

PLACER COUNTY

COMMUNITY DEVELOPMENT GRANTS AND LOANS

MEMORANDUM

TO: Honorable Members of the Board of Supervisors
FROM: Richard Colwell, Chief Assistant CEO – Redevelopment Director 
Rae James, Deputy Director
DATE: June 27, 2006
SUBJECT: Adopt the required State of California Resolution Making Certain Findings and Approving the Execution of the Loan Agreement for \$1,500,000 Between the Placer County Redevelopment Agency and the California Infrastructure and Economic Development Bank for the Hulbert Way Signal and Highway 49 Road Improvement Project

ACTION REQUESTED:

Adopt the required State of California resolution making certain findings and approving the execution of the loan agreement for \$1,500,000 between the Placer County Redevelopment Agency (Agency) and the California Infrastructure and Economic Development Bank (CIEDB) for the Hulbert Way signal and Highway 49 road improvement project.

BACKGROUND:

On January 10, 2006, your board authorized the submittal of a \$1,500,000 loan application to the CIEDB for the Hulbert Way signal and road improvement Project (Project). The Agency was successful in its loan application for the \$1,500,000 loan. In order to finalize the funding process of the Project's CIEDB loan, the CIEDB has requested that we use the attached resolution form.

The Project, which is located in the North Auburn Redevelopment Project Area, consists of road widening, turn lanes, installation of a traffic signal, drainage improvements and retaining walls primarily along State Highway 49 between Luther Road and New Airport Road.

FISCAL IMPACT:

There are no impacts to the County General Fund. Repayment for the CIEDB loan will be derived from North Auburn Redevelopment Project Area non-housing tax increment funds.

RECOMMENDATION:

Adopt the required State of California resolution making certain findings and approving the execution of the loan agreement for \$1,500,000 between the Placer County Redevelopment Agency and the California Infrastructure and Economic Development Bank for the Hulbert Way signal and Highway 49 road improvement project.

cc: Sabrina Thompson, Deputy County Counsel

Before the Board of Supervisors County of Placer, State of California

In the matter of:

**Adopt a Resolution Making Certain Findings and Approving
the Execution of the Loan Agreement for \$1,500,000 Between
the Placer County Redevelopment Agency and the California
Infrastructure and Economic Development Bank**

Resol. No:.....

Ord. No:.....

First Reading:

The following Resolution was duly passed by the Board of Supervisors
of the County of Placer at a regular meeting held June 27, 2006,
by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:

Chair, Board of Supervisors

Clerk of said Board

BE IT RESOLVED by the Board of Supervisors of the County of Placer as follows:

WHEREAS, the Placer County Redevelopment Agency desires to construct and install the Hulbert Way and State Highway 49 Signal and Roadway Improvement Project (Project), within the North Auburn Redevelopment Project Area (Project Area);

WHEREAS, there are insufficient County resources to pay for all of the costs associated with the development and construction of the Project;

WHEREAS, the California and Economic Development Bank is prepared to provide a loan in an amount not to exceed one million five hundred thousand dollars (\$1,500,000) (Loan)

for development and construction of the Project, to be repaid from tax increment revenues of the Project Area;

WHEREAS, Placer County and the Redevelopment Agency have previously entered into the loan and Repayment Agreement dated as of June 15, 2005 secured by Tax Revenues of the Project Area;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF PLACER COUNTY, AS FOLLOWS:

Section 1. Pursuant to section 33445 of the Health and Safety Code of the State of California, the County makes the following findings in support of the Loan;

- (a) The development and construction of the Project is of benefit to the North Auburn Redevelopment Project Area;
- (b) There is no other reasonable means of financing the Project except for tax increment funds; and
- (c) The use of tax increment for the Project will result in the elimination of the following blighting conditions, including, but not limited to assisting in the development of underdeveloped or poorly developed areas, which are under utilized or improperly utilized and to improve access and circulation with the Project Area and such tax increment use is consistent with the Redevelopment Plan and the Five Year Plan for the Redevelopment Project Area adopted by the borrower on June 24, 1997 and as amended from time to time.

Section 2. The Placer County Redevelopment Agency is authorized to enter into the Tax Allocation Loan Agreement (Loan Agreement) proposed to be entered into by the Placer County Redevelopment Agency and the California Infrastructure and Economic Development Bank dated July 1, 2006. The aggregate principal amount of the Loan under the Loan Agreement shall not exceed one million five hundred thousand dollars (\$1,500,000). As executed and delivered, such document shall be in substantially the form presented at this meeting with such minor additions thereto or minor changes therein as the officers executing such document shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The County hereby acknowledges and represents that, as of the effective date of the loan, its lien on Tax Revenues of the Project Area existing by way of the Loan and Repayment Agreement dated June 15, 2005 shall be subordinate to CIEDB's lien on the Tax Revenues existing by way of the Loan.

Section 4. This resolution shall take effect from and after its passage, approval and adoption.

Certificate of Resolution

The undersigned hereby states and certifies:

- (1) I am the duly qualified and acting Clerk of Placer County (County), and as such, am familiar with the facts herein certified and am fully authorized to certify the same.
- (2) Attached hereto is a true, correct and complete copy of the resolution of the legislative body of the Placer County Redevelopment Agency (Borrower) authorizing the execution and delivery of the loan Agreement dated as of July 1, 2006 between the Borrower and the California Infrastructure and Economic Development Bank, adopted at a meeting thereof duly held on the date set forth in such resolution, of which meeting all of the members of said governing body had due notice and at which a quorum was present and acting throughout.
- (3) I further certify that I have carefully compared the attached copy of the resolution with the original minutes of said meeting on file and of record in my office; that said copy is a true, correct and complete copy of the original resolution duly adopted by said governing body at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since its adoption and is in full force and effect as of the date hereof.
- (4) I further certify that in accordance with Government Code section 54954.2, the agenda of the meeting contained a brief description of the resolution to be considered at the meeting, and a copy thereof was posted at least seventy-two (72) hours before the meeting in a location freely accessible to members of the public.

Dated: _____

PLACER COUNTY

By: _____

Its _____