



City Council/Redevelopment Agency
Staff Report

DATE: May 6, 2009

PUBLIC HEARING

SUBJECT: ADOPTION OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS AMENDING CERTAIN TIME LIMITATIONS WITH RESPECT TO THE REDEVELOPMENT PLANS FOR THE CENTRAL BUSINESS DISTRICT PROJECT AREA, TAHQUITZ-ANDREAS PROJECT AREA, RAMON-BOGIE PROJECT AREA, AND SOUTH PALM CANYON PROJECT AREA

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

BY: Thomas Wilson, Assistant City Manager

SUMMARY

The Community Redevelopment Agency of the City of Palm Springs was required to make certain payments to the County's Educational Revenue Augmentation Fund ("ERAF") in fiscal years 2004-05 and 2005-06. The State Legislature provided for an extension of time limits for certain redevelopment plans as a result of the ERAF requirement. An amendment to the redevelopment plan for the Agency's Central Business District Project Area, Tahquitz-Andreas Project Area, Ramon-Bogie Project Area and South Palm Canyon Project Area is required to extend the time limit for both redevelopment activities and the time to collect tax increment and repay Agency indebtedness, following a public hearing.

If approved, the ordinance would extend the effectiveness of these Redevelopment Plans by two years, and extend the time that the Agency is authorized to collect tax increment generated in these Project Areas by two years.

RECOMMENDATION

1. Open the public hearing and receive public testimony.
2. Waive the reading of the ordinance text in its entirety and read by title only.
3. Introduce for first reading Ordinance No. _____, "AN ORDINANCE OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING CERTAIN TIME LIMITATIONS WITH RESPECT THE REDEVELOPMENT PLANS FOR THE CENTRAL BUSINESS DISTRICT PROJECT AREA, TAHQUITZ-ANDREAS PROJECT

ITEM NO. 1.B.

AREA, RAMON-BOGIE PROJECT AREA, AND SOUTH PALM CANYON PROJECT AREA PURSUANT TO THE PROVISIONS OF HEALTH AND SAFETY CODE SECTION 33333.6(e)(2)(D)."

FISCAL IMPACT:

Redevelopment Plans are required to contain a time limit on redevelopment plan activities and a time limit for collection of tax increment and repayment of debt.

When ERAF payments were required to be paid by redevelopment agencies in fiscal year 2004-05 and 2005-06, the State Legislature adopted Senate Bill 1096 ("SB 1096"), allowing redevelopment agencies to extend their plan time limits under certain circumstances.

SB 1096 allows the City Council to adopt an ordinance extending the time limit on redevelopment activities, collection of tax increment and repayment of debt by two years based on the 2004-05 and 2005-06 ERAF payment if the redevelopment plan has less than 20 years of effectiveness remaining. This two year extension applies only to four of the Agency's ten redevelopment project areas: the Central Business District Project; the Tahquitz Andreas Project; the Ramon-Bogie Project; and the South Palm Canyon Project.

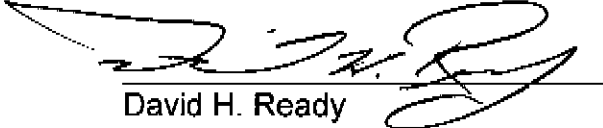
SB 1096 requires that the City Council hold a public hearing prior to the first reading of the ordinance extending the plan limits. It also requires that taxing entities that share in the Agency's tax increment (such as the County, school and community college districts) be notified of the date and time of the public hearing at least 30 days prior to the public hearing. Notices were mailed to such taxing entities on April 3, 2009. The notice was also published in the Desert Sun on April 18, 2009, at least ten days prior to the date of the public hearing as required by SB 1096.

After adoption of the ordinance, the time limits for the redevelopment project will be:

<u>Project Area</u>	<u>Plan Effectiveness</u>	<u>Collect Tax Increment and Repay Debt</u>
Central Business District	July 11, 2016	July 11, 2026
Tahquitz-Andreas	July 19, 2026	July 19, 2036
Ramon-Bogie	November 30, 2026	November 30, 2036
South Palm Canyon	November 30, 2026	November 30, 2036

The plan extension results in the Agency's collection of an estimated additional \$5 million of net tax increment generated in the Central Business District Project, \$3.2 million of net tax increment generated in the Tahquitz Andreas Project, \$2.2 million of net tax increment generated in the Ramon-Bogie Project, and \$1.7 million of net tax

increment generated in the South Palm Canyon Project, or a total of \$12.1 million, after payment of all tax sharing obligations.



David H. Ready
City Manager/Executive Director



Thomas Wilson
Assistant City Manager

Attachments: Proposed Ordinance
Public Hearing Notice

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY OF PALM SPRINGS, CALIFORNIA, AMENDING CERTAIN TIME LIMITATIONS WITH RESPECT THE REDEVELOPMENT PLANS FOR THE CENTRAL BUSINESS DISTRICT PROJECT AREA, TAHQUITZ-ANDREAS PROJECT AREA, RAMON-BOGIE PROJECT AREA AND SOUTH PALM CANYON PROJECT AREA PURSUANT TO THE PROVISIONS OF HEALTH AND SAFETY CODE SECTION 33333.6(e)(2)(D).

City Attorney Summary

This uncodified Ordinance extends by two years the time limit on the effectiveness of the Tahquitz-Andreas Project Area, the Ramon-Bogie Project Area, the South Palm Canyon Project Area, and the Central Business District Project Area Redevelopment Plans and the time to repay indebtedness or receive property taxes pursuant to Health and Safety Code Section 33670 as a result of the City's Redevelopment Agency's Fiscal Year 2004-05 ERAF payment and Fiscal Year 2005-06 ERAF payment.

A. Recitals.

(i) The City Council of the City of Palm Springs, California (the "City Council") adopted the following Ordinances approving and adopting Redevelopment Plans for certain of the Community Redevelopment Agency of the City of Palm Springs (the "Agency") Project Areas as follows:

- a. Ordinance No. 959 adopted July 11 1973, approving an adopting the Redevelopment Plan of the Central Business District Project Area;
- b. Ordinance No. 1187 adopted July 19, 1983, approving an adopting the Redevelopment Plan of the Tahquitz-Andreas Project Area;
- c. Ordinance No. 1203, adopted November 30, 1983, approving an adopting the Redevelopment Plan of the South Palm Canyon Project Area;
- d. Ordinance No. 1202, adopted November 30, 1983, approving an adopting the Redevelopment Plan of the Ramon-Bogie Project Area.

(ii) On December 21, 1994, the City Council adopted Ordinance Numbers 1489, 1490, 1494 and 1497 establishing and amending certain time limitations with respect to the Redevelopment Plans for the Tahquitz-Andreas Project Area, the Ramon-

Bogie Project Area, the South Palm Canyon Project Area and the Central Business District Project Area, respectively. In addition Ordinance No. 1576 was adopted on December 15, 1999 further amending certain time limitations applicable to these Redevelopment Plans.

(iii) On May 31, 2000, the City Council adopted Ordinance No. 1583 for the purpose of merging the Tahquitz-Andreas Project Area with the Agency's Baristo-Farrell Project Area and Canyon Project Area.

(iv) On May 31, 2000, the City Council also adopted Ordinance No. 1584 for the purpose of merging the Central Business District Project Area, the South Palm Canyon Project Area and the Ramon-Bogie Project Area with the Agency's North Palm Canyon Project Area, Oasis Project Area, Highland-Gateway Project Area and Project Area No. 9.

(v) On May 4, 2004, the City Council adopted Ordinance Numbers 1649 and 1650 amending certain time limits with respect to these Redevelopment Plans.

(vi) On May 4, 2004, the City Council also adopted Ordinance Numbers 1651 and 1652 eliminating the time limit on the establishment of loans, advances and indebtedness for all of its redevelopment project areas, including the Tahquitz-Andreas Project Area, the Ramon-Bogie Project Area, the South Palm Canyon Project Area and the Central Business District Project Area.

(vii) The Agency has been designated as the office redevelopment agency in the City of Palm Springs to carry out the functions and requirements of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) and to implement the Redevelopment Plans.

(viii) Section 33681.12, which was added to the Health and Safety Code by Senate Bill 1096, required the Agency during the 2004-05 and 2005-06 fiscal years to make a payment for deposit in the Riverside County's Educational Revenue Augmentation Fund.

(ix) With respect to redevelopment plans adopted on or before December 31, 1993 for which the time limit for the effectiveness of the redevelopment plan is less than 10 years, or, under certain conditions, is more than 10 year but less than 20 years, from the last day of the fiscal year in which an ERAF payment is made pursuant to Health and Safety Code Section 33681.12, Section 33333.6 of the Health and Safety Code was amended by Senate Bill 1096 to provide that when a redevelopment agency is required to make a payment pursuant to Health and Safety Code Section 33681.12, the legislative body may amend the redevelopment plans to extend by one year for each ERAF payment made pursuant to Health and Safety Code Section 33681.12 the time limit on the effectiveness of the redevelopment plan and the limit to repay indebtedness or receive property taxes pursuant to Health and Safety Code Section 33670 by

adoption of an ordinance, without the necessity of compliance with Health and Safety Code Section 33354.6 or Article 12 (commencing with Health and Safety Code Section 33450) or any other provision of the California Redevelopment Law related to the amendment of redevelopment plans, including, but not limited to, the requirement to make the payment to affected taxing entities required by Health and Safety Code Section 33607.7 provided the City Council makes certain findings with respect to the Redevelopment Plans.

(x) The Agency made the Fiscal Year 2004-05 ERAF payment to the Riverside County Educational Revenue Augmentation Fund pursuant to Health and Safety Code Section 33681.12 on or before May 10, 2005.

(xi) The Agency made the Fiscal Year 2005-06 ERAF payment to the Riverside County Educational Revenue Augmentation Fund pursuant to Health and Safety Code Section 33681.12 on or before May 10, 2006.

(xii) The Agency and the City Council desire that the Redevelopment Plans for the Tahquitz-Andreas Project Area, the Ramon-Bogie Project Area, the South Palm Canyon Project Area and the Central Business District Project Area be amended to extend by two years the time limit on the effectiveness of the Redevelopment Plans and the time to repay indebtedness or receive property taxes pursuant to the Health and Safety Code Section 33670 as a result of the Agency's Fiscal Year 2004-05 ERAF payment and Fiscal Year 2005-06 ERAF payment.

B. **Ordinance.**

The City Council hereby ordains as follows:

Section 1: The City Council hereby finds and determines with respect to each respective project area as follows:

(a) Funds used to make the Fiscal Year 2004-05 ERAF payment and Fiscal Year 2005-06 ERAF payment would otherwise have been used to pay the cost of projects and activities necessary to carry out the goals and objectives of the Redevelopment Plans for the Tahquitz-Andreas Project Area, the Ramon-Bogie Project Area, the South Palm Canyon Project Area and the Central Business District Project Area.

(b) The Agency is in compliance with the requirements of Health and Safety Code Section 33334.2.

(c) The Agency has adopted an implementation plan in accordance with the requirements of Health and Safety Code Section 33490.

(d) The Agency is in compliance with subdivision (a) and (b) of Health and Safety Code Section 33413.

(e) The Agency is not subject to sanctions pursuant to Health and Safety Code Section 33334.12 for failure to expend, encumber or disburse excess surplus.

Section 2: On May 6, 2009, the City Council held a duly noticed public hearing on the adoption of this Ordinance.

Section 3: Pursuant to Health and Safety Code Section 33333.6(e)(2)(D), the following dates are hereby established as the latest dates upon which the effectiveness of the Redevelopment Plan for the respective project areas shall be deemed to be terminated:

- (a) Central Business District: July 11, 2016;
- (b) Tahquitz-Andreas: July 19, 2026;
- (c) South Palm Canyon: November 30, 2026; and
- (d) Ramon-Bogie: November 30, 2026

Section 4: Pursuant to Health and Safety Code Section 33333.6(e)(2)(D), except as provided in Health and Safety Code subsections 33333.6(g) and (h), the following dates are hereby established as the latest date on which the Agency shall pay indebtedness related to its activities or receive property taxes from these project areas pursuant to Health and Safety Code Section 33670:

- (a) Central Business District: July 11, 2026;
- (b) Tahquitz-Andreas: July 19, 2036;
- (c) South Palm Canyon: November 30, 2036; and
- (d) Ramon-Bogie: November 30, 2036

Section 5: Except as amended by the Ordinance, the Redevelopment Plans for Tahquitz-Andreas Project Area, the Ramon-Bogie Project Area, the South Palm Canyon Project Area and the Central Business District Project Area, as previously amended, are unchanged and are in full force and effect in accordance with their terms.

Section 6: If any part of this Ordinance is held to be invalid or unconstitutional by the decision of any court or competent jurisdiction, for any reason, such decision shall not affect the validity of the remaining portions of this Ordinance and this City Council hereby declares that it would have passed the remainder of this Ordinance if such invalid or unconstitutional portion thereof had been deleted.

Section 7: The City Clerk shall certify to the passage of this Ordinance and is hereby directed to publish and post this Ordinance in accordance with current law.

PASSED, APPROVED, AND ADOPTED THIS ___ DAY OF MAY, 2009.

STEPHEN P. POUCKET, 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, California, do hereby certify that Ordinance No. _____ is a full, true and correct copy, and was introduced at a regular meeting of the Palm Springs City Council on the _____ day of May, 2009, and adopted at a regular meeting of the City Council held on the _____ day of _____, 2009, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

James Thompson, City Clerk
City of Palm Springs, California

CITY OF PALM SPRINGS
PUBLIC HEARING NOTIFICATION



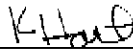
CITY CLERK'S DEPARTMENT

Meeting Date: May 6, 2009
Subject: PROPOSED EXTENSION OF THE REDEVELOPMENT PLAN LIMITS
IN THE CENTRAL BUSINESS DISTRICT

AFFIDAVIT OF MAILING

I, Kathie Hart, CMC, Chief Deputy City Clerk, of the City of Palm Springs, California, do hereby certify that a copy of the attached Notice of Public Hearing was mailed to each and every person on the attached list on April 3, 2008, in a sealed envelope, with postage prepaid, and depositing same in the U.S. Mail at Palm Springs, California. (14 notices)

I declare under penalty of perjury that the foregoing is true and correct.




Kathie Hart, CMC
Chief Deputy City Clerk

AFFIDAVIT OF PUBLICATION

I, Kathie Hart, Chief Deputy City Clerk, of the City of Palm Springs, California, do hereby certify that a copy of the attached Notice of Public Hearing was published in the Desert Sun on April 18, 2009.

I declare under penalty of perjury that the foregoing is true and correct.




Kathie Hart, CMC
Chief Deputy City Clerk

AFFIDAVIT OF POSTING

I, Dolores Strickstein, Secretary, of the City of Palm Springs, California, do hereby certify that a copy of the attached Notice of Public Hearing was posted at City Hall, 3200 E. Tahquitz Canyon Drive, on the exterior legal notice posting board and in the Office of the City Clerk on April 16, 2009.

I declare under penalty of perjury that the foregoing is true and correct.



Dolores Strickstein
Secretary

County Administrative Officer

County of Riverside
4080 Lemon Street
Riverside, CA 92502

City Manager

City of Palm Springs
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262

General Manager

Palm Springs Unified School District
980 E. Tahquitz Canyon Way
Palm Springs, CA 92262

President

College of the Desert
43500 Monterey Avenue
Palm Desert, CA 92260

Superintendent

Riverside County Superintendent
of Schools
P O Box 868
Riverside, CA 92502-0868

General Manager

Riverside County Regional Park
& Open Space District
4600 Crestmore Road
Riverside, CA 92502

General Manager

Riverside County Flood Control
& Water Conservation District
1995 Market Street
Riverside, CA 92501

General Manager

Palm Springs Cemetery District
31705 Da Vall Drive
Cathedral City, CA 92234

General Manager

Desert Healthcare District
1140 N Indian Canyon Drive
Palm Springs, CA 92262

General Manager

Coachella Valley Mosquito
Abatement District
43420 Trader Place
Indio, CA 92201

General Manager

Coachella Valley Resource
Conservation District
82901 Bliss Avenue
Indio, CA 92201

General Manager

Coachella Valley Water District
P O Box 1058
Coachella, CA 92236

General Manager

Coachella Valley Water District
Storm Water Unit
P O Box 1058
Coachella, CA 92236

General Manager

Desert Water Agency
P O Box 1710
Palm Springs, CA 92263-1710

**NOTICE OF JOINT PUBLIC HEARING
CITY OF PALM SPRINGS**

**PROPOSED EXTENSION OF THE REDEVELOPMENT
PLAN LIMITS BY TWO YEARS IN THE CENTRAL
BUSINESS DISTRICT, SOUTH PALM CANYON, RAMON-
BOGIE, AND TAHQUITZ-ANDREAS PROJECT AREAS**

NOTICE IS HEREBY GIVEN that the Community Redevelopment Agency of the City of Palm Springs and the City Council of the City of Palm Springs will hold a joint public hearing on May 6, 2009, at approximately 6:00 p.m. or as soon as possible thereafter, in the City Council Chamber at City Hall, 3200 E. Tahquitz Canyon Way, Palm Springs, CA 92262.

The purpose of the public hearing is to consider an ordinance that extends the redevelopment plan limits by two years with respect to the Central Business District Project Area, the South Palm Canyon Project Area, the Ramon-Bogie Project Area and the Tahquitz-Andreas Project Area. Such extensions are provided for in the California Redevelopment Law as a result of the Agency's payment to County's Education Revenue Augmentation Fund in Fiscal Years 2004-05 and 2005-06.

REVIEW OF INFORMATION: The staff report and other supporting documents regarding this matter are available for public review at the City Hall between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday. Please contact the Office of the City Clerk at (760) 323-8204 if you would like to schedule an appointment to review these documents.

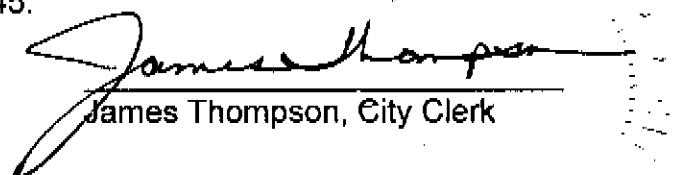
COMMENTS: Response to this notice can be made verbally at the Public Hearing and/or in writing before the hearing. Written comments can be made to the Community Redevelopment Agency and City Council by letter (for mail or hand delivery) to:

James Thompson, City Clerk
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92262

Any challenge of the proposed project in court may be limited to raising only those issues raised at the public hearing described in this notice, or in written correspondence delivered to the City Clerk at, or prior, to the public hearing. (Government Code Section 65009(b)(2)).

An opportunity will be given at said hearing for all interested persons to be heard. Questions regarding this may be directed to the Community & Economic Development Department (760) 323-8228.

Si necesita ayuda con esta carta, porfavor llame a la Ciudad de Palm Springs y puede hablar con Nadine Fieger telefono (760) 323-8245.


James Thompson, City Clerk

**PROOF OF PUBLICATION
(2015.5.C.C.P)**

This is space for County Clerk's Filing Stamp

STATE OF CALIFORNIA
County of Riverside

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of a printer of the, **DESERT SUN PUBLISHING COMPANY** a newspaper of general circulation, printed and published in the city of Palm Springs, County of Riverside, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Riverside, State of California under the date of March 24, 1988. Case Number 191236; that the notice, of which the annexed is a printed copy (set in type not smaller than non parcel, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

April 18th, 2009

All in the year 2009

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Palm Springs, California this ---21st--- day
of----- April -----, 2009



Signature

Proof of Publication of

No 1550
**NOTICE OF JOINT PUBLIC HEARING
CITY OF PALM SPRINGS**

**PROPOSED EXTENSION OF THE
REDEVELOPMENT PLAN LIMITS BY
TWO YEARS IN THE CENTRAL
BUSINESS DISTRICT, SOUTH PALM
CANYON, RAMON-BOGIE, AND
TAHQUITZ-ANDREAS PROJECT AREAS**

NOTICE IS HEREBY GIVEN that the Community Redevelopment Agency of the City of Palm Springs and the City Council of the City of Palm Springs will hold a joint public hearing on **May 6, 2009**, at approximately **6:00 p.m.** or as soon as possible thereafter, in the City Council Chamber at City Hall, 3200 E. Tahquitz Canyon Way, Palm Springs, CA 92262.

The purpose of the public hearing is to consider an ordinance that extends the redevelopment plan limits by two years with respect to the Central Business District Project Area, the South Palm Canyon Project Area, the Ramon-Bogie Project Area and the Tahquitz-Andreas Project Area. Such extensions are provided for in the California Redevelopment Law as a result of the Agency's payment to County's Education Revenue Augmentation Fund in Fiscal Years 2004-05 and 2005-06.

REVIEW OF INFORMATION : The staff report and other supporting documents regarding this matter are available for public review at the City Hall between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday. Please contact the Office of the City Clerk at (760) 323-8204 if you would like to schedule an appointment to review these documents.

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James Thompson, City Clerk

Published: 4/18/09

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