

*STAFF REPORT**CITY OF OCEANSIDE*

DATE: March 16, 2011

TO: Honorable Mayor and City Council
Chairman and Members, Community Development Commission

FROM: Economic and Community Development Department

SUBJECT: **COOPERATIVE AGREEMENT BETWEEN THE CITY OF OCEANSIDE AND THE OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION FOR THE CITY OF OCEANSIDE TO CONSTRUCT CERTAIN PUBLIC INFRASTRUCTURE IMPROVEMENTS WITHIN THE DOWNTOWN REDEVELOPMENT PROJECT AREA**

SYNOPSIS

Staff recommends that the City and the Oceanside Community Development Commission adopt resolutions making certain findings and approve entering into a cooperative agreement for the City of Oceanside to construct certain public infrastructure improvements in the downtown redevelopment project area; and authorize the Mayor and Commission Executive Director to execute the respective documents.

BACKGROUND

The Agency has planned certain public infrastructure improvements and agrees to transfer funding to the City of Oceanside for services to complete such improvements. The Agency agrees to transfer the necessary funds to the City to be expended for implementation of the Redevelopment Plan, including the costs of surveys, planning, studies and environmental assessments, administration and project management for implementation of the Plan, including the cost of acquisition, demolition and clearing of property within the Project, building and site preparation, and public improvements.

The projects include the construction of drainage improvements in the downtown; a 235 space parking lot at Lot 26; the Mission Avenue improvements; an office project/parking garage on Lot 23; the hotel public improvements; and the waterfront improvements/restrooms. The source of funds to complete these projects is from tax exempt bond funds which must be used for these public infrastructure projects.

ANALYSIS

The public improvements are in various stages. The downtown drainage project is currently under construction. The design for the parking lot on Lot 26 was approved by

the CDC on March 2, 2011 and the authorization to call for bids will be before the CDC on March 16, 2011. Public workshops were held for the Mission Avenue improvements on January 7, 2010 and May 10, 2010. The Mission Avenue improvement concept was approved by the CDC on September 1, 2010 and approved a contract on January 26, 2011 for an update to the Circulation Element and construction drawings. Three public workshops for the beach restroom portion of the Waterfront Improvement project were held October 28, 2010, January 13, 2011 and a final public meeting is scheduled for March 24, 2011. The final design will be taken to the CDC in May, 2011, after which time the City has already contracted with RRM Design to prepare the construction drawings. The beach hotel project was entitled on January 16, 2008, the Disposition Agreement approved on June 17, 2009 and amended with a twelve month extension on January 5, 2011. As a part of the disposition agreement, the Agency is obligated to expend \$5.1million for offsite public improvements, including impact fees.

FISCAL ANALYSIS

The amount of \$14,300,000, or the current available balance, will be moved from the following Redevelopment accounts into a new Account 504 for Non-Redevelopment Downtown Capital, and as tax exempt bond funds, held separately to accommodate this cooperative agreement.

<u>Project</u>	<u>Amount</u>
905118200573 Drainage	\$1,500,000
933118300573 Mission Avenue	\$1,850,000
933118400573 Lot 26 Parking Lot	\$2,400,000
934118600573 Hotel block Public Improvements	\$5,100,000
934118700573 Waterfront/Restrooms	<u>\$3,450,000</u>
	\$14,300,000

There is approximately \$1.4 Million in Debt Service Account 489 that may also be available for future capital projects; however staff is still researching the availability of these funds

The City will keep records of activities, services and costs undertaken pursuant to this Agreement. The City must submit statements to the Agency about costs incurred in rendering these services.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

COMMITTEE/COMMISSION REPORT

Does not apply

ALTERNATIVES

No alternatives are available.

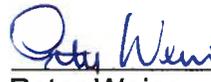
RECOMMENDATION

Staff recommends that the City and the Oceanside Community Development Commission adopt resolutions making certain findings and approve entering into a cooperative agreement for the City of Oceanside to construct certain public infrastructure improvements in the downtown redevelopment project area; and authorize the Mayor and Commission Executive Director to execute the respective documents.

PREPARED BY:


Jane McVey
Economic & Community
Development Director

SUBMITTED BY:


Peter Weiss
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager
Teri Ferro, Financial Services Director
Michele Lund, Treasury Manager
Kathy Baker, Redevelopment Manager
George Buell, Development Services Director







Attachments

- 1. CDC resolution with Cooperative Agreement Attachment
- 2. City of Oceanside resolution with Cooperative Agreement Attachment

COOPERATIVE AGREEMENT

THIS COOPERATIVE AGREEMENT (the "Agreement") is entered into as of March 16, 2011, by and between the **CITY OF OCEANSIDE**, a California Charter City created by its charter and California Statute (herein the "City") and the **COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF OCEANSIDE**, a public body corporate and politic in and of the State of California (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 Oceanside, activated the Agency and adopted the Oceanside Downtown Redevelopment Area Plan (the "Redevelopment Plan") for the Oceanside Downtown Redevelopment Project Area (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. 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;

G. The Agency and City desire to restate the terms under which the City may and shall continue to provide services and construct projects approved by and of benefit to the Agency and under which Agency will remit payment to the City;

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

AGREEMENTS

NOW, THEREFORE, in consideration of which and other considerations set forth herein the parties do mutually agree as follows:

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, to the extent permitted by law, 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, administration and project management 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 rendered for the Agency.

4. The City agrees to undertake, on behalf of the Agency, those certain public improvements designated in Exhibit "A" hereto (the "Designated Public Improvements"). Agency shall be obligated to make payment to City for the cost of such Designated Public Improvements.

5. The Agency agrees to pay the City 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 the Agency pledges, pursuant to 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.

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.

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[Signatures on Next Page]**

7. 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 OCEANSIDE

By: _____
Mayor

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

COMMUNITY DEVELOPMENT COMMISSION
OF THE CITY OF OCEANSIDE

By: _____
City Attorney/General Counsel

By: _____
Executive Director

EXHIBIT "A"

DESIGNATED PUBLIC IMPROVEMENTS

Project		Amount
905118200573	Drainage	\$1,500,000
933118300573	Mission Avenue	\$1,850,000
933118400573	Lot 26 Parking Lot	\$2,400,000
934118600573	Hotel block Public Improvements	\$5,100,000
934118700573	Waterfront/Restrooms	\$3,450,000
		<u>\$14,300,000</u>

1 RESOLUTION NO.

2 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OCEANSIDE
3 APPROVING AND AUTHORIZING THE EXECUTION OF A COOPERATIVE
4 AGREEMENT WITH THE OCEANSIDE COMMUNITY DEVELOPMENT
5 COMMISSION AND MAKING CERTAIN FINDINGS IN CONNECTION WITH
6 THE PROVISION OF PUBLIC IMPROVEMENTS AND AUTHORIZING SUCH
7 IMPROVEMENTS IN CONNECTION THEREWITH

8 WHEREAS, the Oceanside Community Development Commission (the "Agency") is a
9 duly constituted redevelopment agency and is undertaking certain activities necessary for
10 redevelopment under the provisions of the California Community Redevelopment Law (Health
11 and Safety Code Sections 33000 et seq.) and pursuant to the Oceanside Downtown
12 Redevelopment Area Plan (the "Plan") for the Oceanside Downtown Redevelopment Project
13 Area, as amended (the "Project"); and

14 WHEREAS, the Agency has incurred a substantial amount of indebtedness to the City
15 of Oceanside (the "City") as detailed in that certain Loan Agreement between the Agency and
16 the City dated June 18, 2008; and

17 WHEREAS, it is a policy of the Agency to improve and provide public improvements
18 which are of benefit to the Project and the project area thereof (the "Project Area"); and

19 WHEREAS, each of the City Council of the City of Oceanside and the governing board
20 of the Agency has determined that the public health and safety will be promoted by the
21 provision of those certain public improvements described as "Designated Public
22 Improvements" as described in Exhibit "A" of the Cooperative Agreement attached hereto as
23 "Attachment No. 1" and incorporated hereon and made a part hereof by this reference (the
24 "Cooperative Agreement"); and

25 WHEREAS, the Designated Public Improvements are located in and would be of
26 benefit to the Project Area; and

27 WHEREAS, the City and the Agency have proposed to and desire to enter into the
28 Cooperative Agreement in the form submitted herewith; and

WHEREAS, without amending, limiting, or modifying any prior agreements between the

1 City and the Agency ("Prior Agreements") and the ongoing effectiveness of such Prior
2 Agreements, which shall remain in effect according to their terms for the greatest time legally
3 allowable, the Agency and the City desire to approve the Cooperative Agreement; and

4 WHEREAS, the Agency has the general purpose of redevelopment and the elimination
5 of blight and the provision of public facilities as set forth in the Plan; and

6 WHEREAS, pursuant to Health and Safety Code Section 33445, the Agency is
7 authorized, as provided in its redevelopment plan, to assist in the payment for all or part of the
8 value of land and the installation and construction of public improvements within the Project
9 Area of the Project; and

10 WHEREAS, Section 33445 provides, in part, that notwithstanding Section 33440, an
11 agency may, with the consent of the legislative body, pay all or part of the value of the land for
12 and the cost of the installation and construction of any building, facility, structure, or other
13 improvement which is publicly owned either within or without the Project Area, if the legislative
14 body determines:

15 "(1) That the acquisition of land or the installation or construction of the buildings,
16 facilities, structures, or other improvements that are publicly owned are of benefit to the
17 project area by helping to eliminate blight within the Project Area or providing housing for low-
18 or moderate-income persons.

19 (2) That no other reasonable means of financing the acquisition of the land or
20 installation or construction of the buildings, facilities, structures, or other improvements that
21 are publicly owned, are available to the community.

22 (3) That the payment of funds for the acquisition of land or the cost of buildings,
23 facilities, structures, or other improvements that are publicly owned is consistent with the
24 implementation plan adopted pursuant to Section 33490."; and

25 WHEREAS, the Agency desires to proceed to support the construction and provision of
26 the Designated Public Improvements by bearing the cost thereof; and

27 WHEREAS, the Agency and the City have explored all possible funding sources for the
28 Designated Public Improvements, including federal, state, and local sources, and the efforts

1 of private property owners and developers; and

2 WHEREAS, the City has sought to obtain from private property owners and developers
3 resources to provide for provision of the Designated Public Improvements; and

4 WHEREAS, there are no other reasonable means available to the Agency and the City
5 to finance the Designated Public Improvements other than Agency funds; and

6 WHEREAS, the Agency has existing indebtedness to the City, including without
7 limitation as set forth in the Loan Agreement dated June 18, 2008; and

8 WHEREAS, the Agency has reviewed evidence, including both oral testimony and
9 writings, in connection with this matter, and has determined that the foregoing recitals, and
10 each of them, are true and correct, and further has determined that the provision of the
11 Designated Public Improvements is in the best interests of the Agency and the City and the
12 health, safety, and welfare of its residents, and in accord with the public purposes and
13 provisions of applicable State and local law requirements.

14 NOW, THEREFORE, the City Council of the City of Oceanside does resolve as follows:

15 Section 1. The foregoing statements are true and correct.

16 Section 2. The City Council finds and determines that: (i) the provision of the
17 Designated Public Improvements constitutes the acquisition of land or the installation or
18 construction of the buildings, facilities, structures, or other improvements that are publicly
19 owned of benefit to the project area by helping to eliminate blight within the Project Area or
20 providing housing for low- or moderate-income persons; (ii) That no other reasonable means
21 of financing the acquisition of the land or installation or construction of the buildings, facilities,
22 structures, or other improvements that are publicly owned, are available to the community; (iii)
23 the acquisition of property and installation or construction of the Designated Public
24 Improvements is provided for in the Plan; and (iv) the payment by Agency of funds for the
25 Designated Public Improvements constitutes the payment of funds for the acquisition of land
26 or the cost of buildings, facilities, structures, or other improvements that are publicly owned is
27 consistent with the implementation plan adopted pursuant to Section 33490.

28

1 Section 3. The City Council authorizes and directs the Mayor to execute on behalf of
2 the City the Cooperative Agreement. The City further authorizes and directs staff to take all
3 actions necessary and appropriate to implement the participation by the City pursuant to the
4 Cooperative Agreement.

5 PASSED AND ADOPTED by the City Council of the City of Oceanside, California, this
6 16th day of March, 2011, by the following vote:

7 AYES:
8 NAYS:
9 ABSENT:
10 ABSTAIN:

11 _____
MAYOR OF THE CITY OF OCEANSIDE

12 ATTEST:

APPROVED AS TO FORM:

13 _____
14
15 CITY CLERK

16 _____
17
18 CITY ATTORNEY

ATTACHMENT NO. 1
COOPERATIVE AGREEMENT

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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 Oceanside, activated the Agency and adopted the Oceanside Downtown Redevelopment Area Plan (the "Redevelopment Plan") for the Oceanside Downtown Redevelopment Project Area (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. 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;

G. The Agency and City desire to restate the terms under which the City may and shall continue to provide services and construct projects approved by and of benefit to the Agency and under which Agency will remit payment to the City;

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

A G R E E M E N T S

NOW, THEREFORE, in consideration of which and other considerations set forth herein the parties do mutually agree as follows:

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, to the extent permitted by law, 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, administration and project management 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 rendered for the Agency.

4. The City agrees to undertake, on behalf of the Agency, those certain public improvements designated in Exhibit "A" hereto (the "Designated Public Improvements").

Agency shall be obligated to make payment to City for the cost of such Designated Public Improvements.

5. The Agency agrees to pay the City 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 the Agency pledges, pursuant to 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.

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.

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7. 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 OCEANSIDE

By: _____

Mayor

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

COMMUNITY DEVELOPMENT COMMISSION
OF THE CITY OF OCEANSIDE

By: _____

City Attorney/General Counsel

By: _____

Executive Director

EXHIBIT "A"

DESIGNATED PUBLIC IMPROVEMENTS

Project		Amount
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934118600573	Hotel block Public Improvements	\$5,100,000
934118700573	Waterfront/Restrooms	\$3,450,000
		<u>\$14,300,000</u>

1 RESOLUTION NO.

2 A RESOLUTION OF THE COMMUNITY DEVELOPMENT COMMISSION OF
3 THE CITY OF OCEANSIDE APPROVING AND AUTHORIZING THE
4 EXECUTION OF A COOPERATIVE AGREEMENT WITH THE CITY OF
5 OCEANSIDE AND MAKING CERTAIN FINDINGS IN CONNECTION WITH THE
6 PROVISION OF PUBLIC IMPROVEMENTS AND AUTHORIZING SUCH
IMPROVEMENTS IN CONNECTION THEREWITH

7 WHEREAS, the Community Development Commission of the City of Oceanside (the
8 "Agency") is a duly constituted redevelopment agency and is undertaking certain activities
9 necessary for redevelopment under the provisions of the California Community
10 Redevelopment Law (Health and Safety Code Sections 33000 et seq.) and pursuant to the
11 Oceanside Downtown Redevelopment Area Plan (the "Plan") for the Oceanside
12 Redevelopment Area Project, as amended (the "Project"); and

13 WHEREAS, the Agency has incurred a substantial amount of indebtedness to the City
14 of Oceanside (the "City") as documented in that certain Loan Agreement dated June 18,
15 2008; and

16 WHEREAS, it is a policy of the Agency to improve and provide public improvements
17 which are of benefit to the Project and the project area thereof (the "Project Area"); and

18 WHEREAS, each of the City Council of the City of Oceanside and the governing board
19 of the Agency has determined that the public health and safety will be promoted by the
20 provision of those certain public improvements described as "Designated Public
21 Improvements" as described in Exhibit A" of that certain agreement entitled Cooperative
22 Agreement attached hereto as "Attachment No. 1 and incorporated hereto and made a part
23 hereof by this reference (the "Cooperative Agreement"); and

24 WHEREAS, the Designated Public Improvements are located in and would be of
25 benefit to the Project Area; and

26 WHEREAS, the City and the Agency have proposed to and desire to enter into the
27 Cooperative Agreement in the form submitted herewith; and

28

1 WHEREAS, without amending, limiting, or modifying any prior agreements between the
2 City and the Agency ("Prior Agreements") and the ongoing effectiveness of such Prior
3 Agreements, which shall remain in effect according to their terms for the greatest time legally
4 allowable, the Agency and the City desire to approve the Cooperative Agreement; and

5 WHEREAS, the Agency has the general purpose of redevelopment and the elimination
6 of blight and the provision of public facilities as set forth in the Plan; and

7 WHEREAS, pursuant to Health and Safety Code Section 33445, the Agency is
8 authorized, as provided in its Redevelopment Plan, to assist in the payment for all or part of
9 the value of land and the installation and construction of public improvements within the
10 Project Area of the Project Area; and

11 WHEREAS, Section 33445 provides, in part, that notwithstanding Section 33440, an
12 agency may, with the consent of the legislative body, pay all or part of the value of the land for
13 and the cost of the installation and construction of any building, facility, structure, or other
14 improvement which is publicly owned either within or without the project area, if the legislative
15 body determines:

16 “(1) That the acquisition of land or the installation or construction of the buildings,
17 facilities, structures, or other improvements that are publicly owned are of benefit to the
18 Project Area by helping to eliminate blight within the Project Area or providing housing for low-
19 or moderate-income persons.

20 (2) That no other reasonable means of financing the acquisition of the land or
21 installation or construction of the buildings, facilities, structures, or other improvements that
22 are publicly owned, are available to the community.

23 (3) That the payment of funds for the acquisition of land or the cost of buildings,
24 facilities, structures, or other improvements that are publicly owned is consistent with the
25 implementation plan adopted pursuant to Section 33490.”; and

26 WHEREAS, the Agency desires to proceed to support the construction and provision of
27 the Designated Public Improvements by bearing the cost thereof; and

28 WHEREAS, the Agency and the City have explored all possible funding sources for the

1 Designated Public Improvements, including federal, state, and local sources, and the efforts
2 of private property owners and developers; and

3 WHEREAS, the City has sought to obtain from private property owners and developers
4 resources to provide for provision of the Designated Public Improvements; and

5 WHEREAS, there are no other reasonable means available to the Agency and the City
6 to finance the Designated Public Improvements other than Agency funds; and

7 WHEREAS, the Agency has existing indebtedness to the City, including without
8 limitation as set forth in the Loan Agreement dated June 18, 2008; and

9 WHEREAS, the Agency has reviewed evidence, including both oral testimony and
10 writings, in connection with this matter, and has determined that the foregoing recitals, and
11 each of them, are true and correct, and further has determined that the provision of the
12 Designated Public Improvements is in the best interests of the Agency and the City and the
13 health, safety, and welfare of its residents, and in accord with the public purposes and
14 provisions of applicable State and local law requirements.

15 NOW, THEREFORE, the Community Development Commission of the City of
16 Oceanside does resolve as follows:

17 Section 1. The foregoing statements are true and correct.

18 Section 2. The Agency finds and determines that: (i) the provision of the
19 Designated Public Improvements constitutes the acquisition of land or the installation or
20 construction of the buildings, facilities, structures, or other improvements that are publicly
21 owned of benefit to the project area by helping to eliminate blight within the project area or
22 providing housing for low- or moderate-income persons; (ii) That no other reasonable means
23 of financing the acquisition of the land or installation or construction of the buildings, facilities,
24 structures, or other improvements that are publicly owned, are available to the community; (iii)
25 the acquisition of property and installation or construction of the Designated Public
26 Improvements is provided for in the Plan; and (iv) the payment by Agency of funds for the
27 Designated Public Improvements constitutes the payment of funds for the acquisition of land
28 or the cost of buildings, facilities, structures, or other improvements that are publicly owned is

1 consistent with the implementation plan adopted pursuant to Section 33490.

2 Section 3. The Agency authorizes and directs the Executive Director to execute on
3 behalf of the Agency the Cooperative Agreement. The Agency further authorizes and directs
4 staff to take all actions necessary and appropriate to implement the participation by the
5 Agency pursuant to the Cooperative Agreement.

6 PASSED AND ADOPTED by the Community Development Commission of the City of
7 Oceanside, California, this 16th day of March, 2011, by the following vote:

8 AYES:

9 NAYS:

10 ABSENT:

11 ABSTAIN:

12 _____
CHAIRMAN

13 ATTEST:

14 APPROVED AS TO FORM:

15 _____
16 CITY CLERK

17 _____
18 CITY ATTORNEY

ATTACHMENT NO. 1
COOPERATIVE AGREEMENT

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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 Oceanside, activated the Agency and adopted the Oceanside Downtown Redevelopment Area Plan (the "Redevelopment Plan") for the Oceanside Downtown Redevelopment Project Area (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. 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;

G. The Agency and City desire to restate the terms under which the City may and shall continue to provide services and construct projects approved by and of benefit to the Agency and under which Agency will remit payment to the City;

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

AGREEMENTS

NOW, THEREFORE, in consideration of which and other considerations set forth herein the parties do mutually agree as follows:

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, to the extent permitted by law, 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, administration and project management 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 rendered for the Agency.

4. The City agrees to undertake, on behalf of the Agency, those certain public improvements designated in Exhibit "A" hereto (the "Designated Public Improvements").

7. 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 OCEANSIDE

By: _____
Mayor

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

COMMUNITY DEVELOPMENT COMMISSION
OF THE CITY OF OCEANSIDE

By: _____
City Attorney/General Counsel

By: _____
Executive Director

EXHIBIT "A"

DESIGNATED PUBLIC IMPROVEMENTS

Project		Amount
905118200573	Drainage	\$1,500,000
933118300573	Mission Avenue	\$1,850,000
933118400573	Lot 26 Parking Lot	\$2,400,000
934118600573	Hotel block Public Improvements	\$5,100,000
934118700573	Waterfront/Restrooms	\$3,450,000
		\$14,300,000