

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

120



FROM: Economic Development Agency

SUBMITTAL DATE:
November 27, 2007

SUBJECT: Ordinance No. 874, An Ordinance of the County of Riverside, approving the Redevelopment Plan Amendment by the City of Calimesa for the Calimesa portion of Project Area No. 5 (I-215 Corridor).

RECOMMENDED MOTION: That the Board of Supervisors introduce and subsequently adopt the above-referenced ordinance on successive weeks.

BACKGROUND:

In 1986, the Board of Supervisors adopted a redevelopment plan for Redevelopment Project Area No. 5, also known as the I-215 Corridor Project Area (the "Project Area"). The Project Area originally consisted of a number of noncontiguous sub areas, including an area within the then-unincorporated community of Calimesa. In 1990, Calimesa incorporated and pursuant to the Community Redevelopment Law, the City and the County entered into an agreement dated June 13, 2000 to transfer jurisdiction of the Calimesa portion of the Project Area to the City. The City adopted the County Redevelopment Plan as the City's Redevelopment Plan (the Redevelopment Plan) for the Calimesa portion of Project Area No. 5 (the "City Project Area").

(Continued of page 2)

FORM APPROVED COUNTY COUNSEL
 BY: Michelle Clack
 DATE: 11/21/07
 Departmental Concurrence

Robin Zimpfer
 Assistant County Executive Officer/EDA

RZ:DL:TE:RD:MF
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FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	07-08

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: N/A	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE
 BY:
 Jennifer V. Sargent
County Executive Office Signature

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

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Ashley and duly carried, IT WAS ORDERED that the above ordinance is approved as introduced with waiver of the reading.

Ayes: Buster, Stone, Wilson and Ashley
 Nays: None
 Absent: Tavaglione
 Date: December 4, 2007
 xc: EDA, COB

Nancy Romero
 Clerk of the Board
 By:
 Deputy

Prev. Agn. Ref.:	District: 5	Agenda Number:
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3.8

BACKGROUND: (Continued)

The Redevelopment Plan sets forth a time limit for incurring indebtedness which is payable from tax increment revenues derived from the Project Area. The time limit expired in December 2006. Without an amendment of the Redevelopment Plan, the Calimesa Redevelopment Agency may not issue bonds payable from tax increment derived from the City Project Area.

Health and Safety Code Section 33333.6(e)(2) provides that the City Council may, by adoption of an ordinance, amend the Redevelopment Plan to eliminate the time limit on incurring indebtedness. The adoption of such an ordinance will require the City's Redevelopment Agency to begin making statutory pass through payments to those affected taxing entities which do not have a pass through agreement in place. These payments must be made for the duration of the Redevelopment Plan. These payments are calculated in accordance with a formula set forth in Health and Safety Code Sections 33607.5 and 33607.7.

On November 5, 2007 the City Council adopted Ordinance No. 274 to eliminate the time limit of incurring debt for the City Project Area. Pursuant to the transfer agreement, the Riverside County Board of Supervisors must adopt an ordinance approving the amendment to the Redevelopment Plan.

It is recommended the Board introduce and adopt Ordinance No. 874 on successive weeks approving the City's Redevelopment Plan Amendment.

1 tax increment revenues allocated to it pursuant to Health and Safety Code Section 33670 to repay any
2 such loan, advance, or indebtedness regardless of the date of its establishment or incurrence.

3 Health and Safety Code Section 33216 and Section 8(b) of the Agreement provide that the
4 City's amendment to the Redevelopment Plan for the Calimesa Portion of the Project Area shall not be
5 considered final unless approved by an ordinance of the Board.

6 Section 2. PURPOSE. The purpose of this ordinance is to approve the City's
7 amendment to the Redevelopment Plan for Calimesa Portion of the Project Area set forth in City
8 Ordinance No. 274.

9 Section 3. AUTHORITY. This ordinance is adopted pursuant to Health and Safety
10 Code Section 33216 and Section 8(b) of the Agreement.

11 Section 4. APPROVAL OF CITY AMENDMENT. The Board hereby approves the
12 City's amendment to the Redevelopment Plan for the Calimesa Portion of the Project Area set forth in
13 City Ordinance No. 274.

14 Section 5. SEVERABILITY. If any provision, clause, sentence or paragraph of this
15 ordinance or the application thereof to any person or circumstance shall be held invalid, such invalidity
16 shall not affect the other provisions of this ordinance which can be given effect without the invalid
17 provision or application, and to this end, the provisions of this ordinance are hereby declared to be
18 severable.

19 Section 6. EFFECTIVE DATE. This ordinance shall take effect thirty (30) days after
20 its adoption.

21 BOARD OF SUPERVISORS OF THE COUNTY
22 OF RIVERSIDE, STATE OF CALIFORNIA

23 By: _____
24 Chairman

25 ATTEST:

26 CLERK OF THE BOARD:

27 By: _____
28 Deputy

FORM APPROVED COUNTY COUNSEL
BY: MICHELLE CLACK
DATE: 11/27/07