



Staff Report

TO: City Council
FROM: Kyle Warsinski, Economic Development Manager
DATE: December 21, 2021
SUBJECT: **Resolution Authorizing the Acceptance of Property (APN 417-020-034) from the Former Redevelopment Agency Approval of Agreement Among Taxing Entities and Addendum Number One**

Background and Analysis:

Redevelopment Agencies across the State of California were dissolved by the California State Legislature on February 1, 2012. Part of the redevelopment dissolution process requires the Successor Agency to dispose of assets and properties of the former redevelopment agency. The proceeds are transferred to the county auditor-controller for distribution to each taxing entity within the City's jurisdiction.

There is one exception:

HSC § 34181(a):

"...the Oversight Board may instead direct the Successor Agency to transfer ownership of assets that were constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, and local agency admin buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction or use of such an asset."

At the time of dissolution, the Beaumont Redevelopment Agency owned three properties. One property is located at APN 417-020-034 and is 52 acres of land adjacent to the existing City of Beaumont wastewater treatment plant. The additional properties are located on two adjacent parcels APN 404-010-001 and 404-010-002. These two properties were developed as the Beaumont Sports Park on Beaumont Avenue with a combined totals of 22.68 acres.

On December 4, 2012, City Council adopted Resolution 2012-51 to transfer ownership of all three properties from the dissolved Beaumont Redevelopment Agency to the City

of Beaumont and authorized the retention of those assets by the City. This resolution was ultimately approved by the Oversight Board to the Successor Agency on January 10, 2013. On June 14, 2013, the Beaumont Successor Agency received an approval from the California Department of Finance (DOF) pursuant to Health and Safety Code Section 34179(h), confirming the transfer of ownership of two (2) of the three (3) properties to the City. As a result, the two sports park properties transferred to the City shortly after.

The remaining property, APN 417-020-034, the 52 acres adjacent to the wastewater treatment plant, was then included in the Long Range Property Management Plan (LRPMP) pursuant to Health and Safety Code Section 34191.5. The LRPMP specified that the 52 acre property would be transferred to the City in the future for public use. The LRPMP was approved by the DOF on December 29, 2015.

The City received its finding of completion from the DOF on December 8, 2015.

As the City of Beaumont completed its upgrade of the wastewater treatment plant in 2020 and is nearing the production of title 22 recycled water, the City seeks the transfer of the 52 acre property to start feasibility and preliminary design of wastewater and recycled water facilities. As the City received an approval of the LRPMP and finding of completion from the DOF, the Successor Agency may use or dispose of the properties listed in the LRPMP.

At this time, the City intends to accept the transfer of ownership of the 52 acre property (APN 417-020-034) from the dissolved Beaumont Redevelopment Agency to the City of Beaumont and retain the property in compliance with the LRPMP.

In February 2021, City staff contacted to the DOF in regard to transferring the property to the City and the state was receptive of the timing. In those discussions, the DOF specified the City would need a draft compensation agreement between the City of Beaumont and each of the taxing entities within the former redevelopment project area. The compensation agreement provides the taxing entities a portion of the revenues generated from the sale of former redevelopment agencies properties based on their property tax percentage. In this case, the City is retaining ownership and not selling the property, therefore the compensation agreement (Attachment B) provides for \$0 in compensation to each taxing entity.

Fiscal Impact:

City staff estimates the cost to prepare this report is \$2,500.

Recommended Action:

Approve the agreement among taxing entities and addendum number one, and Waive the full reading and adopt by title only, "A Resolution of the City of Beaumont Authorizing Acceptance of Property (APN 417-020-034) from the Dissolved Redevelopment Agency."

Attachments:

- A. Resolution
- B. Agreement Among Taxing Entities
- C. Addendum No. 1 to Agreement