelopment plans for the Redevelopment Project 1987, Redevelopment Project 1994 and Central and North Redevelopment Project, as said plans have heretofore been amended (Redevelopment Plans) in accordance with the CRL; and

WHEREAS, the City and the project areas described in the Redevelopment Plans (Project Areas) are experiencing high levels of unemployment and economic distress; and

WHEREAS, the Agency is engaged in various activities and initiatives in its endeavors to eradicate blighting conditions in the Project Areas that currently exist; and

WHEREAS, the Agency has previously borrowed funds (including tax allocation bonds) or otherwise been obligated to reimburse the City for projects, programs and activities associated with its redevelopment programs and activities that constitute indebtedness of the Agency; and

WHEREAS, the City approves a [Capital Improvement Program (CIP)] as a component of its annual budget which sets forth priority infrastructure and public facilities projects in the City and Project Areas; and

WHEREAS, in furtherance of the goals of the Agency to eliminate blight, both physical and economic, pursuant to the Agency's Redevelopment Plans and its Five-Year Implementation Plan, dated June 30, 2009, (Implementation Plan), and its CIP, the City and Agency are cooperatively engaged in developing certain capital projects including public facilities and infrastructure and affordable housing developments both inside and outside the Project Areas in compliance with CRL; and

WHEREAS, due to the uncertainty of funding sources as a result of the downturn in the economy and economic distress, complexity, and time constraints, the City and Agency mutually desire to enter into a Financial assistance and Cooperation Agreement (Agreement) wherein the Agency shall be obligated to and indebted to fund designated portions of, and the City shall construct and administrate in cooperation with the Agency, those public facilities, infrastructure, and improvements including affordable housing and economic development initiatives to reverse and alleviate blighting conditions in the Project Areas to benefit the Project Areas and the community at-large as set forth in the Agreement; and

WHEREAS, by implementing the Agreement the Agency will be able to accomplish its goals as documented in its Redevelopment Plans and Implementation Plan; and

WHEREAS, Health & Safety Code §§33445 and 33445-1 require that prior to the expenditure of any Agency funds for public improvements certain and specific findings must be made; and

WHEREAS, pursuant to CRL, the Agency is authorized, with the consent of the legislative body to pay for part, or all, of the costs of public improvements that are of benefit to the Project Areas; and

WHEREAS, the City has determined that the administration and use of the Agency's Low and Moderate Income Housing Funds (LMIHF) as set forth in the Agreement are of benefit to the Project Areas through the production of affordable housing opportunities to residents of the Project Areas; and

WHEREAS, pursuant to the CRL, the Agency may transfer property to the City; and

WHEREAS, funding the projects listed on Exhibit A hereto, the housing projects and other capital projects will require a pledge of tax-increment and other agency funds as provided in the Agreement in an amount of approximately \$47,000,000 (plus administration expenses) over the time periods permitted by the Redevelopment Plans to pay indebtedness and receive tax increment; and

WHEREAS, the Agency, prior to adoption of its Redevelopment Plans prepared, pursuant to State California Environmental Quality Act (CEQA), an Environmental Impact Report (EIR) related to the Project Areas, and approval of this Agreement is not a project subject to CEQA, because the Agreement consists of the creation and execution of a governmental funding mechanism for public improvements and housing projects, but does not commit funds to any specific public improvement, in that further CEQA review, as required shall be completed prior to commencement of any project construction; and

WHEREAS, the City and Agency desire to enter into the Agreement to: (i) acknowledge the foregoing recitals; (ii) provide the appropriate documentation of the obligations of the parties to the Agreement, including the administration of the Agency projects; and (iii) document the financial reimbursements and indebtedness by and of the Agency and (iv) provide for the transfer of certain property.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PERRIS AS FOLLOWS:

Section 1. The City Council hereby finds and determines that the foregoing recitals are true and correct and are incorporated herein by reference.

Section 2. Based on the evidence in the record and the Redevelopment Plans, the Implementation Plan, the City Council hereby finds and determines, with respect to the Projects listed in Exhibit A hereto that are publicly owned and are located inside or contiguous to the respective project area or Project Areas, that:

(a) Said Projects and the programs and activities associated therewith are of benefit to the respective Project Area and all of the Project Areas by helping to eliminate blight within the Project Areas in that the projects will improve transportation corridors, provide better freeway and street access to the Project Areas, improve fire and other services within the areas, generate employment opportunities and improve the aesthetics of the areas; and

(b) No other reasonable means of financing said Projects and the programs and activities associated therewith are available to the community due to the downturn in economic conditions, the current City deficits, the need to continue to fund other important city programs and expected continued economic outlook; and

(c) The payment of funds by the Agency to the City for the costs related to said Projects and the programs and activities associated therewith is consistent with the Implementation Plan adopted pursuant to Section 33490 of the CRL as is evidenced by the Implementation Plan; and

(d) The Projects are provided for in the Redevelopment Plans.

Section 3. Based on substantial evidence in the record, the City Council hereby finds and determines, with respect to the Projects listed on Exhibit A hereto that are located outside and not contiguous to the respective Project Area and the Project Areas but are located within the City that:

(a) Said Projects and the programs and activities associated therewith are of primary benefit to the respective Project Area and all the Project Areas in that they directly improve the access, employment and services which will be provided in the Project Areas;

(b) Said Projects and the programs and activities associated therewith benefits the project area by helping to eliminate blight within the project area, or will directly assist in the provisions of housing for low- or moderate-income persons in that the projects will improve transportation corridors, provide better freeway and street access to the Project Areas, improve fire and other services within the areas, generate employment opportunities, improve the aesthetics of the area, provide for a more desirable area for affordable housing projects and allow residents to live closer to employment opportunities;

(c) No other reasonable means of financing the Projects and the programs and activities associated therewith are available to the community in accordance with Section 33445.1(a)(3) of the CRL due to, among other things, the downturn in economic conditions, the current City deficits, the need to continue to fund other important city programs and expected continued economic outlook;

(d) The payment of funds for said Projects and the programs and activities associated therewith is consistent with the Implementation Plan adopted pursuant to Section 33490 of the CRL as evidenced by the Implementation Plan; and

(e) Said Projects and the programs and activities associated therewith are provided for in the Redevelopment Plan.

Section 4. The City Council hereby finds, consistent with H&SC § 33334.2(g)(1), Resolution No. RDA 291 adopted on March 30, 2010 and the information presented herewith that the use of LMIHF as set forth in the Agreement is of benefit to residents of the City and Project Areas by providing for the creation and preservation of affordable housing opportunities, and preserving housing nearby commercial and industrial areas, within and adjacent to the Project Areas as well as eliminating blighting conditions.

Section 5. The obligation of the Agency payable to the City under the Cooperation Agreement to fund the public improvements and housing projects shall constitute an indebtedness of the Agency for the purpose of carrying out the redevelopment project for the Project Areas, which indebtedness may be paid out of taxes levied in the Project Area and allocated to the Agency under subdivision (b) of H&SC § 33670, or from any other available funds.

Section 6. The City consents to the expenditures of the Agency funds on the Projects as set forth in the Agreement for the public improvements and facilities, affordable housing projects, and other capital projects and obligations listed in the Agreement, as it may be amended time to time, and as approved by the City.

Section 7. The City Council is hereby authorized, if required, to amend its current fiscal year budget to implement the appropriations set forth in the Agreement. The budget may be amended at any time in the sole and absolute discretion of the City but the obligations of the Agency and the City shall become effective as of the date of approval of this Resolution.

Section 8. The City Council hereby approves of the entering into of an Agreement in a form to be approved by the City Attorney, and authorizes the Mayor to enter into and execute the Agreement on behalf of the City for the funding and completion of the projects listed in the Agreement, including amendments that do not materially affect the scope of said Agreement. The City Manager is authorized to implement the Agreement and take all further actions and execute all other documents necessary or appropriate to carry out the Agreement in the spirit of its creation including the filing of Notices of Exemption pursuant to CEQA.

Section 9. The City Council hereby authorizes the City Clerk and/or City Manager to accept the transfer of the properties listed on Exhibit B hereto and by this reference incorporated herein from the Agency.

Section 10. This Resolution shall go into effect immediately upon its adoption.

Section 11. The Agency Secretary shall certify to the passage and adoption hereof and enter it into the book of original resolutions for the Agency.

ADOPTED AND APPROVED this 11th day of February, 2011.

Daryl R. Busch, Mayor

ATTEST:

Judy L. Haughney, City Clerk

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Judy L. Haughney, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number 4374 was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 8th day of February, 2011, by the following called vote:

Ayes: LANDERS, EVANS, ROGERS, YARBROUGH, BUSCH
Noes: NONE
Absent: NONE
Abstain: NONE

City Clerk, Judy L. Haughney

EXHIBIT A

PROPOSED CAPITAL PROJECTS	
Fire Station	3,000,000
Downtown Streets & Alleys	2,500,000
Ramona Expressway Phase II	1,138,061
Perris Police Department	1,100,000
Note Payable (McCanna Ranch)	1,000,000
Downtown Sanitary Sewer	800,000
Line D	700,000
Case Road Improvements(Mapes and Watson)	500,000
4th Street	
Interchange	250,000
North Perris Industrial Specific Plan	250,000
Morgan Park	
Wells	250,000
Parking Lot	100,000
Drainage Improvements	4,000,000
Harley Knox Boulevard Phase II	3,200,000
Harley Knox & Redlands (previously 4th Street)	1,000,000
Enchanted Heights Sewer Upgrade	412,000
Perris Theater Restoration	1,843,000
Rail Road Crossing Right of Way Acquisitions	300,000
District Monumentation	50,000
"D" Street Renovations	172,835
Sewer Lift Station	90,000
TOTAL	<u>22,655,896</u>

EXHIBIT B

PROPOSED PROPERTY TRANSFERS

<u>Assessor's Parcel No.</u>	<u>Address</u>
310-034-001	3rd & F
310-051-018	310 E. 4th Street
311-120-007	Lot behind Chamber of Commerce
313-071-001	San Jacinto & B
313-092-002	D Street - Metrolink
313-092-003	D Street - Metrolink
313-092-007	D Street - Metrolink
313-092-021	D Street - Metrolink
313-092-022	D Street - Metrolink
313-093-001	D Street - Metrolink
313-093-004	D Street - Metrolink
313-093-005	D Street - Metrolink
313-093-006	Perris Theatre 279 So. D Street
314-153-078	1093 Harley Knox
330-070-007	4.76 acre of Lot#1 (subdivision of 330-070-007)