

- **Board of Directors**
Budget and Finance Committee

December 12, 2000 Board Meeting

8-4

Subject

Adopt four resolutions pertaining to property taxes for new redevelopment projects in the counties of Los Angeles, Orange, San Diego and Ventura

Description

Existing provisions in the Community Redevelopment Law (CRL) 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 CRL Section 33670, 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 an increase in assessed value over the base year. Taxing agencies, however, may adopt a resolution (prior to the adoption of the redevelopment plan) to elect 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.

Policy

The adoption of tax allocation resolutions in accordance with Section 33670 of the Community Redevelopment Law.

CEQA Compliance / Environmental Documentation

This matter would be exempt from California Environmental Quality Act (CEQA) under both State CEQA Guidelines section 15061(b)(3)-no possibility of a potential significant effect, and section 15378(b)(4)-creation of government funding mechanism not involving commitment to a specific project that has a potential significant effect.

Staff Recommendation

Adopt the resolutions ([Attachment 1](#)), providing in substance that Metropolitan elects to be allocated that additional portion of revenue from taxes levied on redevelopment property which is attributable to any increase in Metropolitan's base year tax rate applied to the incremental assessed value of the project property:

<u>Name of Project</u>	<u>County</u>
Maywood City-Wide Redevelopment Project in the City of Maywood	Los Angeles
Marine Corp Air Station Project in the City of Tustin	Orange
Central Imperial 3 Redevelopment Project in the City of San Diego	San Diego
Amendment to the Merged Tapo Canyon and West End Community Development Project in the City of Simi Valley	Ventura

	11/16/2000
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Brian G. Thomas Chief Financial Officer	Date
	11/18/2000
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Ronald R. Jester General Manager	Date

Attachment 1

BLA #658

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), provides that any affected taxing agency, such as Metropolitan may elect to be allocated, in addition to the portion of taxes allocated to Metropolitan pursuant to subdivision (a) of Section 33670 of the 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 Metropolitan '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 Metropolitan hereby elects to be allocated, in addition to the portion of taxes allocated to Metropolitan pursuant to subdivision (a) of Section 33670 of the Community Redevelopment Law, any portion of the tax revenue otherwise allocated to the Maywood City-Wide Redevelopment Project in the City of Maywood pursuant to subdivision (b) of said Section 33670 which is attributable to any increase in Metropolitan 's tax rate which occurs after the tax year in which the ordinance adopting the Maywood City-Wide Redevelopment Project in the City of Maywood, 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 Maywood, 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 December 12, 2000.

Executive Secretary
The Metropolitan Water District
of Southern California

RESOLUTION

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OF THE METROPOLITAN WATER DISTRICT
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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), provides that any affected taxing agency, such as Metropolitan may elect to be allocated, in addition to the portion of taxes allocated to Metropolitan pursuant to subdivision (a) of Section 33670 of the 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 Metropolitan'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 Metropolitan hereby elects to be allocated, in addition to the portion of taxes allocated to Metropolitan pursuant to subdivision (a) of Section 33670 of the Community Redevelopment Law, any portion of the tax revenue otherwise allocated to the Marine Corp Air Station Project in the City of Tustin pursuant to subdivision (b) of said Section 33670 which is attributable to any increase in Metropolitan's tax rate which occurs after the tax year in which the ordinance adopting the Marine Corp Air Station Project in the City of Tustin, 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 Tustin, 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 December 12, 2000.

Executive Secretary
The Metropolitan Water District
of Southern California

RESOLUTION

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NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Metropolitan Water District of Southern California that Metropolitan hereby elects to be allocated, in addition to the portion of taxes allocated to Metropolitan pursuant to subdivision (a) of Section 33670 of the Community Redevelopment Law, any portion of the tax revenue otherwise allocated to the Central Imperial 3 Redevelopment Project in the City of San Diego pursuant to subdivision (b) of said Section 33670 which is attributable to any increase in Metropolitan's tax rate which occurs after the tax year in which the ordinance adopting the Central Imperial 3 Redevelopment Project in the City of San Diego, 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 San Diego, and the Auditor-Controller and the Tax Collector of the County of San Diego.

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 December 12, 2000.

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 Metropolitan hereby elects to be allocated, in addition to the portion of taxes allocated to Metropolitan pursuant to subdivision (a) of Section 33670 of the Community Redevelopment Law, any portion of the tax revenue otherwise allocated to the Amendment to the Merged Tapo Canyon and West End Community Development Project in the City of Simi Valley pursuant to subdivision (b) of said Section 33670 which is attributable to any increase in Metropolitan's tax rate which occurs after the tax year in which the ordinance adopting the Amendment to the Merged Tapo Canyon and West End Community Development Project in the City of Simi Valley, 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 Simi Valley, and the Auditor-Controller and the Tax Collector of the County of Ventura.

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 December 12, 2000.

Executive Secretary
The Metropolitan Water District
of Southern California