



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: May 22, 2012

TO: City Council

FROM: T. Jarb Thaipejr, City Manager *T.J.T.*

SUBJECT: Council Bill #R-2012-27 – Approval/Re-approval of City entering into certain agreements with the Successor Agency to the Redevelopment Agency

Approved/Continued/Denied
By City Council
Date _____

RECOMMENDATION:

It is recommended that the City Council in its capacity as Successor Agency to the Loma Linda Redevelopment Agency adopt Council Bill #R-2012-27 Approving or Reapproving Certain Arrangements Between the City of Loma Linda (“City”) and the City of Loma Linda in its capacity as Successor Agency to the Loma Linda Redevelopment Agency (“Successor Agency”).

BACKGROUND AND OVERVIEW:

ABx1 26 provides, in part, at Health & Safety Code Section 34178, that commencing as of the effective date of ABx1 26, agreements, contracts or arrangements between the city that created the redevelopment agency and the redevelopment agency are invalid and shall not be binding on the successor agency; provided however, that a successor entity wishing to enter or reenter into agreements with the city that formed the redevelopment agency that it is succeeding may do so upon obtaining the approval of its oversight board. Successor Agency staff has presented to the Oversight Board agreements between the City and the Successor Agency as attached to the accompanying resolution; those agreements, dated as of May 1979, September 1983, November 2005 and March 2011, respectively (collectively, the “Designated Agreements”) have been approved by the Oversight Board at its meeting of May 8, 2012. At its meeting of May 8, 2012, the Oversight Board consented to the Successor Agency approving or reapproving the Designated Agreements with the City.

Upon approval by the City and the Successor Agency, the Successor Agency would include the Designated Agreements in the Recognized Obligation Payment Schedule (ROPS).

FINDINGS AND ALTERNATIVES:

The alternatives available to the City and the Successor Agency, respectively, are:

1. Adopt a resolution approving the entry or reentry into the Designated Agreements by the City and the Successor Agency; or
2. Provide staff with alternative direction.

RESOLUTION NO.

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY APPROVING CERTAIN ARRANGEMENTS BETWEEN THE CITY OF LOMA LINDA AS A MUNICIPAL CORPORATION AND THE CITY OF LOMA LINDA AS SUCCESSOR AGENCY TO THE LOMA LINDA REDEVELOPMENT AGENCY

WHEREAS, the City of Loma Linda (the "City") previously entered into certain agreements in the form submitted herewith as Exhibit "A" hereto (the "Designated Agreements"); and

WHEREAS, the Designated Agreements have been presented to the City and the Successor Agency prior to the meeting of May 22, 2012; and

WHEREAS, Successor Agency staff has presented to the Oversight Board for the Successor Agency to the Loma Linda Redevelopment Agency (the "Oversight Board") for consideration as to the approval of the Oversight Board to the City and the Successor Agency entering or reentering into the Designated Agreements; and

WHEREAS, the Designated Agreements represent amounts that were advanced by the City to the former Loma Linda Redevelopment Agency (the "Redevelopment Agency") in accordance with applicable laws as in effect as of the time such agreements were approved; and

WHEREAS, at its meeting of May 8, 2012, the Oversight Board approved and authorized the Successor Agency to enter or reenter into the Designated Agreements with the City; and

WHEREAS, it is in the public health, safety and interest that the Successor Agency approve or reapprove entering or reentering into the Designated Agreements with the City;

NOW THEREFORE, BE IT RESOLVED by the Successor Agency as follows:

SECTION 1. The Successor Agency finds and determines that the foregoing recitals are true and correct and that the Designated Agreements as heretofore entered into, and each of them, were for legitimate redevelopment purposes.

SECTION 2. The Successor Agency approves and authorizes the City and the Successor Agency to enter into or reenter into the Designated Agreements and to take those actions as provided for thereunder.

SECTION 3. The Designated Agreements shall be repaid under a defined schedule over a term of not to exceed fifteen (15) years, which the Successor Agency determines to be a reasonable period of time, with an interest rate not to exceed that established from time to time for deposits with the Local Agency Investment Fund (LAIF). The repayment schedule is attached as Exhibit "B" hereto.

Resolution No.
Page 2

SECTION 4. The Successor Agency directs the Executive Director to include the Designated Agreements in the Recognized Obligation Payment Schedules as shall from time to time be prepared by the Successor Agency.

SECTION 5. The Successor Agency shall maintain on file as a public record this Resolution.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Successor Agency to the Loma Linda Redevelopment Agency, held on this the 22nd day of May 2012 by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Rhodes Rigsby, Chairman, Successor
Agency

ATTEST:

Pamela Byrnes-O'Camb
Successor Agency Secretary

EXHIBIT "A"
DESIGNATED AGREEMENTS

COOPERATION AGREEMENT

THIS AGREEMENT is entered into as of the 29th day of May, 1979, by and between the CITY OF LOMA LINDA, a municipal corporation (herein the "City") and the LOMA LINDA COMMUNITY REDEVELOPMENT AGENCY, a public body (herein the "Agency").

RECITALS

A. The City Council of the City, acting pursuant to the provision of the California Community Redevelopment Law (Health & Safety Code Section 33000 et seq.) has activated the Agency and has declared itself to constitute the Agency, by Ordinance No. 207, adopted on March 29, 1979.

B. Pursuant to the Community Redevelopment Law, the Agency is performing a public function of the City and may have access to services and facilities of the City.

C. The City and Agency desire to enter into this Agreement:

(1) To set forth activities, services, and facilities which the City will render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Community Redevelopment Law; and

(2) To provide that the Agency will reimburse the City for actions undertaken and costs and expenses incurred by it for and on behalf of the Agency.

AGREEMENTS

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

2. The City may, but is not required to, advance necessary funds to the Agency or to expend funds on behalf of the Agency for the preparation and implementation of the redevelopment plan including, but not limited to, the costs of acquisition of property within the project area, demolition and clearance of properties acquired, building and site preparation, public improvements, and relocation assistance to displaced residential and nonresidential occupants as required by law.

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 Agency's liability to the City can be ascertained. The City shall periodically, but not less than annually, submit to the Agency a statement of the costs incurred by the City in rendering activities and services of the City to the Agency pursuant to this Agreement. This Agreement may include a proration of City's administrative and salary expense attributable to services of City officials, employees and departments rendered for the Agency.

4. The Agency agrees to reimburse the City for all costs incurred for services by the City pursuant to this Agreement from and to the extent that funds are available to the Agency for such purpose pursuant

to Section 33670 of the Health and Safety Code or from other sources; provided, however, that the Agency shall have the sole and exclusive right to pledge any such sources of funds to the repayment of other indebtedness incurred by the Agency in carrying out the project. The costs of the City under this Agreement will be shown on statements submitted to the Agency pursuant to Paragraph 3 above. Although the parties recognize that payment may not occur for a few years and that repayment may also occur over a period of time, it is the express intent of the parties that the expenses incurred by the City under this Agreement shall be entitled to payment, consistent with the Agency's financial ability, in order to make the City whole as soon as practically possible.

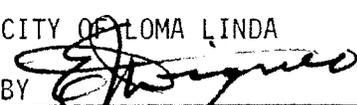
5. The City agrees to include the Agency within the terms of the City's insurance policy. The Agency shall pay to the City its pro rata share of the costs of insurance applicable to its activities resulting from the Agency's inclusion in the City's policy.

6. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 et seq. of the Community Redevelopment Law, to be repaid to the City by the Agency with interest at eight percent (8%) per annum.

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

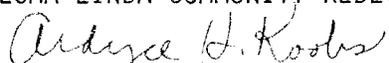
ATTEST:

CITY CLERK

CITY OF LOMA LINDA
BY 
MAYOR

ATTEST:

SECRETARY

LOMA LINDA COMMUNITY REDEVELOPMENT AGENCY

CHAIRMAN

RECORDING REQUESTED BY)
AND WHEN RECORDED MAIL TO:)
)
Fritz R. Stradling, Esq.)
Stradling, Yocca, Carlson & Rauth)
660 Newport Center Drive)
Suite 1600)
Newport Beach, California 92660)

[Space above for recorder.]
This document is recorded
for the benefit of the City
of Loma Linda, and the
recording is fee-exempt
under §6013 of the Govern-
ment Code.

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SITE LEASE

This Lease, dated as of January 1, 1987, by and between the City of Loma Linda (herein called the "City"), as Lessor, and the Loma Linda Redevelopment Agency, a community redevelopment agency (herein called the "Agency") as Lessee;

W I T N E S S E T H:

WHEREAS, the Agency agreed to assist the City by financing the acquisition, construction and improvements to the City Hall, the Fire Station, the Library Building, a park, and the City Corporation Yard, together with all structures and improvements related thereto or provided therefor (the "Facilities") on land (the "Sites") owned by the City and more particularly described in Exhibit "A" attached hereto and incorporated herein by reference; and

WHEREAS, the Project is in the Agency's Project Area and will benefit the Project Area; and

WHEREAS, the Agency leased the Sites from the City pursuant to a Site Lease dated as of December 1, 1985 by and between the City and the Agency (the "1985 Site Lease") and agreed to sublease to the City the Sites as improved by the Facilities (the Sites and the Facilities are herein called the "Project"); and

WHEREAS, the Agency and the City agree that it would be in the best interest of the parties to refund Certificates of Participation (the "1985 Certificates") issued pursuant to the Assignment and Trust Agreement, dated as of December 1, 1985 by and among the Agency, the City and Manufacturers Hanover Trust Company of California (the "1985 Trust Agreement"); and

WHEREAS, pursuant to the 1985 Trust Agreement, because title to the Site will vest in the City upon payment of the 1985 Certificates it is necessary to enter into this Site Lease dated as of January 1, 1987 by and between the City and the Agency (the "Site Lease"), a material consideration for the Agency's agreement to construct the Facilities for and on behalf of the City and for the Agency to sublease the Project to the City pursuant to a new Lease Agreement dated as of January 1, 1987 by and between the Agency and the City (the "Lease Agreement");

NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED as follows:

SECTION 1: Leased Premises. The City hereby leases to the Agency and the Agency hereby hires from the City, on the terms and conditions hereinafter set forth, the Sites.

SECTION 2: Term. The term of this Site Lease shall commence on the date of recordation of this Site Lease in the office of the County Recorder of San Bernardino County, State of California, or on January 1, 1987, whichever is earlier, and shall end 10 days after the date when all Certificates of Participation (the "Certificates") issued pursuant to the Assignment and Trust Agreement dated as of January 1, 1987 by and among the City, the Agency and Bank of America National Trust and Savings Association (the "Trustee") are paid in full unless such term is extended or sooner terminated as hereinafter provided and provided further that the term hereof shall not exceed 50 years.

SECTION 3. Rental. The Agency has paid to the City as and for rental under the 1985 Site Lease the sum of Four Million Three Hundred Fifteen Thousand Dollars (\$4,315,000) and no additional amount shall be paid.

SECTION 4. Purpose. The Agency shall use the Sites solely for the purpose of constructing the Facilities thereon and leasing the Sites and the Facilities to be constructed and rehabilitated thereon to the City; provided that in the event of default by the City under the Lease Agreement the Agency may exercise the remedies provided in said Lease Agreement.

SECTION 5. Owner of Interest in Leased Premises; Title to Improvements. The City covenants that it is the owner of an interest in the Sites, as described in Exhibit A hereto, and that there are no easements, encumbrances or interests with respect to the Sites which will prohibit the construction of the Facilities.

SECTION 6. Assignments and Subleases. Unless the City shall be in default under the Lease Agreement, the Agency may not assign its rights under this Site Lease or sublet the Sites, except to the Trustee to secure any indebtedness incurred by the Agency to obtain funds to finance the construction and rehabilitation of the Facilities as contemplated by the Lease Agreement, without the written consent of the City.

SECTION 7. Right of Entry. The City reserves the right for any of its duly authorized representatives to enter upon the Sites at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

SECTION 8. Termination. The Agency agrees, upon the termination of this Site Lease, to quit and surrender the Sites in the same good order and condition as the same were in at the time of commencement of the term hereunder, reasonable wear and tear excepted, and agrees that any permanent improvements and structures existing upon the Sites at the time of the termination of this Site Lease shall remain thereon and title thereto shall vest in the City.

SECTION 9. Mortgage of Leasehold. The Agency is hereby granted the right to assign, mortgage, hypothecate or otherwise encumber this Site Lease or any rights hereunder and the leasehold created hereby, by trust agreement, indenture, deed of trust or otherwise, in connection with the authentication and delivery of the Certificates. In the event of any further assignment to a new purchaser of the Project in connection with the foreclosure or sale under any trust agreement, mortgage, deed of trust, indenture or other instrument, the trustee or any purchaser at any sale under foreclosure or power of sale thereunder shall automatically have and possess all of the rights herein granted to the Agency.

SECTION 10. Default. In the event the Agency shall be in default in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for thirty (30) days following notice and demand for correction thereof to the Agency, the City, subject to the provisions of Section 9 hereof, may exercise any and all

remedies granted by law, except that no merger of this Site Lease and the Lease Agreement shall be deemed to occur as a result thereof.

SECTION 11. Quiet Enjoyment. The Agency at all times during the term of this lease shall peaceably and quietly have, hold and enjoy all of the Sites.

SECTION 12. Waiver of Personal Liability. All liabilities under this Site Lease on the part of the Agency shall be solely corporate liabilities of Agency as a community redevelopment agency, and the City hereby releases each and every member and officer of the Agency of and from any personal or individual liability hereunder. No member or officer of the Agency shall at any time or under any circumstances be individually or personally liable hereunder for anything done or omitted to be done by the Agency hereunder.

SECTION 13. Eminent Domain. If the whole of the Sites, or so much thereof as to render the remainder unusable for the purposes for which the same was constructed, shall be taken under the power of eminent domain, then this Site Lease shall terminate as of the day possession shall be so taken. If less than the whole of the Sites shall be taken under the power of eminent domain, and the remainder is usable by the Agency or the City, then this Site Lease shall continue in full force and effect and shall not be terminated by virtue of such taking (and the parties waive the benefit of any law to the contrary).

Any award made in eminent domain proceedings for the taking or damaging of the Sites in whole or in part which causes a termination of this Site Lease shall recognize the value of the Agency's interest to be the amount of the then unpaid Certificates. The balance of any such award shall be paid to the City.

SECTION 15. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Site Lease shall to any extent be declared invalid, enforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease shall be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

SECTION 16. Notices. All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder by either party to

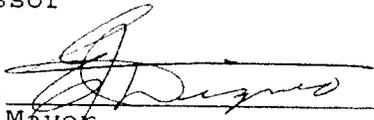
the other shall be in writing and shall be sufficiently given and served upon the other party and addressed as follows:

City: City Clerk
City of Loma Linda
11128 Anderson Street
Loma Linda, California 92354

Agency: Secretary of the Agency
c/o City Clerk
City of Loma Linda
11128 Anderson Street
Loma Linda, California 92354

IN WITNESS WHEREOF, the City and the Agency have caused this Site Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

CITY OF LOMA LINDA,
Lessor

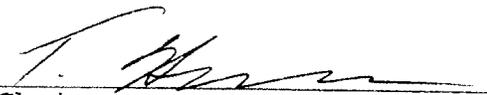
By: 
Mayor

[Seal]

ATTEST:

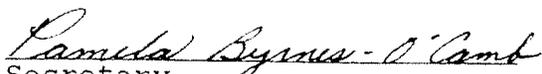

City Clerk

LOMA LINDA REDEVELOPMENT
AGENCY,
Lessee

By: 
Chairman

[Seal]

ATTEST:


Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

On this 26 day of January, 1987, before me, a Notary Public, State of California, duly commissioned and sworn, personally appeared T. MILFORD HARRISON and PAMELA BYRNES O'LEARY, known to me to be the Chairman and Secretary of the Loma Linda Redevelopment Agency, that executed the within instrument on behalf of said public corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to a resolution of the members of said public corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year in this certificate first above written.



Michelle Bell
Notary Public
State of California

(SEAL)

EXHIBIT "A"

PARCEL A:

PARCEL NO'S. 1, 2 AND 3 OF PARCEL MAP NO. 3067, IN THE CITY OF LOMA LINDA, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 32 OF PARCEL MAPS, PAGE 42, RECORDS OF SAID COUNTY.

PARCEL B:

ALL THAT PORTION OF LOTS 5, 6 AND 22, BLOCK 56, RANCHO SAN BERNARDINO, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 7 OF MAPS, PAGE 2, RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 30 RODS EAST AND 74 RODS 11 FEET SOUTH OF THE NORTHWEST CORNER OF SAID LOT 22; THENCE WEST 14 RODS 1 FOOT 2 INCHES; THENCE SOUTH 74 RODS 11 FEET 3 INCHES TO THE CENTER LINE OF PUBLIC ROAD; THENCE SOUTHEAST ALONG THE CENTER LINE OF PUBLIC ROAD, 14 RODS 1 FOOT 3 INCHES TO POINT DIRECTLY SOUTH OF THE POINT OF BEGINNING; THENCE NORTH 84 RODS 8 FEET TO THE POINT OF BEGINNING.

PARCEL C:

ALL THOSE PORTIONS OF SUB LOTS 1 THROUGH 4, INCLUSIVE, AS SHOWN ON MAP OF LOTS 23 AND 24, AND SUBDIVISION OF LOTS 21 AND 22, BLOCK 57, RANCHO SAN BERNARDINO, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 16 OF MAPS, PAGE 43, RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SUB LOT 4; THENCE NORTH 00 DEG. 36' 18" WEST ALONG THE WEST LINE OF SAID SUB LOT 4, A DISTANCE OF 20.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 83 DEG. 54' 26" EAST, 308.22 FEET; THENCE NORTH 78 DEG. 28' 16" WEST, TO A POINT ON THE SOUTHWESTERLY LINE OF THE SOUTHERN PACIFIC RAILROAD RIGHT OF WAY, 100.00 FEET WIDE, AS DESCRIBED IN DEED RECORDED FEBRUARY 17, 1875, IN BOOK "N", OF DEEDS, SAID SOUTHWESTERLY LINE ALSO BEING A CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 11,409.20 FEET; THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY RIGHT OF WAY LINE TO A POINT ON THE WESTERLY LINE OF SAID SUB LOT 4; THENCE SOUTH 00 DEG. 36' 18" EAST ALONG SAID WESTERLY LINE, A DISTANCE OF 403.60 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION LYING EAST OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT IN THE CENTER LINE OF BARTON ROAD (FORMERLY KNOWN AS LOMA LINDA AVENUE), WHICH IS SOUTH 89 DEG. 32' 00" EAST (RECORD SOUTH 89 DEG. 25' EAST) 40.2 FEET FROM AN IRON ROD AT THE SOUTHWEST CORNER OF SAID SUB LOT 2; THENCE NORTH 0 DEG. 13' 00" WEST (RECORD NORTH 0 DEG. 06' WEST) 263.1 FEET TO A STAKE AT THE FENCE ON THE SOUTH LINE OF THE SOUTHERN PACIFIC RAILROAD RIGHT OF WAY, SAID STAKE BEING THE TERMINUS.

AMENDMENT TO COOPERATION AGREEMENT

WHEREAS, the CITY OF LOMA LINDA, a municipal corporation (herein the "City") and the LOMA LINDA COMMUNITY REDEVELOPMENT AGENCY, a public body (herein the "Agency") entered into a Cooperation Agreement under date of the 29th day of May, 1979; and

WHEREAS, it is now the desire of these two entities to amend said Cooperation Agreement;

NOW, THEREFORE, the City and the Agency do hereby agree to amend the sixth paragraph to read in its entirety as follows:

6. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 et seq. of the Community Redevelopment Law, to be repaid to the City by the Agency with interest at twelve percent (12%) per annum, or such lesser amount as may be mutually agreed to by the City and the Agency.

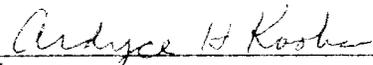
IN WITNESS WHEREOF, the parties have executed this Agreement as of this 13th day of September, 1983.

ATTEST:

CITY OF LOMA LINDA



City Clerk

BY 

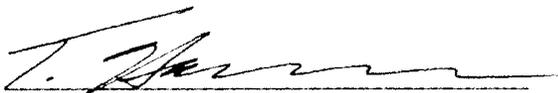
Mayor

ATTEST:

LOMA LINDA COMMUNITY REDEVELOPMENT
AGENCY



Secretary



Chairman

AMENDED AND RESTATED COOPERATION AGREEMENT

THIS AMENDED AND RESTATED AGREEMENT (the "Agreement") is entered into as of November 1, 2005, by and between the **CITY OF LOMA LINDA** (herein the "City") and the **LOMA LINDA REDEVELOPMENT AGENCY** (herein the "Agency").

RECITALS

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*), the City Council of the City of Loma Linda, activated the Agency and adopted the Redevelopment Plan (the "Redevelopment Plan") for the Loma Linda Redevelopment Project as heretofore merged and amended (the "Project").

B. Pursuant to the Community Redevelopment Law, the Agency is performing a public function of the City and may have access to services and facilities of the City.

C. The Agency and the City have entered into previous agreements and the Agency has previously issued promissory notes for the benefit of the City which establish evidence the indebtedness of the Agency to the City.

D. The City and the Agency desire to enter into this Agreement:

(1) To set forth activities, services and facilities which the City will render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Community Redevelopment Law; and

(2) To provide that the Agency will reimburse the City for actions undertaken and costs and expenses incurred by it for and on behalf of the Agency.

E. The Agency and the City are also entering into an Agreement of even date setting for the City's assistance in providing certain public improvements in implementation of the Redevelopment Plan.

AGREEMENTS

1. The City agrees to provide for the Agency such staff assistance, supplies, technical services and other services and facilities of the City as the Agency may require in carrying out its

functions under the Community Redevelopment Law. Such assistance and services may include the services of officers and employees and special consultants.

2. The City may, but is not required to, advance necessary funds to the Agency or to expend funds on behalf of the Agency for implementation of the Redevelopment Plan, including, but not limited to, the costs of surveys, planning, studies and environmental assessments for implementation of the Redevelopment Plan, the costs of acquisition of the property within the Project, demolition and clearance of properties acquired, building and site preparation, public improvements and relocation assistance to displaced residential and nonresidential occupants, if any, as required by law.

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 Agency's liability to the City can be ascertained. The City shall periodically, but not less than annually, submit to the Agency a statement of the costs incurred by the City in rendering activities and services of the City to the 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

6. The City agrees to include the Agency within the terms of the City's insurance policy. The Agency shall pay to the City its pro rata share of the costs of insurance applicable to its activities resulting from the Agency's inclusion in the rendered for the Agency.

4. The Agency agrees to pay the City, with interest, an amount equal to all expenditures made and obligations and liabilities incurred by the City pursuant to this Agreement from and to the extent that funds are available to the Agency for such purpose pursuant to Section 33670 of the Health and Safety Code ("Tax Increment") and the Agency pledges the Tax Increment to repayment of its indebtedness to the City hereunder (subject to Section 8 hereof); provided, however, that the Agency shall have the sole and exclusive right to subordinate such pledge for the benefit of the City to such other pledges as the Agency may make with respect to repayment of other indebtedness incurred by the Agency in carrying out the Project. The costs of the City under this Agreement will be shown on statements submitted to the Agency pursuant to Section 3 above. The parties recognize that repayment may occur over a period of time. Interest shall accrue on all amounts payable by the

Agency pursuant to this Agreement at the rate of the lesser of (i) twelve percent (12%) per annum, or (ii) the highest legally-allowable interest rate for a redevelopment agency.

As of June 30, 2005, the total amount of Agency indebtedness to the City was \$18,390,711.

5. The Agency agrees that it shall comply with the City's personnel policies and administrative regulations in connection with its activities and obligations under this Agreement. City's policy.

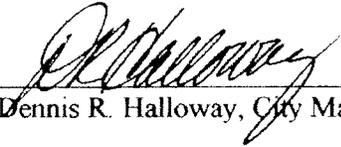
7. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 *et seq.* of the Community Redevelopment Law.

8. The obligation of the Agency to make payment to the City shall, without necessity of further action by the Agency or City, be junior and subordinate to all other obligations or indebtedness heretofore or hereafter voluntarily incurred by the Agency, including without limitation: the Loma Linda Redevelopment Agency, 2003 Tax Allocation Bonds (Loma Linda Redevelopment Project); the Loma Linda Redevelopment Agency, Subordinate 2005A Tax Allocation Bonds (Loma Linda Redevelopment Project) (the "2005A Bonds"); the Loma Linda Redevelopment Agency, Subordinate 2005B Taxable Tax Allocation Bonds (Loma Linda Redevelopment Project); and all refundings thereof and obligations to bond insurers and sureties in connection therewith.

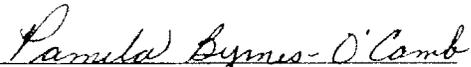
9. This Agreement shall supercede prior agreements between the parties hereto covering the same subject matter.

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

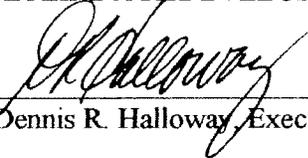
CITY OF LOMA LINDA

By: 
Dennis R. Halloway, City Manager

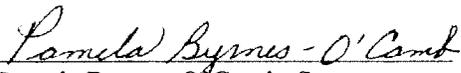
ATTEST:


Pamela Byrnes-O'Camb, City Clerk

LOMA LINDA REDEVELOPMENT AGENCY

By: 
Dennis R. Halloway, Executive Director

ATTEST:


Pamela Byrnes-O'Camb, Secretary

COOPERATION AGREEMENT

THIS COOPERATION AGREEMENT (the "Agreement") is entered into as of March 8, 2011 (the "Date of Agreement"), by and between the CITY OF LOMA LINDA (herein the "City") and the LOMA LINDA REDEVELOPMENT AGENCY (herein the "Agency").

RECITALS

A. Pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*: the "Redevelopment Law"), the City Council of the City of Loma Linda, activated the Agency and adopted the Redevelopment Plan (the "Redevelopment Plan") for the Loma Linda Redevelopment Project as heretofore merged and amended (the "Project").

B. Pursuant to the Community Redevelopment Law, the Agency is performing a public function of the City and may have access to services and facilities of the City.

C. The Agency and the City have entered into previous agreements which establish or evidence the indebtedness of the Agency to the City.

D. Under Article XVI, Section 16 of the California Constitution and the Redevelopment Law, including without limitation Section 33671.5 of the Redevelopment Law, and under the Redevelopment Plan, the Agency is authorized to and may pledge taxes allocated to it to secure the repayment of obligations;

E. Under Section 33601 of the Redevelopment Law, the Agency may borrow money any may execute trust deeds or mortgages on any real or personal property owned or acquired by the Agency;

F. Under Section 33320(g) of the Redevelopment Law, the Agency may convey land to the City;

G. Certain land was purchased using City moneys and record title thereto should be in the name of the City, as more particularly provided herein;

H. The Agency has incurred a significant amount of indebtedness to the City, substantially all of which is immediately repayable by Agency upon receipt of demand therefor by the City;

I. The City is amenable to forbearing from enforcing immediate repayment of certain amounts owed by Agency to City provided that Agency encumbers certain properties (which properties are described in Exhibit "A" hereto, the "List of Properties"; each such property is referred to as a "Listed Property") by a deed of trust or deeds of trust securing repayment of the indebtedness of the Agency to the City and conveys to City certain property listed in Exhibit "D" hereto (the "Conveyance Property"). In consideration of the provision of such security, the City is amenable to the scheduling of repayments according to a repayment schedule, which is set forth as Exhibit "B" hereto (the "Repayment Schedule");

J. The City and the Agency desire to enter into this Agreement:

(1) To set forth certain indebtedness of the Agency to the City as in effect prior to the Date of Agreement;

(2) To set forth a payment schedule for the repayment by Agency of such amounts as owing by Agency to City, as set forth in the Repayment Schedule;

(3) To provide for the execution and recording of a deed of trust or deeds of trust to be recorded as to property held by the Agency, as referenced in the List of Properties, to secure repayment of City by Agency for amounts owed;

(4) To provide that the Agency will reimburse the City for actions undertaken and costs and expenses incurred by it for and on behalf of the Agency.

AGREEMENTS

1. As of the Date of Agreement, the Agency is indebted to the City in the amount of Ten Million Three Hundred Three Thousand Five Hundred Forty Four Dollars and One Cent (\$10,303,544.01) (the "Base Amount") and Nine Million One Hundred Fifty Nine Thousand Six Hundred Twenty Four Dollars and Thirty Four Cents (\$9,159,624.34) (the "Deferred Interest") based upon agreements entered into prior to the Date of Agreement. Interest accrues on the Base Amount in the amount of Three Thousand Three Hundred Eighty Seven Dollars and Forty Seven Cents (\$3,387.47) per day ("Accruing Interest"). The Base Amount, Deferred Interest and the Accruing Interest, as the latter is subject to adjustment from time to time in the event such amount(s) have not been fully repaid, constitutes the "Total Accrued Amount".

2. Agency agrees to repay the Total Accrued Amount to City in accordance with the Schedule of Payments.

3. Agency agrees to record a deed of trust or deeds of trust, substantially in the form of Exhibit "C" hereto (the "Deed of Trust") as to each of the Listed Properties among the official land records of the County Recorder of the County of San Bernardino. City will, if necessary to effect recording of the Deed of Trust (or deeds of trust) execute a deed acceptance to be recorded with the Deed of Trust agreeing to accept the interest afforded City as a creditor thereunder. Agency further agrees to record a grant deed conveying title to the Conveyance Property to the City, and City will execute a deed acceptance in connection therewith.

4. City agrees to forbear from insisting upon the immediate repayment of the entire Base Amount and Accruing Interest in consideration of the promises and performance by Agency as described in Sections 3 and 5 hereof.

5. The 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 Agency pursuant to Section 33670 of the Health and Safety Code ("Tax Increment"), and proceeds from the sale of properties for which deeds of trust are recorded pursuant to Section 3 above, and the Agency pledges, pursuant to Under Article XVI, Section 16 of the California Constitution and the Redevelopment Law, including without limitation Section 33671.5 of the Redevelopment Law, and under the Redevelopment Plan, the Tax Increment to repayment of its indebtedness to the City hereunder. The foregoing pledge shall be subject and subordinate to existing pledges of Tax Increment by the Agency. City will periodically compute amounts owing under this Agreement. Interest shall accrue on all amounts payable by the Agency pursuant to this Agreement at the rate of the lesser of (i) twelve percent (12%) per annum, or (ii) the highest legally-allowable interest rate for a redevelopment agency. Payment shall be made in accordance with the Repayment Schedule.

6. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency within the meaning of Section 33670 *et seq.* of the Community Redevelopment Law.

7. If this agreement is for any reason invalid the parties will be returned to their prior position.

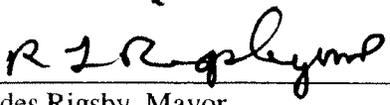
8. The City agrees to release and reconvey from the deed(s) of trust property in the event such deed of trust is determined to violate material agreements of the Agency.

9. The Agency agrees to and shall take all action and shall refrain from taking any action with respect to the property acquired with the proceeds of bonds issued as obligations exempt from the payment of federal income tax ("Exempt Obligations"), as required in each case to preserve the tax exempt status of interest payable with respect to such Exempt Obligations for federal tax purposes.

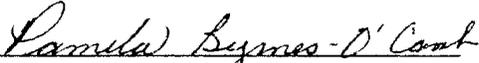
10. If any term, provision, condition or covenant of this Agreement or its application to any party or circumstances shall be held, to any extent, invalid or unenforceable, the remainder of this Agreement, or the application of the term, provision, condition or covenant to persons or circumstances other 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.

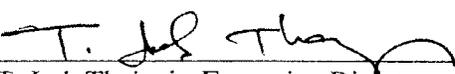
CITY OF LOMA LINDA

By: 
Rhodes Rigsby, Mayor

ATTEST:


Pamela Byrnes-O'Camb, City Clerk

LOMA LINDA REDEVELOPMENT AGENCY

By: 
T. Jarb Thaipejr, Executive Director

ATTEST:

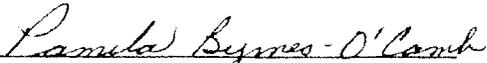

Pamela Byrnes-O'Camb, Agency Secretary

EXHIBIT "A"

LIST OF PROPERTIES

Evans Street (Community Garden)	0284-042-08
Juanita St.	0292-131-(55) 71
Juanita St.	0292-131-(74) 75
Juanita St.	0292-131-75
Lind Ave.	0283-092-37
Mayberry Street-Bryn Mawr Park	0292-121-76
Mission Road 26248 (Frink Adobe)	0292-471-06
Mt. View Ave. e/o Overcrossing	0292-121-72
Mt. View Avenue	0283-192-22
Palm Drive 25139, 49, 59	0283-121-53
Poplar Street 10777	0283-141-80
Poplar Street 10799	0283-141-79
Poplar Street North of San Timoteo Creek	
Poplar St. 10522	0283-114-49
Poplar St. 10535-10541	0283-134-02
Poplar St. 10582	0283-141-56
Poplar Street, West Side South of San Timoteo Creek	
Poplar 25138	0283-121-46
Poplar 25154	0283-121-17
Poplar 25166	0283-121-44
Poplar 25178	0283-121-47
Poplar St, 10814	0283-121-39
Poplar St, 10836-38	0283-121-15 & 56
Poplar St. 10846-48	0283-121-16
Poplar St, 10860	0283-121-18
Poplar St. 10870	0283-121-48
Poplar St. (Sochor)	0283-121-09, 40, 41, & 55
Poplar St (Heischober)	0283-121-35
Poplar St (Demiar)	0283-121-10
Poplar St (Miller)	0283-121-12
Richardson St 10368	0281-162-40
Van Leuven St, 25259	0283-142-05
Sun Avenue 25669	0281-254-06
Court Street 24966	0283-082-11
Durango Loop 25368	0283-281-15
Durango Loop 25384	0283-281-20
Portola Loop 25530	0283-271-23
Prospect Avenue 25615	0284-651-30
Prospect Avenue 25637	0284-651-39
Sonora Loop 25458	0283-271-08

EXHIBIT "B"
REPAYMENT SCHEDULE

Loma Linda Redevelopment Successor Agency
 Loans from City of Loma Linda As of June 1, 2012

Combined Merged Area	Unpaid-Interest Loans	Principal Loans	Combined Outstanding Loans	Annual Payments	Interest over Life	Total Principal and Interest
Fund 38	3,119,858.01	4,412,088.01	7,531,946.02	290,608.35	1,186,304.48	8,718,250.50
Fund 43	<u>7,553,638.26</u>	<u>6,089,428.00</u>	<u>13,643,066.26</u>	<u>528,965.65</u>	<u>2,225,903.24</u>	<u>15,868,969.50</u>
Totals	10,673,496.27	10,501,516.01	21,175,012.28	819,574.00	3,412,207.72	24,587,220.00
