

PLACER COUNTY
REDEVELOPMENT AGENCY

MEMORANDUM

TO: Honorable Members of the Redevelopment Agency Board
FROM: Richard E. Colwell, Chief Assistant CEO–Redevelopment Director
Rae James, Deputy Director
DATE: October 24, 2006
SUBJECT: Adopt a Resolution and Findings Authorizing the Execution of a Memorandum of Understanding with the Tahoe City Public Utility District in Order to Provide \$15,000 Toward the Heritage Plaza Project, and Authorize the Chief Assistant CEO–Redevelopment Director or Designee to Execute All Agreements Subject to Agency Counsel Review.

RECEIVED

ACTION REQUESTED

Adopt a resolution and findings authorizing the execution of a Memorandum of Understanding with the Tahoe City Public Utility District in order to provide \$15,000 toward the Heritage Plaza project, and authorize the Chief Assistant CEO–Redevelopment Director or designee to execute all agreements subject to Agency Counsel review.

BACKGROUND

The Tahoe City Public Utility District (TCPUD) is overseeing the construction of the Heritage Plaza project (Project). The Project is located near the Tahoe City Commons Beach area within the North Lake Tahoe Redevelopment Project Area (Project Area). The Project consists of landscaping, tables, benches, drinking fountain and seat walls near Watson Cabin on the lake side of State Highway 28. (See attached rendering.)

The County has contributed the land to the TCPUD for the project. Additionally, the California Tahoe Conservancy is providing a grant, with the remainder of the needed funds coming from County Tourist Occupancy Tax Infrastructure Funding through the North Lake Tahoe Resort Association, and TCPUD amenity sales. The Placer County Redevelopment Agency (Agency) is seeking your Board approval to allocate \$15,000 in tax increment toward the Project. The Agency shall enter into a Memorandum of Understanding in substantially the attached form with TCPUD, subject to the review of Agency Counsel. The Project is slated for construction in Fall 2006.

California Redevelopment Law (Health and Safety Code Section 33445) requires your Board to make certain findings in order to use redevelopment funds for the installation and construction of public improvements. These findings include: 1) that Agency assistance for these improvements will be of benefit to the Project Area; 2) there are no other reasonable means of financing the Project; and 3) the payment of Agency funds for these improvements will assist in the elimination of one or more blighting conditions in the Project Area and is consistent with the implementation plan adopted by the Agency. The Project will provide for increased public

access to Lake Tahoe, and provide increased recreational and tourist serving opportunities in the Project Area. The Project will improve public access and circulation around the lake. The Agency has determined that there are no other reasonable means of financing the Project.

ENVIRONMENTAL STATUS

As the lead agency, TCPUD certified a Negative Declaration on June 17, 2005 for the Project pursuant to California Environmental Quality Act (CEQA) requirements. A Notice of Determination was filed with the County on June 28, 2005.

FISCAL IMPACT

There are sufficient Project Area tax increment funds in the Agency's FY 2006/2007 Budget for this Project. There is no impact to the County General Fund.

RECOMMENDATION

Adopt a resolution and findings authorizing the execution of a Memorandum of Understanding with the TCPUD in order to provide \$15,000 toward the Project, and authorize the Chief Assistant CEO-Redevelopment Director or designee to execute all agreements subject to Agency Counsel review.

Attachments

cc: Sabrina Thompson, Agency Counsel

**Before the Placer County
Redevelopment Agency Board of Directors
County of Placer, State of California**

In the matter of:

Adopt a Resolution and Findings Authorizing the Execution of a Memorandum of Understanding with the Tahoe City Public Utility District In Order to Provide \$15,000 Toward the Heritage Plaza Project, and Authorize the Chief Assistant CEO-Redevelopment Director or Designee to Execute All Agreements Subject to Agency Counsel Review.

Resol. No:.....

Ord. No:.....

First Reading:

The following Resolution was duly passed by the Redevelopment Agency Board

of the County of Placer at a regular meeting held October 24, 2006,

by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:
Clerk of said Board

Chair, Agency Board

BE IT RESOLVED by the Placer County Redevelopment Agency as follows:

WHEREAS, the Placer County Redevelopment Agency ("Agency") has adopted the North Lake Tahoe Redevelopment Project Area (the "Project Area"), the North Lake Tahoe Redevelopment Plan, and the Implementation Plan for the North Lake Redevelopment Project Area (collectively the "Project Area and Plans"); and

WHEREAS, the Agency is vested with responsibility pursuant to the Community Redevelopment Law (Part I of Division 24 of the Health and Safety Code of the State of California) (Law) to implement the Redevelopment Plan in the Project Area; and

WHEREAS, the Heritage Plaza project (Project) is contained within the Project Area;

WHEREAS, the Agency desires to allocate \$15,000 in Agency tax increment bond funds for the Project; and

WHEREAS, the proposed action is in furtherance of the Project Area and Plans; and

WHEREAS, pursuant to California Redevelopment Law, Section 33445, the Project will assist in the elimination of blight in that it improves public access and provides tourist and recreational opportunities within the Project Area. The Project is consistent with the goals and objectives of the Project Area and Plans which is to assist in the development of underdeveloped or poorly developed areas, which are underutilized, or improperly utilized and to increase public infrastructure and public access within the Project Area; and

WHEREAS, the Agency finds and determines that the public interest and necessity requires increased recreational and tourist opportunities in the Project Area; that the Project is planned and located in a manner that will be most compatible with the greatest public good and the least private injury; that the Project could not occur without Agency assistance; and that there are no other sources of financing available for the Project; and

NOW, THEREFORE, BE IT RESOLVED by the Agency Board that after due consideration of the facts presented, the findings as stated in the Staff Report that accompanies this Resolution are approved, and the Agency Board finds and determines as follows:

1. All of the above recitals are true and correct, and the Agency has based the findings and actions set forth in this Resolution, in part, on such recitals.
2. The Agency hereby finds and determines that (a) Agency assistance for these public improvements will be of benefit to the Project Area; (b) no other reasonable means of financing these improvements are available to the community; and (c) the payment of Agency funds for these improvements (i) will assist in the elimination of one or more blighting conditions in the Project Area and (ii) is consistent with the Implementation Plan adopted by the Agency pursuant to Section 33490 of the Law.
3. The Agency Board approves the payment by the Agency of \$15,000 for the cost of these improvements.

BE IT FURTHER RESOLVED, that the Chief Assistant CEO–Redevelopment Director or its designee is hereby authorized and directed to act on behalf of the Agency in all matters pertaining to this Project and execute all necessary agreements subject to Agency Counsel approval.

BE IT FURTHER RESOLVED, that this resolution shall become effective immediately upon adoption.

MEMORANDUM OF UNDERSTANDING BETWEEN THE PLACER COUNTY REDEVELOPMENT AGENCY AND THE TAHOE CITY PUBLIC UTILITY DISTRICT REGARDING USE OF AGENCY TAX INCREMENT MONIES TO ASSIST IN FUNDING OF HERITAGE PLAZA IN THE NORTH LAKE TAHOE REDEVELOPMENT AREA.

This memorandum is entered into by and between the Placer County Redevelopment Agency, a governmental entity of the State of California, (hereinafter Agency), and the Tahoe City Public Utility District (hereinafter TCPUD).

FOR AND IN CONSIDERATION of the mutual promises herein exchanged, Agency and TCPUD do hereby agree as follows:

1. Agency and TCPUD desire to ensure that certain improvements are made in the North Lake Tahoe Redevelopment Project area within the Heritage Plaza Project. Those improvements are listed on the attached Exhibit A, and will be constructed within the area known as Tahoe City. Agency has agreed to contribute up to \$15,000 to TCPUD for this purpose.
2. TCPUD shall provide Agency with an invoice in a form acceptable to Agency, detailing the expenditure of Agency funds. Said invoice will be submitted to the Agency within 60 days after the commencement of construction.
3. In the event of any dispute arising from the implementation of this memorandum of understanding, staff from the Agency and the TCPUD will meet to clarify the situation. If staff is unable to resolve the dispute, the Director of the Agency and the General Manager of the TCPUD will meet to mediate the situation. If the situation still cannot be resolved, either party may terminate this agreement upon ten days written notice. In the event of termination, all undisbursed Agency monies shall be returned to Agency forthwith.
4. This memorandum of understanding is to be interpreted in accordance with the laws of California. It contains the entire agreement of the parties with respect to the subject matter herein contained and supercedes all previous oral and written communications and representations between the parties.
5. TCPUD shall perform this Agreement as an independent contractor. TCPUD and the officers, agents and employees of TCPUD are not, and shall not be deemed, Agency or Placer County employees for any purpose. TCPUD shall determine, at its own risk and expense, the method and manner by which duties imposed on TCPUD by this Agreement shall be performed; provided, however, that Agency may monitor the work performed.
6. TCPUD hereby agrees to protect, defend, indemnify, and hold the Agency free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character including, but not limited to, the amounts of judgments, penalties, interest, court costs, legal fees, and all other expenses incurred by the Agency arising in favor of any party, including claims, liens,

debts, personal injuries, death, or damages to property (including employees or property of the Agency) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of this contract or agreement. TCPUD agrees to investigate, handle, respond to, provide defense for, and defend any such claims, demand, or suit at the sole expense of the TCPUD. TCPUD also agrees to bear all other costs and expenses related thereto, even if the claim or claims alleged are groundless, false, or fraudulent. This provision is not intended to create any cause of action in favor of any third party against TCPUD or the Agency or to enlarge, in any way, the TCPUD's liability but is intended solely to provide for indemnification of the Agency from liability for damages or injuries to third persons or property arising from TCPUD's performance pursuant to this contract or agreement.

As used above, the term "Agency" means Placer County Redevelopment Agency or its officers, agents, employees and volunteers.

7. Nothing contained in this Agreement shall be construed to create any rights in third parties and the parties do not intend to create such rights.

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

Richard Colwell
Chief Assistant CEO – Redevelopment Director
Placer County Redevelopment Agency

Date

Robert Lourey
General Manager
Tahoe City Public Utility District

Date

Approved as to Form

Redevelopment Counsel

Date

Exhibit A – List of Improvements and Estimated Costs

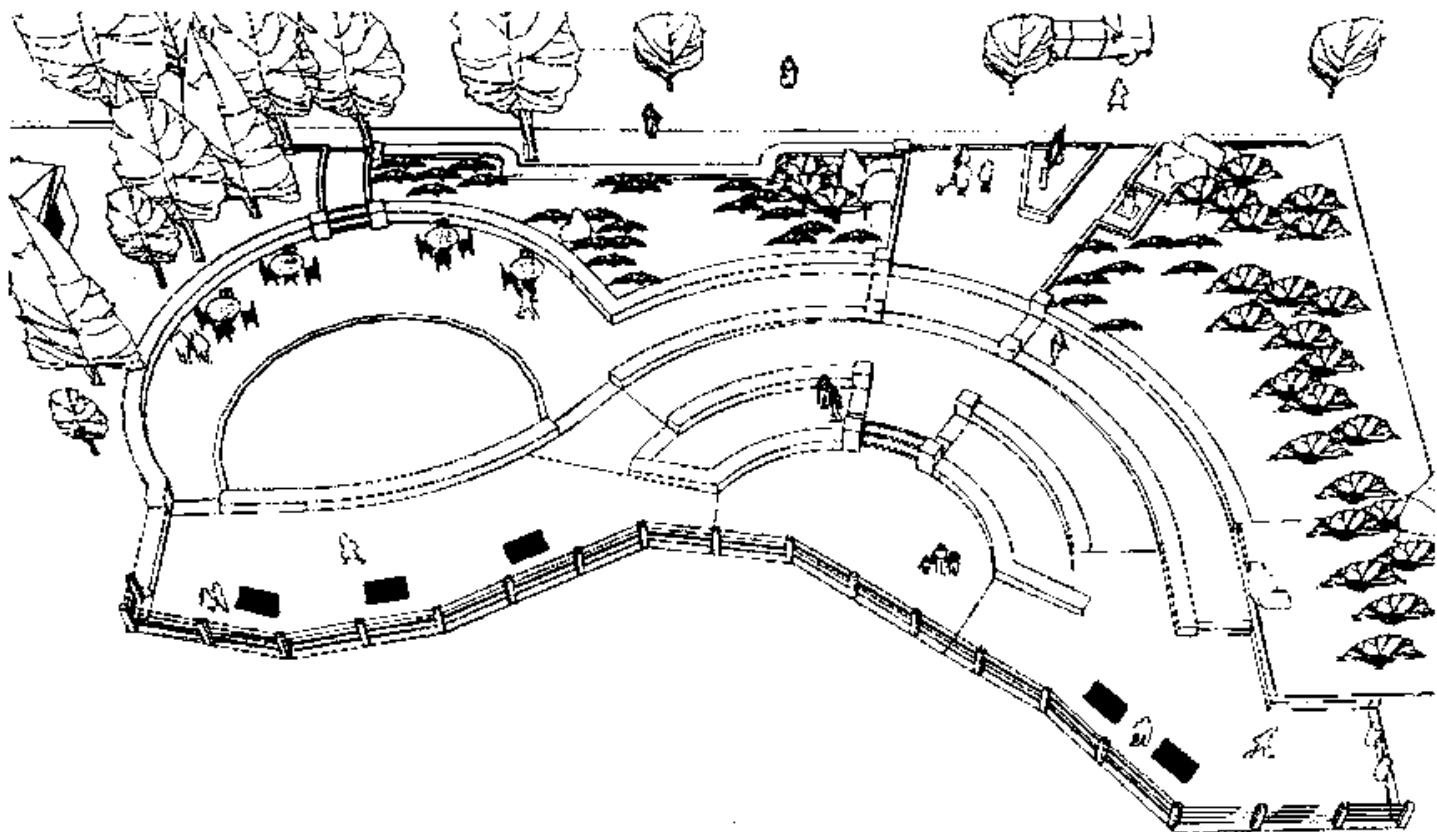
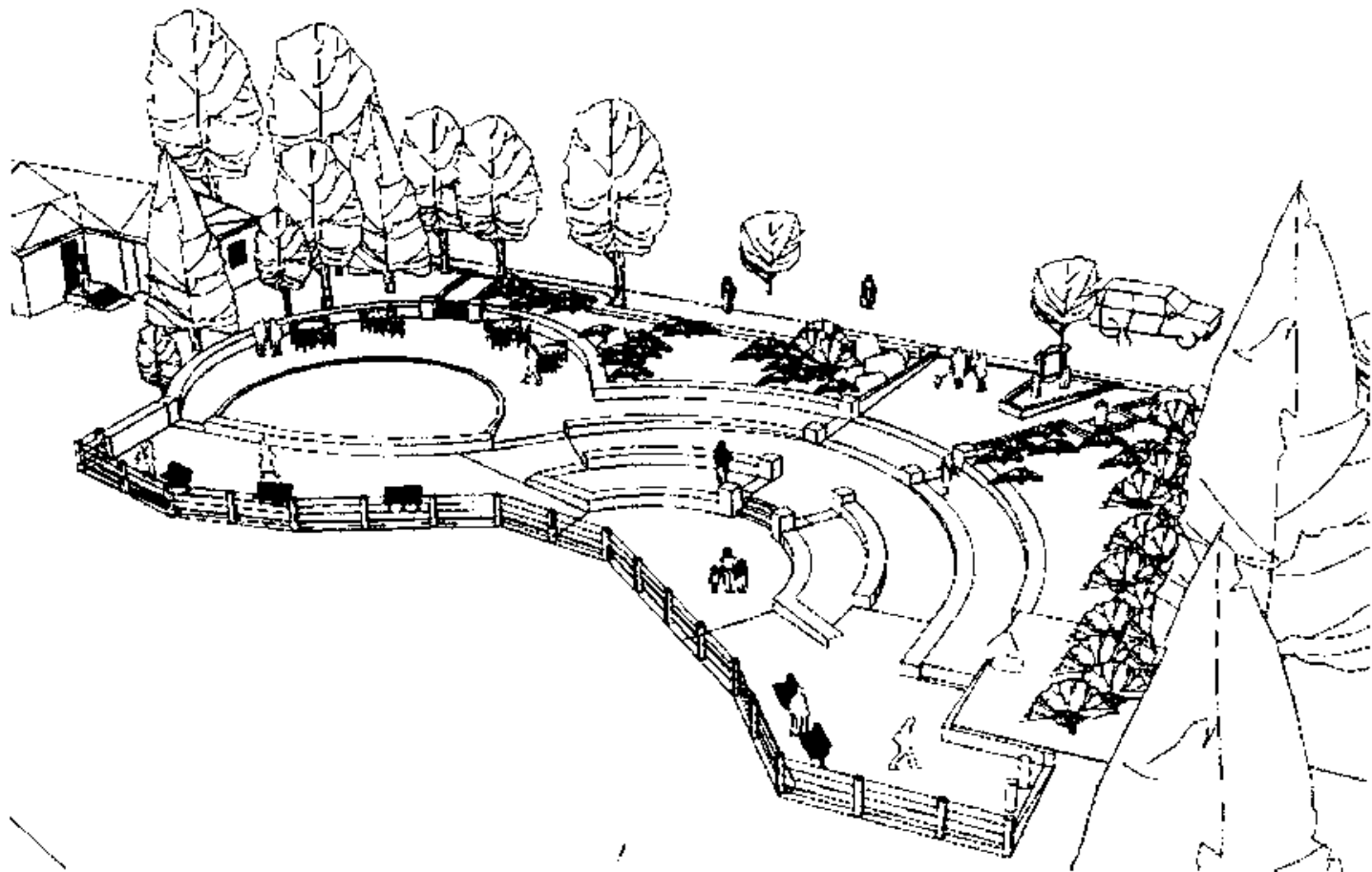
Exhibit A - HERITAGE PLAZA

Construction Costs

<i>Construction Cost Estimate (Correa Bid)</i>	\$	671,677
<i>Construction Contingency</i>	\$	67,167
<i>Construction Services</i>		
Construction Phase Engineering	\$	36,800
Construction Staking		
<i>TCPUD Construction Admin</i>		
Contract Administration	\$	78,284
Testing and Inspection		
Construction - Total Budget Required		\$ 853,928

Funding

	NLTRA Funding	\$	60,000
	Placer County Redevelopment	\$	15,000
	Amenity Sales	\$	28,928
	CTC Grant Funding	\$	750,000
TOTAL FUNDING		\$	853,928



PERSPECTIVE VIEWS June, 2006

DESIGNWORKSHOP

Heritage Plaza Tahoe City, CA

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