



City of Loma Linda Official Report

Rhodes Rigsby, Mayor
Ovidiu Popescu, Mayor pro tempore
Stan Brauer, Councilman
Ronald Dailey, Councilman
Phillip Dupper, Councilman

SUCCESSOR AGENCY AGENDA: April 10, 2012

TO: City Council

FROM: T. Jarb Thaipejr, City Manager

SUBJECT: SUBJECT: Successor Agency Cooperative Agreement between the City and the City, acting solely in the capacity as the Successor Agency to the Loma Linda Redevelopment Agency

Approved/Continued/Denied By City Council Date _____
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RECOMMENDATION

It is recommended that the City Council acting in its capacity as the Successor Agency to the Redevelopment Agency approve an agreement with city, acting in the capacity as the Successor Agency to the Loma Redevelopment Agency regarding administrative costs.

BACKGROUND AND OVERVIEW:

The City has proposed for consideration of approval by the Oversight Board various agreements between the City and the former Redevelopment Agency. The Oversight Board will be considering the Administrative Services Agreement at its meeting earlier in the day on April 10.

The Agreement relates to administrative costs which the city expects to incur in the course of providing services at the request of and for benefit of the Oversight Board and as necessary to address informational requirements under ABx1 26.

SUCCESSOR AGENCY COOPERATIVE AGREEMENT

THIS SUCCESSOR AGENCY COOPERATIVE AGREEMENT (the "Agreement") is entered into as of March 20, 2011, by and between the CITY OF LOMA LINDA, a municipal corporation (herein the "City") and the CITY OF LOMA LINDA, ACTING SOLELY IN THE CAPACITY AS THE SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT SUCCESSOR AGENCY (herein the "Successor Agency").

RECITALS

A. Pursuant to the provisions of the California Redevelopment Law (Health and Safety Code Section 33000 *et seq.* [the "Redevelopment Law"]), the City Council of the City of Loma Linda, activated the Loma Linda Redevelopment Agency (the "Agency").

B. By legislation enacted in 2011 (ABx1 26, the "Dissolution Act"), redevelopment agencies throughout California were dissolved, which dissolution was effective February 1, 2012. Under the Dissolution Act, administration of activities of the former Agency is to be conducted by a successor agency, as prescribed under Part 1.85, Chapter 3 of the Dissolution Act. The City has been designated as the Successor Agency for such purposes.

C. Pursuant to the Redevelopment Law, as amended by the Dissolution Act, the Successor Agency will be performing duties, including without limitation the administration of certain moneys and properties formerly held by the Agency, the provision of information, submittal of reports and interacting with an oversight board as established pursuant to the Dissolution Act with respect to the former Agency (the "Oversight Board"). The Successor Agency is performing a public function.

C. The Dissolution Act provides, at Section 34178, that a successor entity wishing to enter or reenter into agreement with the city that formed the redevelopment agency that it is succeeding may do so upon obtaining the approval of its oversight board.

D. The City and the Successor Agency desire to enter into this Agreement, which Agreement has been duly presented to the Oversight Board, which has approved and authorized the Successor Agency to enter into this Agreement with the City.

AGREEMENTS

1. The City agrees to provide for the Successor Agency such staff assistance, supplies, technical services and other services and facilities of the City as the Successor Agency may require in carrying out its functions under the Redevelopment Law (as amended by the Dissolution Act). Such assistance and services may include the services of officers and employees and special consultants.

2. The City may, to the extent permitted by law, but is not required to, advance necessary funds to the Successor Agency or to expend funds on behalf of the Successor Agency for implementation of the Dissolution Act. In this regard, it is contemplated that the City will make available services and will incur expenses of approximately Two Hundred Thousand Dollars (\$200,000.00) in connection with the activities of the Successor Agency. Additional advances will be made in accordance with such budgets as are adopted from time to time by the Successor Agency and approved by the Oversight Board.

3. The City will keep records of activities and services undertaken pursuant to this Agreement and the costs thereof in order that an accurate record of the Successor Agency's liability to the City can be ascertained. The City shall periodically, but not less than annually, submit to the Successor Agency a statement of the costs incurred by the City in rendering activities and services of the City to the Successor Agency pursuant to this Agreement. Such statement of costs may include a proration of the City's administrative and salary expense attributable to services of City officials, employees and departments rendered for the Successor Agency. The amounts advanced under this Agreement shall constitute the "Accrued Amount."

4. The Successor Agency agrees to pay the City, with interest, an amount equal to the Accrued Amount and all expenditures made and obligations and liabilities incurred by the City pursuant to this Agreement from funds allocated to the Successor Agency. City will periodically compute amounts owing under this Agreement. Interest shall accrue on all amounts payable by the Successor Agency pursuant to this Agreement at the rate of the lesser of (i) seven percent (7%) per annum, or (ii) the interest rate determined from time to time for the Local Agency Investment Fund ("LAIF"). Payment shall be made in accordance with the schedule of payments set forth as Exhibit "B" hereto (the "Schedule of Payments").

5. If any term, provision, condition or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected, and shall be valid and enforceable to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY OF LOMA LINDA

By: _____
Rhodes Rigsby, Mayor

ATTEST:

Pamela Byrnes-O'Camb, City Clerk

CIT OF LOMA LINDA SOLELY IN ITS
CAPACITY AS SUCCESSOR AGENCY TO THE
LOMA LINDA REDEVELOPMENT AGENCY

By: _____
T. Jarb Thaipejr, Executive Director

ATTEST:

Pamela Byrnes-O'Camb, Successor Agency Secretary

EXHIBIT "A"

SCHEDULE OF PAYMENTS

<u>Fiscal Year</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
FY 2013-2014			
FY 2014-2015			
FY 2015-2016			
FY 2016-2017			
FY 2017-2018			
FY 2018-2019			
FY 2019-2020			
FY 2020-2021			
FY 2021-2022			
FY 2022-2023			
FY 2023-2024			
FY 2024-2025			
FY 2025-2026			
FY 2026-2027			
FY 2027-2028			
FY 2028-2029			
FY 2029-2030			
FY 2030-2031			
FY 2031-2032			
FY 2032-2033			
FY 2033-2034			
FY 2034-2035			
FY 2035-2036			
FY 2036-2037			
Grand Total			