

# Ordinance Fact Sheet

TO: CITY COUNCIL

DATE: June 23, 2003

FROM: CITY ATTORNEY

TITLE OF PROPOSED ORDINANCES:

(1) AN ORDINANCE OF THE CITY OF PASADENA REPEALING THE TIME LIMIT FOR ESTABLISHING LOANS, ADVANCES OR INDEBTEDNESS FOR THE REDEVELOPMENT PLAN FOR THE FAIR OAKS REDEVELOPMENT PROJECT FOR THE ORIGINAL PROJECT AREA AND THE ADDED PROJECT AREA

(2) AN ORDINANCE OF THE CITY OF PASADENA REPEALING THE TIME LIMIT FOR ESTABLISHING LOANS, ADVANCES OR INDEBTEDNESS FOR THE REDEVELOPMENT PLAN FOR THE LAKE/WASHINGTON REDEVELOPMENT PROJECT

(3) AN ORDINANCE OF THE CITY OF PASADENA REPEALING THE TIME LIMIT FOR ESTABLISHING LOANS, ADVANCES OR INDEBTEDNESS FOR THE REDEVELOPMENT PLAN FOR THE VILLA-PARKE REDEVELOPMENT PROJECT

(4) AN ORDINANCE OF THE CITY OF PASADENA REPEALING THE TIME LIMIT FOR ESTABLISHING LOANS, ADVANCES OR INDEBTEDNESS FOR THE REDEVELOPMENT PLAN FOR THE LINCOLN AVENUE REDEVELOPMENT PROJECT

(5) AN ORDINANCE OF THE CITY OF PASADENA REPEALING THE TIME LIMIT FOR ESTABLISHING LOANS, ADVANCES OR INDEBTEDNESS FOR THE REDEVELOPMENT PLAN FOR THE ORANGE GROVE REDEVELOPMENT PROJECT

PURPOSE OF ORDINANCES: The purpose of these ordinances is to repeal the existing debt incurrence time limit established in each respective redevelopment plan for the following redevelopment projects: Fair Oaks, Lake/Washington, Villa-Parke, Lincoln Avenue and Orange Grove. The City Council directed preparation of these ordinances.

68863.1

MEETING OF 6/23/2003

AGENDA ITEM NO. 9.A.1. - 5

REASONS WHY LEGISLATION IS NEEDED: In October 2001, Governor Gray Davis signed into law Senate Bill 211 which authorized redevelopment agencies to adopt an ordinance to repeal the time limit for making loans and establish debt for all project areas approved prior to 1994. SB 211 provides a summary procedure which would not require that the City comply with the normal procedures for amending redevelopment plans. (Health and Safety Code §33354.6).

Repeal of the debt limit for each of the respective projects would provide the Pasadena Community Development Commission with additional time to incur debt and make loans to assist future redevelopment projects.

PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED: The Planning Department will be responsible for implementing this ordinance. The repeal of the time limit for making loans and establishing debt would trigger the statutory pass through payments to affected County- taxing entities, such as Fire, Library, Flood, etc.

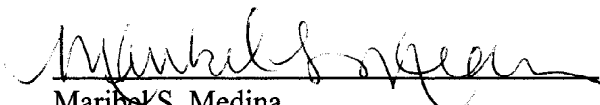
FISCAL IMPLICATIONS: This action will have no impact on the general fund. However, the repeal of the existing limits would allow the Community Development Commission to realize a bonding capacity ranging from \$7,716,000 in FY 2003 to a maximum of \$18,614,00 in FY 2015 for all five redevelopment project areas.

POLICY CHANGES: The redevelopment plans for the five identified project areas will only be amended with respect to the time limits for incurring indebtedness. The plans will otherwise remain unchanged.

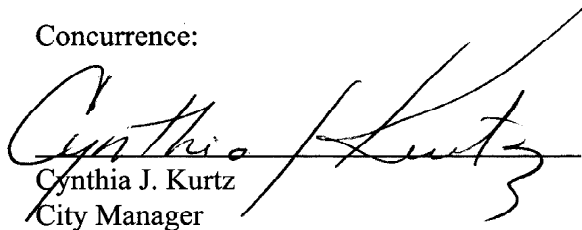
Respectfully submitted,

  
MICHELE BEAL BAGNERIS  
City Attorney

Prepared by:

  
Maribel S. Medina  
Assistant City Attorney

Concurrence:

  
Cynthia J. Kurtz  
City Manager

Introduced by Council member \_\_\_\_\_

**ORDINANCE NO.**

**AN ORDINANCE OF THE CITY OF PASADENA REPEALING THE TIME LIMIT FOR ESTABLISHING LOANS, ADVANCES OR INDEBTEDNESS FOR THE ORANGE GROVE REDEVELOPMENT PROJECT**

**WHEREAS**, the City Council of the City of Pasadena, California adopted Ordinance No. 5103 on January 23, 1973 by passing, approving and adopting the Redevelopment Plan for the Orange Grove Redevelopment Project and such plan was amended on May 1, 1979 by Ordinance No. 5418 and further amended on December 22, 1986 by Ordinance No. 6193, and on December 15, 1999 by Ordinance No. 6812; and

**WHEREAS**, pursuant to Ordinance No. 6812 adopted on December 15, 1999, the Redevelopment Plan is effective until January 23, 2013; and

**WHEREAS**, California health and Safety Code Section 33333.6(c) prohibits the Commission from repaying indebtedness or receiving tax increment funds for more than ten (10) years beyond the time limit established for the effectiveness of the Redevelopment Plan; and

**WHEREAS**, pursuant to adopted Redevelopment Plan, the Commission shall not pay indebtedness or receive property taxes pursuant to California health and Safety Code Section 33670 after January 23, 2013; and

**WHEREAS**, SB 211 amended Section 33333.6(e) of the California Health and Safety Code to permit a legislative body to adopt an ordinance to eliminate the time limit on the establishment of loans, advances, and indebtedness required by that section, without complying with the procedural requirements for amending the redevelopment plans as set forth in Section 33000 et seq of the California Health and Safety Code.

**WHEREAS**, Section 33333.6(e) provides that in adopting an ordinance eliminating the time limit on the establishment of loans, advances, and indebtedness, the redevelopment agency shall make the payment to affected taxing entities required by Section 33607.7; and

**WHEREAS**, the Community Development Commission is designated as the agency to carry out, in the City of Pasadena, the functions and requirements of the California Redevelopment Law and to implement the Redevelopment Plan.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PASADENA CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1.** The Redevelopment Plan for the Orange Grove Redevelopment Project is hereby amended to eliminate the existing time limit for the Agency to establish or incur loans, advances or indebtedness to finance the Project. Specifically, Section 702 the Redevelopment Plan adopted on January 23, 1973 is hereby amended by inserting the following new paragraph as paragraph 3 to read:

“The time limitation restricting the Commission’s ability to establish or incur loans, advances or indebtedness to finance the Project, shall be January 23, 2013. However, the Agency may not repay indebtedness or receive tax increments after ten (10) years from the termination of the Redevelopment Plan established in Section 800. This limit shall not prevent the Commission from incurring debt to be paid from the Low and Moderate Income Housing Fund or establishing more debt in order to fulfill the Commission’s housing obligations under California Health and Safety Code Section 33413, or as otherwise allowed by State Law.”

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**SECTION 2.** In connection with the amendment to the Redevelopment Plan approved and adopted pursuant to this Ordinance, the Commission shall make the payments to affected taxing entities required by Section 33607.7 of the California Health and Safety Code.

**SECTION 3.** Ordinance Number 5103 as amended by Ordinances 5418, 6193 and 6812 are continued in full force and effect as amended by this Ordinance.

**SECTION 4.** The City Clerk shall send a certified copy of this Ordinance to the Commission, whereupon the Commission is vested with the responsibility for carrying out the Redevelopment Plan as amended by this Ordinance.

**SECTION 5.** If any part of this Ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portion of this Ordinance, and this City Council hereby declares that it would have passed the remainder of this Ordinance if such invalid portion thereof had been deleted.

**SECTION 6.** This Ordinance shall be in full force and effect thirty (30) days after its passage.

**SECTION 7.** The City Clerk shall certify the adoption of this ordinance and shall cause this ordinance to be published in its entirety.

Signed and approved this \_\_\_\_\_ day of \_\_\_\_\_, 2003.

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Bill Bogaard  
Mayor of the City of Pasadena

I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Council of the City of Pasadena at its meeting held on the \_\_\_\_ day of \_\_\_\_\_ 2003 by the following vote:

AYES:

NOES:

ABSENT:

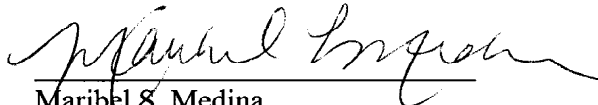
ABSTAIN:

Published:

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Jane L. Rodriguez, CMC  
City Clerk

APPROVED AS TO FORM:

  
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Maribel S. Medina  
Assistant City Attorney