

**City of Culver City, California
Agenda Item Report**

Meeting Date: 07/25/11		Item Number: C-6	
CITY COUNCIL AGENDA ITEM: Adoption of an Ordinance Opting-in to an Alternative Redevelopment Program.			
Contact Person/Dept.: Sol Blumenfeld, CDD Todd Tipton, CDD		Phone Number: (310) 253-5760	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: (E-Mail) Meetings and Agendas – Redevelopment Agency and City Council (07/20/11)			
Department Approval: Sol Blumenfeld (07/18/11)		City Attorney Approval: Carol Schwab (by H. Baker): (07/18/11)	
Chief Financial Officer Approval: Jeff Muir: (07/19/11)		City Manager Approval: John Nachbar: (07/20/11)	

RECOMMENDATION:

Staff recommends the City Council adopt an Ordinance opting-in to an alternative redevelopment program.

BACKGROUND / DISCUSSION:

At the City Council meeting of July 11, 2011, the City Council introduced the proposed Ordinance by a unanimous vote (5-0). The Ordinance is brought back tonight for adoption.

FISCAL ANALYSIS:

Should the City Council decide to make the \$12.1 million Opt-In Payment, staff proposes it will be funded as follows:

Withheld Funds	\$ 7,600,000
Existing 80% Tax Increment Funds	<u>\$ 4,500,000</u>
Total	\$12,100,000

With the “voluntary” breakdown as indicated above, the Agency will fund all of its proposed Redevelopment and Housing programming this fiscal year and may allow

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for the potential to fund other projects related to the cooperation agreement, and/or new project opportunities that may arise as the development market continues to improve.

During the budget presentation for Fiscal Year 2011/2012, staff recommended phasing in the elimination of certain Agency reimbursements to the General Fund over a four year period starting in Fiscal Year 2012/2013. Funding the Opt-In Payment in future years requires this assumption to be implemented. Agency reimbursements to the General Fund would be decreased by an additional \$800,000 per year in each year beginning in Fiscal Year 2012/2013, reaching a total of \$3.2 million in Fiscal Year 2015/2016.

ATTACHMENTS:

1. Proposed Ordinance

MOTION(S):

That the City Council:

Adopt an Ordinance opting-in to an alternative redevelopment program.