

**SUBMITTAL TO THE BOARD OF DIRECTORS OF THE
REDEVELOPMENT AGENCY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

176



FROM: Redevelopment Agency


SUBMITTAL DATE:
May 28, 2004

SUBJECT: Reimbursement Resolution Declaring Intent to Reimburse Expenditures with Bond Proceeds

RECOMMENDED MOTION: That the Board adopt RDA Resolution No. 2004-26

BACKGROUND: On March 9, 2004 the Board approved a loan of seven million dollars from the Jurupa Valley Redevelopment Project Area to Project Area 1-1986. It is the intent of the Agency to issue a bond anticipation note and subsequent redevelopment tax allocation bonds within the next few years for all of the Agency's redevelopment project areas. If issued, it would be beneficial to use proceeds from the bonds to reimburse the 1-1986 project area expenses which in turn would allow for the repayment of the loan to Jurupa prior to the fifteen year term required in the loan. It is required that the proposed resolution be adopted within sixty days of the original expenditure of funds to allow for the reimbursement to occur. Staff recommends adoption of the resolution to facilitate the future proposed transaction.

Departmental Concurrence



Bradley J. Hudson, Executive Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	na
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	no
	Annual Net County Cost:	\$ 0	For Fiscal Year:	na

COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA: no

SOURCE OF FUNDS: na	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	FOR APPROVED Note COUNTY COUNSEL	<input type="checkbox"/>

C.E.O. RECOMMENDATION: **APPROVE** MAY 24 2004
BY Lee A. Inocian

County Executive Office Signature Bronda King

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

Prev. Agn. Ref.: | **District:** 1 & 2 | **Agenda Number:**

4.1

RESOLUTION NO. 2004-26

**A RESOLUTION OF THE REDEVELOPMENT AGENCY
OF THE COUNTY OF RIVERSIDE
DECLARING INTENTION TO REIMBURSE
EXPENDITURES FROM THE PROCEEDS OF OBLIGATIONS
TO BE ISSUED BY THE AGENCY AND DIRECTING CERTAIN ACTIONS**

WHEREAS, the Redevelopment Agency of the County of Riverside (the "Agency") proposes to undertake the project referenced below, to issue debt for such project and to use a portion of the proceeds of such debt to reimburse expenditures made for the project prior to the issuance of the debt;

WHEREAS, United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, one of which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer declares an intention to reimburse such expenditure; and

WHEREAS, it is in the public interest and for the public benefit that the Agency declares its official intent to reimburse the expenditures referenced herein.

NOW, THEREFORE, by the Redevelopment Agency for the County of Riverside, as follows:

1. The Agency intends to issue tax-exempt obligations (the "Obligations") for the purpose of paying certain costs relating to the redevelopment of its Redevelopment Project Area 1-1986, including particularly certain costs relating to the El Cerrito Subarea and certain costs relating to the Home Gardens Subarea (collectively, the "Project").

2. The Agency hereby declares that it reasonably expects (i) to pay certain costs of the Project prior to the date of issuance of the Obligations and (ii) to use a portion of the proceeds of the Obligations for reimbursement of expenditures for the Project that are paid before the date of issuance of the Obligations.