



City Council/Community Redevelopment
Agency Staff Report

DATE: DECEMBER 3, 2008 CONSENT CALENDAR

SUBJECT: APPROVAL OF THE REPAYMENT OF A PORTION OF THE PRINCIPAL BALANCE ON A NOTE TO THE CITY OF PALM SPRINGS FOR THE VILLAGE GREEN; AND, APPROVING A BUDGET RESOLUTION APPROPRIATING \$1,300,000 FROM THE FUND BALANCE OF MERGED AREA #1 FOR THE REPAYMENT OF THE PRINCIPAL

FROM: David H. Ready, City Manager/Executive Director

BY: Community & Economic Development Department

SUMMARY:

These actions approve the use of \$1,300,000 in 2007 Merged Area #1 Tax Allocation Bond proceeds for the purpose of repaying a portion of the principal balance on a note to the City of Palm Springs for the Village Green (211 South Palm Canyon Drive, 513-153-017). The Agency acquired the Village Green from the City of Palm Springs in February, 2008 and made a note to the City for the acquisition amount.

The Promissory Note made by the Agency for the property allows the City to make a call on any principal payment, at the City's sole discretion. The City is exercising its right under the note and the principal will be credited against the Village Green note.

Neither the purchase nor the repayment of principal affect any leases, use agreement, or licenses in effect at the site. The resolutions also authorize and direct the City Manager/Executive Director to complete and execute on behalf of the City and Agency all such documents related to this transaction.


RECOMMENDATION:

CITY COUNCIL RECOMMENDATION:


1. Adopt Resolution No. _____, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, CALLING AND ACCEPTING THE REPAYMENT OF \$1,300,000 IN PRINCIPAL BY THE COMMUNITY REDEVELOPMENT AGENCY UNDER A PROMISSORY NOTE FOR THE VILLAGE GREEN";
2. Adopt Resolution No. _____, "A RESOLUTION OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING THE BUDGET FOR FISCAL YEAR 2008-09";

COMMUNITY REDEVELOPMENT AGENCY RECOMMENDATION:


3. Adopt Resolution No. _____, "A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING THE BUDGET FOR FISCAL YEAR 2008-09";
4. Authorize the City Manager/Executive Director to execute all the documents related to the repayment of principal by the Agency.



John S. Raymond, Director of
Community & Economic Development



Thomas J. Wilson
Assistant City Manager, Development Services



David H. Ready, Esq., Ph.D.
City Manager/Executive Director

Attachments:

1. City Resolution
2. CRA Budget Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF PALM SPRINGS, CALIFORNIA,
CALLING AND ACCEPTING THE REPAYMENT
OF \$1,300,000 IN PRINCIPAL BY THE
COMMUNITY REDEVELOPMENT AGENCY
UNDER A PROMISSORY NOTE FOR THE
VILLAGE GREEN

The City Council of the City of Palm Springs resolves:

SECTION 1. The Council of the City of Palm Springs, pursuant to authority provided under Health and Safety Code Section 33220, approved the sale on February 6, 2008 of a parcel of land and improvements to the Community Redevelopment Agency of the City of Palm Springs, commonly referred to as the Village Green, 211 South Palm Canyon Drive, located within Merged Project Area No. 1. The City Council found the sale of this parcel of land to the Community Redevelopment Agency of the City of Palm Springs will aid in the planning, undertaking, construction, and operation of redevelopment within Merged Project Area #1.

SECTION 2. Pursuant to the Promissory Note executed by the Community Redevelopment Agency for the above-mentioned property, the City Council hereby calls for a principal payment of \$1,300,000 and authorizes and directs the City Manager to execute all documents related to the repayment of principal, to accept payment, and to execute such other documents as may be reasonably necessary or prudent to complete this transaction as provided in this Resolution.

ADOPTED this 3rd day of December, 2008.

Steve Pougnet, Mayor

ATTEST:

James Thompson, City Clerk

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, hereby certify that Resolution No. _____ is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on _____, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

James Thompson, City Clerk
of the City of Palm Springs, California

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
PALM SPRINGS, CALIFORNIA, AMENDING THE BUDGET
FOR THE 2008-09 FISCAL YEAR.

WHEREAS, Resolution No. 22265 approving the budget for the Fiscal Year 2008-09 was adopted on June 18, 2008; and

WHEREAS, the City Manager has recommended, and the City Council desires to approve, certain amendments to said budget.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PALM SPRINGS DOES HEREBY RESOLVE, that the Director of Finance is authorized to record inter-fund cash transfers as required in accordance with this Resolution, and that Resolution No. 22265, adopting the Fiscal Year 2008-09 budget is hereby amended as follows:

SECTION 1. ADDITIONS

Fund	Activity	Account	Amount
261 Capital Project	1395 City Facility Improvement	Pending	\$1,300,000

Purpose: Establish funding for partial payment of a Reservation System for the Convention Center.

SECTION 2. SOURCE: Transfer of \$1,300,000 from General Fund to Capital Project Fund. The City made a partial advance call on a note receivable from the CRA to cover this transfer.

Fund	Activity	Account	Amount
001 General Fund		29301 Fund Balance	\$1,300,000

ADOPTED this 3rd day of December, 2008.

David H. Ready, City Manager

ATTEST:

James Thompson, City Clerk

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, hereby certify that Resolution No. _____ is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on _____, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

James Thompson, City Clerk
City of Palm Springs, California

RESOLUTION NO.

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING THE BUDGET FOR FISCAL YEAR 2008-09.

WHEREAS, Resolution No. 1356 approving the budget for the Fiscal Year 2008-09 was adopted on June 18, 2008; and

WHEREAS, the Executive Director has recommended, and the Agency Board desires to approve, certain amendments to said budget;

NOW THEREFORE BE IT RESOLVED that the Director of Finance is authorized to record inter-fund cash transfers as required in accordance with this Resolution, and that Resolution 1365, adopting the Fiscal Year 2008-09 Budget is hereby amended as follows:

SECTION 1. ADDITIONS

Fund	Activity	Account	Amount
851 Merged Area #1	8201 Central Business District	49625 City Loan Principal	\$1,300,000

Purpose: To provide funding for partial advance call on Land Purchase note for Village Green.

SECTION 2. SOURCE

Fund	Activity	Account	Amount
811 Merged Area #1		29301 Fund Balance	\$1,300,000

ADOPTED this 3rd day of December, 2008.

David H. Ready, Executive Director

ATTEST:

James Thompson, Assistant Secretary

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, Assistant Secretary of the Community Redevelopment Agency of the City of Palm Springs, hereby certify that Resolution No. _____ is a full, true and correct copy, and was duly adopted at an adjourned meeting of the Community Redevelopment Agency of the City of Palm Springs on _____, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

James Thompson, Assistant Secretary
Community Redevelopment Agency
City of Palm Springs, California