

RESOLUTION NO. 4243

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS CONSENTING TO THE USE OF PERRIS REDEVELOPMENT AGENCY FUNDS FOR THE CONSTRUCTION OF THE INTERSTATE 215 FREEWAY/ HIGHWAY 74 EXTENSION AND MAKING CERTAIN DETERMINATIONS IN CONNECTION THEREWITH

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"); and

WHEREAS, by previous action, the Agency and the City Council of the City of Perris (the "City Council" or "City", as appropriate) have established the Redevelopment Plan for the Central and North Redevelopment Project, the Redevelopment Project-1994 and the Redevelopment Project-1987 (collectively, the "Redevelopment Plans" for the "Project Areas"); and

WHEREAS, the I-215/SR -74 Interchange Project (the "Project") connects a significant transportation corridor in the City and will be of great benefit to provide access and improved services within the various Project Areas and within the City generally; and

WHEREAS, the Riverside County Transportation Commission ("RCTC") is requesting funding for the Project and expects \$10 Million of Transportation Uniform Mitigation Fees ("TUM Fees") to be obligated to the Project; and

WHEREAS, the Project is expected to receive \$18,000,000 in Measure "A" funds; and

WHEREAS, RCTC has requested that the City consent to commit \$4,000,000 toward the Project to the extent additional moneys are not available from other sources, including but not limited to TUM Fees, Federal funding or developer funding; and

WHEREAS, the City, due to the current economic situation does not have sufficient funding to backstop the Project; and

WHEREAS, the City desires to show that the Agency may provide for the financing of the Project if such funding becomes necessary due to lack of funding from other sources, including additional TUM Fees, developer commitments and federal funds, subject to the Agency's future agreement to do so; and

WHEREAS, the City desires that such funding be the last resort funding after all other possible funds are depleted and that the City and/or Agency will request reimbursement from RCTC or the Western Riverside Council of Governments ("WRCOG") to the extent any Agency funds are expended on the Project; and

WHEREAS, Section 33445 of the CRL permits the Agency to pay all or part of the value of the land for, and the cost of the installation and construction of, any publicly owned improvement, as long as the City Council consents to the Agency's expenditure and determines all of the following:

1. That the buildings, facilities, structures, or other improvements are of benefit to the Project Areas or the immediate neighborhood in which the Project is located, regardless of whether the improvement is within another project area;
2. That no other reasonable means of financing the improvements are available to the community;
3. That the payment of funds for the acquisition of land or the cost of the buildings, facilities, structures, or other improvements will assist in the elimination of one or more blighting conditions inside the project area and is consistent with the Implementation Plan adopted pursuant to Section 33490; and

WHEREAS, the City Council has considered all oral and written testimony related to this matter.

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

Section 1. The above recitals are true and correct.

Section 2. Based on the foregoing recitations and all evidence presented to and considered by the City Council, including but not limited to the information in the Staff Report, and in accordance with Health and Safety Code section 33445, the current Five-Year Implementation Plan and the Redevelopment Plans, the City Council hereby determines:

a. The Project will be of benefit to the Project Areas.

The proposed Project benefits the Project Areas by eliminating blighting conditions in the Project Areas by providing for connections to needed transportation thoroughfares in and around the Project Areas and the City and therefore the Project is consistent with the Redevelopment Plans.

The Project will provide quicker police and fire response service to the Project Areas' residents and help revitalize the areas as destinations for people to live and be centrally located within the community. The Project will also encourage additional industrial and commercial development to locate in the Project Areas.

The Redevelopment Plans contemplate that the Project benefits the Project Areas. More specifically, the Redevelopment Plans

include among its purposes the elimination of blight in the project area by providing for the installation and construction of public improvements.

b. No other reasonable means to fund the Police Station Project are available.

The estimated cost of the acquisition, installation or construction of the Project is \$32,000,000. WRCOG is providing for \$10,000,000. Measure "A" funds may be available in the amount of \$18,000,000. Due to the City's budget deficit and shrinking funds, it is doubtful that it will have sufficient funds to backstop the project in the next few years. Other City funds like DIF are depleting and are allocated to other improvements. Reserve funds will need to be tapped in the next couple of years. Use of the General Fund will require a depletion of other services.

It anticipated that the State's current fiscal deficit will result in the loss of City funds. The State's structural deficits are ongoing and not expected to improve dramatically for the remainder of the decade. As a result of the current financial situation of Federal, state and local governments, the City is looking to the Agency as the possible last resort to provide stable funding for the Project. This will allow the City to preserve existing funding levels for other City services.

c. The expenditure of Agency funds for the Project will assist in the elimination of the blighting conditions in the Project Areas and is consistent with the Agency's adopted Implementation Plan.

As described, the Project will eliminate blighting conditions by providing easier access to transportation corridors and services and is consistent with and covered in the Agency's current Five-Year Implementation Plan. .

Section 3. Based on the foregoing determinations and in accordance with Health and Safety Code section 33445, the City Council consents and agrees to the expenditure of Agency funds for the Project to the extent necessary, and as to be determined by the Agency.

Section 4. The City Clerk shall certify to the passage and adoption hereof.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the City Council of the City of Perris, California, this 14th day of July, 2009.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Judy L. Haughney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PERRIS)

I, Judy L. Haughney, City Clerk of the City of Perris, California, hereby certify that Resolution No. 4243 was adopted by the City Council of the City of Perris at a regular meeting held on the 14th day of July, 2009, and that the same was adopted by the following vote:

AYES:	COUNCILMEMBERS:	Landers, Evans, Rogers, Busch
NOES:	COUNCILMEMBERS:	Yarbrough
ABSENT:	COUNCILMEMBERS:	None
ABSTAIN:	COUNCILMEMBERS:	None

City Clerk, Judy L. Haughney