

**SUBMITTAL TO THE FLOOD CONTROL AND  
WATER CONSERVATION DISTRICT BOARD  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

121B



**FROM:** General Manager-Chief Engineer

**SUBMITTAL DATE:**  
January 23, 2007

**SUBJECT:** Debt Service Subordination Agreements with Redevelopment Agencies

**RECOMMENDED MOTION:**

That the Board of Supervisor give the General Manager-Chief Engineer the authority to sign debt service subordination agreements with the various Redevelopment agencies, on an as needed basis.

**BACKGROUND:**

On occasion, various City Redevelopment agencies and County Redevelopment agencies require the District to subordinate payment of tax increment.

(continued on page 2)

IMC:mc

**WARREN D. WILLIAMS**  
General Manager-Chief Engineer

**FINANCIAL DATA**

F.Y. 2006-2007 District Cost:	\$0.00	In Current Year Budget:	N/A
Current F.Y. County Cost:	\$0.00	Budget Adjustment:	No
Annual Net District Cost:	\$0.00	For Fiscal Year:	N/A

**SOURCE OF 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

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

21:08 MA T1 MAL 1005

Prev. Agn. Ref.:

District: All

Agenda Number:

11.5

FORM APPROVED  
COUNTY COUNSEL

JAN 9 2007

BY Departmental Concurrence

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**BACKGROUND** Continued:

Pursuant to Section 33607.5 of the California Health and Safety Code (the "Code"), the Redevelopment agencies may, with a taxing entity's approval, subordinate amounts (payable from tax increment of a redevelopment project area) that the Agency is required to pay such taxing entity pursuant to Section 33607.5 of the Code (the "Statutory Pass-through Payments") to bonds issued by the Agency and repayable from the tax increment from the same redevelopment project area. The Code authorizes the taxing entity (in this case, the Flood Control District) to "disapprove a request for subordination only if it finds, based upon substantial evidence, that the agency will not be able to pay the debt payments and the amount required to be paid to the affected taxing entity." Cal. Health & Safety Code 33607.5 (e) (3). The District can only deny the subordination if it can meet the above conditions.

The agencies require the acknowledgement and consent of the District and the District is requesting that signature authority be given to the General Manager-Chief Engineer.