

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

Meeting Date: 2/22/2011		Item Number: JPH-1	
JOINT CITY COUNCIL/REDEVELOPMENT AGENCY BOARD AGENDA ITEM: PUBLIC HEARING - Adoption of City Council and Redevelopment Agency Board Resolutions Approving a Cooperation Agreement Between the City of Culver City and the Culver City Redevelopment Agency for Funding of Proposed Public Infrastructure Improvements Relating to Public Safety Headquarters and Veterans Memorial Building.			
Contact Person/Dept.: Sol Blumenfeld Todd Tipton		Phone Number: (310) 253-5700 (310) 253-5760	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☒		Action Item: ☐ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: Published in the Los Angeles Times February 8, 2011 and February 14, 2011. Meetings and Agendas – City Council (02/18/11); Meetings and Agendas – Redevelopment Agency (02/18/11); Interested Media (02/18/11)			
Department Approval: Sol Blumenfeld: (02/16/11)		City Attorney Approval: Carol Schwab (by H. Baker) (02/18/11) Agency General Counsel Approval: Murray O. Kane: (02/16/11)	
Chief Financial Officer Approval: Jeff Muir (by N. Kimball) (02/18/11)		City Manager/Executive Director Approval: John Nachbar (02/18/11)	
<u>RECOMMENDATION:</u> Staff recommends the City Council and the Redevelopment Agency Board (Agency Board) adopt respective resolutions which approve a Cooperation Agreement between the City of Culver City (City) and the Culver City Redevelopment Agency (Agency) for funding of proposed public infrastructure improvements relating to Public Safety Headquarters and Veterans Memorial Building (Public Buildings Agreement). <u>BACKGROUND:</u> Section 33445 of the California Health and Safety Code permits Redevelopment Agencies to use tax increment revenue to pay the cost of public improvements constructed by other entities, provided the legislative body (in Culver City's case, the City Council) makes certain findings. From time to time, the City and Agency have entered into Cooperation Agreements for the mutual benefit of the two parties and the public. There is an opportunity for the Agency to secure for the City additional funding to pay for a variety of future public infrastructure needs which can assist in eliminating blight and in implementing the goals of the Culver City Redevelopment Project.			

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By adopting the proposed resolutions, the City and the Agency will be establishing the authority, framework and funding source to pursue vitally needed improvements.

DISCUSSION:

The City and the Agency may want to fund a new public safety headquarters facility, the location of which is to be determined and improvements to Veterans Memorial Complex, located in Component Area No. 3, of the Culver City Redevelopment Project through a Cooperation Agreement (Attachment No. 1) between the two parties.

The proposed Public Buildings Agreement and the Summary Pertaining to the Funding of Proposed Public Infrastructure Improvements (the, "Summary Report") (Attachment No. 2) contain more detailed descriptions of the Improvements proposed to be funded. The Public Buildings Agreement is proposed at this time because funding large capital projects in the near future will exacerbate the financial strain on the City. Further, there are actions being contemplated by the State of California that increases uncertainty and will, in some cases, make it more difficult for Redevelopment Agencies to fund public improvements. Further, the expiration of the Redevelopment Project in Component Areas 1 and 2 in 2014 will limit the Agency's tax increment revenue stream to that needed to repay existing debts. Because this window of opportunity will be closing, the Agency Board can seize the opportunity now to secure an income stream needed to accomplish additional redevelopment activities by entering into the proposed contractual obligation with the City.

The proposed findings, as documented in the Summary Report, supporting approval of the Public Buildings Agreement are:

1. The proposed public infrastructure improvements are of benefit to the Culver City Redevelopment Project and the immediate neighborhood in which the Project Area is located;
2. No other reasonable means of financing the proposed public infrastructure improvements are available to the community;
3. The specified public infrastructure improvements will assist in the elimination of one or more blighting conditions inside the Project Area; and,
4. The specified public infrastructure improvements are consistent with the Implementation Plan for the Project Area adopted pursuant to Section 33490 of the California Redevelopment law.
5. The redevelopment purpose for which Agency funds are being used.

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FISCAL ANALYSIS:

The cost to the Agency is detailed on Exhibit 1 of Attachment No. 1. Exhibit 1 indicates approximate costs to the Agency for each Improvement and provides the timing to complete the improvements. Exhibit 2 includes the schedule of Agency payments. All costs generally include hard and soft costs and land acquisition where applicable. The sum of these costs is \$120,000,000 with all costs estimated in current year dollars.

ATTACHMENTS:

1. Proposed Cooperation Agreement
2. Summary Pertaining to the Funding of Proposed Public Infrastructure Improvements (Pursuant to Section 33679 of the Health and Safety Code)
3. Proof of Publication for the Public Hearing Notice
4. Proposed City Council Resolution
5. Proposed Redevelopment Agency Board Resolution

MOTION:

That the City Council:

1. Adopt a Resolution that makes findings and determinations pursuant to Health and Safety Code Section- 33445 and approves the Public Buildings Agreement between the City of Culver City and the Culver City Redevelopment Agency to provide for funding of proposed public infrastructure improvements relating to Public Safety Headquarters and Veterans Memorial Building; and,
2. Authorize the City Attorney to review/prepare the necessary documents; and,
3. Authorize the City Manager to execute such documents on behalf of the City.

That the Agency Board:

1. Adopt a Resolution that makes findings and determinations pursuant to Health and Safety Code Section 33445 and approves the Public Buildings Agreement between the City of Culver City and the Culver City Redevelopment Agency to provide for funding of proposed public infrastructure improvements relating to Public Safety Headquarters and Veterans Memorial Building,
2. Authorize the Agency General Counsel to review/prepare the necessary documents; and,
3. Authorize the Executive Director to execute such documents on behalf of the Agency.