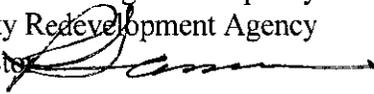


PLACER COUNTY

REDEVELOPMENT DEPARTMENT

MEMORANDUM

TO: Honorable Members of the Board of Supervisors Serving in its Capacity as the Successor Agency to the Former Placer County Redevelopment Agency

FROM: Rae James, Redevelopment Department Director 

DATE: June 19, 2012

SUBJECT: Agreement between the Placer County Board of Supervisors Acting in its Capacity as the Successor Agency to the Former Placer County Redevelopment Agency and the County of Placer to Expend North Lake Tahoe Redevelopment Project Tax Allocation, 2006 Series A Bond Proceeds for the Purposes of Constructing the Kings Beach Commercial Core Improvement Project Subject to the Prior Approval of the Placer County Oversight Board

ACTION REQUESTED

Adopt a resolution authorizing the Chair of the Placer County Board of Supervisors acting in its capacity as the Successor Agency to the former Placer County Redevelopment Agency (Agency) to execute an agreement with Placer County through the Department of Public Works to expend North Lake Tahoe Redevelopment Project Tax Allocation 2006 Series A Bond proceeds (Proceeds) for the purpose of constructing the Kings Beach Commercial Core Improvement Project (CCIP) subject to the prior approval of the Placer County Oversight Board.

BACKGROUND / SUMMARY

Planning for the CCIP initially began in 2002. This effort was linked to the Tahoe Regional Planning Agency's Environmental Improvement Program as one of its highest priority environmental projects in the Lake Tahoe Basin. When it is complete, the project intends to reduce the annual sediment runoff into the lake by half. The project will also construct required street improvements along Highway 28.

On June 27, 2006, the Placer County Board of Supervisors approved the issuance and sale of tax allocation bonds through the Placer County Redevelopment Agency for the North Lake Tahoe Project Area in an amount not to exceed \$16 million dollars to finance redevelopment activities. The focus of the bond program was to supplement funds needed to construct parking and public infrastructure improvements for the development of the CCIP. In 2008, the Placer County Board of Supervisors certified the Environmental Impact Report for the CCIP project. To date approximately \$6 million has been expended leaving an approximate balance of \$10 million in unspent bond proceeds.

Prior to ABx1-26 and the dissolution of redevelopment agencies statewide, Section 33220 of the California Redevelopment Law (CRL) authorized any public body to enter into an agreement with a redevelopment agency for the purpose of aiding and cooperating in the planning, undertaking, construction, or operation of redevelopment projects located within the jurisdiction in which such

public body is authorized to act. That same section authorized redevelopment agencies to enter into contracts with any public agency pursuant to which the public agency would agree to furnish necessary staff services associated with or required by redevelopment.

To implement the CCIP project as planned and according to expectations of the bond proceeds allocated to this project, the County Board of Supervisors and the former Board of the Redevelopment Agency took the following actions:

- June 22, 2010 Resolution approving an agreement between the former Agency and the County through DPW to develop the Rainbow Avenue Public Parking lot in a not to exceed amount of \$818,200.
- January 25, 2011 Resolution approving a Cooperative Agreement between the former Agency and the County of Placer containing CCIP projects including an allocation of \$3,625,000 for the construction of public infrastructure and \$1,200,000 still outstanding for the construction of a parking lot.
- March 22, 2011 Resolution approving an agreement between the former Agency and the County through its Department of Public Works (DPW) to provide funding for road improvements, water quality, streetscape and pedestrian safety projects in an amount not to exceed \$4,959,859.

Prior to and during the execution of the above agreements the former Agency was actively acquiring land for public parking lots and DPW was engaged in completing design work for the street improvements.

As your Board is aware, effective February 1, 2012, the Placer County Redevelopment Agency was dissolved pursuant to the California Supreme Court's ruling on ABx1-26 (Dissolution Act). One of the legal effects of the Dissolution Act was to render all "agreements, contracts or arrangements" between the "county that created the redevelopment agency and the redevelopment agency" invalid and "not be binding on the successor agency". (Health and Safety Code section 34178(a)) Although all of the above agreements were listed on the ROPS submittal to the Department of Finance (DOF), DOF's current position is to reject the contracts and disallow the contract amounts as an enforceable obligation. It should be noted that DOF has not disallowed the bond indebtedness as an enforceable obligation.

The financing of road improvements, water quality, streetscape, and public parking lots will improve traffic safety, reduce vehicle congestion, improve air quality, and reduce harmful sediments reaching Lake Tahoe. Former Redevelopment Agency bond funds were planned and made available because there were no other reasonable means of supplementing the financing of CCIP improvements. While other financing sources are being utilized, Agency funding is required to close the budget gap on the proposed improvements required to meet governmental standards. Funding sources for the CCIP include Federal State Lands, US Forest Service/California Tahoe Conservancy, Transient Occupancy Tax, and others. Under Health & Safety Code §34177(5)(i), bond proceeds are required to be defeased if the purposes for which they were issued "can no longer

be achieved". The steps taken so far in the CCIP project planning is proof, in staff's opinion, that the purposes for which the subject bonds were issued can be achieved.

Health & Safety Code §34178(a) provides an option to allow a successor agency to re-enter into interagency agreements that were nullified as a matter of law under ABx1-26. Any such agreement is, pursuant to section 34178(a), subject to prior oversight board approval. A new agreement is necessary in order to document on the future ROPS the disbursement of bond proceeds. Staff proposes a single agreement that combines all the previous monetary commitments and addresses how the bond proceeds will be drawn down. If your Board authorizes the execution of the agreement attached to this staff report, staff will present the same to the Oversight Board at its June 27, 2012 meeting for approval. If approved by the Oversight Board, the agreement would be subsequently executed. The agreement would be subject to further review by the DOF on subsequent ROPS.

Since the former Redevelopment Agency no longer exists, the agreement provides that the bond proceeds will be disbursed to the Department of Public Works as CCIP construction contracts are executed and implemented.

ENVIRONMENTAL STATUS

The proposed action is taken in furtherance of the goals and policies of your Board and the implementation of the CCIP for which an Environmental Impact Report/Environmental Assessment/Environmental Impact Statement was certified in 2008 in compliance with the California Environmental Quality Act Guidelines.

FISCAL IMPACT

The 2006 Series A Bond proceeds cover the \$10.6 million funding commitment outlined in the agreement. Absent the ability to utilize bond proceeds, it is likely that the County will have to seek other funding sources to complete the CCIP project.

Attachments: Resolution
Amended and Restated Agreement

CONTRACT/AGREEMENT
FOR REVIEW ONLY AT
THE CLERK OF THE BOARD

**Before the Board of Supervisors Serving in Its
Capacity as Successor Agency to the Former
Redevelopment Agency
County of Placer, State of California**

In the matter of:

Authorizing the Chair of the Placer County Board of Supervisors acting in its capacity as the Successor Agency to the former Placer County Redevelopment Agency (Agency) to execute an agreement with Placer County (County) through the Department of Public Works to expend North Lake Tahoe Redevelopment Project Tax Allocation 2006 Series A Bond proceeds (Proceeds) for the purpose of constructing the Kings Beach Commercial Core Improvement Project subject to the prior approval of the Placer County Oversight Board

Resol. No:.....

Ord. No:.....

First Reading:

The following Resolution was duly passed by the Board of Supervisors acting in its capacity as Successor Agency to the former Redevelopment Agency of the County of Placer at a regular meeting held _____,

by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:

**Chair, Board of Supervisors Acting in its
Capacity as the Successor Agency to the
Former Placer County Redevelopment
Agency**

**Clerk of said Board
Acting in its Capacity as the Successor Agency to the
Former Placer County Redevelopment Agency**

WHEREAS, on June 27, 2006, the Placer County Board of Supervisors approved the issuance and sale of tax allocation bonds through the Placer County Redevelopment Agency for the North Lake Tahoe Project Area in an amount not to exceed \$16 million dollars to finance redevelopment activities.

WHEREAS, the purpose of this bond was to provide critical public improvements for North Lake Tahoe Project Area (Project Area) including the Kings Beach Commercial Core Improvement Project (CCIP); and

WHEREAS, in 2008, the Placer County Board of Supervisors certified the Environmental Impact Report for the CCIP project.

WHEREAS, in furtherance of implementation of the CCIP project and allocation of the bond proceeds to this project, the County Board of Supervisors and the former Board of the Redevelopment Agency took the following actions:

June 22, 2010 Resolution approving an agreement between the former Agency and the County through DPW to develop the Rainbow Avenue Public Parking lot in a not to exceed amount of \$1,397,000.

January 25, 2011 Resolution approving a Cooperative Agreement between the former Agency and the County of Placer which included an allocation of \$3,625,000 for the construction of public infrastructure and \$1,200,000 still outstanding for the construction of a parking lot.

March 22, 2011 Resolution approving an agreement between the former Agency and the County through its Department of Public Works (DPW) to provide funding for road improvements, water quality, streetscape and parking lot projects in an amount not to exceed \$4,959,859.

WHEREAS, to date approximately \$6 million has been expended leaving an approximate balance of \$10.6 million in unspent bond proceeds.

WHEREAS, on February 1, 2012, the Placer County Redevelopment Agency was dissolved pursuant to the California Supreme Court's ruling on ABx1-26 (Dissolution Act).

WHEREAS, one of the legal effects of the Dissolution Act was to render all "agreements, contracts or arrangements" between the "county that created the redevelopment agency and the redevelopment agency" invalid and "not be binding on the successor agency". (Health and Safety Code section 34178(a))

WHEREAS, the financing of road improvements, water quality, streetscape, and public parking lots will improve traffic safety, reduce vehicle congestion, improve air quality, and reduce harmful sediments reaching Lake Tahoe. Former Redevelopment Agency bond funds were planned and made available because there were no other reasonable means of supplementing the financing of CCIP improvements.

WHEREAS, Health & Safety Code §34178(a) provides an option to allow a successor agency to re-enter into interagency agreements that were nullified as a matter of law under ABx1-26, subject to prior oversight board approval.

WHEREAS, the Board finds that a new agreement is necessary in order to document on the future ROPS the disbursement of bond proceeds for the CCIP project.

WHEREAS, the Board acknowledges that this agreement cannot be executed unless the Placer County Oversight Board approves the execution of the same pursuant to Health & Safety Code §34178(a).

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Placer serving in its capacity as Successor Agency to the former Placer County Redevelopment Agency to authorize its Chair to execute the attached agreement with the County of Placer through the Department of Public Works to expend North Lake Tahoe Redevelopment Project Tax Allocation, 2006 Series A Bond Proceeds for the purposes of constructing the Kings Beach Commercial Core Improvement Project. Said execution is subject to prior approval by the Placer County Oversight Board.

Attachment A: Amended and Restated Cooperative Agreement

**AMENDED AND RESTATED COOPERATIVE AGREEMENT AND PUBLIC
IMPROVEMENT IMPLEMENTATION AGREEMENT**

This Amended and Restated Cooperative Agreement and Public Improvement Agreement (this “**Agreement**”) is entered into effective as of _____, 2012 (“**Effective Date**”) by and between Placer County, a political subdivision of the State of California through its Department of Public Works (“**County**”) and the Successor Agency to the former Placer County Redevelopment Agency (“**Successor Agency**”). The County and the Successor Agency are collectively referred to herein as the “Parties.”

RECITALS

WHEREAS, pursuant to authority granted under Community Redevelopment Law (California Health and Safety Code Section 33000 *et seq.*) (the “**CRL**”), the Placer County Redevelopment Agency (“**Redevelopment Agency**”) had responsibility to implement the redevelopment plan for the North Lake Tahoe redevelopment project area (the “**Project Area**”) established by the County pursuant to the Redevelopment Plan for the North Lake Tahoe Redevelopment Project (the “**Redevelopment Plan**”) adopted by Ordinance No. 4753-B, on July 16, 1996, and the Implementation Plan adopted in connection with the Redevelopment Plan pursuant to CRL Section 33490 (the “**Implementation Plan**”);

WHEREAS, Section 33220 of the CRL authorized any public body to enter into an agreement with a redevelopment agency for the purpose of aiding and cooperating in the planning, undertaking, construction, or operation of redevelopment projects located within the jurisdiction in which such public body is authorized to act, upon the terms and with or without consideration as such public body determines;

WHEREAS, Section 33126(b) of the CRL authorized redevelopment agencies to enter into contracts with any public agency pursuant to which the public agency would agree to furnish necessary staff services associated with or required by redevelopment;

WHEREAS, Section 33205 of the CRL authorized redevelopment agencies to delegate to the jurisdiction that formed the agency any of the powers or functions of the redevelopment agency with respect to the undertaking of a redevelopment project, and authorized such jurisdiction to carry out and perform such powers and functions;

WHEREAS, Section 33445 of the CRL authorized redevelopment agencies, with the consent of the legislative body of the community, to pay for all or a portion of the cost of the land for, and the cost of construction of, any building, facility, structure, or other improvements that are publicly owned and located within the redevelopment project area if the legislative body adopts findings based upon substantial evidence that:

(1) The acquisition of the land or the installation or construction of the buildings, facilities, structures, or other improvements that are publicly owned are of benefit to the project area;

(2) The acquisition of the land or the installation or construction of the buildings, facilities, structures, or other improvements that are publicly owned benefits the project area by helping to eliminate blight within the Project Area, or will directly assist in the provision of housing for low- or moderate-income persons;

(3) No other reasonable means of financing the acquisition of the land or the installation or construction of the buildings, facilities, structures, or other improvements that are publicly owned, are available to the community; and

(4) The payment of funds for the acquisition of land or the cost of buildings, facilities, structures, or other improvements that are publicly owned is consistent with the implementation plan adopted pursuant to CRL Section 33490;

WHEREAS, the governing board of the Redevelopment Agency and the Board of Supervisors of Placer County each adopted the findings described in the foregoing Recital with respect to the public improvements described in Exhibit A attached hereto (the “**Public Improvements**”) by resolutions adopted on January 25, 2011;

WHEREAS, the County has executed agreements with other public agencies, including without limitation, the State Lands Commission, the United States Forest Service, the Federal Highway Administration, and the State of California Department of Transportation (Caltrans), which address the development of public improvements and facilities within the Project Area, including the Public Improvements;

WHEREAS, as a condition to the receipt of certain grants awarded by the state and federal agencies listed in the foregoing recital, the County and/or Successor Agency are obligated to pay for, undertake, or ensure that certain improvements are completed, including without limitation, the Public Improvements;

WHEREAS, the Redevelopment Agency issued tax-exempt North Lake Tahoe Redevelopment Project Tax Allocation Bonds, 2006, Series A in the aggregate principal amount of \$15,765,000 (the “**Bonds**”) to fund the Public Improvements and certain other improvements;

WHEREAS, in connection with the issuance of the Bonds, the Redevelopment Agency and The Bank of New York Trust Company, N.A. (the “**Trustee**”) executed an Indenture of Trust dated as of July 1, 2006 (the “**Indenture**”) which, among other things, describes procedures applicable to the payment of principal and interest on the Bonds, redemption of the Bonds, and the use of the proceeds of the Bonds;

WHEREAS, Section 2.03 of the Indenture provides that the Bonds may not be redeemed prior to August 1, 2016;

WHEREAS, the Indenture, including without limitation Section 3.03 thereof, provides that the proceeds of the Bonds may be used solely to provide financing for redevelopment purposes within the Project Area;

WHEREAS, in connection with the issuance of the Bonds the Agency's governing board adopted a Bond Program Description (the "**Bond Program**") which describes the intended use of the Bond proceeds;

WHEREAS, the North Lake Tahoe Redevelopment Tax Allocation Series A Bond Program specifies that Bond proceeds shall be used to implement the Kings Beach Commercial Corridor improvements and that to do so, Bond proceeds would be made available to the County Department of Public Works to "initiate street improvements along Highway 28 including street widening, acquisition and construction of public parking lots, signage, sidewalks, roadway improvements, lighting, signalization and certain right-of-way acquisitions" which such improvements and acquisitions are included within the scope of the Public Improvements;

WHEREAS, the Agency and the County entered into a series of cooperative agreements and service agreements pursuant to which the Agency agreed to provide funding and technical assistance, and the County agreed to provide construction and management services for the development and installation of the Public Improvements as well as other public improvements located in the Project Area and in other redevelopment project areas;

WHEREAS, in order to implement the Bond Program, the Redevelopment Plan, the Implementation Plan, and in order to comply with the requirements of the Indenture and state and federal grants by ensuring the completion of the Public Improvements and the provision of required local funds for such improvements, the County and the Redevelopment Agency entered into that certain Cooperative Agreement dated as of January 25, 2011 (the "**Original Cooperative Agreement**") and that certain Inter-Agency Implementation Agreement dated as of March 28, 2011 (the "**Original Implementation Agreement**"), pursuant to which, among other things, the County agreed to undertake the construction and installation of the Public Improvements and certain other public improvements, and the Redevelopment Agency agreed to provide funding for such work;

WHEREAS, pursuant to Resolution No. 2012-025, adopted by the County Board of Supervisors on January 24, 2012, the County agreed to serve as the Successor Agency commencing upon dissolution of the Redevelopment Agency on February 1, 2012 pursuant to Assembly Bill x1 26 ("**AB 26**"), and thereby assumed the rights and obligations of the Redevelopment Agency;

WHEREAS, in accordance with AB 26, the Successor Agency prepared a Recognized Obligation Payment Schedule for the period January 1, 2012 through June 30, 2012 and July 1, 2012 through December 2012 (the "**ROPS**") setting forth the schedule of existing Redevelopment Agency obligations, including among others, the obligation to provide funding for the Public Improvements;

WHEREAS, an oversight board for the Successor Agency was established pursuant to AB 26 (the "**Oversight Board**");

WHEREAS, the Oversight Board initially approved the ROPS on April 2, 2012, and approved a modified version of that first ROPS on May 11, 2012;

WHEREAS, the State Department of Finance reviewed the initial ROPS, but by letters dated April 17, 2012 and May 26, 2012, indicated that it objected to certain items set forth therein;

WHEREAS, the Oversight Board approved a revised ROPS by Resolution No. 2012-02 on May 11, 2012, for the period July 1, 2012 through December 31, 2012;

WHEREAS, the State Department of Finance reviewed the second ROPS, but by letter dated May 26, 2012, indicated that it objected to certain items set forth therein;

WHEREAS, staff to the Successor Agency believe that the items to which the Department of Finance objected qualify as enforceable obligations as defined in AB 26 and have provided additional information to the Department of Finance with respect to such items;

WHEREAS, Health and Safety Code Section 34178(a) provides that, with specified exceptions, commencing upon February 1, 2012, agreements, contracts and arrangements between a redevelopment agency and the jurisdiction that formed the redevelopment agency are invalid; provided however, a successor agency that wishes to reenter into agreements with the jurisdiction that formed the agency may do so upon obtaining approval of the oversight board;

WHEREAS, the County and the Redevelopment Agency have made a significant investment in the Public Improvements in order achieve the goals of the Redevelopment Plan, the Implementation Plan, the Bond Program, and the Indenture, and in order to comply with the requirements of state and federal grants, including, without limitation: the negotiated purchase of two public parking lot sites; the construction and installation of another two public parking lots; the preparation of design documents and construction drawings for a fifth public parking lot site; and the planned construction of pedestrian safety and street improvements for State Highway 28 in Kings Beach;

WHEREAS, the Redevelopment Plan and the Implementation Plan identify the widening of Highway 28 and the installation of the Public Improvements as essential public safety improvements, and the County has determined that economic development of the Kings Beach project area would be hindered without completion of the Public Improvements;

WHEREAS, completion of the Public Improvements is required as a condition to the grants described in the above Recitals;

WHEREAS, completion of the Public Improvements is required in order to satisfy mitigation measures required by the EIR/EIS prepared for the Kings Beach Commercial Corridor Improvement Project (State Clearinghouse No. 2002112087);

WHEREAS, completion of the Public Improvements will be of benefit to all taxing entities that share in the property tax revenue generated by property located within the Project Area because such improvements will remove impediments to development, eliminate adverse conditions in the Project Area, improve vehicular circulation, provide safer routes for

pedestrians, and catalyze private development, thus resulting in an increase in assessed valuation and property tax revenue;

WHEREAS, the Parties desire to enter into this Agreement to set forth the construction activities and services that the County will undertake or make available in furtherance of the completion of the Public Improvements, and to provide that the Successor Agency will pay for or reimburse the County for actions undertaken and costs and expenses incurred in connection with such work;

WHEREAS, implementation of this Agreement does not require the allocation of funds from the Redevelopment Property Tax Trust Fund established by the Placer County Auditor Controller for the Successor Agency, but instead provides that the proceeds from the Bonds will fund Public Improvements;

WHEREAS, as further described in the staff reports, resolutions and related materials provided to the County Board of Supervisors and the Redevelopment Agency governing board in connection with the review and approval of the Original Cooperative Agreement and the Original Implementation Agreement, the potential environmental impacts of a number of the projects identified in Exhibit A were previously evaluated in several Environmental Impact Reports (“EIRs”) under CEQA, and the County has determined based on substantial evidence that (i) there are no substantial changes proposed in the projects which will require major revisions of those EIRs, (ii) no substantial changes have occurred with respect to the circumstances under which the projects are being undertaken which will require major revisions in those EIRs, and (iii) no new information, which was not known and could not have been known at the time the EIRs were certified as complete, has become available. Therefore, no supplemental or subsequent EIRs are required for approval of this Agreement pursuant to Public Resources Code section 21166 and CEQA Guidelines Section 15162;

WHEREAS, the execution of this Agreement was approved by the County Board of Supervisors and by the governing board of the Successor Agency by resolutions adopted on _____, 2012;

WHEREAS, this Agreement was presented to the Oversight Board for consideration on June 27, 2012, and execution of this Agreement was approved by the Oversight Board by Resolution 2012-____ adopted on such date; and

WHEREAS, the Parties intend this Agreement to evidence the Parties’ desire to re-enter into the Original Cooperative Agreement and the Original Implementation Agreement as approved by the Oversight Board.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and promises herein contained, the Parties hereby agree as follows.

1. Term. The term of this Agreement shall commence on the Effective Date, and shall continue in effect until the earlier of the date that the Public Improvements are completed, or the date that the County has received all funding payable to County pursuant to this Agreement.
2. County to Construct Public Improvements. The County agrees to undertake or otherwise cause to be performed the construction and installation of the Public Improvements described in the attached Exhibit A.
3. Successor Agency to Pay for Public Improvements. The Successor Agency agrees to provide to the County the amounts set forth in Exhibit A to pay for the cost of construction of the public improvements therein identified. The Successor Agency agrees to take all actions reasonably necessary to make such funds available to County, including without limitation, the listing of this Agreement on the Successor Agency's Recognized Obligation Payment Schedule. County agrees to deposit all such funds in a segregated "Public Improvement Account" reserved for the purposes identified in Exhibit A. County agrees that it shall use all funds deposited into the Public Improvement Account solely for the construction and installation of the Public Improvements described in Exhibit A.
4. Source of Funds. The Parties acknowledge that the sole sources of funds available to the Successor Agency to make the payments to County required pursuant to this Agreement are the proceeds of the Bonds (defined above). This Agreement does not obligate County general funds nor does it permit the use of County general funds to make any payments under this Agreement.
5. Subordination. The obligation of the Successor Agency to make payments to County pursuant to this Agreement shall be subordinate to any obligation of the Successor Agency to pay debt service on bonds heretofore issued by the Redevelopment Agency.
6. Project Approvals; Environmental Review. The County certified an environmental impact report for the Public Improvements on September 23, 2008. The County has determined based on substantial evidence that (i) there are no substantial changes proposed in the projects which will require major revisions of those EIRs, (ii) no substantial changes have occurred with respect to the circumstances under which the projects are being undertaken which will require major revisions in those EIRs, and (iii) no new information, which was not known and could not have been known at the time the EIRs were certified as complete, has become available. Therefore, no supplemental or subsequent EIRs are required for approval of this Agreement pursuant to Public Resources Code section 21166 and CEQA Guidelines Section 15162. This Agreement is not intended to limit in any manner the discretion of County in connection with the issuance of approvals for any of the projects identified herein, including, without limitation, the review and approval of plans and specifications relating to the Public Improvements.

7. Defaults and Remedies.

7.1 Default. An event of default ("Event of Default") shall arise hereunder if either Party fails to keep, observe, or perform any of its covenants, duties, or obligations under this Agreement, and the default continues for a period of thirty (30) days, or in the case of a default which cannot with due diligence be cured within thirty (30) days, the defaulting Party fails to

commence to cure the default within thirty (30) days of such default and thereafter fails to prosecute the curing of such default with due diligence and in good faith to completion within not more than ninety (90) days.

7.2 Remedies. Upon the occurrence of an Event of Default, in addition to pursuing any other remedy allowed at law or in equity or otherwise provided in this Agreement, the non-defaulting Party may bring an action for equitable relief seeking the specific performance of the terms and conditions of this Agreement, and/or enjoining, abating, or preventing any violation of such terms and conditions, and/or seeking to obtain any other remedy consistent with the purpose of this Agreement, and may pursue any and all other remedies available under this Agreement or under law or equity to enforce the terms of this Agreement.

7.3 Remedies Cumulative. Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different time, of any other rights or remedies for the same or any other default by the other Party.

7.4 Inaction Not a Waiver of Default. No failure or delay by either Party in asserting any of its rights and remedies as to any default shall operate as a waiver of such default or of any such rights or remedies, nor deprive either Party of its rights to institute and maintain any action or proceeding which it may deem necessary to protect, assert or enforce any such rights or remedies in the same or any subsequent default.

8. Miscellaneous.

8.1 Notices. Except as otherwise specified in this Agreement, all notices to be sent pursuant to this Agreement shall be made in writing, and sent to the Parties at their respective addresses specified below or to such other address as a Party may designate by written notice delivered to the other parties in accordance with this Section.

To Successor

Agency: Successor Agency to the Redevelopment Agency of the County of Placer
3091 County Center Drive, Suite 260
Auburn, CA 95603
Attention: Rae James, Director Redevelopment Department
Phone: (530) 745-3150
Fax: (530) 745-3152

To County: County of Placer, Department of Public Works
P.O. Box 336
7717 North Lake Blvd.
Kings Beach, CA 9614
Attention: Ken Grehm, Director
Phone: (530) 745- 7588
Fax: (530) 745-7544

8.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

8.3 Interpretation; Captions. The section headings used herein are solely for convenience and shall not be used to interpret this Agreement.

8.4 Incorporation of Recitals and Exhibits. Exhibit A attached hereto and the Recitals set forth above are hereby incorporated into this Agreement as though fully set herein.

8.5 No Third Party Beneficiaries. Except as set forth in this Section, nothing in this Agreement is intended to create any third-party beneficiaries to this Agreement, and no person or entity other than the Successor Agency and the County, and the permitted successors and assigns of either of them, shall be authorized to enforce the provisions of this Agreement. Notwithstanding the foregoing, nothing contained in this Agreement is intended to impair the rights of the Trustee or the holders of the Bonds to enforce the provisions of the Indenture, and nothing contained in this Agreement is intended to impair the rights of the public agencies described in the Recitals to this Agreement to enforce their respective rights in connection with their provision of funding for the Public Improvements and related improvements, and each of the foregoing parties shall be considered a third-party beneficiary with the right to enforce this Agreement.

8.6 Amendments. This Agreement may be modified or amended only by an instrument in writing executed by the Parties.

8.7 Assignments. This Agreement and the rights conferred hereunder may not be assigned by operation of law or otherwise absent the express written consent of the Parties.

8.8 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original, and all of which taken together shall constitute one agreement.

8.9 Further Assurances. Successor Agency and County each agree to undertake such other actions as may reasonably be necessary to carry out the intent of this Agreement, including without limitation, the execution and/or recordation of any additional documents which may be required to effectuate the transactions contemplated hereby.

8.10 Severability. If any term, provision, covenant, or condition set forth in this Agreement is held by the final judgment of a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions, covenants, and conditions shall continue in full force and effect to the extent that the basic intent of the Parties as expressed herein can be accomplished. In addition, the Parties shall cooperate in good faith in an effort to amend or modify this Agreement in a manner such that the purpose of any invalidated or voided provision, covenant, or condition can be accomplished to the maximum extent legally permissible.

8.11 Non-Liability of Officials, Employees and Agents. No member, official, employee or agent of County or Successor Agency shall be personally liable in the event of any default or breach hereunder by either Party.

SIGNATURES ON FOLLOWING PAGE

ATTACHMENT A

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

COUNTY:

PLACER COUNTY, a political subdivision of the State of California, through its Department of Public Works

By: _____

Title: Director of Public Works

ATTEST:

By: _____
Clerk

APPROVED AS TO FORM:

By: _____
County Counsel

SUCCESSOR AGENCY:

COUNTY OF PLACER ACTING IN ITS CAPACITY AS SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE COUNTY OF PLACER

By: _____

Title: Chair, Placer County Board of Supervisors Acting in its Capacity as Successor Agency to the Former Redevelopment Agency of the County of Placer

ATTEST:

By: _____
Successor Agency Secretary

APPROVED AS TO FORM:

By: _____
Successor Agency Counsel

Exhibit A

PUBLIC IMPROVEMENTS

Kings Beach Commercial Corridor Improvement Project (CCIP)

Description: The CCIP is a public improvement project that includes the construction and installation of curb, gutter, sidewalk, water quality improvements and other pedestrian safety and environmental enhancements to improve public safety and revitalize the commercial corridor on State Route 28 in Kings Beach.

Status: Environmental Impact Report approved and design efforts are underway, construction bids are planned for late 2012/early 2013. Total Project Cost is estimated at \$45,000,000.

Projected Cost Expenditure Summary:

Funding from other federal and State Sources:	\$30,087,762
Funding from local sources:	4,309,020

Funding Commitment from Former Redevelopment Agency:

OSB* Amended ROPS (May 11, 2012) Form B, Line 1 (Everett Lot / Interagency Agreement – March 22, 2011)	1,200,000
OSB Amended ROPS (May 11, 2012) Form B, Line 2 (Public Improvmnt/ Interagency Agreement – March 22, 2011)	4,959,849
OSB Amended ROPS (May 11, 2012) Form B, Line 3 (Deer & Rainbow Lot / Interagency Agreement – June 22, 2010)	818,200
OSB Amended ROPS (May 11, 2012) Form B, Line 4 (CEP Improvmnt / Cooperative Agreement – January 25, 2011)	<u>3,625,169</u>
	\$10,603,218

TOTAL KINGS BEACH COMMERCIAL CORE PROJECT **\$45,000,000**

***Oversight Board**