

RESOLUTION NO. _____

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE ANAHEIM REDEVELOPMENT AGENCY APPROVING AND REINSTATING THE COOPERATIVE AGREEMENT (ANAHEIM COLONY CAPITAL IMPROVEMENTS) PURSUANT TO HEALTH & SAFETY CODE SECTION 34191.4(b)

WHEREAS, the Anaheim Redevelopment Agency (“Agency”) was established as a community redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Sections 33000, *et seq.*, and previously authorized to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council (“City Council”) of the City of Anaheim (“City”); and

WHEREAS, Assembly Bill 1x 26 added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies (as upheld and modified by the California Supreme Court decision in *California Redevelopment Association v. Matosantos*, Case No. S194861, and as thereafter amended by Assembly Bill 1484, chaptered and effective on June 27, 2012, the “Dissolution Act”); and

WHEREAS, the Agency is now a dissolved community redevelopment agency pursuant to the Dissolution Act; and

WHEREAS, by a resolution considered and approved by the City Council at an open public meeting, the City Council chose to serve as the governing body of the “Successor Agency” to the dissolved Agency under the Dissolution Act; and

WHEREAS, as of and on and after February 1, 2012, the Successor Agency will perform its functions as the successor agency under the Dissolution Act to administer the enforceable obligations of the Agency and otherwise unwind the Agency’s affairs, all subject to the review and approval by a seven-member oversight board (“Oversight Board”) formed thereunder; and

WHEREAS, Health and Safety Code Section 34191.4(b) provides that following the issuance by the Department of Finance of a finding of completion and notwithstanding Subdivision D of Section 34171, upon application by the successor agency and approval by the Oversight Board, loan agreements entered into between the redevelopment agency and the city that created it shall be deemed to be enforceable obligations provided that the oversight board makes a finding that the loan was for legitimate redevelopment purposes; and

WHEREAS, DOF issued a finding of completion to the Successor Agency on June 12, 2013; and

WHEREAS, the loan evidenced by the Cooperation Agreement attached hereto as Exhibit “A” and incorporated herein by reference was for a legitimate redevelopment purpose as set forth in the recitals of the Cooperation Agreement; and

WHEREAS, by this Resolution, the Oversight Board desires to approve and reinstate the Cooperation Agreement, and to authorize the Successor Agency to transmit this resolution to the DOF for approval, all pursuant to Health & Safety Code Section 34191.4(b).

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE ANAHEIM REDEVELOPMENT AGENCY:

Section 1. The foregoing recitals are true and correct and constitute a substantive part of this Resolution.

Section 2. The Oversight Board hereby finds that the Cooperation Agreement is an enforceable obligation and directs the reinstatement of the Cooperation Agreement and authorizes the Successor Agency to transmit this Resolution to the DOF, all pursuant to Health & Safety Code Section 34191.5(b).

Section 3. The terms of repayment under the Cooperation Agreement shall be in accordance with Health & Safety Code Section 34191.4(b)(2).

Section 4. This Resolution shall be effective immediately upon adoption.

THE FOREGOING RESOLUTION IS APPROVED AND ADOPTED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE ANAHEIM REDEVELOPMENT AGENCY THIS ____ DAY OF _____, 2014, BY THE FOLLOWING ROLL CALL VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

**OVERSIGHT BOARD TO THE SUCCESSOR
AGENCY TO THE ANAHEIM
REDEVELOPMENT AGENCY**

Chair

EXHIBIT "A"

COOPERATION AGREEMENT

AGR-3995 C:2

ORIGINAL

COOPERATION AGREEMENT [Anaheim Colony Capital Improvements]

This **COOPERATION AGREEMENT** [Anaheim Colony Capital Improvements] (this "Agreement"), dated for identification purposes only as of April 1, 2006 (the "Date of Agreement"), is entered into by and between the **ANAHEIM REDEVELOPMENT AGENCY**, a public body, corporate and politic (the "Agency"), and the **CITY OF ANAHEIM**, a municipal corporation and charter city (the "City"), with reference to the following:

RECITALS

- A. The Agency is in the process of redeveloping various sites in that portion of the City of Anaheim generally bounded by East, West, North and South Streets (the "Anaheim Colony").
- B. In order to accommodate future development within the Anaheim Colony, various improvements to the City's infrastructure need to be constructed, including improvements to sewer, storm drain, pedestrian and traffic circulation and utility distribution systems (the "Anaheim Colony Capital Improvements").
- C. The Agency has indicated its willingness to fund a portion of the costs of constructing the Anaheim Colony Capital Improvements since such work will benefit several redevelopment and affordable housing projects and eliminate blight.
- D. The City is willing to consider establishing a benefit assessment district or districts with a life of twenty (20) years (the "District(s)") in order to reimburse a portion of the cost to construct some or all of the Anaheim Colony Capital Improvements; however, the City is willing to undertake the construction of some or all of the Anaheim Colony Capital Improvements (collectively, the "Project") from time to time in a phased manner. The Agency is willing to provide funding for the Project equal to the reasonable fair share of such funding (based upon the benefit of the specific improvements to the redevelopment and affordable housing projects) and has identified a current allocation of Ten Million Dollars (\$10,000,000) (such Agency funding collectively, the "Agency Contribution"). The Agency and the City each acknowledge that in the event that the Agency's reasonable fair share of Project funding exceeds Ten Million Dollars (\$10,000,000), such additional funding by the Agency would require the amendment of this Agreement.
- E. The Agency and the City (each, a "Party" and jointly, the "Parties") intend in this Agreement to provide for (i) the City's construction of the Project, (ii) the Agency's transfer of the Agency Contribution to the City, and (iii) the reimbursement of Agency of that eligible portion of the Agency Contribution related to the formation of the District(s) (the "Agency Reimbursement") from fees paid to the District(s).

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES, COVENANTS AND CONDITIONS CONTAINED HEREIN, THE AGENCY AND THE CITY AGREE AS FOLLOWS:

SECTION 1. SCOPE OF WORK. From time to time, the City's Director of Public Works, the Agency's Executive Director and the City's Public Utilities General Manager (but only with respect to matters involving utilities distribution systems) shall meet and confer in order to establish (i) mutually acceptable schedules pursuant to which portions of the Project will be constructed, (ii) the portion of the Agency Contribution which the Agency will provide to the City as representing the Agency's reasonable fair share of costs based upon the benefit of the specific improvements to the redevelopment and affordable housing projects, and (iii) the methodology pursuant to which the City will make the Agency Reimbursement, if any, (each, a "Schedule of Work, Agency Contribution and Agency Reimbursement"). Each Schedule of Work, Agency Contribution and Agency Reimbursement shall be considered an addendum to this Agreement.

Upon establishment of a Schedule of Work, Agency Contribution and Agency Reimbursement, the City shall complete, or have completed, the construction of that portion of the Project addressed therein in accordance with public works agreements to be awarded by the City to the lowest responsible bidder from time to time (the "Public Works Agreements for the Project").

SECTION 2. AGENCY CONTRIBUTION; USE OF FUNDS; SOURCE OF PAYMENT. The Agency shall transfer the Agency Contribution to the City in accordance with each Schedule of Work, Agency Contribution and Agency Reimbursement.

The Agency recognizes and agrees that its commitment to transfer the funds set forth in this Section constitutes an obligation to pay the City and, as such, creates debt for which tax increment revenues may be allocated to the Agency. Such indebtedness shall be considered as an indebtedness of the Agency as the same is intended for purposes of the filing of a statement of indebtedness with the County of Orange pursuant to Health and Safety Code Section 33675.

The payment obligation of the Agency hereunder shall be made, at the option of the Agency, from the tax increment revenues, bond proceeds from the Redevelopment Project, inter-fund transfer, and/or any other funds of the Agency legally available therefor. The payment obligation of the Agency hereunder does not constitute a pledge of any particular funds and is, and shall be, subordinate to any pledge or other commitment of the Agency made in connection with any Agency bonds, now or hereafter issued.

SECTION 3. FORMATION OF DISTRICT(S) AND REIMBURSEMENT OF AGENCY. The City shall consider the establishment of the District(s). In the event that the District(s) is formed, the City shall reimburse the Agency from fees paid to the District(s) in an amount equal to the Agency Reimbursement.

SECTION 4. LIABILITY AND INDEMNIFICATION. In contemplation of the provisions of Section 895.2 of the California Government Code imposing certain tort liability jointly upon public entities solely by reason of such entities being parties to an agreement as defined by Section 895 of said Code, the parties hereto, as between themselves, pursuant to the authorization contained in Section 895.4 and 895.6 of said Code, will each assume the full liability imposed on it, or any of its

officers, agents or employees by law for injury caused by negligent or wrongful act or omission occurring in the performance of this Agreement to the same extent that such liability would be imposed in the absence of Section 895.2 of said Code.

To achieve the above-stated purposes, each party indemnifies and holds harmless the other party for any loss, costs or expense that may be imposed upon such other party solely by virtue of said Section 895.2. The provisions of Section 2778 of the California Civil Code are made part hereof as if fully set forth herein.

SECTION 5. EFFECTIVE DATE OF AGREEMENT. This Agreement shall take effect from and after the date of adoption, approval and execution by both the City and the Agency pursuant to official action of the governing bodies thereof (the "Effective Date"), and shall be effective for a duration not to exceed the time necessary to fully complete and fulfill the obligation to reimburse the Agency pursuant to Section 3 hereof. Upon such completion, or twenty-five (25) years from the date of this Agreement, whichever is earlier, this Agreement (other than the provisions of Section 4) shall terminate.

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AGREEMENT AS OF THE RESPECTIVE DATES SET FORTH BELOW.

“AGENCY”

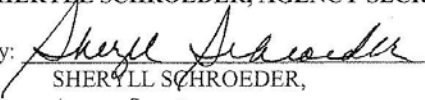
ANAHEIM REDEVELOPMENT AGENCY,
a public body, corporate and politic

Dated: 4-11-06

By: 
ELISA STIPKOVICH,
Executive Director

ATTEST:

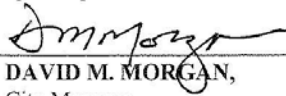
SHERYLL SCHROEDER, AGENCY SECRETARY

By: 
SHERYLL SCHROEDER,
Agency Secretary

“CITY”

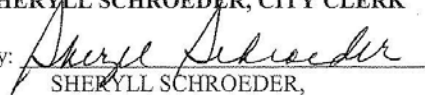
CITY OF ANAHEIM,
a municipal corporation and charter city

Dated: 4-11-06

By: 
DAVID M. MORGAN,
City Manager

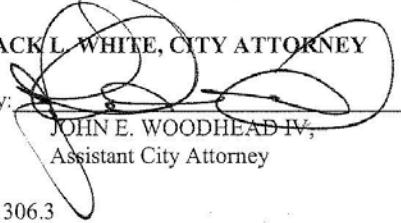
ATTEST:

SHERYLL SCHROEDER, CITY CLERK

By: 
SHERYLL SCHROEDER,
City Clerk

APPROVED AS TO FORM:

JACK L. WHITE, CITY ATTORNEY

By: 
JOHN E. WOODHEAD IV,
Assistant City Attorney

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