



AGENDA SUMMARY PAGE

REDEVELOPMENT AGENCY MEETING OF: JUNE 17, 2009

DEPARTMENT: OFFICE OF BUSINESS DEVELOPMENT

DIRECTOR: BILL ARENT, ACTING

SUBJECT:
RESOLUTIONS:

RA-12-2009 Discussion and possible action regarding a Resolution authorizing the issuance of the Taxable Tax Increment Subordinate Lien Note from the Redevelopment Agency (RDA) to WMCI Associates, LLC (World Market Center), located at 213 South Grand Central Parkway, and providing for all matters related thereto (\$2,663,073 - RDA Special Revenue Fund) - Ward 5 (Barlow)

Fiscal Impact

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No Impact

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Augmentation Required

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Budget Funds Available

Amount: \$2,663,073

Funding Source: RDA Special Revenue Fund

Dept./Division: OBD/RDA

PURPOSE/BACKGROUND:

The RDA entered into an Owner Participation Agreement (OPA) on September 18, 2002, to provide Tax Increment Financing (TIF) to compensate for public improvements constructed by World Market Center as part of the project. Taxable tax increment subordinate lien notes have been issued on the first and second completed building. The third building and garage are now complete. Staff has determined that the developer is in compliance with the terms and conditions of the Owner Participation Agreement. The term of this note is for the remaining term of the original Note, which is June 2025. The principal amount of the Note for the garage has been calculated to be \$2,663,073 with an annual payment of \$262,619 paid from Available Accrued Taxes from the Project. Approval of the original OPA by Council in 2002 allows the TIF Note process for this project to move forward.

RECOMMENDATION:

Approval.

BACKUP DOCUMENTATION:

1. Resolution RA-12-2009
2. Disclosure of Principals
3. Site Map
4. Submitted after Meeting Executed Taxable Tax Increment Subordinate Lien Note

Motion made by GARY REESE to Approve

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Passed For: 6; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 1

DAVID W. STEINMAN, LOIS TARKANIAN, STEVE WOLFSON, OSCAR B. GOODMAN, GARY REESE, STEVEN D. ROSS; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-RICKI Y. BARLOW)

Minutes:

BILL ARENT, Acting Operations Officer of the Redevelopment Agency (RDA), stated the item originates from the original Owner Participation Agreement approved in 2002. This Tax Increment Financing note is for the parking garage built to support all three buildings on the site. It is situated on a separate parcel and has a different taxable value.

JOHN LELEU, General Counsel for World Market Center, 495 Grand Central Parkway, thanked staff for their favorable recommendation.

On behalf of MEMBER BARLOW, MEMBER REESE thanked World Market Center for what has been done at this location.

