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**Title:** CONSIDERATION OF RESOLUTION NO. 18-057 MAKING AN ELECTION FOR THE CITY OF CARSON TO RECEIVE TAX SHARING PAYMENTS FROM THE CARSON REDEVELOPMENT AGENCY PROJECT AREA NO. 1 - 85 ANNEX (CITY COUNCIL)

**Sponsors:**

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**Attachments:** 1. Staff Report Attachment - Carson Res. 18 - 057 Benefit Election PA 1 - 85 Annex, 2. File Summary

Date	Ver.	Action By	Action	Result
5/1/2018	1	City Council		

**Report to Mayor and City Council**

Tuesday, May 01, 2018

Consent

**SUBJECT:**

**CONSIDERATION OF RESOLUTION NO. 18-057 MAKING AN ELECTION FOR THE CITY OF CARSON TO RECEIVE TAX SHARING PAYMENTS FROM THE CARSON REDEVELOPMENT AGENCY PROJECT AREA NO. 1 - 85 ANNEX (CITY COUNCIL)**

**I. SUMMARY**

Pursuant to Health and Safety Code Sections 33607.5, the City of Carson must make an election to receive its share of property tax revenues generated from the Carson Redevelopment Agency project areas. This share represents 25% tax increment pass-through payment authorized by the Health and Safety Code. Staff requests the City Council to approve and adopt attached Resolution No. 18-057 so the City may receive the tax sharing payments.

**II. RECOMMENDATION**

1. WAIVE further reading and ADOPT Resolution No. 18-057, a “RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, MAKING AN ELECTION TO RECEIVE PAYMENTS PURSUANT TO HEALTH AND SAFETY CODE SECTION 33607.5(b) FROM THE CARSON REDEVELOPMENT AGENCY PROJECT AREA NO. 1 - 85 ANNEX.”

2. AUTHORIZE the City Mayor to execute Resolution No. 18-057 after approval as to form by the City Attorney.

1.

### **III. ALTERNATIVES**

1. MODIFY the resolution and APPROVE as modified.
2. TAKE whatever action the City Council deems appropriate.

### **IV. BACKGROUND**

On July 16, 1984, the City Council approved Ordinance No. 84-696 amending the Redevelopment Plan for Project Area 1. Referred to as 1985 Plan Amendment, the ordinance amended the plan by adding approximately 967 acres to the original project area. The property tax revenues for this project area are accounted for under TD 125.06 - RP#1 - 85 Annex by the Office of the Auditor-Controller of the County of Los Angeles.

Several subsequent ordinances were adopted by the City Council amending the Project Area No. 1 redevelopment plan which include the following:

- Ordinance 03-1299 adopted on November 4, 2003 which extended the life of the plan for the 1985 Amendment Area and the time period to collect tax revenues by one year.
- Ordinance No. 06-1362 adopted on October 9, 2006 which eliminated the time limits for incurrence of indebtedness.
- Ordinance No. 07-1378 adopted on May 1, 2007 which extended by one year the life of the plan for the 1985 Amendment Area to July 16, 2026 and the time period to collect tax increment revenues to July 16, 2036.

Health & Safety Code Section 33607.7 provides that if a redevelopment plan is amended to eliminate the time limit on incurring indebtedness and no pass-through agreement exists, the amounts required pursuant to subdivisions (b), (c), (d), and (e) of Section 33607.5 must be paid to each affected taxing entity, including the City. However, in order to receive its share of the twenty-five percent (25%) tax increment payment authorized by Health & Safety Code Section 33607.5(b), the City needs to make an election. According to the Property Tax Apportionment Division of the Department of the Auditor-Controller of the County, they don't have a record of the City's benefit election for Project Area 1-85 Annex. The City was given by the County until May 15, 2018 to submit proof of the benefit election.

The 25% tax increment payment will be additional revenues to the general fund; hence, Staff is recommending to the City Council to make the election to receive the revenues by adopting the attached Resolution No. 18-057

### **V. FISCAL IMPACT**

For FY 2017/18, pass through payments to the City is estimated at \$47,759 which will be additional revenues in the general fund.

**VI.      EXHIBITS**

1. Resolution No. 18-057. (pgs. 3-4)

Prepared by: Trini Catbagan, Controller