

**MOORPARK CITY COUNCIL
AGENDA REPORT**

To: Honorable City Council

From: David C. Moe II, Redevelopment Manager *DCM*

Date: June 30, 2011 (CC Meeting of 7/6/11)

Subject: Consider Exercising Option Agreement with the Redevelopment Agency of the City of Moorpark to Purchase Agency Land Held for Resale

BACKGROUND & DISCUSSION

On Monday, January 10, 2011, Governor Jerry Brown released his Fiscal Year 2011-12 State budget proposal. It included a proposal to eliminate redevelopment agencies. On June 29, 2011, the Governor signed ABX1 26 eliminating redevelopment agencies and ABX1 27 which allows cities to resurrect their redevelopment agency for a large payment in Fiscal Year 2011-12 and continuing payments for the life of the agency.

On February 2, 2011, the Redevelopment Agency of the City of Moorpark ("Agency") and the City of Moorpark ("City") entered into an option agreement that allows the City to purchase the Agency's land held for resale. The intent of the option agreement is to allow completion of planned Agency activities consistent with the Five-Year Implementation Plan. These activities include affordable housing and economic development objectives that could not be accomplished without the acquisition and public ownership of the land. The activities, when completed would return the land to private ownership or hold it for general public benefit such as street widening, parking facilities and parks. The purchase price for each parcel shall be \$1.00 as previously agreed by the Agency and City.

Staff recommends the City exercise its option to purchase the Agency's land held for resale to ensure the planned Agency projects are completed.

FISCAL IMPACT

The City will purchase the Agency's land held for resale at a price of \$1.00 for each parcel (\$39.00 total). No budget amendment is need as the funds needed for this transaction can be found in the existing FY 2011/12 adopted budget.

STAFF RECOMMENDATIONS

1. Direct City Manager to exercise option to purchase the 39 parcels of land currently held for resale by the Redevelopment Agency of the City of Moorpark; and
2. Authorize the City Manager to execute any documents necessary to facilitate the purchase transaction.