

Wednesday, April 25, 2007

Council moving on land deal for park funds

Sale of city land would add \$136 million to Great Park coffers

By SONYA SMITH
IRVINE WORLD NEWS

The Great Park stands to gain another \$136 million.

A new proposal would transfer land, money and interest between the city, Great Park Corp. and Irvine Redevelopment Agency.

The Redevelopment Agency (governed by the five council members) voted 3-2 Tuesday to have staff continue developing the proposed agreement. Christina Shea and Steven Choi voted against the proposal.

The three-member council majority of Mayor Beth Krom, Larry Agran and Sukhee Kang said the deal would make the best use of the situation – to benefit the public through the Great Park and provide affordable housing. But, Shea and Choi worried that the deal will violate city policy.

The policy Shea and Choi mentioned was one approved in 2006 to protect the city's general fund from being used in the Great Park project. In one section it states that the city "shall not make inter-fund loans" for the park's planning, construction, operation or maintenance.

While the city's attorney on redevelopment law said the land transfer would not violate that policy, staff was directed to bring back a formal, written opinion.

The staff also will bring the transfer agreement's exact language to the Redevelopment Agency within 60 days.

Here's a breakdown of how the land transfer deal would be made:

Item: A new plan being proposed could help the Great Park Corp. gain about \$136 million to build the park. Under the plan:

1. The Irvine Redevelopment Agency would buy city land for \$136 million. This is not Great Park land, it is city land just southeast of the future park but still on the old El Toro base property. The money comes from a Great Park special fund that is not being used for park building. The money would be paid back over time as the Redevelopment Agency makes money from the base's redevelopment.

2. The sale proceeds, \$136 million, would go to the Great Park Corp. and could be used for any park costs, including construction.

3. The Redevelopment Agency would develop the land bought from the city. The plot near the Great Park would include a mix of affordable housing.

MORE ONLINE: For more on the Great Park go to www.ocregister.com/greatpark .

Contact the writer: 949-553-2911 or sosmith@ocregister.com