

MEETING DATE: September 6, 2005

AGENDA ITEM: Introduction of an Ordinance Amending Certain Time Limits in the Redevelopment Plan for the Culver City Redevelopment Project

ATTACHMENTS

- |                                                                                                                                                                                                                                                    | <u>Pages</u> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| 1. Draft Ordinance No. 2005-0 __ an Ordinance of the City of Culver City, California, Amending the Redevelopment Plan for the Culver City Redevelopment Project Area to Extend Certain Time Limits Applicable To The Redevelopment Plan (SB 1096). | 1-9          |

ORDINANCE NO. 2005-\_\_\_\_\_

AN ORDINANCE OF THE CITY OF CULVER CITY,  
CALIFORNIA, AMENDING THE REDEVELOPMENT PLAN FOR  
THE CULVER CITY REDEVELOPMENT PROJECT AREA TO  
EXTEND CERTAIN TIME LIMITS APPLICABLE TO THE  
REDEVELOPMENT PLAN (SB 1096).

WHEREAS, the Slauson-Sepulveda Redevelopment Plan for Project Area No. 1 was adopted and amended by ordinances of the Culver City Council ("City Council") on July 26, 1971 (Ord.No.CS-712), June 6, 1977 (Ord.No.CS-892) and December 11, 1989 (Ord.No.89-034), respectively, (the "Amended Project Area No. 1 Redevelopment Plan");

WHEREAS, the Overland-Jefferson Redevelopment Plan, for Project Area No.2 was adopted and amended by ordinances of the City Council on December 28, 1971 (Ord.No.CS-729), and December 27, 1994 (Ord.No.94-035) (the "Amended Project Area No.2 Redevelopment Plan");

WHEREAS, the Washington-Culver Redevelopment Plan for Project Area No.3 was adopted and amended by ordinances of the City Council on November 24, 1975 (Ord.No.CS-862), and December 27, 1994 (Ord.No.94-036) (the "Amended Project Area No.3 Redevelopment Plan");

WHEREAS, the Amended Project Area No.1 Redevelopment Plan, the Amended Project Area No.2 Redevelopment Plan and Amended Project Area No.3 Redevelopment Plan (collectively, the "Redevelopment Plans") were merged into the Redevelopment Plan for the renamed Culver City Redevelopment Project by ordinance of the City Council on November 23, 1998 (Ord.No.98-014)(the "Redevelopment Plan");

WHEREAS, as part of that merger, former Project Area No.1 was designated as Component Area No.1, former Project Area No.2 was designated as Component

1 Area No.2 and former Project Area No.3 was designated as Component Area No.3 in  
2 the Redevelopment Plan;

3 WHEREAS, a new Component Area No.4 was created and added to the Culver  
4 City Redevelopment Project by ordinance of the City Council on November 23, 1998  
5 (Ord.No.98-015);

6 WHEREAS, pursuant to Health and Safety Code Sections 33333.2(a)(2) and  
7 33333.6(a), the Redevelopment Plan contains a time limit for the effectiveness of the  
8 Redevelopment Plan;

9 WHEREAS, pursuant to Health and Safety Code Section 33333.2 (a)(3) and  
10 33333.6(b), the Redevelopment Plan contains a time limit for the payment of  
11 indebtedness and receipt of property taxes;

12 WHEREAS, the California State Legislature has enacted SB 1096, making  
13 various amendments to the Community Redevelopment Law (Health and Safety Code  
14 Section 33000 *et seq.*);

15 WHEREAS, Health and Safety Code Section 33333.2(d) and 33333.2(d)(4), as  
16 added by SB 1096, provides that when an agency is required pursuant to Health and  
17 Safety Code Section 33681.12 to make a payment to the county auditor for deposit in  
18 the county's Educational Revenue Augmentation Fund, the legislative body of the  
19 agency may amend, by ordinance, the redevelopment plan to extend the time limits  
20 required pursuant to paragraphs 2 and 3 of subdivision (a) of Health and Safety Code  
21 Section 33333.2 by one year for each year in which a payment is made. In adopting  
22 the ordinance, neither the legislative body nor the agency is required to comply with  
23 Health and Safety Code Section 33354.6, Article 12 (commencing with Health and  
24 Safety Code Section 33450), or any other provision of the Community Redevelopment  
25 Law relating to the amendment of redevelopment plans;

1 WHEREAS, Health and Safety Code Section 33333.2 applies only to  
2 redevelopment plans adopted on or after January 1, 1994;

3 WHEREAS, Component Area No.4 was adopted on or after January 1, 1994;

4 WHEREAS, Health and Safety Code Sections 33333.6(e)(2)(D) and  
5 33333.6(e)(3), as added by SB 1096, provide that when an agency is required pursuant  
6 to Health and Safety Code Section 33681.12 to make a payment to the county auditor  
7 for deposit in the county's Educational Revenue Augmentation Fund, the legislative  
8 body of the agency may amend, by ordinance, the redevelopment plan to extend the  
9 time limits required pursuant to subdivisions (a) and (b) of Health and Safety Code  
10 Section 33333.6 by one year for each year in which a payment is made. In adopting  
11 the ordinance, neither the legislative body nor the agency is required to comply with  
12 Health and Safety Code Section 33354.6, Article 12 (commencing with Health and  
13 Safety Code Section 33450), or any other provision of the Community Redevelopment  
14 Law relating to the amendment of redevelopment plans;

15 WHEREAS, Health and Safety Code Section 33333.6 applies only to  
16 redevelopment plans adopted on or before December 31, 1993;

17 WHEREAS, Component Area No. 1, Component Area No.2 and Component  
18 Area No.3 were adopted on or before December 31, 1993;

19 WHEREAS, the Redevelopment Plan contains a time limit for effectiveness for  
20 Component Area No.1 and Component Area No.2. The time limits for effectiveness for  
21 Component Area No.1 and Component Area No.2 are less than ten (10) years from  
22 June 30, 2005. Under Health and Safety Code Section 33333.6 (e)(2)(D)(ii), the  
23 Redevelopment Plan may be amended with respect to the time limits for effectiveness  
24 and the time limits for payment of indebtedness and receipt of property taxes.

25 WHEREAS, the Redevelopment Plan contains a time limit for effectiveness for  
26 Component Area No.3. The time limit for effectiveness for Component Area No.3 is  
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1 more than ten (10) years but less than twenty (20) years from June 30, 2005. Under  
2 Health and Safety Code Section 33333.6(e)(2)(D)(ii), the Redevelopment Plan may be  
3 amended with respect to the time limit for effectiveness and the time limit for payment  
4 of indebtedness and receipt of property taxes.

5 WHEREAS, Health and Safety Code Sections 33333.2(d) and  
6 33333.6(e)(2)(D) do not apply to any redevelopment plan if the time limits for the  
7 effectiveness of the redevelopment plan established pursuant to Health and Safety  
8 Code Sections 33333.2(a)(2) or 33333.6(a) is more than twenty (20) years after the  
9 last day of the fiscal year in which a payment is made;

10 WHEREAS, the Redevelopment Plan contains a time limit for effectiveness of  
11 the Redevelopment Plan for Component Area No.4. The time limit for effectiveness for  
12 the Redevelopment Plan for Component Area No.4 is more than twenty (20) years from  
13 June 30, 2005 and therefore, Component Area No.4 is not eligible for the time limits  
14 extensions under Health and Safety Code Section 33333.2 (d);

15 WHEREAS, the Culver City Redevelopment Agency (the "Agency") is required to  
16 make payments pursuant to Health and Safety Code Section 33681.12;

17 WHEREAS, funds used to make payments to Los Angeles County's ("County")  
18 Educational Revenue Augmentation Fund pursuant to Health and Safety Code Section  
19 33681.12 would otherwise have been used to pay the costs of projects and activities  
20 necessary to carry out the goals and objectives of the Redevelopment Plan;

21 WHEREAS, the Agency and the City Council of the City of Culver City desire to  
22 take advantage of the above mentioned provisions of the Health and Safety Code and  
23 adopt an ordinance to extend the time limits on the effectiveness of the Redevelopment  
24 Plan for Component Area No.1, Component Area No.2 and Component Area No.3 and  
25 the time limits for paying indebtedness and receiving property taxes for Component  
26 Area No.1, Component Area No.2 and Component Area No. 3; and

1 WHEREAS, all legal prerequisites to the adoption of this Ordinance have  
2 occurred.

3 THE CITY COUNCIL OF THE CITY OF CULVER CITY, CALIFORNIA, DOES  
4 HEREBY ORDAIN AS FOLLOWS:

5 SECTION 1. The City Council hereby finds and determines that all of the  
6 foregoing recitals are true and correct.

7 SECTION 2. The City Council hereby finds and determines, with respect  
8 to Component Area No.1, Component Area No.2 and Component Area No.3, for fiscal  
9 year 2004-2005, all of the following:

10 a. During 2004-2005 fiscal year, the Agency, prior to May 10, 2005,  
11 remitted an amount for deposit in the County's Educational Revenue Augmentation  
12 Fund pursuant to Health and Safety Code Section 33681.12.

13 b. Funds used to make the payment to the County's Educational  
14 Revenue Augmentation Fund pursuant to Health and Safety Code Section 33681.12  
15 would otherwise have been used to pay the costs of projects and activities necessary to  
16 carry out the goals and objectives of the Redevelopment Plan.

17 c. The Agency is in compliance with the requirements of Health and  
18 Safety Code Section 33334.2 or 33334.6, as applicable.

19 d. The Agency has adopted an implementation plan in accordance  
20 with the requirements of Health and Safety Code Section 33490.

21 e. The Agency is in compliance with subdivisions (a) and (b) of  
22 Health and Safety Code Section 33413, to the extent applicable.

23 f. The Agency is not subject to sanctions pursuant to subdivision (e)  
24 of Health and Safety Code Section 33334.12 for failure to expend, encumber, or  
25 disburse an excess surplus.

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1       SECTION 3.       The City Council hereby finds and determines, with respect to  
2 Component Area No.1, Component Area No.2 and Component Area No.3, for fiscal  
3 year 2005-2006, all of the following:

4               a.       Agency, prior to May 10, 2006, shall remit an amount for deposit in  
5 the County's Educational Revenue Augmentation Fund pursuant to Health and Safety  
6 Code Section 33481.12. In addition, Agency has sent notice to County of its intent to  
7 remit such amount for deposit in County's Educational Revenue Augmentation Fund. In  
8 furtherance of this obligation, Agency shall immediately set aside an estimated amount  
9 sufficient to cover the payment to the County Auditor-Controller for deposit in the  
10 County's Educational Revenue Augmentation Fund and shall remit such amount prior  
11 to May 10, 2006.

12              b.       The funds proposed to be set aside and used to make the payment  
13 to the County's Educational Revenue Augmentation Fund pursuant to Health and  
14 Safety Code Section 33681.12 would otherwise have been used to pay the costs of  
15 projects and activities necessary to carry out the goals and objectives of the  
16 Redevelopment Plan.

17              c.       The Agency is in compliance with the requirements of Health and  
18 Safety Code Section 33334.2 or 33334.6, as applicable.

19              d.       The Agency has adopted an implementation plan in accordance  
20 with the requirements of Health and Safety Code Section 33490.

21              e.       The Agency is in compliance with subdivisions (a) and (b) of Health  
22 and Safety Code Section 33413, to the extent applicable.

23              f.       The Agency is not subject to sanctions pursuant to subdivision (e)  
24 of Health and Safety Code Section 33334.12 for failure to expend, encumber, or  
25 disburse an excess surplus.

26       SECTION 4. Amendment of Time Limits.   Based upon the above findings and  
27 in accordance with Health and Safety Code Sections 33333.6(e)(2)(D) and  
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1 33333.6(e)(3), and notwithstanding any other provisions in the Redevelopment Plan,  
2 the City Council hereby amends the Redevelopment Plan by extending the time limits  
3 for plan effectiveness and payment of indebtedness and receipt of property taxes by  
4 two (2) additional years each for Component Area No.1, Component Area No. 2 and  
5 Component Area No.3 only, as stated herein by adoption of this Ordinance, and  
6 thereby establishes the following limitations:

7 A. Component Area No. 1.

- 8 (1) Plan Effectiveness. The term of plan effectiveness for Component  
9 Area No.1 shall expire on July 26, 2014.
- 10 (2) Repayment of Indebtedness; Receipt of Property Taxes. Subject  
11 to the provisions of paragraphs (g) and (h) of Health and Safety  
12 Code Section 33333.6, no indebtedness shall be repaid from the  
13 division and allocation of taxes to the Agency from Component  
14 Area No.1 beyond July 26, 2024.

15 B. Component Area No.2

- 16 (1) Plan Effectiveness. The term of plan effectiveness for Component  
17 Area No. 2 shall expire on December 28, 2014.
- 18 (2) Repayment of Indebtedness; Receipt of Property Taxes. Subject  
19 to the provisions of paragraphs (g) and (h) of Health and Safety  
20 Code Section 33333.6, no indebtedness shall be repaid from the  
21 division and allocation of taxes to the Agency from Component  
22 Area No.2 beyond December 28, 2024.

23 C. Component Area No.3

- 24 (1) Plan Effectiveness. The term of plan effectiveness for Component  
25 Area No.3 shall expire on November 24, 2018.
- 26 (2) Repayment of Indebtedness; Receipt of Property Taxes. Subject  
27 to the provisions of paragraphs (g) and (h) of Health and Safety  
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1 Code Section 33333.6, no indebtedness shall be repaid from the  
2 division and allocation of taxes to the Agency from Component  
3 Area No.3 beyond November 24, 2028.

4 SECTION 5. Except as amended herein, the Redevelopment Plan shall  
5 remain in full force and effect according to its terms.

6 SECTION 6. All required proceedings and considerations precedent to  
7 the adoption of this ordinance have been regularly taken in accordance with applicable  
8 law.

9 SECTION 7. The Executive Director of the Agency shall notify the  
10 appropriate public entities of the adoption of this ordinance, including all taxing entities  
11 as defined in Health and Safety Code Section 33353.2.

12 SECTION 8. The limitations established by this ordinance shall apply to  
13 the Redevelopment Plan and may only be amended in the manner required and to the  
14 extent permitted by law.

15 SECTION 9. If any section, subsection, subdivision, paragraph, sentence,  
16 clause or phrase in this ordinance or any part thereof is for any reason held to be  
17 unconstitutional or invalid or ineffective by any court of competent jurisdiction, such  
18 decision shall not affect the validity or effectiveness of the remaining portions of this  
19 ordinance or any part thereof. The City Council hereby declares that it would have  
20 passed each section, subsection, subdivision, paragraph, sentence, clause or phrase  
21 thereof irrespective of the fact that any one (1) or more subsections, subdivisions,  
22 paragraphs, sentences, clauses or phrases be declared unconstitutional, or invalid, or  
23 ineffective.

24 SECTION 10. The Mayor of the City shall sign and City Clerk shall attest to  
25 the passage of this ordinance. The effective date of this ordinance shall be thirty (30)  
26 days from the date of its adoption and prior to the expiration of fifteen (15) days from  
27 the adoption hereof, the City Clerk, pursuant to Section 512 of the City Charter, shall  
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1 cause a summary of this ordinance to be published in the Culver City News.  
2 Additionally, the City Clerk shall post a summary of this Ordinance in at least three (3)  
3 public places within the City pursuant to Section 517 of the City Charter.

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5 APPROVED and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

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ALBERT M. VERA, Mayor  
City of Culver City, California

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10 ATTEST:

APPROVED AS TO FORM:

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\_\_\_\_\_  
CHRISTOPHER ARMENTA,  
City Clerk

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CAROL A. SCHWAB,  
City Attorney

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