

AGREEMENT WITH THE CARSON REDEVELOPMENT AGENCY IN CONNECTION THEREWITH."

3. AUTHORIZE the Mayor to execute the Cooperation Agreement following approval as to form by the City Attorney.

III. ALTERNATIVES

1. MODIFY and APPROVE the Cooperation Agreement as the City Council may require.
2. TAKE another action the City Council deems appropriate.

IV. BACKGROUND

In June 2003, the Agency Board adopted three resolutions authorizing the Agency Chairman to execute separate cooperation agreements for each of the three redevelopment project areas (Project Area No. 1, Merged and Amended Project Area, and Project Area No. 4) (Exhibit No. 4). In the past, each project area was considered a separate fiscal entity, thereby requiring a separate resolution and cooperation agreement for each of the three redevelopment project areas. The purpose of the cooperation agreements was to ensure that the Agency repaid costs paid by the City on its behalf and would be able to capture future tax increment growth and that the Agency, not the City, funded the costs to acquire land and to construct and install certain public improvements, as described in each agreement.

On October 11, 2010, the City Council adopted Ordinance No. 10-1459 (Exhibit No. 5), thereby consolidating its three project areas into the Carson Consolidated Redevelopment Project Area (Project Area).

Pursuant to CRL and the California Health and Public Safety Code, a redevelopment agency may have access to the services and facilities of a city in furtherance of the activities and function of the agency. CRL also provides that the agency may reimburse the city for actions undertaken and costs and expenses incurred by the city for and on behalf of the agency. Generally, the Agency has agreed to pay and/or reimburse the City, with interest, an amount equal to all expenditures made and obligations and liabilities incurred by the City on the Agency's behalf.

The Cooperation Agreement allows the Agency to report, as debt, the costs associated with specific projects identified in the Infrastructure and Facility Projects List (attached as Exhibit A to the Cooperation Agreement) that benefit the Project Area. This updated project list reflects the City's current budget and Capital Improvement Plan. CRL requires that a redevelopment agency establish debt as a condition of collecting available tax increment. If the debt listed on the annual Statement of Indebtedness (SOI) submitted to the County Auditor-Controller's Office is less than the available tax increment generated by the Project Area, only the amount listed as debt can be claimed by the Agency.