

COOPERATION AGREEMENT FOR PUBLIC IMPROVEMENTS

THIS AGREEMENT is entered into as of the 16th day of June, 2009 by and between the CITY OF GOLETA (herein the "City") and the REDEVELOPMENT AGENCY FOR THE CITY OF GOLETA (herein the "Agency").

Recitals

- A. The Agency, pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.: the "Redevelopment Law"), is responsible for implementing the Redevelopment Plan (herein the "Old Town Plan") for the Goleta Old Town Redevelopment Project Area (herein the "Old Town Project Area"), as adopted by Ordinance No. 02-08 adopted on February 1, 2002.
- B. In order to implement the Old Town Plan, the Agency, by Resolution No. 08-05, adopted on June 17, 2008, has adopted a new five-year implementation plan (herein the "Implementation Plan") pursuant to Section 33490 of the Redevelopment Law.
- C. Section 401 of the Old Town Plan established various goals for the Old Town Project Area including public infrastructure improvements and community facilities, such as the "installation, construction, reconstruction, redesign, or reuse of streets, utilities, curbs, flooding and drainage facilities, gutters, sidewalks, street lighting, landscaping, and other public improvements," which are necessary for the effective redevelopment of the (Old Town) Project Area.
- D. With the implementation of specific public improvement and facility projects, the Agency would eliminate blighting conditions in the Old Town Project Area, including but not limited to factors that hinder the economically viable use of buildings or lots, economic decline, high business turnover, low lease rates, high vacancy rates, and/or inadequate public improvements.

E. For the 2009-10 and 2010-11 fiscal years, the Agency desires to undertake the following public improvement projects (herein the "Projects") in the amount listed:

PROJECT	DESCRIPTION	FY 09-10	FY 10-11
San Jose Creek	Capacity Improvement	\$9,328,000	\$0
Ekwill-Fowler	Road Extensions	\$50,000	\$27,500
Hollister Redesign	Redesign and Reconstruction	\$50,000	\$800,000
Total		\$9,428,000	\$827,500

Total for Capital Projects for FY's 2009-10 and 2010-11 \$10,255,500

F. In accordance with Section 33445 of the Redevelopment Law, the City and the Agency have made the necessary findings to authorize the Agency expenditure for the Projects as provided in this agreement as follows:

- The improvements are a benefit to the project area or the immediate neighborhood in which the project is located;
- That no other reasonable means of financing the improvements are available to the community;
- That the payment of the funds for the cost of the improvements will assist in the elimination of one or more blighted conditions inside the project area, and is consistent with the implementation plan adopted pursuant to Section 33490 of the Health and Safety Code.

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

- (1) To set forth the City's construction of the Projects; and
- (2) To provide that the Agency will reimburse the City for the amount stated for actions undertaken and costs and expenses incurred by it for the construction of the Projects.

Agreements

NOW, THEREFORE, THE CITY AND THE AGENCY AGREE AS FOLLOWS:

1. The City agrees to advance the Agency's share of costs for the Projects, in exchange for reimbursement for such costs as defined herein.

2. The City will keep records of the costs of said Projects 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 costs shall include the direct expenditures for public improvements, as well as design, planning, engineering, and administrative of said projects.

3. The Agency agrees to reimburse the City for all costs incurred for services by the City pursuant to this Agreement from and to the extent that funds are available to the Agency for such purpose pursuant to Section 33670 of the Health and Safety Code or from other sources; provided, however, that the Agency shall have the sole and exclusive right to pledge any such sources of funds to the repayment of other indebtedness incurred by the Agency in carrying out the redevelopment project. The costs of the City under this Agreement will be shown on statements submitted to the Agency pursuant to Section 2 above. Although the parties recognize that payment may not occur for a few years and that repayment may also occur over a period of time, it is the express intent of the parties that the City shall be entitled to repayment of the expenses incurred by the City under this Agreement, consistent with the Agency's financial ability, in order to make the City whole as soon as practically possible.

4. Pursuant to Section 33445 of the Redevelopment Law, 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 Redevelopment Law, to be repaid to the City by the Agency with interest at five percent (5%) per annum.

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

CITY OF GOLETA

REDEVELOPMENT AGENCY FOR THE CITY OF GOLETA

By: *Niel Agere for*
DAN SINGER
CITY MANAGER - "CITY"

By: *Niel Agere for*
DAN SINGER
EXECUTIVE DIRECTOR - "AGENCY"

ATTEST:

By: *Deborah Constantino*
DEBORAH CONSTANTINO
CITY CLERK

ATTEST:

By: *Deborah Constantino*
DEBORAH CONSTANTINO
AGENCY SECRETARY

APPROVED AS TO FORM:

By: *TW Giles*
TIM W. GILES
CITY ATTORNEY

APPROVED AS TO FORM:

By: *TW Giles*
TIM W. GILES
AGENCY LEGAL COUNSEL

Date: 7/1/09

Date: 7/1/09