

COUNCIL COMMUNICATION AND REDEVELOPMENT AGENCY MEMO

DATE:

January 21, 2011

TITLE:

City of Roseville Strategic Improvement Fund Loan Documentation

CONTACT: Kevin Payne, Assistant Director, Planning & Redevelopment

774-5256 or kpayne@roseville.ca.us

Meeting Date: February 2, 2011

SUMMARY RECOMMENDATION

The City Council and the Redevelopment Agency of the City of Roseville (Redevelopment Agency) are requested to take the following actions to document existing, outstanding loans from the Strategic Improvement Fund to the Redevelopment Agency:

Acting as the City Council:

1. Adopt the attached resolution ratifying the City Council's prior approval of loans in the aggregate amount of \$17,774,347 to the Redevelopment Agency, already issued as fund transfers, and authorize the City Manager to execute these agreements;

Acting as the Redevelopment Agency Board:

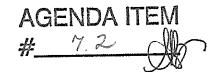
1. Adopt the attached resolution approving five Agreements for Advance of Funds between the City of Roseville and the Redevelopment Agency and authorize the Executive Director to enter into said agreements.

BACKGROUND

At the City Council meeting of January 19, 2011, the Council was provided with a presentation on the Governor's proposal to eliminate redevelopment agencies throughout the state, as part of the Fiscal Year 2012 state budget. As noted in the presentation, the Governor intends to change the role that state and local governments play in local development activities by eliminating state tax benefits for enterprise zones and phasing out the current funding mechanism (Tax Increment or T.I.) for redevelopment agencies. The Governor believes that this proposal will return billions in property tax revenues to schools, cities and counties and help fund public safety, education and other services.

In anticipation that an urgency measure will be forwarded to the Legislature in March, the Agency has been focused on reviewing and documenting its outstanding debt. This effort has revealed that funds were allocated from the Strategic Improvement Fund to past RDA projects without formally securing repayment through written loan documents. Routing Approval:

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These funds were forwarded to the RDA in order for important strategic revitalization goals of the community to be achieved. The projects that received this funding assistance included:

- The Riverside Streetscape and Infrastructure enhancement project;
- Façade and landscape improvements for the Roseville Automall;
- Purchase of the J.C. Penny's building at 238 Vernon Street;
- Acquisition of the United States Post Office property;
- Site Acquisition of approximately 6.7 acres on Washington Boulevard; and
- Start-up funds for the Roseville Community Development Corporation.

In order to insure the repayment of the Strategic Improvement Funds allocated for each of these projects is secured with future T.I. generated from the redevelopment plan area, the City Attorney has recommended documenting the outstanding loans with written agreements.

DISCUSSION

The following provides a brief summary of the projects that have been previously funded through prior Council actions authorizing the transfer of these funds.

Date of Action	Reso./Ord. #	Project	Transfer Amount
9/7/2005	Ord. 4281	Acquisition of the J.C. Penny's building at 238 Vernon Street, to encourage future plans for a	#4 000 000
		more intensified use of the building.	\$1,000,000
4/18/2007	Res. 08-07 Ord. 4524	Washington/ Galilee site acquisition for future relocation of the USPS distribution center.	\$3,747,668
3/24/2009	Res. 04-09	Riverside Avenue infrastructure and streetscape enhancement project. Provided	
		funding for significant infrastructure and roadway improvements (\$4,000,000). Action	
		also included funding façade and landscape renovations for the Automall (\$3,000,000).	\$7,000,000
3/17/2010	Ord. 4816	Funds were provided for the acquisition of property located at 320 Vernon Street (USPS Office) to create a future viable development	
		site in the Downtown.	\$2,026,679
11/29/2010	Ord. 5906	Authorized the start-up funding for a loan from the RDA to the Roseville Community	
	***************************************	Development Corporation.	\$5,000,000
***************************************		TOTAL =	\$17,774,347

With the exception of the 238 Vernon Street property acquisition, the proposed loan terms between the City and the Redevelopment Agency have been outlined as follows:

- Aggregate Ioan amount: \$16,774,347;
- Interest rate based on current pooled rate, adjusted annually: Currently the City's pooled rate is at 1.19%;

• **Term of loans:** All loan principal and interest (accruing from each original loan date) will be due and payable prior to termination of the redevelopment plan in October 2040, unless the Redevelopment Agency pays it earlier.

As part of the transfer of funds for 238 Vernon Street, loan terms were included in the approved resolution. To insure that this debt is recorded as a legal obligation of the Agency, the terms that were established in the resolution have been included in the attached loan agreement specific to this property acquisition. These terms are:

Loan amount: \$1,000,000;Fixed interest rate: 3.15%;

• Term of loan: 15 years with annual amortizing payments

By approving these agreements, the existing debt will be secured as a legal, contractual obligation of the Redevelopment Agency. Staff emphasizes that no new debt would be created by the proposed actions; the agreements will only provide documentation confirming the existence of outstanding loans, including repayment terms. This will support an appropriate determination that the Redevelopment Agency's obligation already exists, and T.I. that was originally intended to repay this debt to the Strategic Improvement Fund is secure.

FISCAL IMPACT

These agreements do not obligate any sums from the City's General Fund. On the contrary, they document and provide for repayment of existing RDA obligations. With approval of the recommended actions, future T.I. will be allocated to the repayment of the City's Strategic Improvement Fund.

ECONOMIC DEVELOPMENT/JOBS CREATED

No jobs are created specifically as a result of this action. However, the funds expended for the Riverside Streetscape project created approximately 50 jobs during construction. Additional jobs will be created with development of new businesses along this corridor. Another 38 jobs were created during construction of the Automall façade improvements. The acquisition of land does not provide for immediate job generation, but by acquiring the J.C. Penny's Building, the USPS distribution site and the 330 Vernon Street site, a greater intensity for residential use and businesses will ultimately be achieved downtown. This will require new development creating additional construction and permanent jobs. And lastly, by creating the development corporation, whose mission is to create development projects and economic development, both permanent and construction related jobs will be realized.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) does not apply to activities that will not result in a direct or reasonably foreseeable indirect physical change in the environment (CEQA Guidelines §15061(b)(3). Approval of documentation for existing loans is merely administrative and does not include the potential for a significant environmental effect, and therefore is not subject to CEQA. Each of the projects funded by the existing loans was previously analyzed under CEQA at the time of approval.

Respectfully submitted,

Kevin Payne, Deputy Director Redevelopment Agency

Paul Richardson, Asst. Director Redevelopment Agency

APPROVED:

Ray Kerridge

City Manager/Executive Director

Attachments:

- 1. City Resolution
- 2. RDA Resolution and Five Loan Agreements
- 3. Budget Transfer Document

RESOLUTION NO. 11-52

RATIFYING CITY COUNCIL'S PRIOR APPROVAL OF STRATEGIC IMPROVEMENT FUND LOAN AMOUNTS AND AUTHORIZING THE CITY MANAGER TO EXECUTE LOAN AGREEMENTS ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, the Governor intends to change the role that state and local governments play in local development activities by eliminating state tax benefits for enterprise zones and phasing out the current funding mechanism (Tax Increment) for redevelopment agencies; and

WHEREAS, after reviewing and documenting outstanding Redevelopment Agency (RDA) debt, it was found that funds were allocated and loaned from the Strategic Improvement Fund to past RDA projects without formally securing repayment through written loan documents; and

WHEREAS, to insure the repayment of the Strategic Improvement Funds allocated for each of the projects, listed in the staff report dated January 21, 2011, is secured with future Tax Increment generated from the redevelopment plan area, staff recommends documenting the outstanding loans with written agreements; and

WHEREAS, the City Council has reviewed the five loan agreements mentioned below between the City of Roseville and the Redevelopment Agency of the City of Roseville;

NOW, THEREFORE, BE IT RESOLVED by the City Council that the following agreements are hereby approved and that the City Manager is authorized to execute them on behalf of the City of Roseville:

- Agreement for Advance of Funds from City of Roseville to Roseville Redevelopment Agency (Purchase of real property 238 Vernon Street former J.C. Penney's building)
- Agreement for Advance of Funds from City of Roseville to Roseville Redevelopment Agency (Purchase of real property 8051 Washington Boulevard)
- Agreement for Advance of Funds from City of Roseville to Roseville Redevelopment Agency (Riverside Avenue Infrastructure & Roseville Automall Façade Improvement Projects)
- Agreement for Advance of Funds from City of Roseville to Roseville Redevelopment Agency (Purchase of real property 330 Vernon Street Post Office)
- Agreement for Advance of Funds from City of Roseville to Roseville Redevelopment Agency (Roseville Community Development Corporation)

BE IT FURTHER RESOLVED by the City Council that the City of Roseville may renegotiate the payment schedule with the Redevelopment Agency of the City of Roseville and with respect to any and all loans between the City of Roseville and the Redevelopment Agency, subject to the approval of the City Manager and City Attorney, without the need of further City Council approval in the event the State of California takes action to implement any proposal to end of substantially impair the ability or redevelopment agencies to continue doing business or incur debt.

PAS	SED AND ADOPTED by the Cour, 20, by the f	ncil of the City of Roseville this Collowing vote on roll call:	_ day of
AYES	COUNCILMEMBERS:		
NOES	COUNCILMEMBERS:	•	
ABSENT	COUNCILMEMBERS:		
		MAYOR	
ATTEST:			
City	Clerk		

REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE RESOLUTION NO. 2-11

RATIFYING THE REDEVELOPMENT AGENCY'S PRIOR ACCEPTANCE OF LOAN AMOUNTS FROM THE CITY OF ROSEVILLE STRATEGIC IMPROVEMENT FUND AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE LOAN AGREEMENTS ON BEHALF OF THE REDEVELOPMENT AGENCY

WHEREAS, the Governor intends to change the role that state and local governments play in local development activities by eliminating state tax benefits for enterprise zones and phasing out the current funding mechanism (Tax Increment) for redevelopment agencies; and

WHEREAS, after reviewing and documenting outstanding Redevelopment Agency (RDA) debt, Agency found that funds were allocated and loaned from the Strategic Improvement Fund to past RDA projects without formally securing repayment through written loan documents; and

WHEREAS, to insure the repayment of the Strategic Improvement Funds allocated for each of the projects, listed in the staff report dated January 21, 2011, is secured with future Tax Increment generated from the redevelopment plan area, staff recommends documenting the outstanding loans with written agreements; and

WHEREAS, the Redevelopment Agency of the City of Roseville has reviewed the five loan agreements mentioned below between the City of Roseville and the Redevelopment Agency of the City of Roseville;

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Roseville that the following agreements are hereby approved and that the Executive Director is authorized to execute them on behalf of the Redevelopment Agency:

- Agreement for Advance of Funds from City of Roseville to Roseville Redevelopment Agency (Purchase of real property 238 Vernon Street former J.C. Penney's building)
- Agreement for Advance of Funds from City of Roseville to Roseville Redevelopment Agency (Purchase of real property 8051 Washington Boulevard)
- Agreement for Advance of Funds from City of Roseville to Roseville Redevelopment Agency (Riverside Avenue Infrastructure & Roseville Automall Façade Improvement Projects)
- Agreement for Advance of Funds from City of Roseville to Roseville Redevelopment Agency (Purchase of real property 330 Vernon Street Post Office)
- Agreement for Advance of Funds from City of Roseville to Roseville Redevelopment Agency (Roseville Community Development Corporation)

BE IT FURTHER RESOLVED by the Redevelopment Agency of the City of Roseville that the Redevelopment Agency may renegotiate the payment schedule with the City of Roseville and with respect to any and all loans between the City of Roseville and the Redevelopment Agency, subject to the approval of the Executive Director and General Counsel, without the need of further Redevelopment Agency approval in the event the State of California takes action to implement any proposal to end or substantially impair the ability of redevelopment agencies to continue doing business or incur debt.

PASSED AND ADOPTED by the Rede day of, 20, by the follo	velopment Agency of the City of Roseville this wing vote on roll call:
AYES AGENCY MEMBERS:	
NOES AGENCY MEMBERS:	
ABSENT AGENCY MEMBERS:	
ATTEST:	CHAIR
Secretary	

AGREEMENT FOR ADVANCE OF FUNDS FROM CITY OF ROSEVILLE TO ROSEVILLE REDEVELOPMENT AGENCY

(Purchase of real property – 238 Vernon Street – former J.C. Penney's building)

T	HIS AGREEMENT, is made and entered into this day of
	, 2011, by and between the City of Roseville, a municipal
corporati	on ("City"), and the Redevelopment Agency of the City of Roseville, a public body
corporate	and politic ("Agency"); and

WITNESSETH:

WHEREAS, the parties have previously entered into a cooperation agreement dated June 2, 1983 whereby CITY agreed that it may, but was not required to, advance funds to AGENCY; and

WHEREAS, the City Council approved Ordinance No. 4281 and Resolution No. 05-474 advancing funds in the amount stated in Section 1 below from the Strategic Improvement Fund (within City's general fund) to AGENCY and the funds were subsequently transferred to and received by AGENCY; and

WHEREAS, such advance was intended and made in the nature of a loan; and
WHEREAS, the parties now desire to memorialize the terms and conditions upon which
said advance was made; and

NOW THEREFORE, the parties agree as follows:

1. CITY has advanced funds to AGENCY in the sum of one million dollars (\$1,000,000.00) ("Principal Amount") as of September 7, 2005 ("Loan Date").

- 2. Simple interest has accrued and shall continue to accrue on the Principal Amount or such portion of the Principal Amount as then remains outstanding, from the Loan Date at the average annual rate of 3.15%, and annual amortizing payments may be made at Agency's option.
- 3. Payment in full of the Principal Amount and all accrued interest shall be made on or before September 7, 2020 ("Due Date").
- 4. Repayment of the Principal Amount or accrued interest may be made without penalty by AGENCY at any time prior to the Due Date. AGENCY, at its option, may defer payment of either the Principal Amount and/or accrued interest until the Due Date.
- 5. The parties may renegotiate the payment schedule, subject to the approval of the City Manager, City Attorney, Executive Director and General Counsel, without the need of further City Council or Redevelopment Agency approval in the event the State of California takes action to implement any proposal to end or substantially impair the ability of redevelopment agencies to continue doing business or incur debt.
- 6. AGENCY represents and acknowledges that the monies advanced under this Agreement have been used for the purchase of real property located at 238 Vernon Street and for other redevelopment purposes associated with acquisition of the property, including but not limited to its disposition and substantial rehabilitation.
- 7. This is an integrated Agreement, and contains all of the terms, considerations, understanding and promises of the parties. It shall be read as a whole.
- 8. In any action brought by either party to enforce the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees.
- 9. Any notices to parties required by this Agreement shall be delivered or mailed, U.S. first class postage prepaid, addressed as follows:

CITY

AGENCY

City Manager City of Roseville 311 Vernon Street Roseville, CA 95678 Executive Director Redevelopment Agency of the City of Roseville 311 Vernon Street Roseville, CA 95678

Either party may amend its address for notice by sending notice to the other party.

IN WITNESS WHEREOF, the City	of Roseville, a municipal corporation, has authorized
the execution of this Agreement in duplica	te by its City Manager and attested to by its City Clerk
under the authority of Resolution No	_, adopted by the Council of the City of Roseville on
the day of	, 2011, and the Redevelopment Agency of the City of
Roseville, a public body, corporate and pol	litic, has authorized the execution of this Agreement in
duplicate by its Executive Director and atte	ested to by its Secretary under the authority of
Resolution No, adopted by the Board	d of the Redevelopment Agency of the City of
Roseville on the day of	, 2011.
CITY OF ROSEVILLE, a municipal corporation:	REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE, a public body, corporate and politic:
BY: RAY KERRIDGE City Manager	BY:RAY KERRIDGE Executive Director
ATTEST:	ATTEST:
BY:SONIA OROZCO	BY:SONIA OROZCO
City Clerk	Secretary

APPROVED AS TO FORM:	APPROVED AS TO FORM:
BY:BRITA J. BAYLESS City Attorney	BY:BRITA J. BAYLESS General Counsel
APPROVED AS TO SUBSTANCE:	APPROVED AS TO SUBSTANCE:
BY: PAUL RICHARDSON Planning, Housing and Redevelopment Director	BY:PAUL RICHARDSON Assistant Director

AGREEMENT FOR ADVANCE OF FUNDS FROM CITY OF ROSEVILLE TO ROSEVILLE REDEVELOPMENT AGENCY

(Purchase of real property - 8051 Washington Boulevard)

THIS AGREEMENT, is made and entered into this day of
, 2011, by and between the City of Roseville, a municipal
corporation ("City"), and the Redevelopment Agency of the City of Roseville, a public body,
corporate and politic ("Agency"); and

$\underline{W} \underline{I} \underline{T} \underline{N} \underline{E} \underline{S} \underline{S} \underline{E} \underline{T} \underline{H}$:

WHEREAS, the parties have previously entered into a cooperation agreement dated June 2, 1983 whereby CITY agreed that it may, but was not required to, advance funds to AGENCY; and

WHEREAS, the City Council approved Ordinance No. 4524 advancing funds in the amount stated in Section 1 below from the Strategic Improvement Fund (within City's general fund) to AGENCY and the funds were subsequently transferred to and received by AGENCY; and

WHEREAS, such advance was intended and made in the nature of a loan; and
WHEREAS, the parties now desire to memorialize the terms and conditions upon
which said advance was made; and

NOW THEREFORE, the parties agree as follows:

- 1. CITY has advanced funds to AGENCY in the sum of three million seven hundred forty-seven thousand six hundred and eighty-eight dollars (\$3,747,688.00) ("Principal Amount") as of April 18, 2007 ("Loan Date").
- 2. Simple interest has accrued and shall continue to accrue on the Principal Amount or on such portion of the Principal Amount as then remains outstanding from the Loan Date at the average annual rate of interest earned on CITY's pooled investments, as determined by the Finance Director of CITY each year upon the anniversary date of this Agreement.
- 3. Payment in full of the Principal Amount and all accrued interest shall be made on or before October 1, 2040 ("Due Date").
- 4. Repayment of the Principal Amount or accrued interest may be made without penalty by AGENCY at any time prior to the Due Date. AGENCY, at its option, may defer payment of either the Principal Amount and/or accrued interest until the Due Date.
- 5. The parties may renegotiate the payment schedule, subject to the approval of the City Manager, City Attorney, Executive Director and General Counsel, without the need of further City Council or Redevelopment Agency approval in the event the State of California takes action to implement any proposal to end or substantially impair the ability of redevelopment agencies to continue doing business or incur debt.
- 6. AGENCY represents and acknowledges that the monies advanced under this Agreement have been used for the purchase of real property located at 8051 Washington Boulevard from Thomas J. Manz and Stephen C. Pease, and for other redevelopment purposes associated with acquisition of the property.

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- 7. This is an integrated Agreement, and contains all of the terms, considerations, understanding and promises of the parties. It shall be read as a whole.
- 8. In any action brought by either party to enforce the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees.
- 9. Any notices to parties required by this Agreement shall be delivered or mailed,U.S. first class postage prepaid, addressed as follows:

CITY

AGENCY

City Manager City of Roseville 311 Vernon Street Roseville, CA 95678 Executive Director
Redevelopment Agency of the City of Roseville
311 Vernon Street
Roseville, CA 95678

Either party may amend its address for notice by sending notice to the other party.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has
authorized the execution of this Agreement in duplicate by its City Manager and attested to by
its City Clerk under the authority of Resolution No, adopted by the Council of the City
of Roseville on the day of, 2011, and the Redevelopment
Agency of the City of Roseville, a public body, corporate and politic, has authorized the
execution of this Agreement in duplicate by its Executive Director and attested to by its
Secretary under the authority of Resolution No, adopted by the Board of the
Redevelopment Agency of the City of Roseville on the day of,
2011.

CITY OF ROSEVILLE, a municipal corporation:	REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE, a public body, corporate and politic:
BY: RAY KERRIDGE City Manager	BY: RAY KERRIDGE Executive Director
ATTEST:	ATTEST:
BY:SONIA OROZCO. City Clerk	BY: SONIA OROZCO Secretary
APPROVED AS TO FORM:	APPROVED AS TO FORM:
BY:BRITA J. BAYLESS City Attorney	BY:BRITA J. BAYLESS General Counsel
APPROVED AS TO SUBSTANCE:	APPROVED AS TO SUBSTANCE:
BY: PAUL RICHARDSON Planning, Housing and Redevelopment Director	BY: PAUL RICHARDSON Assistant Director

AGREEMENT FOR ADVANCE OF FUNDS FROM CITY OF ROSEVILLE TO ROSEVILLE REDEVELOPMENT AGENCY

(Riverside Avenue Infrastructure & Roseville Automall Façade Improvement Projects)

THIS AGREEMENT, is made and entered into this day of
, 2011, by and between the City of Roseville, a municipal
corporation ("City"), and the Redevelopment Agency of the City of Roseville, a public body,
corporate and politic ("Agency"); and

WITNESSETH:

WHEREAS, the parties have previously entered into a cooperation agreement dated June 2, 1983 whereby CITY agreed that it may, but was not required to, advance funds to AGENCY; and

WHEREAS, the City Council approved Resolution 04-09 advancing funds in the amount of \$7,000,000 from the Strategic Improvement Fund (within City's general fund) to AGENCY and the funds were subsequently transferred to and received by AGENCY; and

WHEREAS, the aforementioned advance is divided between the Riverside Avenue Streetscape Project (\$4,000,000) and the Roseville Automall Façade Improvement Project (\$3,000,000); and

WHEREAS, such advance was intended and made in the nature of a loan; and
WHEREAS, the parties now desire to memorialize the terms and conditions upon which
said advance was made; and

NOW THEREFORE, the parties agree as follows:

- 1. CITY has advanced funds to AGENCY in the sum of seven million dollars (\$7,000,000.00) ("Principal Amount") as of March 24, 2009 ("Loan Date").
- 2. Simple interest has accrued and shall continue to accrue on the Principal Amount or on such portion of the Principal Amount as then remains outstanding from the Loan Date at the average annual rate of interest earned on CITY's pooled investments, as determined by the Finance Director of CITY each year upon the anniversary date of this Agreement.
- 3. Payment in full of the Principal Amount and all accrued interest shall be made on or before October 1, 2040 ("Due Date").
- 4. Repayment of the Principal Amount or accrued interest may be made without penalty by AGENCY at any time prior to the Due Date. AGENCY, at its option, may defer payment of either the Principal Amount and/or accrued interest until the Due Date.
- 5. The parties may renegotiate the payment schedule, subject to the approval of the City Manager, City Attorney, Executive Director and General Counsel, without the need of further City Council or Redevelopment Agency approval in the event the State of California takes action to implement any proposal to end or substantially impair the ability of redevelopment agencies to continue doing business or incur debt.
- 6. AGENCY represents and acknowledges that the monies advanced under this Agreement have been used for the construction of public improvements at Riverside Avenue and at the Roseville Automall perimeter wall, and for other redevelopment purposes associated with such projects.
- 7. This is an integrated Agreement, and contains all of the terms, considerations, understanding and promises of the parties. It shall be read as a whole.

- 8. In any action brought by either party to enforce the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees.
- 9. Any notices to parties required by this Agreement shall be delivered or mailed,U.S. first class postage prepaid, addressed as follows:

CITY AGENCY

City Manager City of Roseville 311 Vernon Street Roseville, CA 95678 Executive Director Redevelopment Agency of the City of Roseville 311 Vernon Street Roseville, CA 95678

Either party may amend its address for notice by sending notice to the other party.

IN WITNESS WHEREOF, the City of Ro	seville, a municipal corporation, has authorized
the execution of this Agreement in duplicate by it	s City Manager and attested to by its City Clerk
under the authority of Resolution No, adop	pted by the Council of the City of Roseville on
the, 2011,	and the Redevelopment Agency of the City of
Roseville, a public body, corporate and politic, ha	as authorized the execution of this Agreement in
duplicate by its Executive Director and attested to	by its Secretary under the authority of
Resolution No, adopted by the Board of the	e Redevelopment Agency of the City of
Roseville on the day of	, 2011.
CITY OF ROSEVILLE, a municipal corporation:	REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE, a public body, corporate and politic:
BY:RAY KERRIDGE	BY:RAY KERRIDGE
City Manager	Executive Director

ATTEST:	ATTEST:			
BY:SONIA OROZCO City Clerk	BY: SONIA OROZCO Secretary			
APPROVED AS TO FORM:	APPROVED AS TO FORM:			
BY:BRITA J. BAYLESS City Attorney	BY:BRITA J. BAYLESS General Counsel			
APPROVED AS TO SUBSTANCE:	APPROVED AS TO SUBSTANCE:			
BY: PAUL RICHARDSON Planning, Housing and Redevelopment Director	BY:PAUL RICHARDSON Assistant Director			

AGREEMENT FOR ADVANCE OF FUNDS FROM CITY OF ROSEVILLE TO ROSEVILLE REDEVELOPMENT AGENCY

(Purchase of real property - 330 Vernon Street - Post Office)

THIS AGREEMENT, is made and entered into this day of
, 2011, by and between the City of Roseville, a municipal
corporation ("City"), and the Redevelopment Agency of the City of Roseville, a public body,
corporate and politic ("Agency"); and

$\underline{W} \underline{I} \underline{T} \underline{N} \underline{E} \underline{S} \underline{S} \underline{E} \underline{T} \underline{H}$:

WHEREAS, the parties have previously entered into a cooperation agreement dated June 2, 1983 whereby CITY agreed that it may, but was not required to, advance funds to AGENCY; and

WHEREAS, the City Council approved Ordinance No. 4816 advancing funds in the amount stated in Section 1 below from the Strategic Improvement Fund (within City's general fund) to AGENCY and the funds were subsequently transferred to and received by AGENCY; and

WHEREAS, such advance was intended and made in the nature of a loan; and WHEREAS, the parties now desire to memorialize the terms and conditions upon which said advance was made; and

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NOW THEREFORE, the parties agree as follows:

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- 1. CITY has advanced funds to AGENCY in the sum of two million twenty-six thousand six hundred seventy-nine dollars (\$2,026,679.00) ("Principal Amount") as of March 17, 2010 ("Loan Date").
- 2. Simple interest has accrued and shall continue to accrue on the Principal Amount or on such portion of the Principal Amount as then remains outstanding from the Loan Date at the average annual rate of interest earned on CITY's pooled investments, as determined by the Finance Director of CITY each year upon the anniversary date of this Agreement.
- 3. Payment in full of the Principal Amount and all accrued interest shall be made on or before October 1, 2040 ("Due Date").
- 4. Repayment of the Principal Amount or accrued interest may be made without penalty by AGENCY at any time prior to the Due Date. AGENCY, at its option, may defer payment of either the Principal Amount and/or accrued interest until the Due Date.
- 5. The parties may renegotiate the payment schedule, subject to the approval of the City Manager, City Attorney, Executive Director and General Counsel, without the need of further City Council or Redevelopment Agency approval in the event the State of California takes action to implement any proposal to end or substantially impair the ability of redevelopment agencies to continue doing business or incur debt.
- 6. AGENCY represents and acknowledges that the monies advanced under this Agreement have been used for the purchase of real property located at 330 Vernon Street from the United States Postal Service, and for other redevelopment purposes associated with acquisition of the property, including but not limited to its disposition.

- 7. This is an integrated Agreement, and contains all of the terms, considerations, understanding and promises of the parties. It shall be read as a whole.
- 8. In any action brought by either party to enforce the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees.
- Any notices to parties required by this Agreement shall be delivered or mailed,
 U.S. first class postage prepaid, addressed as follows:

CITY AGENCY

City Manager
City of Roseville
311 Vernon Street
Roseville, CA 95678

Executive Director
Redevelopment Agency of the City of Roseville
311 Vernon Street
Roseville, CA 95678

Either party may amend its address for notice by sending notice to the other party.

IN WITNESS WHEREOF, the City of Roseville, a municipal corporation, has authorized the execution of this Agreement in duplicate by its City Manager and attested to by its City Clerk under the authority of Resolution No. ______, adopted by the Council of the City of Roseville on the ______ day of ________, 2011, and the Redevelopment Agency of the City of Roseville, a public body, corporate and politic, has authorized the execution of this Agreement in duplicate by its Executive Director and attested to by its Secretary under the authority of Resolution No. _____, adopted by the Board of the Redevelopment Agency of the City of Roseville on the _____ day of _______, 2011.

CITY OF ROSEVILLE, a municipal corporation:	REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE, a public body, corporate and politic:
BY:RAY KERRIDGE City Manager	BY:RAY KERRIDGE Executive Director
ATTEST:	ATTEST:
BY: SONIA OROZCO City Clerk	BY: SONIA OROZCO Secretary
APPROVED AS TO FORM:	APPROVED AS TO FORM:
BY: BRITA J. BAYLESS City Attorney	BY: BRITA J. BAYLESS General Counsel
APPROVED AS TO SUBSTANCE:	APPROVED AS TO SUBSTANCE:
BY: PAUL RICHARDSON Planning, Housing and Redevelopment Director	BY: PAUL RICHARDSON Assistant Director

AGREEMENT FOR ADVANCE OF FUNDS FROM CITY OF ROSEVILLE TO ROSEVILLE REDEVELOPMENT AGENCY

(Roseville Community Development Corporation)

THIS AGREE	EMENT, is made and entered into this	day of
	, 2011, by and between the City of	Roseville, a municipal
corporation ("City"),	and the Redevelopment Agency of the City	of Roseville, a public body,
corporate and politic	("Agency"); and	

WITNESSETH:

WHEREAS, the parties have previously entered into a cooperation agreement dated June 2, 1983 whereby CITY agreed that it may, but was not required to, advance funds to AGENCY; and

WHEREAS, the City Council approved Ordinance No. 5906 advancing funds in the amount stated in Section 1 below from the Strategic Improvement Fund (within City's general fund) to AGENCY and the funds were subsequently transferred to and received by AGENCY; and

WHEREAS, such advance was intended and made in the nature of a loan; and
WHEREAS, the parties now desire to memorialize the terms and conditions upon which
said advance was made; and

NOW THEREFORE, the parties agree as follows:

1. CITY has advanced funds to AGENCY in the sum of five million dollars (\$5,000,000.00) ("Principal Amount") as of November 29, 2010 ("Loan Date").

- 2. Simple interest has accrued and shall continue to accrue on the Principal Amount or on such portion of the Principal Amount as then remains outstanding from the Loan Date at the average annual rate of interest earned on CITY's pooled investments, as determined by the Finance Director of CITY each year upon the anniversary date of this Agreement.
- 3. Payment in full of the Principal Amount and all accrued interest shall be made on or before October 1, 2040 ("Due Date").
- 4. Repayment of the Principal Amount or accrued interest may be made without penalty by AGENCY at any time prior to the Due Date. AGENCY, at its option, may defer payment of either the Principal Amount and/or accrued interest until the Due Date.
- 5. The parties may renegotiate the payment schedule, subject to the approval of the City Manager, City Attorney, Executive Director and General Counsel, without the need of further City Council or Redevelopment Agency approval in the event the State of California takes action to implement any proposal to end or substantially impair the ability of redevelopment agencies to continue doing business or incur debt.
- 6. AGENCY represents and acknowledges that the monies advanced under this

 Agreement have and/or will be used by AGENCY in support of the Roseville Community

 Development Corporation ("RCDC") as the RCDC pursues community development activities.
- 7. This is an integrated Agreement, and contains all of the terms, considerations, understanding and promises of the parties. It shall be read as a whole.
- 8. In any action brought by either party to enforce the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees.
- 9. Any notices to parties required by this Agreement shall be delivered or mailed, U.S. first class postage prepaid, addressed as follows:

00000386.DOC

CITY AGENCY

City Manager City of Roseville 311 Vernon Street Roseville, CA 95678 Executive Director
Redevelopment Agency of the City of Roseville
311 Vernon Street
Roseville, CA 95678

Either party may amend its address for notice by sending notice to the other party.

IN WITNESS WHEREOF, the City of Ro	oseville, a municipal corporation, has authorized		
the execution of this Agreement in duplicate by i	ts City Manager and attested to by its City Clerk		
under the authority of Resolution No, add	opted by the Council of the City of Roseville on		
the, 2011	, and the Redevelopment Agency of the City of		
Roseville, a public body, corporate and politic, h	as authorized the execution of this Agreement in		
duplicate by its Executive Director and attested t	o by its Secretary under the authority of		
Resolution No, adopted by the Board of th	e Redevelopment Agency of the City of		
Roseville on the day of	, 2011.		
CITY OF ROSEVILLE, a municipal corporation:	REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE, a public body, corporate and politic:		
BY:	BY:		
BY:RAY KERRIDGE City Manager	BY: RAY KERRIDGE Executive Director		
ATTEST:	ATTEST:		
BY:	BY:		
BY:SONIA OROZCO	SONIA OROZCO		
City Clerk	Secretary		

APPROVED AS TO FORM:	APPROVED AS TO FORM:		
BY:BRITA J. BAYLESS City Attorney	BY:BRITA J. BAYLESS General Counsel		
APPROVED AS TO SUBSTANCE:	APPROVED AS TO SUBSTANCE:		
BY: PAUL RICHARDSON Planning, Housing and Redevelopment Director	BY:PAUL RICHARDSON Assistant Director		

REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE

RESOLUTION NO. 3-11

AUTHORIZING AMENDMENTS TO THE 2010-11 BUDGET

WHEREAS, the Redevelopment Agency of the City of Roseville desires to reallocate various monies mentioned below, and

NOW, THEREFORE, the Redevelopment Agency of the City of Roseville does hereby resolve that the Redevelopment Agency of the City of Roseville Annual Budget, Fiscal Year 2010-11, is hereby amended by transferring an additional appropriation to and from the activities indicated below:

From:	<u>To:</u>	
00110-3902 Reversal of Transfer for Riverside Project	00110-8911 Loan for Riverside Streetscape Project	\$4,000,000.00
00295-8902 Reversal of Transfer for Riverside Project	00295-3911 Loan for Riverside Streetscape Project	\$4,000,000.00
00110-3902 Reversal of Transfer for Washington Purchase	00110-8911 Loan for 8051 Washington Boulevard Purchase	\$3,747,668.00
00295-8902 Reversal of Transfer for Washington Purchase	00295-3911 Loan for 8051 Washington Boulevard Purchase	\$3,747,668.00
00110-3902 Reversal of Transfer for 330 Vernon Street	00110-8911 Loan for 330 Vernon Street Purchase	\$2,026,679.00
00295-8902 Reversal of Transfer for 330 Vernon Street	00295-3911 Loan for 330 Vernon Street Purchase	\$2,026,679.00

	the following vote on roll call:
AYES AGENCY MEMBERS:	
NOES AGENCY MEMBERS:	
ABSENT AGENCY MEMBERS:	
	CHAIRMAN
Secretary	



CITY OF ROSEVILLE REQUEST FOR BUDGET ADJUSTMENT

FINANCE DEPARTMENT

Instructions: Fill in all requested information completely and accurately. When complete, print 3 copies for distribution to (1) Council Communication; (2) Budget Department; (3) Requesting Department.

Account Title/Activity Description

REQUESTER:

Melissa Hagan

DEPARTMENT:

USE OF FUNDS

AMOUNT

Planning and Redevelopment

GL

DATE OF PROPOSED COUNCIL ACTION:

2/2/2011

ACCOUNT NUMBER

		ORG KEY	OBJECT	FUND	PROJECT	ACTIVITY		
\$	4,000,000	00110	8911				Loan for Riverside Streetscape Project	
\$	4,000,000	00295	3911				11 11	
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\$	3,747,668	00110	8911				Loan for 8051 Washington Blvd purchase	
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\$	3,747,000	00200						
_	2.026.670	00110	8911				Loan for 330 Vernon Street purchase	
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\$	2,026,679	00295	3911		<u> </u>	.1		
\$	19,548,695							
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\$		00295	8902				а п	
\$	4,000,000	00293	0302				1.4. 1. 1	
							Reversal of Transfer for Riverside project	
\$	3,747,668	00110	3902				n n	
\$	3,747,668	00295	8902				Reversal of Transfer for 330 Vernon St	
\$	2,026,679	00110	3902		_		Reversal of Translet for 350 vernor of	
\$	2,026,679	00295	8902				"	
\$	19,548,695		mental of the second of the second			TURE 75 (ASJUNIS)	Date:	
FINANCE USE Appropried								
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JL.

Justification for Budget Adjustment: This budget adjustment is to reclassify the listed loans from transfers to advances. There is no effect on the Strategic Improvement Fund nor the Redevelopment Fund.

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Approved:		Approved	N/a	
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REQUESTING DEPARTMENT HEAD / DESIGNEE	TRACOVICE CONTROL CONT	CITY MANA	kgER	
REQUESTING DEPARTMENT HEAD? DESIGNED	3 44 (2014) 4 (44 (44 (44 (44 (44 (44 (44 (44 (44		ž.	