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

**FROM:** Redevelopment Agency

**SUBMITTAL DATE:**  
December 3, 2009

**SUBJECT:** Notice of Intent to Detach Parcels from the Desert Communities Project Area

**RECOMMENDED MOTION:** That the Board of Directors adopt Resolution No. 2009-040 to remove two parcels from the Palm Desert Sub-Area of the Desert Communities Project Area and authorize the transmittal of a notification of such removal to affected Public Agencies.

**BACKGROUND:** On September 15, 2009, the Redevelopment Agency for the County of Riverside ("Agency") and the County of Riverside entered into an *Agreement to Amend Redevelopment Plan* with the City of La Quinta ("City") and the La Quinta Redevelopment Agency to remove two parcels identified as assessor's parcel numbers 609-040-007 and 609-040-023 ("Property") from the Palm Desert Sub-Area of the Desert Communities Project Area ("DCPA").

Robert Field  
Executive Director

FORM APPROVED COUNTY COUNSEL  
BY: MICHELLE CLACK  
DATE: 12/7/09  
Departmental Concurrence

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2009/2010

**COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA:**

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 L. Sargent

County Executive Office Signature

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

Prev. Agn. Ref.: 3.17& 4.2 9/15/09      District: 4      Agenda Number:

**BACKGROUND** (continued):

The Property is located at 42-800 Washington Street and was annexed by the City in October of 2007. The Property is improved with a 73 unit apartment complex occupied by very low income senior or handicapped households and is located in the Palm Desert Sub-Area of the DCPA. In October 2008, the City purchased the property, as well as an adjacent 5.8 acre parcel that is not within the DCPA, with the intent to utilize their redevelopment housing set aside funds to rehabilitate the existing units and expand the complex by 84 units.

With the purchase of the Property by the City, the Property now has a zero tax base and no longer generates any revenue for the DCPA. The Agency has determined, based on the results of an Independent Fiscal Consultant Report ("Report") dated November 16, 2009, that the removal of the Property from the DCPA will not have a materially adverse effect on bonds secured by the tax increment from the DCPA. The removal of the Property from the DCPA is expected to result in the removal of the associated valuation from the DCPA's base year assessed valuation, and thereby is expected to increase the incremental assessed valuation and associated tax increment from the DCPA. The Report concludes that the removal of the Property from the DCPA is expected to have a positive effect on the tax increment revenue providing security for the bonds.

The Agency has contracted with Urban Futures, Inc. to process the plan amendment. The adoption of Resolution No. 2009-040 provides a notice of intent for the detachment of the Property from the DCPA, and authorizes the transmittal of this notification to affected public agencies.

Staff recommends that the Board of Directors adopt Resolution No. 2009-040 to remove certain territory from the Palm Desert Sub-Area of the Desert Communities Project Area and approve the Transmittal of Notification of such removal to affected Public Agencies.

1 **BOARD OF DIRECTORS**

**REDEVELOPMENT AGENCY**

2  
3 **RESOLUTION NO. 2009-040**

4 **NOTICING THE INTENTION OF THE REDEVELOPMENT AGENCY FOR THE**  
5 **COUNTY OF RIVERSIDE FOR THE REMOVAL OF CERTAIN TERRITORY**  
6 **FROM THE PALM DESERT SUB-AREA OF THE DESERT COMMUNITIES**  
7 **PROJECT AREA AND APPROVING THE TRANSMITTAL OF SUCH**  
8 **NOTIFICATION TO AFFECTED PUBLIC AGENCIES**

9 **WHEREAS**, the Redevelopment Plan for the 4-1986 Redevelopment Project Area ("4-  
10 1986 Project Area") was adopted on December 23, 1986, pursuant to Ordinance No. 638 of the  
11 Board of Supervisors of the County of Riverside (the "Board of Supervisors"); and,

12 **WHEREAS**, the Palm Desert Sub-Area (the "Sub-Area") is located within the 4-1986  
13 Project Area; and,

14 **WHEREAS**, the 4-1986 Project Area was merged into the Desert Communities Project  
15 Area (the "DCPA") on July 20, 1999, pursuant to Ordinance No. 795; and,

16 **WHEREAS**, Section 33450 of the Community Redevelopment Law (Health and Safety  
17 Code § 33000 et seq.; the "CRL") authorizes amendments to a redevelopment plan, including  
18 boundary changes; and,

19 **WHEREAS**, in October of 2007, the City of La Quinta (the "City") annexed APN 609-  
20 040-007 and 609-040-023 (the "Property"), which is located in the Sub-Area of the DCPA; and,

21 **WHEREAS**, in October of 2008, the City purchased the Property with the intent to  
22 utilize their redevelopment housing set aside funds to provide income-restricted affordable  
23 units; and,

24 **WHEREAS**, the Redevelopment Agency for the County of Riverside (the "Agency") and  
25 the County of Riverside (the "County") entered into an *Agreement to Amend Redevelopment*  
26 *Plan* with the City and the La Quinta Redevelopment Agency with an effective date of  
27 September 15, 2009; and,

28 **WHEREAS**, with the purchase of the Property by the City, the property now has a zero  
tax base and no longer generates any revenue for the DCPA; and,

FORM APPROVED COUNTY COUNSEL  
BY: MICHELLE CLACK  
DATE: 12/7/09

1           **WHEREAS**, the Agency proposes to amend the Redevelopment Plan (the "Plan") for  
2 the DCPA in order to remove APN 609-040-007 and APN 609-040-023 from the Sub-Area;  
3 and,

4           **WHEREAS**, an Independent Fiscal Consultant Report dated November 16, 2009 has  
5 determined that the removal of the Property from the DCPA will not have a materially adverse  
6 effect on bonds secured by the tax increment from the DCPA; and,

7           **WHEREAS**, the Agency desires to provide written notification to various affected public  
8 agencies of such an amendment pursuant to CRL Section 33328.3.

9           **BE IT RESOLVED, FOUND, DETERMINED and ORDERED** by the Board of Directors  
10 of the Redevelopment Agency for the County of Riverside, in regular session assembled on  
11 December 22, 2009:

12           1. The Agency hereby declares its intention to amend the Plan for the DCPA for the  
13 purpose of removing certain territory from the DCPA.

14           2. The Agency hereby reaffirms that the property tax rolls last equalized on August 20,  
15 1986, will remain the base year roll for the Plan.

16           3. The Agency hereby authorizes the transmittal of written notification of such intended  
17 amendment to various affected public agencies.

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