

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

Meeting Date: 01/15/2011		Item Number: <u>J-1</u>	
JOINT CITY COUNCIL/REDEVELOPMENT AGENCY BOARD AGENDA ITEM: 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 Relating to the Funding of Public Infrastructure Improvements and Affordable Housing Projects.			
Contact Person/Dept.:		Phone Number:	
Sol Blumenfeld/Community Development		(310) 253-5700	
Todd Tipton/Community Development		(310) 253-5760	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: Meetings and Agendas – City Council (01/13/11); Meetings and Agendas – Redevelopment Agency (01/13/11); Interested Media (01/13/11)			
Department Approval: Sol Blumenfeld: (01/13/11)		City Attorney Approval: Carol Schwab: (by H. Baker) (01/13/11) Agency General Counsel Approval: Murray Kane: (01/13/11)	
Chief Financial Officer Approval Jeff Muir:		City Manager/Executive Director Approval: John M. Nachbar:	
<u>RECOMMENDATION:</u> Staff recommends that both the City Council and the Redevelopment Agency Board adopt respective Resolutions approving a Cooperation Agreement between the City of Culver City (the “City”) and the Culver City Redevelopment Agency (the “Agency”) relating to the funding of specified public infrastructure improvements and Affordable Housing Projects. <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 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 the Culver City Redevelopment Project.			

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By adopting the Cooperation Agreement the City and the Agency will be establishing the authority, framework and funding source to pursue vitally needed Improvements.

DISCUSSION:

The Agency and City may want to fund public parking facilities, infrastructure improvements, redevelopment related studies and plans and other specified public improvements identified in Attachment No. 1 The list of proposed plans and public infrastructure Improvements (the "Improvements") which will be funded by the Redevelopment Agency either all or in part includes:

- Washington Boulevard Street Improvements
- Downtown, Hayden Tract and West Washington Boulevard Public Parking Facilities
- Town Plaza Expansion
- Citywide Improvements to Medians
- Washington National Infrastructure and Streetscape Improvements
- Washington National Aerial Station Cooperation Funding
- On-going Maintenance of Agency Assets
- Industrial Area Improvements (Smiley- Blackwelder)
- West Adams Improvements
- Seismic Rehabilitation Improvements – Art's District and Hayden Tract
- Redevelopment Related General Plan Preparation and Implementation Plans
- Citywide Affordable Housing Projects consistent with the approved Housing Strategy

The Cooperation Agreement (Attachment No. 1) contains a more detailed description of the Improvements proposed to be funded. The Cooperation 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 will, in some cases, make it more difficult for Redevelopment Agencies to fund public improvements and planning studies. 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 which will help enable the Agency to protect its investment and ongoing efforts within the Project Area in general.

The findings supporting approval of the Cooperation Agreement are :

1. The specified public infrastructure improvements are of benefit to the Culver City Redevelopment Project and the immediate neighborhood in which the Project Area is located;
2. The City Council and Agency finds and determines that the affordable housing projects identified in the Cooperation Agreement are of benefit to the Culver City Redevelopment Project.

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3. No other reasonable means of financing the specified public infrastructure improvements are available to the community;
4. The specified public infrastructure improvements will assist in the elimination of one or more blighting conditions inside the Project Area; and,
5. 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.

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 or plan. Exhibit 2 includes schedule of Agency payments and Exhibit 3 provides the timing to complete the improvements. All costs generally include hard and soft costs and land acquisition where applicable. The sum of these costs is \$118,750, 000 with all costs estimated in current year dollars.

ATTACHMENTS:

1. Proposed Cooperation Agreement
2. Proposed City Council Resolution
3. Proposed Redevelopment Agency Resolution

MOTION:

That the City Council:

1. Adopt a Resolution that makes findings and determinations pursuant to Health and Safety Code Section 33445 and 33334.2 and approves the Cooperation Agreement between the City of Culver City and the Culver City Redevelopment Agency to provide for funding of specified public infrastructure improvements and Affordable Housing Projects; and,
2. Authorize the City Attorney to review/prepare the necessary documents; and,
3. Authorize the Mayor to execute such documents on behalf of the City.

That the Redevelopment Agency Board:

1. Adopt a Resolution that makes findings and determinations pursuant to Health and Safety Code Section 33445 and 33334.2 and approves the Cooperation Agreement between the City of Culver City and the Culver City Redevelopment Agency to provide for funding of specified public infrastructure improvements and Affordable Housing Projects; and,

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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.