



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

May 19, 1998

To: Board of Directors (Budget and Finance Committee--Action)

From: *for* General Manager

Edward J. Meacham III

Submitted by: Lambertus H. Becker
Chief Financial Officer

Lambertus H. Becker

Subject: Property Taxes on Specific Redevelopment Projects in the Counties of Los Angeles, Orange, Riverside, San Diego and Ventura

RECOMMENDATION(S)

It is recommended that the Board of Directors adopt the resolutions in the form attached hereto, providing in substance that the District elects to be allocated that additional portion of revenue from taxes levied on redevelopment property which is attributable to any increase in the District's base year tax rate applied to the incremental assessed value of the project property:

<u>Name of Project</u>	<u>County</u>
Northeast San Fernando Valley Redevelopment Project in the City of Los Angeles	Los Angeles
West Anaheim Commercial Corridor Redevelopment Project in the City of Anaheim	Orange
Garden Grove Community Redevelopment Project Area- Lampson/Buaro Amendment in the City of Garden Grove	Orange
Magnolia Center Redevelopment Project in the City of Riverside	Riverside
Amendment No. 5 to the Bayfront Redevelopment Project in the City of Chula Vista	San Diego

<u>Name of Project</u>	<u>County</u>
Fourth Amendment to the Redevelopment Plan for the Central Community Redevelopment Project in the City of Port Hueneme	Ventura
Historical Enhancement & Revitalization of Oxnard (H.E.R.O.) Project in the City of Oxnard	Ventura

EXECUTIVE SUMMARY

The attached resolution forms are intended to increase the District's share of tax revenue from subject redevelopment projects expected to be authorized under the Community Redevelopment Law (Sections 33000 et seq., of the Health and Safety Code of the State of California). This would occur in the event the District should increase its property tax rate at some time in the future.

DETAILED REPORT

Existing provisions in the Community Redevelopment Law permit redevelopment agencies to raise revenue through a procedure known as tax increment financing. This is accomplished by the adoption of a redevelopment plan containing a provision which limits various taxing agencies overlying the area of the redevelopment project to whatever revenue may be raised by their tax rate applied to a frozen assessed valuation on project property. In theory, but for the redevelopment project, the assessed valuation of the blighted area encompassed by the redevelopment project, would diminish or at best remain the same. Accordingly, any increase in assessed valuation resulting from the redevelopment project can be equitably allocated to the redevelopment agency for the repayment of debt incurred by the agency for the redevelopment of the area.

Under the provisions of Section 33670 of the Community Redevelopment Law, the various overlying taxing agencies receive the tax revenue levied on the frozen assessed valuation and the redevelopment agency receives any additional tax revenue attributable to incremental assessed value unless the taxing agency adopts a resolution (prior to the adoption of the redevelopment plan providing for tax increment financing) pursuant to Section 33676, electing to be allocated that portion of the tax revenue on the incremental assessed valuation attributable to increases in the taxing agency's tax rate occurring after the base year.

LHB/amy

Attachment (s)

bdredevl.doc

RESOLUTION

RESOLUTION OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA ELECTING TO RECEIVE ALLOCATION OF TAXES PURSUANT TO PROVISIONS OF THE COMMUNITY REDEVELOPMENT LAW

WHEREAS, subdivision (a) of Section 33676 of the Community Redevelopment Law (Sections 33000 et seq., of the Health and Safety Code of the State of California), as amended, provides that any affected taxing agency, such as this District may elect to be allocated, in addition to the portion of taxes allocated to the District pursuant to subdivision (a) of Section 33670 of said Law, that portion of the tax revenues otherwise allocated to a redevelopment agency pursuant to subdivision (b) of Section 33670 attributable to an increase in the District's tax rate which occurs after a redevelopment plan becomes effective;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Metropolitan Water District of Southern California that this District hereby elects to be allocated, in addition to the portion of taxes allocated to this District pursuant to subdivision (a) of Section 33670 of the Community Redevelopment Law, any portion of the tax revenue otherwise allocated to the Northeast San Fernando Valley Redevelopment Project in the City of Los Angeles pursuant to subdivision (b) of said Section 33670 which is attributable to any increase in this District's tax rate which occurs after the tax year in which the ordinance adopting the Northeast San Fernando Valley Redevelopment Project in the City of Los Angeles, becomes effective.

BE IT FURTHER RESOLVED that the Executive Secretary is hereby directed to file forthwith certified copies of this resolution with the governing body of the Redevelopment Agency, the Community Redevelopment Agency of the City of Los Angeles, and the Auditor-Controller and the Tax Collector of the County of Los Angeles.

I HEREBY CERTIFY, that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California at its meeting held June 9, 1998.

Executive Secretary
The Metropolitan Water District
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NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Metropolitan Water District of Southern California that this District hereby elects to be allocated, in addition to the portion of taxes allocated to this District pursuant to subdivision (a) of Section 33670 of the Community Redevelopment Law, any portion of the tax revenue otherwise allocated to the West Anaheim Commercial Corridor Redevelopment Project in the City of Anaheim pursuant to subdivision (b) of said Section 33670 which is attributable to any increase in this District's tax rate which occurs after the tax year in which the ordinance adopting the West Anaheim Commercial Corridor Redevelopment Project in the City of Anaheim, becomes effective.

BE IT FURTHER RESOLVED that the Executive Secretary is hereby directed to file forthwith certified copies of this resolution with the governing body of the Redevelopment Agency, the Redevelopment Agency of the City of Anaheim, and the Auditor-Controller and the Tax Collector of the County of Orange.

I HEREBY CERTIFY, that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California at its meeting held June 9, 1998.

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NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Metropolitan Water District of Southern California that this District hereby elects to be allocated, in addition to the portion of taxes allocated to this District pursuant to subdivision (a) of Section 33670 of the Community Redevelopment Law, any portion of the tax revenue otherwise allocated to the Garden Grove Community Redevelopment Project Area - Lampson/Buaro Amendment in the City of Garden Grove pursuant to subdivision (b) of said Section 33670 which is attributable to any increase in this District's tax rate which occurs after the tax year in which the ordinance adopting the Garden Grove Community Redevelopment Project Area - Lampson/Buaro Amendment in the City of Garden Grove, becomes effective.

BE IT FURTHER RESOLVED that the Executive Secretary is hereby directed to file forthwith certified copies of this resolution with the governing body of the Redevelopment Agency, the Redevelopment Agency of the City of Garden Grove, and the Auditor-Controller and the Tax Collector of the County of Orange.

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NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Metropolitan Water District of Southern California that this District hereby elects to be allocated, in addition to the portion of taxes allocated to this District pursuant to subdivision (a) of Section 33670 of the Community Redevelopment Law, any portion of the tax revenue otherwise allocated to the Magnolia Center Redevelopment Project in the City of Riverside pursuant to subdivision (b) of said Section 33670 which is attributable to any increase in this District's tax rate which occurs after the tax year in which the ordinance adopting the Magnolia Center Redevelopment Project in the City of Riverside, becomes effective.

BE IT FURTHER RESOLVED that the Executive Secretary is hereby directed to file forthwith certified copies of this resolution with the governing body of the Redevelopment Agency, the Redevelopment Agency of the City of Riverside, and the Auditor-Controller and the Tax Collector of the County of Riverside.

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NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Metropolitan Water District of Southern California that this District hereby elects to be allocated, in addition to the portion of taxes allocated to this District pursuant to subdivision (a) of Section 33670 of the Community Redevelopment Law, any portion of the tax revenue otherwise allocated to the Amendment No. 5 to the Bayfront Redevelopment Project in the City of Chula Vista pursuant to subdivision (b) of said Section 33670 which is attributable to any increase in this District's tax rate which occurs after the tax year in which the ordinance adopting the Amendment No. 5 to the Bayfront Redevelopment Project in the City of Chula Vista, becomes effective.

BE IT FURTHER RESOLVED that the Executive Secretary is hereby directed to file forthwith certified copies of this resolution with the governing body of the Redevelopment Agency, the Redevelopment Agency of the City of Chula Vista, and the Auditor-Controller and the Tax Collector of the County of San Diego.

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NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Metropolitan Water District of Southern California that this District hereby elects to be allocated, in addition to the portion of taxes allocated to this District pursuant to subdivision (a) of Section 33670 of the Community Redevelopment Law, any portion of the tax revenue otherwise allocated to the Fourth Amendment to the Redevelopment Plan for the Central Community Redevelopment Project in the City of Port Hueneme pursuant to subdivision (b) of said Section 33670 which is attributable to any increase in this District's tax rate which occurs after the tax year in which the ordinance adopting the Fourth Amendment to the Redevelopment Plan for the Central Community Redevelopment Project in the City of Port Hueneme, becomes effective.

BE IT FURTHER RESOLVED that the Executive Secretary is hereby directed to file forthwith certified copies of this resolution with the governing body of the Redevelopment Agency, the Redevelopment Agency of the City of Port Hueneme, and the Auditor-Controller and the Tax Collector of the County of Ventura.

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NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Metropolitan Water District of Southern California that this District hereby elects to be allocated, in addition to the portion of taxes allocated to this District pursuant to subdivision (a) of Section 33670 of the Community Redevelopment Law, any portion of the tax revenue otherwise allocated to the Historical Enhancement & Revitalization of Oxnard (H.E.R.O.) Project in the City of Oxnard pursuant to subdivision (b) of said Section 33670 which is attributable to any increase in this District's tax rate which occurs after the tax year in which the ordinance adopting the Historical Enhancement & Revitalization of Oxnard (H.E.R.O.) in the City of Oxnard, becomes effective.

BE IT FURTHER RESOLVED that the Executive Secretary is hereby directed to file forthwith certified copies of this resolution with the governing body of the Redevelopment Agency, the Redevelopment Agency of the City of Oxnard, and the Auditor-Controller and the Tax Collector of the County of Ventura.

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