



Building A Better Long Beach

October 4, 2010

REDEVELOPMENT AGENCY BOARD MEMBERS

City of Long Beach
California

RECOMMENDATION:

Approve and authorize an amendment to Resolution No. RA 21-95 to reflect the amended termination date of the Downtown Redevelopment Project Area. (Downtown – Districts 1,2)

DISCUSSION

The Downtown Redevelopment Project Area (Project) currently has a deficit to the Low- and Moderate-Income Housing Set-Aside Fund of \$16,361,451 resulting from payments of less than the required 20% of tax increment in previous fiscal years. Section 33334.6(g) of the California Community Redevelopment Law requires that if such a deficit is established, the Redevelopment Agency (Agency) must adopt a plan to eliminate it in subsequent years.

In accordance with this requirement, the Agency Board adopted Resolution No. RA 21-95 (Resolution) on December 11, 1995, establishing a "Deficit Repayment Plan Applicable to Low and Moderate Income Housing Funds from the Downtown Redevelopment Project" (Plan). Section 1.c of the Resolution indicates that in order to determine whether the deficit can be repaid, an analysis of the availability of future tax increment will be performed "not later than June 17, 2010 (the termination date of the Redevelopment Plan for the Project), and every two years thereafter until reduction of the deficit commences." The termination date of the Project has since been extended to June 17, 2017, making it necessary to amend the Resolution and the Plan to reflect the new date.

The matter has been reviewed by Assistant City Attorney Heather Mahood.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

AMY J. BODEK
EXECUTIVE DIRECTOR

AJB:LAF:AEA

Attachment: First Amendment to Resolution No. RA 21-95

RESOLUTION NO. R. A.

A RESOLUTION OF THE REDEVELOPMENT
AGENCY OF THE CITY OF LONG BEACH, CALIFORNIA,
AMENDING RESOLUTION NO. R.A. 21-95 RELATING TO
THE DEFICIT REPAYMENT PLAN APPLICABLE TO LOW
AND MODERATE INCOME HOUSING FUNDS FROM THE
DOWNTOWN REDEVELOPMENT PROJECT

WHEREAS, R.A. No. 21-95 established a deficit repayment plan pursuant to Health & Safety Code Section 33334.6(g), which referenced June 17, 2010 as the termination date of the Downtown Redevelopment Plan; and

WHEREAS, the termination date of the Downtown Redevelopment Plan has been changed to June 17, 2017; and

WHEREAS, the Agency desires to amend the deficit repayment plan to reflect this new termination date.

NOW, THEREFORE, the Redevelopment Agency of the City of Long Beach, California, resolves as follows:

Section 1. Section 1.c of Resolution No. R.A. 21-95 is hereby amended to read:

“c. Not later than June 17, 2017 (the termination date of the Redevelopment Plan for the Project), and every two years thereafter until reduction of the deficit commences, the Agency shall cause to be prepared an analysis of the availability of future tax increments from the Project Area to reduce the deficit. The analysis shall compare, for the next succeeding two fiscal years, the projected tax increments from the Project Area and the amounts required to make payments on existing obligations of the Project, as defined in subparagraphs a. and b. above, to determine whether tax increments from the Project Area will be available to reduce the

deficit.”

APPROVED AND ADOPTED by the Redevelopment Agency of the City of Long Beach, California, on this ____ day of _____, 2010.

Executive Director/Secretary

APPROVED:

Chair