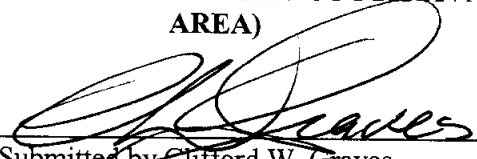





# City of Carson Report to Redevelopment Agency

December 21, 2010  
Special Orders of the Day

**SUBJECT: PUBLIC HEARING TO CONSIDER APPROVING A FUNDING AGREEMENT BY AND BETWEEN THE CARSON REDEVELOPMENT AGENCY AND THE COUNTY OF LOS ANGELES FOR CARSON REDEVELOPMENT AGENCY FINANCING OF CERTAIN IMPROVEMENTS TO THE CARSON SHERIFF'S STATION LOCATED AT 21356 SOUTH AVALON BOULEVARD (CARSON CONSOLIDATED PROJECT AREA)**

  
Submitted by Clifford W. Graves  
Economic Development General Manager

  
Approved by Jerome G. Groomes  
Executive Director

## THIS IS A COMPANION AGENDA ITEM

### I. SUMMARY

The Agency Board of Directors is requested to approve a funding agreement (Agreement) (Exhibit No. 1), by and between the Carson Redevelopment Agency (Agency) and the County of Los Angeles (LA County) which provides for partial Agency financing of certain renovations (Improvements) (Exhibit No. 2) to the Carson Sheriff's Station, located within the Carson Consolidated Project Area.

Pursuant to California Redevelopment Law (CRL), the Agency can pay for the construction costs of publicly-owned buildings if the City Council approves the same and makes certain findings to support its action. By adopting Resolution No. 10-128 (Exhibit No. 3) at a public hearing, the City Council has satisfied Health and Safety Code Sections 33679 and 33445 of the California Redevelopment Law and approved the use of Agency funds for the Improvements.

The Agency is now requested to conduct a public hearing to consider whether to enter into an Agreement to provide \$2,500,000.00 to LA County in support of such renovations.

### II. RECOMMENDATION

TAKE the following actions:

1. OPEN the Public Hearing, TAKE public testimony, and CLOSE the Public Hearing.
2. AUTHORIZE the Agency Chairman to execute the funding agreement following approval as to form by the Agency Counsel.

### III. ALTERNATIVES

1. MODIFY the agreement and APPROVE as modified.
2. TAKE another action the Agency Board deems appropriate.

**IV. BACKGROUND**

The city of Carson (City) agreed to assist LA County with financing the construction of the Improvements to the Carson Sheriff's Station (Sheriff's Station) located at 21356 South Avalon Boulevard, Carson, California 90745, within the Carson Consolidated Project Area (Project Area), formerly Project Area No. 1.

The City's proposed contribution of \$2,500,000.00 would pay for a portion of the entire \$7,200,000.00 project, which LA County cannot finance alone. At the present time, the City does not have sufficient funds from its operating budget, reserves or secured grants and there are no federal, state, or other grant funds available to finance the City's portion of this project.

Because there are no other funding sources available, the City is requesting redevelopment funds to pay for its portion of this much-needed renovation project. In accordance with Health and Safety Code Section 33679 (Exhibit No. 4), the City Council must hold a public hearing regarding the purpose and use of Agency funds, and make a summary report (Exhibit No. 5) regarding the same, available for public review prior to the hearing. Pursuant to Health and Safety Code Section 33445 (Exhibit No. 6), the Agency may, with the consent of the City Council, pay all or part of the costs of the construction of any publicly-owned buildings if the City Council makes certain findings.

By adopting the attached Resolution No. 10-128, the City Council has satisfied Sections 33679 and 33445 of the CRL and approved the use of Agency funds for the Improvements.

The Agency will now consider entering the Agreement with LA County to provide the County with \$2,500,000.00 of warranted financial assistance to facilitate LA County's rehabilitation of the Carson Sheriff's Station pursuant to the terms of the Agreement.

**V. FISCAL IMPACT**

Funds for this transaction, in the amount of \$2,500,000.00, are available in the Carson Consolidated Project Area, and are included in the proposed FY 2010/11 Redevelopment Agency budget.

**VI. EXHIBITS**

1. Funding Agreement. (pgs. 4-8)
2. List of Improvements. (pg. 9)
3. Resolution No. 10-128. (pgs. 10-19)
4. Health and Safety Code Section 33679. (pg. 20)
5. Summary Report. (pgs. 21-25)
6. Health and Safety Code Section 33445. (pgs. 26-27)

Prepared by: William N. Watkins, Redevelopment Project Analyst

sf:Rev061902

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Development Services
Economic Development Services	Public Services

**Action taken by Redevelopment Agency**

Date \_\_\_\_\_ Action \_\_\_\_\_

**FUNDING AGREEMENT FOR VARIOUS IMPROVEMENTS  
AT THE CARSON SHERIFF'S STATION**

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

BY COUNTY OF LOS ANGELES, a body corporate and politic, and a subdivision of the State of California, hereinafter referred to as "County",

AND

CITY OF CARSON, a general law city & municipal corporation, hereinafter referred to as "City."

WITNESSETH:

**WHEREAS**, the City has agreed to make a contribution in the amount of \$2,500,000 (hereafter City Funds) to the County for the proposed construction of various improvements to the Carson Sheriffs Station (hereafter the Project).

**WHEREAS**, on November 25, 2008, the County's Board of Supervisors authorized the Chief Executive Officer to execute a funding agreement to receive \$2,500,000 in funding from the City for the Project;

**NOW, THEREFORE**, in consideration of the mutual promises, covenants and conditions set forth herein the parties hereto agree as follows:

**A. Approved Funding and Costs**

1. The City hereby agrees to provide funding to the County in the total amount of \$2,500,000 (the City's Contribution) towards the total actual cost to construct the Project. City's Contribution shall be the maximum amount contributed towards such actual construction costs, and the County acknowledges and agrees that should the total cost to construct the Project exceed \$7,900,000.00 (the "projected expenditure"), such additional cost shall be born entirely by the County.
2. In the event the projected expenditure to construct the Project is less than \$7,900,000.00, then in that eventuality the County acknowledges and agrees that City's Contribution shall be reduced on a dollar-for-dollar basis below the projected expenditure.

3. The City hereby agrees to wire transfer the entire amount of City's Contribution for the Project to the County within thirty (30) business days of executing a contract for construction of the Project and issuance by the County of the notice to the successful contractor to proceed with the scope of work for the Project.
4. The County hereby agrees that City's Contribution shall be utilized by the County only for payment of hard construction costs associated with the structural improvements at the Carson Sheriff's Station, and the same shall not be used for architectural, engineering, or design and specification expenses, trade fixtures, office furniture, or computer or communications equipment (and related hardware).

**B. The Improvements**

1. Any improvements funded pursuant to this Agreement will be subject to the provisions and requirements of the California Environmental Quality Act (hereafter CEQA). The County shall be fully responsible for compliance with the provisions of CEQA.
2. The mutual goal of the City and the County is to improve the existing Carson Sheriff's Station. This will be accomplished by enlarging the existing station lobby by approximately 7,400 square feet through the provision of a 2-story addition to include a new community room, interview room, and a video visiting room. Approximately 3,700 square feet of the existing station dispatch area, operation offices, and the female locker room will also be remodeled; and a new patio entrance and ramp will be constructed. Total project costs, which include hard construction costs and project soft costs, are currently estimated at \$7.2 million.

**C. Agreement Term**

This Agreement will remain in force until completion of the Project as mutually agreed by the City and the County.

**D. Financial Records**

1. County agrees to maintain satisfactory financial accounts, documents and records of the expenditure of City Funds and to make them available to the City for auditing at reasonable times. County also agrees to retain such financial accounts, documents and records for five (5) years following termination of this Agreement.
2. County agrees to use a generally accepted accounting system. County also agrees to maintain, and make available for City inspection, accurate

records of all of its costs, disbursements and receipts with respect to its activities under this Agreement.

3. At any time during the term of this Agreement or at any time within five (5) years of the expiration or prior termination of this Agreement, authorized representatives of the City may conduct an audit of County's records for the purpose of verifying appropriateness and validity of expenditures of City Funds under the terms of this Agreement. If said audit reveals expenditures that cannot be verified or that were paid in violation of the terms of this Agreement, the City may request that County substitute other funds available to City, or if all City Funds have not yet been paid to County, the City may, in its discretion, reduce its City Funds obligation by an amount equal to such expenditures.

County, within thirty (30) days of notification from the City of its audit findings, may dispute the audit findings in writing to the City and provide the City with records and/or documentation to support the expenditure claims. The City shall review this documentation and make a final determination as to the validity of the expenditures.

#### **E. Notices and Approvals**

All notices and approvals shall be directed to and made by the following representatives of the parties:

- a. To the County: Chief Executive Office  
Capital Projects/Debt Management Division  
Attn; Jan Takata  
Kenneth Hahn Hall of Administration, Room 754  
500 West Temple Street  
Los Angeles, CA 90012
- b. To the City of Carson: City Manager  
701 East Carson Street  
Carson, California 90749

#### **F. Nondiscrimination**

County shall not discriminate against any person on the basis of race, color, sex, sexual orientation, age, religious belief, national origin, marital status, physical or mental handicap, medical condition, or place of residence in the use of the City Funds paid to County pursuant to this Agreement.



**G. Severability**

If any provision of this Agreement, or the application thereof, is held to be invalid, that invalidity shall no affect other provisions or applications of the Agreement that can be given effect without the invalid provision of application, and to this end the provisions of the Agreement are severable.

**H. Effective Date**

The effective date of this Agreement shall be the date of approval by the County's Chief Executive Officer.

IN WITNESS WHEREOF, the City has executed this Funding Agreement, or caused it to be duly executed by its authorized representative, and the County of Los Angeles by order of its Board of Supervisors, has delegated to its Chief Executive Officer the authority to execute this Agreement on its behalf on the date and year written below.

CITY  
City of Carson

By \_\_\_\_\_  
James L. "Jim" Dear  
Mayor

\_\_\_\_\_ Date

APPROVED AS TO FORM FOR THE CITY:

By \_\_\_\_\_  
William W. Wynder  
City Attorney

COUNTY  
County of Los Angeles

By \_\_\_\_\_  
William T Fujioka  
Chief Executive Officer

\_\_\_\_\_ Date

APPROVED AS TO FORM FOR THE COUNTY:

ANDREA SHERIDAN ORDIN  
County Counsel

By \_\_\_\_\_  
Principal Deputy



Description of Improvements and Costs of the  
Sheriff's Station Rehabilitation Project

The project will include the following Improvements: enlarging the existing station lobby by approximately 7,400 square feet through the provision of a 2-story addition to include a new community room, interview room, and a video visiting room. Approximately 3,700 square feet of the existing station dispatch area, operation offices, and the female locker room will also be remodeled; and a new patio entrance and ramp will be constructed.

The total cost of the Sheriff's Station Rehabilitation Project is \$7,200,000.00. The Agency will pay for a portion of the total project cost. The Agency's financial contribution to the Improvements shall not exceed \$2,500,000.00.

RESOLUTION NO. 10-128

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, MAKING CERTAIN FINDINGS AND APPROVING THE CARSON REDEVELOPMENT AGENCY'S FINANCING OF CERTAIN IMPROVEMENTS TO THE CARSON SHERIFF'S STATION, PURSUANT TO HEALTH AND SAFETY CODE SECTIONS 33445 AND 33679

WHEREAS, pursuant to the Community Redevelopment Law of the State of California ("Redevelopment Law"), the City of Carson ("City") has adopted a Redevelopment Plan for the Carson Consolidated Project Area ("Project Area") administered by the Carson Redevelopment Agency ("Agency"); and

WHEREAS, the City desires to assist the County of Los Angeles ("County") by financing a portion of the total cost to construct certain renovations ("Improvements"), as outlined in Exhibit "A" attached hereto, to the Carson Sheriff's Station located at 21356 South Avalon Boulevard, Carson, California 90745, within the Project Area; and

WHEREAS, City general fund and reserves are limited and subject to uncontrollable reductions as a result of diminished sales tax and transient occupancy tax revenue, in addition to recent actions by the State of California ("State") that have taken City funds for State purposes; and

WHEREAS, pursuant to Health and Safety Code Section 33445, the Agency may, with the consent of the City Council, pay all or part of the costs of improvements to public buildings if the City Council makes certain findings; and

WHEREAS, the Agency proposes to finance the Improvements using redevelopment funds, pursuant to a funding agreement ("Agreement") with the County; and

WHEREAS, the Improvements to the Carson Sheriff's Station are of benefit to the Project Area; and

WHEREAS, the Agency has duly considered the impacts the Improvements will have on the Project Area, and believes that no other funds are reasonably available to finance the Improvements and that the completion of the Improvements will assist in the elimination of one or more blighting conditions within the Project Area; and

WHEREAS, City staff has determined that the City's approval of the Agency's financing of the Improvements with tax increment and/or bonds secured by tax increment is not considered a "project" under the California Environmental Quality Act (CEQA) because such approval constitutes only the creation of a funding mechanism or other fiscal action; and

WHEREAS, the County will construct the Improvements and will be fully responsible for ensuring that the project complies with the CEQA Guidelines pertaining to rehabilitation of existing public structures and any applicable federal and local laws; and

[MORE]

EXHIBIT NO. - 3



WHEREAS, in accordance with Health and Safety Code Section 33679 on December 21, 2010 the City Council conducted a duly noticed public hearing to consider this matter; and

WHEREAS, notice of such public hearing was published in the *Our Weekly* on December 9 and December 16, 2010; and

WHEREAS, no later than the time of the first publication of the notice of the public hearing, the Agency made available for public review a Summary Report, also known as a "33679 Report," attached hereto as Exhibit "B" and by this reference incorporated herein (the "Summary Report"), setting forth the information required by Health and Safety Code Section 33679.

NOW, THEREFORE, based on the evidence presented to the City, including the written staff report, the City Council does hereby find, determine and resolve as follows:

**Section 1.** The above recitals are true and correct and incorporated herein by this reference.

**Section 2.** The City Council hereby consents to the Agency's financing of the specified Improvements and finds, in accordance with Health and Safety Code Sections 33445 and 33679, and based on the Summary Report and the findings therein, the staff report accompanying this resolution, the oral presentation of staff and such other written and oral evidence presented to the City Council, the following:

- (i) The Agency's financing of the Improvements is of benefit to the Project Area because the renovated and expanded Sheriff's Station facility will provide the following: new opportunities for programs, community events, and employment; improved meeting and interview facilities; improved access for the disabled; and a safer environment for employees and the public. With the Agency's contribution of funds for the Improvements, the County will be able to rehabilitate the facility to comply with modern standards which contributes to the long term economic development and success of the Project Area; and
- (ii) The City does not have sufficient funds from its operating budget, reserves or secured grants to pay the City's contribution to the construction of the Improvements and there are no federal, state or grant funds available to fund the City's share of the project such that there are no other available funds to finance the City's share of the Improvements. Thus, without redevelopment funding this project will not be completed as planned; and
- (iii) The Agency's financing of the Improvements will assist in the elimination of blighting conditions by rehabilitating and modernizing an old, deteriorated, substandard and outdated facility that currently fails to provide adequate access for the disabled and fails to meet current building code requirements; and

[MORE]



- (iv) The Agency's financing of the Improvements is consistent with the Agency's Five-Year Implementation Plan 2010-2014 and the Redevelopment Plan for the Project Area both of which were amended in 2010 to add the Carson Sheriff's Station Rehabilitation Project to the existing public improvements project list.

**Section 3.** The Agreement and the instruments referenced therein are hereby approved for execution and delivery by the Executive Director of the Agency and/or any other authorized officers with such changes or modifications as the Executive Director of the Agency and/or any such other authorized officers may deem necessary (as conclusively evidenced by the execution thereof) to effectuate its purpose. The Secretary of the Agency is hereby authorized to attest to the Agreement and such instruments.

**Section 4.** The Executive Director of the Agency and/or any other authorized officers are hereby authorized to take such actions, perform such deeds, and execute, acknowledge and deliver such instruments and documents as they deem necessary to effectuate the transactions contemplated under the Agreement.

**Section 5.** This resolution will take effect upon adoption.

**PASSED, APPROVED, and ADOPTED** this 21st day of December, 2010.

---

Mayor Jim Dear

ATTEST:

---

City Clerk Helen S. Kawagoe

APPROVED AS TO FORM:

---

City Attorney

**EXHIBIT "A"**

**To Resolution No. 10-128**

**Improvements**

Improvements to be funded with Carson Redevelopment Agency financing:

Enlarging the existing station lobby by approximately 7,400 square feet through the provision of a 2-story addition to include a new community room, interview room, and a video visiting room. Approximately 3,700 square feet of the existing station dispatch area, operation offices, and the female locker room will also be remodeled; and a new patio entrance and ramp will be constructed.

The total cost of the Sheriff's Station Rehabilitation Project is \$7,200,000.00. The Agency will pay for a portion of the total project cost. The Agency's financial contribution to the Improvements shall not exceed \$2,500,000.00.

**EXHIBIT "B"**

**To Resolution No. 10-128**

**Summary Report**

## SUMMARY REPORT

### CARSON REDEVELOPMENT AGENCY FINANCING OF IMPROVEMENTS TO THE CARSON SHERIFF'S STATION, PURSUANT TO SECTIONS 33445 AND 33679 OF THE CALIFORNIA COMMUNITY REDEVELOPMENT LAW



Prepared by:

Carson Redevelopment Agency  
1 Civic Plaza, Suite 500  
Carson, California 90745  
(310) 233-4800

December 9, 2010

# CARSON REDEVELOPMENT AGENCY

## Summary Report Carson Sheriff's Station Rehabilitation Project

### INTRODUCTION

The following summary report (Summary Report or Report) has been prepared pursuant to Sections 33445 and 33679 of the California Health and Safety Code/Community Redevelopment Law (CRL). As described below, the City's contribution to the proposed improvements to be made to the Carson Sheriff's Station is subject to the findings of Section 33445 and 33679, because the City's contribution will be financed by Carson Redevelopment Agency (Agency) funds from the Carson Consolidated Project Area (Project Area).

### LEGISLATIVE REQUIREMENTS

Section 33679 of the CRL states that before a redevelopment agency commits to use any portion of taxes to be allocated and paid to the agency pursuant to subdivision (b) of Section 33670 of the CRL (tax increment financing) for the purpose of paying all or part of the value of land for, and/or the cost of the installation and construction of, any publicly- owned building, other than parking facilities, the legislative body must first hold a public hearing and make certain findings.

Notice of the time and place of public hearing shall be published in a newspaper of general circulation in the community for at least two successive weeks prior to the public hearing. There shall be available for public inspection and copying, at a cost not to exceed the cost of duplication, a summary, which includes the following:

- (a) Estimates of the amount of such property taxes proposed to be used to pay for such land and construction of any publicly owned building, including interest payments.
- (b) Sets forth the facts supporting the determinations required to be made by the legislative body pursuant to Section 33445.
- (c) Sets forth the redevelopment purpose for which such taxes are being used to pay for the land and/or construction of such publicly owned buildings.

The summary shall be made available to the public for inspection and copying no later than the time of the first publication of the notice of the public hearing.

CRL Section 33445 states that an agency may, with the consent of the legislative body, pay all or a part of the value of the land for and the construction of any building, facility or structure, or other improvement which is publicly owned either within or without the project area, if the legislative body determines all of the following:



- (1) That the buildings, facilities, structures, or other improvements that are publicly owned and located within the project area, are of benefit to the project area by helping to eliminate blight within the project area.
- (2) That no other reasonable means of financing the buildings, facilities, structures, or other improvements, that are publicly owned, are available to the community.
- (3) That the payment of funds for the acquisition of land or cost of buildings, facilities, structures, or other improvements, that are publicly owned, are consistent with the implementation plan adopted pursuant to CRL Section 33490 and is provided for in the applicable Redevelopment Plan.

## **BACKGROUND**

The City of Carson (City) agreed to contribute \$2,500,000.00, a portion of the total cost, to the County of Los Angeles (LA County) for construction of various renovations (Improvements) to the Carson Sheriff's Station (Sheriff's Station) located at 21356 South Avalon Boulevard, Carson, California 90745, within the Carson Consolidated Project Area, which was formerly known as Project Area No. 1. At the present time, the City lacks the funds necessary to pay for the Improvements.

During its meeting on December 21, 2010, the Agency Board/City Council will consider approving the use of Agency tax-exempt bond funds to pay for the City's portion of the Improvements to the Sheriff's Station.

The Agency has nearly completed the process to approve amendments (2010 Amendments) to the redevelopment plans for its three existing project areas: Project Area No. 1, the Merged and Amended Project Area, and Project Area No. 4. The 2010 Amendments would merge the three existing project areas into a single project area (Carson Consolidated Project Area) and add the Carson Sheriff's Station rehabilitation project to the existing public improvement project list for Project Area No. 1. The public response period for the 2010 Amendments ends in January of 2011. Thus, approval for Agency financing of improvements to the Carson Sheriff's Station is contingent upon the final approval and adoption of the 2010 Amendments, as evidenced by an uncontested response period.

This Summary Report outlines certain project information and findings that must be made prior to Agency financing of the Improvements:

- 1. Cost of the Project Including Estimate of Agency Financing:** This section details the total cost to the Agency associated with financing the Improvements.

The Agency will provide \$2,500,000.00 of tax-exempt bond funds to LA County to pay for a portion of the Improvements to the Sheriff's Station. LA County will construct the Improvements and pay the remainder of the \$7,200,000.00 total project costs.

The Agency is estimated to pay 4.5% interest on the bond funds until the year 2036, for a total interest cost of \$2,275,000.00. Thus, the total cost to the Agency of financing the project, including interest, is \$4,775,000.00.

- 2. Purpose, Benefit to the Project Area and Blight Elimination:** This section describes the existing blighting conditions impacting the Site and explains how the Project will alleviate the blighting influences and its benefit to the Project Area and surrounding area.

The Agency intends to utilize redevelopment funds to assist in the rehabilitation of the Sheriff's Station to eliminate blighting influences. The Sheriff's Station, built in 1974, is 36 years old and is deteriorated, substandard and outdated, given present standards. The facility fails to provide adequate access for the disabled and fails to meet current building code requirements. The existing facility's lobby, community room, interview room, dispatch area, operation offices, and the female locker room are inadequate and require extensive renovation.

Redevelopment funds are requested to complete the following improvements: enlarging the existing station lobby by approximately 7,400 square feet through the provision of a 2-story addition to include a new community room, interview room, and a video visiting room. Approximately 3,700 square feet of the existing station dispatch area, operation offices, and the female locker room will also be remodeled; and a new patio entrance and ramp will be constructed.

The renovated and expanded facility will provide the following: new opportunities for programs, community events, and employment; improved meeting and interview facilities; improved access for the disabled; and a safer environment for employees and the public. With the Agency's contribution of funds for the Sheriff's Station Improvements, LA County will be able to rehabilitate the facility to comply with modern standards.

Construction of the project will be performed by LA County. LA County will be fully responsible for ensuring that the project complies with the California Environmental Quality Act (CEQA) Guidelines and all other applicable laws pertaining to rehabilitation of existing public structures.

- 3. Conformance with Five-Year Implementation Plan:** This section describes how the Project is provided for in the existing Redevelopment Plan and how it will achieve the goals identified in the Agency's adopted Five-Year Implementation Plan 2010-2014, as amended, (Implementation Plan).

The 2010 Amendments modify the Redevelopment Plan by adding the Carson Sheriff's Station Rehabilitation Project to the existing public improvement project list for Project Area No. 1. In addition, the Implementation Plan was amended as part of the 2010 Amendments process. In support of the Implementation Plan, the Sheriff's Station rehabilitation project will address the following blighting conditions and goals identified in the Implementation Plan:

- a. Removal or renovation of buildings which are unsafe or unhealthy.
  - b. Replanning, redesign and redevelopment of portions of the Project Area to enhance the image of the Project Area and to create a sense of identity.
  - c. Deteriorated, dilapidated, and/or unsafe buildings and structures that are in need of moderate to extensive repairs.
  - d. Improve inadequate public improvements, infrastructure or community facilities.
  - e. Properties that suffer from economic maladjustment, dislocation, disuse, and substandard design.
  - f. Elimination of blighting influences within the Project Area.
4. **Methods of Financing Available:** This section reviews the project's existing budget and potential funding sources. This section demonstrates that there is no other reasonable method of financing the Project other than redevelopment financing.

The total project cost, including architecture and other professional services and permit fees is \$7,200,000.00. The City has agreed to contribute \$2,500,000.00 to pay for a portion of the total project costs as LA County cannot pay the entire project cost. At the present time, the City does not have sufficient funds from its operating budget, reserves or secured grants to fund the completion of the project. Nor are there federal, state or grant funds available for the City's portion of this project. Accordingly, without redevelopment funding this project will not be completed as planned.

## CONCLUSION

The Agency Board/City Council must conduct a public hearing pursuant to Health and Safety Code Section 33679, make the Health and Safety Code Section 33445 findings outlined above and consent to the use and expenditure of Agency funds to improve the Carson Sheriff's Station.

**33679.            Agency Payment for Public Buildings – Public Hearing Requirements**

Before an agency commits to use the portion of taxes to be allocated and paid to an agency pursuant to subdivision (b) of Section 33670 for the purpose of paying all or part of the value of the land for, and the cost of the installation and construction of, any publicly owned building, other than parking facilities, the legislative body shall hold a public hearing.

Notice of the time and place of the public hearing shall be published in a newspaper of general circulation in the community for at least two successive weeks prior to the public hearing. There shall be available for public inspection and copying, at a cost not to exceed the cost of duplication, a summary which includes all of the following:

- (a) Estimates of the amount of such taxes proposed to be used to pay for such land and construction of any publicly owned building, including interest payments.
- (b) Sets forth the facts supporting the determinations required to be made by the legislative body pursuant to Section 33445.
- (c) Sets forth the redevelopment purpose for which such taxes are being used to pay for the land and construction of such publicly owned building.

The summary shall be made available to the public for inspection and copying no later than the time of the first publication of the notice of the public hearing.

## SUMMARY REPORT

# CARSON REDEVELOPMENT AGENCY FINANCING OF IMPROVEMENTS TO THE CARSON SHERIFF'S STATION, PURSUANT TO SECTIONS 33445 AND 33679 OF THE CALIFORNIA COMMUNITY REDEVELOPMENT LAW



Prepared by:

Carson Redevelopment Agency  
1 Civic Plaza, Suite 500  
Carson, California 90745  
(310) 233-4800

December 9, 2010

# CARSON REDEVELOPMENT AGENCY

## Summary Report Carson Sheriff's Station Rehabilitation Project

### INTRODUCTION

The following summary report (Summary Report or Report) has been prepared pursuant to Sections 33445 and 33679 of the California Health and Safety Code/Community Redevelopment Law (CRL). As described below, the City's contribution to the proposed improvements to be made to the Carson Sheriff's Station is subject to the findings of Section 33445 and 33679, because the City's contribution will be financed by Carson Redevelopment Agency (Agency) funds from the Carson Consolidated Project Area (Project Area).

### LEGISLATIVE REQUIREMENTS

Section 33679 of the CRL states that before a redevelopment agency commits to use any portion of taxes to be allocated and paid to the agency pursuant to subdivision (b) of Section 33670 of the CRL (tax increment financing) for the purpose of paying all or part of the value of land for, and/or the cost of the installation and construction of, any publicly- owned building, other than parking facilities, the legislative body must first hold a public hearing and make certain findings.

Notice of the time and place of public hearing shall be published in a newspaper of general circulation in the community for at least two successive weeks prior to the public hearing. There shall be available for public inspection and copying, at a cost not to exceed the cost of duplication, a summary, which includes the following:

- (a) Estimates of the amount of such property taxes proposed to be used to pay for such land and construction of any publicly owned building, including interest payments.
- (b) Sets forth the facts supporting the determinations required to be made by the legislative body pursuant to Section 33445.
- (c) Sets forth the redevelopment purpose for which such taxes are being used to pay for the land and/or construction of such publicly owned buildings.

The summary shall be made available to the public for inspection and copying no later than the time of the first publication of the notice of the public hearing.

CRL Section 33445 states that an agency may, with the consent of the legislative body, pay all or a part of the value of the land for and the construction of any building, facility or structure, or other improvement which is publicly owned either within or without the project area, if the legislative body determines all of the following:

- (1) That the buildings, facilities, structures, or other improvements that are publicly owned and located within the project area, are of benefit to the project area by helping to eliminate blight within the project area.
- (2) That no other reasonable means of financing the buildings, facilities, structures, or other improvements, that are publicly owned, are available to the community.
- (3) That the payment of funds for the acquisition of land or cost of buildings, facilities, structures, or other improvements, that are publicly owned, are consistent with the implementation plan adopted pursuant to CRL Section 33490 and is provided for in the applicable Redevelopment Plan.

## BACKGROUND

The City of Carson (City) agreed to contribute \$2,500,000.00, a portion of the total cost, to the County of Los Angeles (LA County) for construction of various renovations (Improvements) to the Carson Sheriff's Station (Sheriff's Station) located at 21356 South Avalon Boulevard, Carson, California 90745, within the Carson Consolidated Project Area, which was formerly known as Project Area No. 1. At the present time, the City lacks the funds necessary to pay for the Improvements.

During its meeting on December 21, 2010, the Agency Board/City Council will consider approving the use of Agency tax-exempt bond funds to pay for the City's portion of the Improvements to the Sheriff's Station.

The Agency has nearly completed the process to approve amendments (2010 Amendments) to the redevelopment plans for its three existing project areas: Project Area No. 1, the Merged and Amended Project Area, and Project Area No. 4. The 2010 Amendments would merge the three existing project areas into a single project area (Carson Consolidated Project Area) and add the Carson Sheriff's Station rehabilitation project to the existing public improvement project list for Project Area No. 1. The public response period for the 2010 Amendments ends in January of 2011. Thus, approval for Agency financing of improvements to the Carson Sheriff's Station is contingent upon the final approval and adoption of the 2010 Amendments, as evidenced by an uncontested response period.

This Summary Report outlines certain project information and findings that must be made prior to Agency financing of the Improvements:

- 1. Cost of the Project Including Estimate of Agency Financing:** This section details the total cost to the Agency associated with financing the Improvements.

The Agency will provide \$2,500,000.00 of tax-exempt bond funds to LA County to pay for a portion of the Improvements to the Sheriff's Station. LA County will construct the Improvements and pay the remainder of the \$7,200,000.00 total project costs.

The Agency is estimated to pay 4.5% interest on the bond funds until the year 2036, for a total interest cost of \$2,275,000.00. Thus, the total cost to the Agency of financing the project, including interest, is \$4,775,000.00.

- 2. Purpose, Benefit to the Project Area and Blight Elimination:** This section describes the existing blighting conditions impacting the Site and explains how the Project will alleviate the blighting influences and its benefit to the Project Area and surrounding area.

The Agency intends to utilize redevelopment funds to assist in the rehabilitation of the Sheriff's Station to eliminate blighting influences. The Sheriff's Station, built in 1974, is 36 years old and is deteriorated, substandard and outdated, given present standards. The facility fails to provide adequate access for the disabled and fails to meet current building code requirements. The existing facility's lobby, community room, interview room, dispatch area, operation offices, and the female locker room are inadequate and require extensive renovation.

Redevelopment funds are requested to complete the following improvements: enlarging the existing station lobby by approximately 7,400 square feet through the provision of a 2-story addition to include a new community room, interview room, and a video visiting room. Approximately 3,700 square feet of the existing station dispatch area, operation offices, and the female locker room will also be remodeled; and a new patio entrance and ramp will be constructed.

The renovated and expanded facility will provide the following: new opportunities for programs, community events, and employment; improved meeting and interview facilities; improved access for the disabled; and a safer environment for employees and the public. With the Agency's contribution of funds for the Sheriff's Station Improvements, LA County will be able to rehabilitate the facility to comply with modern standards.

Construction of the project will be performed by LA County. LA County will be fully responsible for ensuring that the project complies with the California Environmental Quality Act (CEQA) Guidelines and all other applicable laws pertaining to rehabilitation of existing public structures.

- 3. Conformance with Five-Year Implementation Plan:** This section describes how the Project is provided for in the existing Redevelopment Plan and how it will achieve the goals identified in the Agency's adopted Five-Year Implementation Plan 2010-2014, as amended, (Implementation Plan).

The 2010 Amendments modify the Redevelopment Plan by adding the Carson Sheriff's Station Rehabilitation Project to the existing public improvement project list for Project Area No. 1. In addition, the Implementation Plan was amended as part of the 2010 Amendments process. In support of the Implementation Plan, the Sheriff's Station rehabilitation project will address the following blighting conditions and goals identified in the Implementation Plan:

- a. Removal or renovation of buildings which are unsafe or unhealthy.
  - b. Replanning, redesign and redevelopment of portions of the Project Area to enhance the image of the Project Area and to create a sense of identity.
  - c. Deteriorated, dilapidated, and/or unsafe buildings and structures that are in need of moderate to extensive repairs.
  - d. Improve inadequate public improvements, infrastructure or community facilities.
  - e. Properties that suffer from economic maladjustment, dislocation, disuse, and substandard design.
  - f. Elimination of blighting influences within the Project Area.
- 4. Methods of Financing Available:** This section reviews the project's existing budget and potential funding sources. This section demonstrates that there is no other reasonable method of financing the Project other than redevelopment financing.

The total project cost, including architecture and other professional services and permit fees is \$7,200,000.00. The City has agreed to contribute \$2,500,000.00 to pay for a portion of the total project costs as LA County cannot pay the entire project cost. At the present time, the City does not have sufficient funds from its operating budget, reserves or secured grants to fund the completion of the project. Nor are there federal, state or grant funds available for the City's portion of this project. Accordingly, without redevelopment funding this project will not be completed as planned.

## CONCLUSION

The Agency Board/City Council must conduct a public hearing pursuant to Health and Safety Code Section 33679, make the Health and Safety Code Section 33445 findings outlined above and consent to the use and expenditure of Agency funds to improve the Carson Sheriff's Station.

33445.

**Agency's Authority to Pay for Public Improvements**

(a) Notwithstanding Section 33440, an agency may, with the consent of the legislative body, pay all or a part of the value of the land for and the cost of the installation and construction of any building, facility, structure, or other improvement that is publicly owned either within or without the project area, if the legislative body determines all of the following:

(1) That the buildings, facilities, structures, or other improvements are of benefit to the project area or the immediate neighborhood in which the project is located, regardless of whether the improvement is within another project area, or in the case of a project area in which substantially all of the land is publicly owned that the improvement is of benefit to an adjacent project area of the agency.

(2) That no other reasonable means of financing the buildings, facilities, structures, or other improvements, are available to the community.

(3) That the payment of funds for the acquisition of land or the cost of buildings, facilities, structures, or other improvements will assist in the elimination of one or more blighting conditions inside the project area or provide housing for low- or moderate-income persons, and is consistent with the implementation plan adopted pursuant to Section 33490.

(b) The determinations by the agency and the local legislative body pursuant to subdivision (a) shall be final and conclusive. For redevelopment plans, and amendments to those plans which add territory to a project, adopted after October 1, 1976, acquisition of property and installation or construction of each facility shall be provided for in the redevelopment plan. A redevelopment agency shall not pay for the normal maintenance or operations of buildings, facilities, structures, or other improvements that are publicly owned. Normal maintenance or operations do not include the construction, expansion, addition to, or reconstruction of, buildings, facilities, structures, or other improvements that are publicly owned otherwise undertaken pursuant to this section.

(c) When the value of the land or the cost of the installation and construction of the building, facility, structure, or other improvement, or both, has been, or will be, paid or provided for initially by the community or other public corporation, the agency may enter into a contract with the community or other public corporation under which it agrees to reimburse the community or other public corporation for all or part of the value of the land or all or part of the cost of the building, facility, structure, or other improvement, or both, by periodic payments over a period of years.

(d) The obligation of the agency under the contract shall constitute an indebtedness of the agency for the purpose of carrying out the redevelopment project for the project area, which indebtedness may be made payable out of taxes levied in the project area and allocated to the agency under subdivision (b) of Section 33670 or out of any other available funds.

(e) In a case where the land has been or will be acquired by, or the cost of the installation and construction of the building, facility, structure, or other improvement has been paid by, a parking authority, joint powers entity, or other public corporation to provide a building, facility, structure, or other improvement that has been or will be leased to the community, the contract may be made with, and the reimbursement may be made payable to, the community.

(f) With respect to the financing, acquisition, or construction of a transportation, collection, and distribution system and related peripheral parking facilities, in a county with a population of 4,000,000 persons or more, the agency shall, in order to exercise the powers granted by this section, enter into an agreement with the rapid transit district that includes the county, or a portion thereof, in which agreement the rapid transit district shall be given all of the following responsibilities:

(1) To participate with the other parties to the agreement to design, determine the location and extent of the necessary rights-of-way for, and construct, the transportation, collection, and distribution systems and related peripheral parking structures and facilities.

(2) To operate and maintain the transportation, collection, and distribution systems and related peripheral parking structures and facilities in accordance with the rapid transit district's outstanding agreements and the agreement required by this paragraph.

(g) (1) Notwithstanding any other authority granted in this section, an agency shall not pay for, either directly or indirectly, with tax increment funds the construction, including land acquisition, related site clearance, and design costs, or rehabilitation of a building that is, or that will be used as, a city hall or county administration building.

(2) This subdivision shall not preclude an agency from making payments to construct, rehabilitate, or replace a city hall if an agency does any of the following:

(A) Allocates tax increment funds for this purpose during the 1988-89 fiscal year and each fiscal year thereafter in order to comply with federal and state seismic safety and accessibility standards.

(B) Uses tax increment funds for the purpose of rehabilitating or replacing a city hall that was seriously damaged during an earthquake that was declared by the President of the United States to be a natural disaster.

(C) Uses the proceeds of bonds, notes, certificates of participation, or other indebtedness that was issued prior to January 1, 1994, for the purpose of constructing or rehabilitating a city hall, as evidenced by documents approved at the time of the issuance of the indebtedness.