

STAFF REPORT
Lancaster Redevelopment Agency
City of Lancaster

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02/08/11
MVB

Date: February 8, 2011

To: Chairman Parris and Agency Directors
Mayor Parris and City Council Members

From: David R. McEwen, City Attorney

Subject: **Resolutions Consolidating Loans from the City of Lancaster to the Lancaster Redevelopment Agency**

Redevelopment Agency Recommendation:

Adopt **Resolution No. 03-11**, a resolution of the Lancaster Redevelopment Agency finding that consolidating all outstanding loans from the City of Lancaster to the Lancaster Redevelopment Agency, approved from fiscal year 1987 through present, will be of benefit to the redevelopment project areas.

City Council Recommendation:

Adopt **Resolution No. 11-08**, a resolution of the City Council of the City of Lancaster finding that consolidating all outstanding loans from the City of Lancaster to the Lancaster Redevelopment Agency, approved from fiscal year 1987 through present, will be of benefit to the redevelopment project areas.

Fiscal Impact:

None

Background:

Since incorporation of the City and the Redevelopment Agency, the City has made loans to the Agency to provide funds for the Agency to address its priority projects. It was the intent of the City and Agency that these loans be repaid with future tax increments as the funds were available, while not impacting redevelopment projects. In light of Governor Brown's State Budget Proposal it is in the best interest of the Agency and City to consolidate the outstanding loans into one agreement and establish a clearly defined repayment schedule.

Attachments:

Resolution No. 03-11

Resolution No. 11-08

Attachment A – Outstanding City to Agency Loans FY 1987/88 to Present

Attachment B – Promissory Note

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