

STAFF REPORT
City of Lancaster, California
Lancaster Redevelopment Agency

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| 06/24/08 |
| MVB |

Date: June 24, 2008

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

From: Mark V. Bozigian, City Manager

Subject: **Fiscal Year 2008-09 Redevelopment Agency/
City of Lancaster Budget**

Redevelopment Agency Recommendations:

- a. Adopt **Resolution No. 04-08**, adopting the proposed Lancaster Redevelopment Agency Fiscal Year 2008-09 budget as submitted.
- b. Adopt **Resolution No. 05-08**, finding that the acquisition of property or construction of various improvements as approved pursuant to the adoption of the Fiscal Year 2008-09 Budget will be of benefit to the Redevelopment Project.
- c. Adopt **Resolution No. 06-08** , establishing the terms and conditions and authorizing the execution of a promissory note in favor of the City of Lancaster for the distribution of funds to the revolving fund of the Lancaster Redevelopment Agency pursuant to the implementation of the Fiscal Year 2008-09 Budget.

City Council Recommendations:

- a. Adopt **Resolution No. 08-57**, adopting the proposed City of Lancaster Fiscal Year 2008-09 General Fund Operating Budget, Special Funds Budget, and Capital Improvements Budget, as specified in the Staff Report and Budget Document.
- b. Adopt **Resolution No. 08-58**, finding that the acquisition of property or construction of various improvements as approved pursuant to the adoption of the Fiscal Year 2008-09 Budget will be of benefit to the Redevelopment Project.
- c. Adopt **Resolution No. 08-59**, establishing the annual Appropriations Limit for Fiscal Year 2008-09.
- d. Adopt **Resolution No. 08-60**, establishing the terms and conditions and authorizing the execution of a promissory note in favor of the City of Lancaster for the distribution of funds to the Revolving Fund of the Lancaster Redevelopment Agency pursuant to the implementation of the Fiscal Year 2008-09 Budget.
- e. Adopt **Resolution No. 08-61**, amending Resolution No. 06-231 by establishing the various classifications of employees of the City of Lancaster.
- f. Adopt **Resolution No. 08-62**, amending Resolution 06-231 by establishing a compensation schedule for various classifications of employees of the City.

Background:

The City and the Redevelopment Agency are required to adopt a budget by July 1 of each year that establishes appropriations and estimated revenues for the fiscal year. The proposed budget is a culmination of many months of work by the City Council/Agency Board and staff in reviewing priorities and evaluating programs to meet those priorities. A special budget workshop to review the budget was held on June 3, 2008, followed by a Public Hearing on June 10, 2008.

As originally presented, total revenues for fiscal year 2008-09 are estimated at \$192,923,191. Since that time we have been made aware of additional revenues in the amount of \$673,776 that are anticipated in FY 2008/09. These revenues are detailed in Attachment A. This brings the adjusted revenue estimate to \$193,596,967.

Expenditures were proposed at \$266,466,343 for fiscal year 2008/09. Since the budget was first presented additional expenditures have been identified for FY 2008/09. These represent grant funds the City will be receiving and the Carryforward of sponsorship funds we have received. The additions total \$4,043,603 bringing total expenditures to \$270,509,946. The difference between estimated revenues and proposed expenditures are one-time projects that are funded with available fund balance that has been carried forward from the prior year.

The proposed budget is broken into the following categories:

| | City | Agency |
|---------------------|-------------------|------------------|
| Operating | \$ 84,507,487 | \$ 146,735,849 |
| Capital Improvement | <u>30,333,156</u> | <u>8,933,454</u> |
| TOTAL | \$114,840,643 | \$ 155,669,303 |

The General Fund budget for next fiscal year is proposed at \$53,734,564 operating and \$1,463,000 capital improvement projects, with revenues estimated at \$59,395,285.

No new positions are recommended and the following four positions are recommended to remain unfilled:

- (2) Public Works Inspector
- (1) Maintenance Specialist
- (1) Assistant Engineer

The Capital Improvement Program is proposed at \$39,266,610, with an additional \$66.8 million in projects carried forward from FY 2007/08. Project categories are broken down as follows:

| | |
|--------------------------|---------------------|
| Water Related: | \$ 3,162,000 |
| Economic Development: | 19,053,000 |
| Parks Projects: | 5,751,156 |
| Streets & Pavement Mgmt: | 8,225,000 |
| Other Projects: | <u>3,075,454</u> |
| TOTAL | <u>\$39,266,610</u> |

The proposed Fiscal Year 2008-09 budget for the Lancaster Redevelopment Agency is comprised of four distinct elements: economic development, housing, debt service and tax increment pass-

throughs which, when combined, finance the various programs, projects and activities approved by the Redevelopment Agency Board. These four elements, excluding transfer payments within the Agency, account for a combined budget of \$155,669,303.

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Attachments:

1. Fiscal Year 2008-09 Budget - On file in the City Clerk's Department
2. Resolution No. 04-08
3. Resolution No. 05-08
4. Resolution No. 06-08
5. Resolution No. 08-57
6. Resolution No. 08-58
7. Resolution No. 08-59
8. Resolution No. 08-60
9. Resolution No. 08-61
10. Resolution No. 08-62

RESOLUTION NO. 04-08

A RESOLUTION OF THE LANCASTER REDEVELOPMENT AGENCY, ADOPTING THE PROPOSED LANCASTER REDEVELOPMENT AGENCY FISCAL YEAR 2008-09 BUDGET AS SUBMITTED

WHEREAS, the Redevelopment Agency Directors have reviewed the proposed Fiscal Year 2008-09 Budget at the Budget Public Hearing regarding the adoption of the budget on June 10, 2008, as listed below:

| | |
|---|-----------------------|
| Economic Development Operations | \$ 2,457,055 |
| Economic Development Programs & Projects | 31,306,267 |
| Low and Moderate Income Housing Operations | 2,185,465 |
| Low & Mod. Income Housing Programs & Projects | 45,427,406 |
| Debt Service | 15,765,500 |
| Tax Increment Pass-Through | <u>58,527,610</u> |
| Total Lancaster Redevelopment Agency Budget | \$ <u>155,669,303</u> |

NOW THEREFORE, BE IT RESOLVED AND ORDERED BY THE LANCASTER REDEVELOPMENT AGENCY, STATE OF CALIFORNIA, THAT:

Section 1. The Lancaster Redevelopment Agency Fiscal Year 2008-09 Budget, as submitted, is hereby adopted.

PASSED, APPROVED and ADOPTED this ____ day of _____, 2008, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

GERI K. BRYAN, CMC
Agency Secretary
Lancaster Redevelopment Agency

R. REX PARRIS
Chairman
Lancaster Redevelopment Agency

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }ss
CITY OF LANCASTER }

CERTIFICATION OF RESOLUTION
REDEVELOPMENT AGENCY

I _____, _____ City of Lancaster
California, do hereby certify that this is a true and correct copy of the original Resolution No.
04-08, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this ____ day
of _____, _____.

(seal)

RESOLUTION NO. 05-08

A RESOLUTION OF THE LANCASTER REDEVELOPMENT AGENCY, FINDING THAT THE ACQUISITION OF PROPERTY OR CONSTRUCTION OF VARIOUS IMPROVEMENTS AS APPROVED PURSUANT TO THE ADOPTION OF THE FISCAL YEAR 2008-09 BUDGET WILL BE OF BENEFIT TO THE REDEVELOPMENT PROJECT

WHEREAS, the City of Lancaster (the "City") has adopted the Redevelopment Plans for the Lancaster Residential Redevelopment Project ("Residential"), Lancaster Central Business District Redevelopment Project ("CBD"), Fox Field Redevelopment Project ("Fox"), Amargosa Project ("Amargosa"), Redevelopment Project No. 5 ("No. 5"), Redevelopment Project No. 6 ("No. 6"), and Redevelopment Project No. 7 ("No. 7") collectively known as the "Project Areas" which result in tax increment revenues from the Project Areas being allocated to the Lancaster Redevelopment Agency (the "Agency") for the purposes of redevelopment; and

WHEREAS, the Agency has issued bonds and notes secured by a pledge of tax increment revenues with respect to each of the Project Areas; and

WHEREAS, the City and Agency have adopted Annual Budgets (the "Budgets") for the 2008-09 fiscal year; and

WHEREAS, the Agency low and moderate income housing planning and administrative expenses as adopted in the budget are necessary for the production, improvement, and preservation of low and moderate income housing pursuant to section 33334.3(d); and

WHEREAS, consistent with the adoption of such Budgets, funding of certain projects require a transfer of monies from one project area to another, pursuant to a finding of benefit consistent with Section 33445; and

WHEREAS, the City and Agency have undertaken the implementation of various projects requiring benefit findings identified as:

Purpose

Economic Development Fund

Fox Field Strategic Plan
Front Row Center
Fox Field Business Expansion
Downtown Revitalization

Housing Fund

North Downtown Transit Village Project
Lowtree Neighborhood Project
Housing Program Implementation
NE Gateway Corridor
South Downtown Transit Village Project
Gadsden Neighborhood Revitalization
Trend Tract Neighborhood Revitalization
Community Neighborhood Building

WHEREAS, Section 33445 of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) permits the Agency, with the consent of the legislative body, to pay all or part of the value of the land for and the cost of the installation and construction of any building, facility, structure, or other improvement which is publicly-owned either within or outside the Project Areas with the consent of the legislative body; and

WHEREAS, Health & Safety Code §33334.2(g) provides as follows: “The agency may use these funds inside or outside the project area. The agency may only use these funds outside the project area upon a resolution of the agency and the legislative body that the use will be of benefit to the project. The determination by the agency and the legislative body shall be final and conclusive as to the issue of benefit to the project area. The Legislature finds and declares that the provision of replacement housing pursuant to Section 33413 is always of benefit to a project. Unless the legislative body finds, before the redevelopment plan is adopted, that the provision of low- and moderate-income housing outside the project area will be of benefit to the project, the project area shall include property suitable for low- and moderate-income housing.”

NOW THEREFORE, BE IT RESOLVED AND ORDERED BY THE LANCASTER REDEVELOPMENT AGENCY, STATE OF CALIFORNIA, THAT:

Section 1. The buildings, facilities, structures or other such improvements are of benefit to the Project Areas or the immediate neighborhood in which the project is located, regardless of whether the improvements are within another project area. The use of tax allocation bond and note proceeds allocated from the Redevelopment Agency for the purpose of participating in the cost of public improvements identified herein are of benefit to the community and such improvements will result in the alleviation of blight within each of the Project Areas.

Section 2. The real property on building sites improved with onsite and offsite improvements are part of the new construction or rehabilitation of affordable housing units for low or moderate income persons that are directly benefited by the improvements, and the improvements are a reasonable and fundamental component of such housing units. The Agency shall require that the units remain available at affordable housing costs to, and occupied by, persons and families of low or moderate income in the manner required by Section 33334.3(f)(2) of the Health and Safety Code.

Section 3. The Lancaster Redevelopment Agency reaffirms Benefit Finding Resolution No. 14-90, whereas any low- and moderate-income housing expenditures in the City are of benefit to each and every Project Area in the City, pursuant to Section 33334.3(d) of the Health and Safety Code.

Section 4. There are no other reasonable means of financing the cost of the public improvements available to the community and such improvements will result in the alleviation of blight within each of the Project Areas.

PASSED, APPROVED and ADOPTED this ____ day of _____, 2008, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

GERI K.BRYAN, CMC
Agency Secretary
Lancaster Redevelopment Agency

R. REX PARRIS
Chairman
Lancaster Redevelopment Agency

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }ss
CITY OF LANCASTER }

CERTIFICATION OF RESOLUTION
REDEVELOPMENT AGENCY

I _____, _____ City of Lancaster California, do hereby certify that this is a true and correct copy of the original Resolution No. 05-08, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this ____ day of _____, _____.

(seal)

RESOLUTION NO. 06-08

A RESOLUTION OF THE LANCASTER REDEVELOPMENT AGENCY, ESTABLISHING THE TERMS AND CONDITIONS AND AUTHORIZING THE EXECUTION OF A PROMISSORY NOTE IN FAVOR OF THE CITY OF LANCASTER FOR THE DISTRIBUTION OF FUNDS TO THE REVOLVING FUND OF THE LANCASTER REDEVELOPMENT AGENCY PURSUANT TO THE IMPLEMENTATION OF THE FISCAL YEAR 2008-09 BUDGET

WHEREAS, pursuant to the adopted Fiscal Year 2008-09 budget of the Lancaster Redevelopment Agency ("Agency"), the Agency has incurred certain expenses for capital projects which require a loan from the City of Lancaster ("City"); and

WHEREAS, the City of Lancaster will advance up to \$700,000 to the Agency's Revolving Fund for the implementation of certain capital projects to cover such expenses of the Agency related to the implementation of the Fiscal Year 2008-09 budget in the following project areas:

Revolving Fund

| | |
|---------------------------|-------------------|
| Central Business District | \$ <u>700,000</u> |
| Total Loan | \$ 700,000 |

WHEREAS, the Agency will receive tax increment revenues periodically throughout the fiscal year and the Agency will not be able to reimburse the City until other debt repayment obligations of the Agency have been fulfilled; and

WHEREAS, the Agency and City desire to formalize this debt obligation of the Agency for the reimbursement of capital project expenses of the Agency during the Fiscal Year 2008-09; and

WHEREAS, the City Council of the City of Lancaster will consider a corresponding action to consider the adoption of a City Council Resolution setting forth the terms and conditions of a Promissory Note (as shown on Exhibit A) in an amount sufficient to cover such expense, including authorization to the City Manager to execute said Promissory Note; and

WHEREAS, the term of this Promissory Note shall be made on an annual basis for expenses incurred for this purpose during the Fiscal Year 2008-09 with principal due on or before June 30, 2009 unless extended as provided herein.

NOW, THEREFORE, THE LANCASTER REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Agency hereby authorizes and directs the Executive Director, or appropriate officers and employees, to execute the Promissory Note and to take whatever actions are required pursuant to the corresponding City Council Resolution.

PASSED, APPROVED and ADOPTED this _____ day of _____, 2008, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

GERI K. BRYAN, CMC
Agency Secretary
Lancaster Redevelopment Agency

R. REX PARRIS
Chairman
Lancaster Redevelopment Agency

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }ss
CITY OF LANCASTER }

CERTIFICATION OF RESOLUTION
REDEVELOPMENT AGENCY

I _____, _____ City of Lancaster California, do hereby certify that this is a true and correct copy of the original Resolution No. 06-08, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____ day of _____, _____.

(seal)

EXHIBIT "A"

PROMISSORY NOTE

Amount
\$700,000

Lancaster, California
June 24, 2008

1. Promise to Pay. The Lancaster Redevelopment Agency ("Agency"), a public body, corporate and politic, duly organized and existing under the laws of the State of California, for value received, hereby promises to pay to the order of the City of Lancaster, a public body, corporate and politic, duly organized and existing under the laws of the State of California ("City"), the principal due pursuant to the terms of this Note. This Note is being executed to evidence the monetary obligations of the Agency to the City arising from the adoption of the Fiscal Year 2008-09 budget relating to capital project expenses ("Revolving Fund") of the Agency. The principal balance hereof, from time to time outstanding, shall equal the amount advanced after presentation of evidence of expenses incurred by the Agency, but in no event shall the obligations of the Agency hereunder exceed the sum of Seven Hundred Thousand Dollars and no cents (\$700,000).

2. Interest Rate. Interest rate shall be charged by City for this Note equal to the amount of interest the City would have otherwise received by depositing these funds with the State of California Local Agency Investment Fund ("LAIF").

3. Principal and Interest Payments. Within thirty (30) days from expenditure, the Agency hereby pledges to advance any available tax increment monies from available tax increment sources until such time as the outstanding interest and principal are satisfied. The Principal amount due pursuant to this Note shall be due and paid in full by the Agency to the City prior to June 30, 2009; however, repayment of debt may be extended by action of the City Manager and Executive Director if sufficient funds are not available to the Agency.

4. Application of Payments. Both principal and interest hereof are payable in lawful money of the United States of America.

IN WITNESS WHEREOF, the parties hereto have executed this Promissory Note as of the date first set forth in this Promissory Note.

ATTEST:

CITY OF LANCASTER

By: _____
City Clerk

By: _____
City Manager

ATTEST:

LANCASTER REDEVELOPMENT AGENCY

By: _____
Agency Secretary

By: _____
Executive Director

RESOLUTION NO. 08-57

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, ADOPTING THE PROPOSED CITY OF LANCASTER FISCAL YEAR 2008-09 GENERAL FUND OPERATING BUDGET, SPECIAL FUNDS BUDGET, AND CAPITAL IMPROVEMENTS BUDGET, AS SPECIFIED IN THE STAFF REPORT AND BUDGET DOCUMENT

WHEREAS, the City Council has reviewed the proposed Fiscal Year 2008-09 Budget, and held a Public Hearing regarding the adoption of the budget on June 10, 2008, as amended, and listed below:

| | |
|---|-----------------------|
| City Council | \$ 131,325 |
| City Manager's Office | 826,250 |
| Administrative Services | 7,221,675 |
| Community Safety | 23,543,911 |
| City Attorney | 600,000 |
| City Clerk | 601,395 |
| Human Resources & Risk Mgmt | 1,066,415 |
| Finance | 2,307,040 |
| Planning | 1,750,035 |
| Parks, Recreation & Arts | 13,291,856 |
| Housing & Neighborhood Revitalization | 7,272,225 |
| Public Works | <u>25,895,360</u> |
| Operations Budget | \$ 84,507,487 |
| Capital Improvement Projects | <u>30,333,156</u> |
| Total City of Lancaster Budget | <u>\$114,840,643</u> |
| General Fund | \$59,493,759 |
| Special Revenue Funds | 32,213,999 |
| Maintenance Districts | 8,769,765 |
| Capital Replacement Fund | 620,505 |
| Developer Fee Funds | 13,696,525 |
| Lancaster Community Services Foundation | 1,990 |
| Lancaster Housing Authority | <u>44,100</u> |
| Total City of Lancaster Budget | <u>\$ 114,840,643</u> |

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. The City of Lancaster Fiscal Year 2008-09 General Fund Operating Budget, Special Funds Budget, and Capital Improvements Budget, as specified in the Staff Report and Budget Document are hereby adopted.

PASSED, APPROVED and ADOPTED this _____ day of _____ 2008, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

GERI K. BRYAN, CMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES } ss
CITY OF LANCASTER }

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____ City of Lancaster, California, do hereby certify that this is a true and correct copy of the original Resolution No. 08-57, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____ day of _____, _____.

(seal)

RESOLUTION NO. 08-58

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, FINDING THAT THE ACQUISITION OF PROPERTY OR CONSTRUCTION OF VARIOUS IMPROVEMENTS AS APPROVED PURSUANT TO THE ADOPTION OF THE FISCAL YEAR 2008-09 BUDGET WILL BE OF BENEFIT TO THE REDEVELOPMENT PROJECT

WHEREAS, the City of Lancaster (the “City”) has adopted the Redevelopment Plans for the Lancaster Residential Redevelopment Project (“Residential”), Lancaster Central Business District Redevelopment Project (“CBD”), Fox Field Redevelopment Project (“Fox”), Amargosa Project (“Amargosa”), Redevelopment Project No. 5 (“No. 5”), Redevelopment Project No. 6 (“No. 6”), and Redevelopment Project No. 7 (“No. 7”) collectively known as the “Project Areas” which result in tax increment revenues from the Project Areas being allocated to the Lancaster Redevelopment Agency (the “Agency”) for the purposes of redevelopment; and

WHEREAS, the Agency has issued bonds and notes secured by a pledge of tax increment revenues with respect to each of the Project Areas; and

WHEREAS, the City and Agency has adopted Annual Budgets (the “Budgets”) for the 2008-09 fiscal year; and

WHEREAS, the Agency low and moderate income housing planning and administrative expenses as adopted in the budget are necessary for the production, improvement, and preservation of low and moderate income housing pursuant to Section 33334.3(d); and

WHEREAS, consistent with the adoption of such Budgets funding of certain projects require a transfer of monies from one project area to another, pursuant to a finding of benefit consistent with Section 33445; and

WHEREAS, the City and Agency have undertaken the implementation of various projects requiring benefit findings identified as:

Economic Development Fund

Fox Field Strategic Plan
Front Row Center
Fox Field Business Expansion
Downtown Revitalization

Housing Fund

North Downtown Transit Village Project
Lowtree Neighborhood Project
Housing Program Implementation
NE Gateway Corridor
South Downtown Transit Village Project
Gadsden Neighborhood Revitalization
Trend Tract Neighborhood Revitalization
Community Neighborhood Building

WHEREAS, Section 33445 of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) permits the Agency, with the consent of the legislative body, to pay all or part of the value of the land for and the cost of the installation and construction of any building, facility, structure, or other improvement which is publicly-owned either within or outside the Project Areas with the consent of the legislative body; and

WHEREAS, Health & Safety Code §33334.2(g) provides as follows: “The agency may use these funds inside or outside the project area. The agency may only use these funds outside the project area upon a resolution of the agency and the legislative body that the use will be of benefit to the project. The determination by the agency and the legislative body shall be final and conclusive as to the issue of benefit to the project area. The Legislature finds and declares that the provision of replacement housing pursuant to Section 33413 is always of benefit to a project. Unless the legislative body finds, before the redevelopment plan is adopted, that the provision of low- and moderate-income housing outside the project area will be of benefit to the project, the project area shall include property suitable for low- and moderate-income housing.”

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. The buildings, facilities, structures or other such improvements are of benefit to the Project Areas or the immediate neighborhood in which the project is located, regardless of whether the improvements are within another project area. The use of tax allocation bond and note proceeds allocated from the Redevelopment Agency for the purpose of participating in the cost of public improvements identified herein are of benefit to the community and such improvements will result in the alleviation of blight within each of the Project Areas.

Section 2. That the real property on building sites improved with onsite and offsite improvements are part of the new construction or rehabilitation of affordable housing units for low or moderate income persons that are directly benefited by the improvements, and the improvements are a reasonable and fundamental component of such housing units. The Agency shall require that the units remain available at affordable housing costs to, and occupied by, persons and families of low or moderate income in the manner required by Section 33334.3(f)(2) of the Health and Safety Code.

Section 3. The Lancaster City Council reaffirms the Lancaster Redevelopment Agency’s Benefit Finding Resolution No. 14-90, whereas any low- and moderate-income housing expenditures in the City are of benefit to each and every Project Area in the City, pursuant to Section 33334.3(d) of the Health and Safety Code.

Section 4. There are no other reasonable means of financing the cost of the public improvements available to the community and such improvements will result in the alleviation of blight within each of the Project Areas.

PASSED, APPROVED and ADOPTED this ____ day of _____, 2008 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

GERI K. BRYAN, CMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES } ss
CITY OF LANCASTER }

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____ City of Lancaster, California, do hereby certify that this is a true and correct copy of the original Resolution No. 08-58, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this ____ day of _____, _____.

(seal)

RESOLUTION NO. 08-59

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LANCASTER, CALIFORNIA, ESTABLISHING THE ANNUAL
APPROPRIATIONS LIMIT FOR FISCAL YEAR 2008-09

WHEREAS, the voters of California, on November 6, 1979, added Article XIII B to the State Constitution placing various limitations on the appropriations of the state and local governments; and

WHEREAS, Article XIII B provides that the appropriations limit for the Fiscal Year 2008-09 is to be calculated by adjusting the appropriations limit of the previous fiscal year for changes in the cost of living and population; and

WHEREAS, the information necessary for making these adjustments is found in Exhibit "A", attached hereto and made a part hereof by reference; and

WHEREAS, the City of Lancaster has complied with all the provisions of Article XIII B in determining the appropriations limit for Fiscal Year 2008-09.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. The appropriations subject to limitation for the City of Lancaster in Fiscal Year 2008-09 shall be \$135,422,608.

PASSED, APPROVED and ADOPTED this ____ day of _____ 2008, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

GERI K. BRYAN, CMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES } ss
CITY OF LANCASTER }

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____ City of Lancaster,
California, do hereby certify that this is a true and correct copy of the original Resolution No.
08-59, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____
day of _____, _____.

(seal)

RESOLUTION NO. 08-60

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA ESTABLISHING THE TERMS AND CONDITIONS AND AUTHORIZING THE EXECUTION OF A PROMISSORY NOTE IN FAVOR OF THE CITY OF LANCASTER FOR THE DISTRIBUTION OF FUNDS TO THE REVOLVING FUND OF THE LANCASTER REDEVELOPMENT AGENCY PURSUANT TO THE IMPLEMENTATION OF THE FISCAL YEAR 2008-09 BUDGET

WHEREAS, pursuant to the adoption of the Fiscal Year 2008-09 budget of the Lancaster Redevelopment Agency ("Agency"), the Agency has incurred certain expenses for capital projects which require a loan from the City of Lancaster ("City"); and

WHEREAS, the City of Lancaster will advance up to \$700,000 to the Agency's Revolving Fund for the implementation of certain capital projects to cover such expenses of the Agency related to the implementation of the Fiscal Year 2008-09 budget in the following project areas:

Revolving Fund

| | |
|---------------------------|-------------------|
| Central Business District | \$ <u>700,000</u> |
| Total Loan | \$ 700,000 |

WHEREAS, the Agency will receive tax increment revenues periodically throughout the fiscal year and the Agency will not be able to reimburse the City until other debt repayment obligations of the Agency have been fulfilled; and

WHEREAS, the Agency and City desire to formalize this debt obligation of the Agency for capital project expenses of the Agency during the Fiscal Year 2008-09; and

WHEREAS, the Agency will consider a corresponding action to consider the adoption of a Redevelopment Resolution accepting the terms and conditions of a Promissory Note (as shown on Exhibit A) in an amount sufficient to cover such expense, including authorization to the Executive Director to execute said Promissory Note; and

WHEREAS, the term of this Promissory Note shall be made on an annual basis for expenses incurred for this purpose during the Fiscal Year 2008-09 with principal due on or before June 30, 2009 unless extended as provided herein.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. The City Council hereby authorizes and directs the City Manager, or appropriate officers and employees, to execute the Promissory Note and to take whatever actions are required to fulfill the requirements of this resolution.

Section 2. The City Council hereby authorizes the advance of funds to the Agency's Revolving Fund to pay for certain capital projects expenses in an amount not to exceed \$700,000, which is allocated to the Central Business District, to be repaid from any legally available tax increment funds of the Agency.

Section 3. The obligation for repayment to the City of Lancaster created hereby shall be subordinate to any other indebtedness of the Agency, presently existing or hereafter incurred, and shall be repaid from Agency tax increment revenue, if available, prior to June 30, 2009 or at such later date as tax increment revenues become available.

Section 4. The Agency shall file with the City Council a detailed report of all its transactions, including a statement of all revenues and expenditures, on an annual basis or upon City Council request.

PASSED, APPROVED and ADOPTED this ____ day of _____ 2008, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

GERI K. BRYAN, CMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }ss
CITY OF LANCASTER }

CERTIFICATION OF RESOLUTION
REDEVELOPMENT AGENCY

I _____, _____ City of Lancaster
California, do hereby certify that this is a true and correct copy of the original Resolution No.
08-60, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____ day
of _____, _____.

(seal)

EXHIBIT "A"

PROMISSORY NOTE

Amount
\$700,000

Lancaster, California
June 24, 2008

1. Promise to Pay. The Lancaster Redevelopment Agency ("Agency"), a public body, corporate and politic, duly organized and existing under the laws of the State of California, for value received, hereby promises to pay to the order of the City of Lancaster, a public body, corporate and politic, duly organized and existing under the laws of the State of California ("City"), the principal due pursuant to the terms of this Note. This Note is being executed to evidence the monetary obligations of the Agency to the City arising from the adoption of the Fiscal Year 2008-09 budget relating to capital project expenses ("Revolving Fund") of the Agency. The principal balance hereof, from time to time outstanding, shall equal the amount advanced after presentation of evidence of expenses incurred by the Agency, but in no event shall the obligations of the Agency hereunder exceed the sum of Seven Hundred Thousand Dollars and no cents (\$700,000).

2. Interest Rate. Interest rate shall be charged by City for this Note equal to the amount of interest the City would have otherwise received by depositing these funds with the State of California Local Agency Investment Fund ("LAIF").

3. Principal and Interest Payments. Within thirty (30) days from expenditure, the Agency hereby pledges to advance any available tax increment monies from available tax increment sources until such time as the outstanding interest and principal are satisfied. The Principal amount due pursuant to this Note shall be due and paid in full by the Agency to the City prior to June 30, 2009; however, repayment of debt may be extended by action of the City Manager and Executive Director if sufficient funds are not available to the Agency.

4. Application of Payments. Both principal and interest hereof are payable in lawful money of the United States of America.

IN WITNESS WHEREOF, the parties hereto have executed this Promissory Note as of the date first set forth in this Promissory Note.

ATTEST:

CITY OF LANCASTER

By: _____
City Clerk

By: _____
City Manager

ATTEST:

LANCASTER REDEVELOPMENT AGENCY

By: _____
Agency Secretary

By: _____
Executive Director

RESOLUTION NO. 08-61

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, AMENDING RESOLUTION NO. 06-231 BY ESTABLISHING THE VARIOUS CLASSIFICATIONS OF EMPLOYEES OF THE CITY OF LANCASTER

WHEREAS, the City Council is desirous of amending the existing Classification Plan as established by Resolution No. 06-231 in accordance with Ordinance No. 265.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA AS FOLLOWS:

Section 1. Resolution 06-231 is hereby amended as stated below.

Section 2. The following positions are hereby added to the Classification Plan:

Deputy City Manager
Principal Traffic Engineering Technician
Arts Program Specialist
Senior Construction Manager

Section 3. All other provisions of Resolution 06-231, shall remain in full force and effect until such time as amended by appropriate resolution.

Section 4. It is further resolved that any resolutions in conflict with the Resolution are hereby rescinded.

PASSED, APPROVED and ADOPTED, this _____ day of _____ 2008, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

GERI K. BRYAN, CMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES } ss
CITY OF LANCASTER }

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____ City of Lancaster, California, do hereby certify that this is a true and correct copy of the original Resolution No. 08-61, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____ day of _____, _____.

(seal)

RESOLUTION NO. 08-62

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, AMENDING RESOLUTION 06-231 BY ESTABLISHING A COMPENSATION SCHEDULE FOR VARIOUS CLASSIFICATIONS OF EMPLOYEES OF THE CITY

WHEREAS, the City Council is desirous of amending the Compensation Schedule for various classifications of employees of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, AS FOLLOWS:

Section 1. A Compensation Schedule is hereby established for employees of the City of Lancaster in any of the adopted Classifications.

Section 2. The pay rate for the following Professional/Supervisory class in the competitive service is established in the Compensation Schedule as follows:

| <u>Class Title</u> | <u>Range</u> | Effective 07/08 <u>Salary (Approximate Monthly)</u> | Effective 07/09 <u>Salary (Approximate Monthly)</u> |
|--|--------------|---|---|
| Principal Traffic Engineering Technician | R-59 | \$5,752-\$7,328 | \$5,924-\$7,511 |

Section 3. The pay rate for the following Mid-Management class is established in the Compensation Schedule as follows:

| <u>Class Title</u> | Effective 07/08 <u>Salary (Approximate Monthly)</u> | Effective 07/09 <u>Salary (Approximate Monthly)</u> |
|--------------------------|---|---|
| Sr. Construction Manager | \$6,666-\$8,959 | \$6,866-\$9,228 |

Section 4. The pay rate for the following Executive Management class is established in the Compensation Schedule as follows:

| <u>Class Title</u> | Effective 07/08 <u>Salary (Approximate Monthly)</u> | Effective 07/09 <u>Salary (Approximate Monthly)</u> |
|---------------------|---|---|
| Deputy City Manager | \$11,653-\$15,149 | \$12,002-\$15,604 |

Section 5. Temporary Employees. The pay rate for each temporary class is established in the Compensation Schedule as follows:

| <u>Class Title</u> | Effective 07/08 <u>Hourly Salary</u> |
|--------------------|--|
|--------------------|--|

Arts Program Specialist

\$14.30-\$15.78

Section 6. Continuation of Basic Benefits. All other existing benefits for General, Professional/Supervisory, Mid-Management and Executive Management employees not conflicting with the above changes shall remain in effect until changed by the City through appropriate City Council action.

Section 7. Any Resolutions in conflict with provisions stated herein shall be considered superseded by the provisions contained within this Resolution.

PASSED, APPROVED and ADOPTED, this _____ day of _____, 2008, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

GERI K. BRYAN, CMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES } ss
CITY OF LANCASTER }

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____ City of Lancaster, California, do hereby certify that this is a true and correct copy of the original Resolution No. 08-62 for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____ day of _____, _____.

(seal)
