COUNCIL COMMUNICATION

THE CITY COUNCIL

FROM: THE CITY MANAGER'S OFFICE

DATE

SEPTEMBER 4, 1991

DYANGS FROM THE CITY OF ROSEVILLE TO

NO.

10442

JBJECT: AGREEMENTS EVIDENCING FUNDING THE REDEVELOPMENT AGENCY

The City of Roseville activated its Redevelopment Agency on May 18, 1983 and at the same time entered into a Cooperation Agreement establishing the terms under which the City would advance funds to the Agency for operations. Until the 1990-1991 fiscal year, when the Agency began receiving Tax Increment revenues, the Agency was totally dependent on City advances to fund activities. The initial activity funded by the City was adoption of the Redevelopment Plan, which was completed in November, 1989. Since the Plan's adoption, the City has funded start up redevelopment activities, primarily: Master Plans, Facade Grants and Commercial Rehabilitation Loans. The Agency will begin repaying the City loans this fiscal year with an initial payment of \$10,000. The majority of the loans will be paid when the Agency sells its first bond anticipated for 1996 or 1997.

To date, the City has advanced the Agency a total of \$1,228,384. Staff has prepared agreements to be executed by the City and Agency which acknowledge the amount and terms of each advance. Two agreements have been prepared:

The first for \$969,201 identifying all advances made between 1983 and 1990.

2. The second for \$259,183 in advances for the current 1991-1992 fiscal year.

In the future, as the City advances additional funds to the Agency, an agreement will be prepared to document the advance.

RECOMMENDED CITY COUNCIL ACTION:

- 1. Approve the attached Resolution and Amendment to the Cooperation Agreement changing the interest rate charged by the City on advances from 13% to the "average annual rate earned by the City's pooled investments".
- 2. Approved the attached Resolution and Agreements for Advance of Funds from the City of Roseville to the Redevelopment Agency.

John Sprague

Housing and Redevelopment Manager

APPROVED:

Allen E. Johnson

City Manager

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

This Agreement is made as of <u>September 11</u>, 1991, by and between the City of Roseville, a municipal corporation ("CITY"), and the Redevelopment Agency of the City of Roseville, a public agency, ("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 parties now desire that such an advance be made and wish to set out the terms and conditions upon which said advance shall be made;

NOW THEREFORE, the parties agree as follows:

- 1. CITY agrees to advance AGENCY the sum of

 Nine Hundred Sixty-nine Thousand Two Hundred One Dollars (\$969,201)

 ("the Principal Amount") as of July 1, 1990 ("the Loan

 Date").
- 2. Simple interest shall accrue on the Principal Amount 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.

[DRAFT: August 16, 1991 Revision]

- 3. Payment in full of the Principal Amount and all accrued interest shall be made on or before October 17 2029 ("the 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. AGENCY agrees that the monies advanced under this Agreement shall be used for: See Attachment A
- 6. 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.
- 7. 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.
- 8. 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.

[DRAFT: August 16, 1991 Revision]

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. 91-229, adopted by the Council of the City of Roseville on the 11th day of September , 1991, and the Redevelopment Agency of the City of Roseville, a public agency, 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. 4-91, adopted by the Board of the Redevelopment Agency of the City of Roseville on the 11th day of

 September	 19	91
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CITY OF ROSEVILLE, a municipal corporation

ALLEM E. JOHNSON City Manager

ATTEST:

HELEN FLORANCE
City Clerk

APPROVED AS TO FORM:

MICHAEL F. DEAN City Attorney

APPROVED AS TO SUBSTANCE:

REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE, a public agency

BY: /

ALLEN E. JOHNSON Executive Director

ATTEST:

HÉLEN FLORANCE

Secretary

APPROVED AS TO FORM:

MICHAEL F. DEAN General Counsel

APPROVED AS TO SUBSTANCE:

[DRAFT: August 16, 1991

Revision

JOHN L. SPRAGUE Housing & Redevelopment Manager

JOHN L. SPRAGUE Deputy Director

[DRAFT: August 16, 1991 Revision]

ATTACHMENT A

Activities Which Can Be Funded Using City of Roseville Advances to the Roseville Redevelopment Agency

- 1. Adoption of Redevelopment Plan
- 2. Administration
- 3. Preparation of Master Plans
- 4. Commercial Rehabilitation Loans
- 5. Facade Grants
- 6. Street Improvements, including curb, gutter and sidewalks.
- 7. Landscaping
- 8. General Improvements to the Project Area

RESOLUTION NO. 91-229

RESOLUTION OF THE COUNCIL OF THE CITY OF ROSEVILLE APPROVING
AN AGREEMENT BETWEEN THE CITY OF ROSEVILLE AND THE REDEVELOPMENT
AGENCY OF THE CITY OF ROSEVILLE
AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF
THE CITY OF ROSEVILLE

WHEREAS, an agreement for advance of funds between the City of Roseville and the Roseville Redevelopment Agency (in the amount of \$969,201 for activities to be funded as set forth in Attachment "A")

has been prepared and has been reviewed by the Council;

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that said agreement is approved and that the City Manager is authorized to execute it on behalf of the City of Roseville.

PASSED AND ADOPTED by the Council of the City of Roseville this 11th day of September , 19 91, by the following vote on roll call:

AYES COUNCILMEMBERS: Harry Crabb, Jr., John Byouk, Mel Hamel, Pauline Roccucci

NOES COUNCILMEMBERS: None

ABSENT COUNCILMEMBERS: Bill Santucci

ATTEST:

City Clerk

REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE RESOLUTION NO. 4-91

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE APPROVING AN AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY AND THE CITY OF ROSEVILLE AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE IT ON BEHALF OF THE REDEVELOPMENT AGENCY

WHEREAS, an Agreement for advance of funds between the Redevelopment Agency of the City of Roseville and the City of Roseville (in the amount of \$969,201 for activities to be funded as set forth in Attachment "A") has been prepared and has been reviewed by the Redevelopment Agency;

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Roseville that said agreement is approved and that the Executive Director is authorized to execute in on behalf of the Redevelopment Agency.

PASSED AND ADOPTED by the Redevelopment Agency of the City of Roseville this <u>llth</u> day of <u>September</u>, 19<u>91</u>, by the following vote on roll call:

AYES AGENCY MEMBERS: Harry Crabb, Jr., John Byouk, Mel Hamel, Pauline Roccucci

NOES AGENCY MEMBERS: None

ABSENT AGENCY MEMBERS: Bill Santucci

Tadeni Locura!

ATTEST: