

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

456



**FROM:** Economic Development Agency

**SUBMITTAL DATE:**  
May 5, 2004

**SUBJECT:** March Air Reserve Base Loan Agreement

**RECOMMENDED MOTION:** That the Board approve the loan of \$ 100,000 to the March Joint Powers Redevelopment Agency and authorize the Assistant County Executive Officer/EDA or his designee to execute the loan agreement on behalf of the Board.

**BACKGROUND:** On November 15, 2002, the United States Department of Defense began the 2005 base realignment and closure ("BRAC") process in an effort to reconfigure the current infrastructure of the United States military. It is expected that the 2005 BRAC will result in the largest and most dramatic round of base realignments and closures in the past fifteen years and is expected to match in scope the combined realignments and closures of the two previous rounds which occurred in 1993 and 1995. To help ensure that the March Air Reserve Base will survive and continue to grow under the 2005 BRAC process, the March Joint Powers Redevelopment Agency ("Agency") has retained consultants to work with the Agency in a comprehensive effort to preserve the March Air Reserve Base and ensure that the March Air Reserve Base is the magnet facility for the joint military and other governmental operations in Southern California.  
(continued on page 2)

Departmental Concurrence

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*Bradley J. Hudson*  
Bradley J. Hudson, Assistant CEO/EDA

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 100,000	In Current Year Budget:	yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	no
	Annual Net County Cost:	\$ 0	For Fiscal Year:	03-04
<b>SOURCE OF FUNDS:</b> Economic Development Agency Funds				Positions To Be Deleted Per A-30 <input type="checkbox"/>
				Requires 4/5 Vote <input type="checkbox"/>

**C.E.O. RECOMMENDATION:** **APPROVE**

**County Executive Office Signature** *Bronda King*

- Policy
- Policy
- Consent
- Consent
- Dept't Recomm.:
- Per Exec. Ofc.:

**Prev. Agn. Ref.:** 4.1, 3-23-04 | **District:** all | **Agenda Number:**

3.45

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The cost of the consulting services is estimated to be \$500,000. To fund the services the Agency is seeking loans from affected governmental agencies including the the County of Riverside.

On March 23, 2004, the Redevelopment Agency Board of Directors approved a loan of \$100,000 to the March Joint Powers Redevelopment Agency ("Agency") for this purpose. After further analysis of the proposed activities to be funded, it is apparent that the activity would be more appropriately funded as an economic development activity rather than a redevelopment activity solely funded from the Mead Valley sub area of the I-215 Corridor Redevelopment Project Area.

A companion item appears on today's Redevelopment Agency Board of Directors agenda to rescind the redevelopment loan; and it is proposed that \$100,000 be provided to the Agency in the form of an interest free loan from the Economic Development Agency instead. Repayment of the loan would be made in four annual payments of \$25,000 each commencing on July 1, 2020.

The March Air Reserve Base is an essential component of the economic livelihood of the County, the loss of which would result in the closure of outlying businesses and significant loss of jobs throughout the County. Therefore, it is recommended that the Board approve the proposed loan of \$100,000 to the March Joint Powers Redevelopment Agency.