

Resolution No. _____

S T O C K T O N R E D E V E L O P M E N T A G E N C Y

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A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY
OF STOCKTON AUTHORIZING EXECUTION OF A FISCAL
AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF
THE CITY OF STOCKTON AND THE SAN JOAQUIN
DELTA COMMUNITY COLLEGE DISTRICT

WHEREAS, the Redevelopment Agency of the City of Stockton (the "Agency"), and the San Joaquin Delta Community College District (the "District") desire to enter into a Fiscal Agreement (the "Agreement") the terms of which are set forth in the Agreement attached hereto as Exhibit A and by this reference incorporated herein; and

WHEREAS, the Agency has prepared the Eastland Redevelopment Plan for the Eastland Redevelopment Project Area (the "Plan") in accordance with the procedures and requirements of the California Community Redevelopment Law (the "CRL") (Health and Safety Code Section 33000 et seq.); and

WHEREAS, the Plan calls for redevelopment of a designated project area (the "Project Area") within the City pursuant to the CRL; and

WHEREAS, the parties have determined that the adoption by the City and implementation by the Agency of the Plan would, but for the agreements set forth in the Agreement, cause a financial

burden or detriment to the District in that redevelopment of the Project Area will increase demand for services provided by the District to the Project Area.

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON AS FOLLOWS:

1. That the Agency hereby finds and determines, based on evidence provided at this meeting, that the adoption of the Plan by the City and implementation by the Agency would, but for the agreements set forth in the Agreement, cause a financial burden or detriment to the District in that redevelopment of the Project Area will increase demand for services provided by the District to the Project Area and the surrounding area.

2. That the Agency hereby approves the Agreement described above and authorizes and directs the Chairperson to execute the Agreement on behalf of the Agency.

PASSED, APPROVED and ADOPTED this ____ day of _____, 1990.

JOAN DARRAH, Chairperson
Redevelopment Agency of the
City of Stockton

ATTEST:

FRANCES HONG, Agency Secretary
Redevelopment Agency of the
City of Stockton

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San Joaquin Delta
Community College District
PROJECT
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Yrbaheaven 5022

CITY CLERK
CITY OF STOCKTON
FISCAL AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY
OF THE CITY OF STOCKTON AND THE SAN JOAQUIN
DELTA COMMUNITY COLLEGE DISTRICT
REGARDING THE EASTLAND REDEVELOPMENT PLAN

THIS AGREEMENT (the "Agreement") is made and entered into
this 20th day of November, 1990, by and between the
REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON (the "Agency"), and
the SAN JOAQUIN DELTA COMMUNITY COLLEGE DISTRICT (the
"District"), on the basis of the following facts, understandings
and intentions of the parties:

RECITALS

A. The City Council of the City of Stockton is in the
process of considering adoption of the Eastland Redevelopment
Plan (the "Redevelopment Plan") pursuant to the California
Community Redevelopment Law (Health and Safety Code, Section
33000, et seq.).

B. The proposed Redevelopment Plan contains provisions for
the distribution and allocation of property tax revenues derived
from property located within the area covered by the
Redevelopment Plan (the "Project Area") and allocated to the
Agency pursuant to California Health and Safety Code Section
33670(b) (the "Tax Increment Revenue", as more fully defined in
Section 1 below).

C. Health and Safety Code Section 33401 provides that a redevelopment agency may pay to any taxing agency any amounts of money which, in the Agency's determination, are necessary and appropriate to alleviate any financial burden or detriment caused to such taxing agency by a redevelopment project.

D. The District has presented evidence to the Agency of fiscal detriment that the District would experience if the Redevelopment Plan is adopted.

E. The District has determined that it is in the District's best interest to not make the election to be allocated all of the tax revenues attributable to increases in the assessed value of the taxable property in the Project Area, as the assessed value is established pursuant to Health and Safety Code Section 33670(a), which are calculated annually pursuant to Revenue and Taxation Code Section 110.1(f) (as allowed pursuant to Health and Safety Code Section 33676(a)(2)), and that in lieu of such election it is in the District's best interest to enter into this Agreement as permitted by Health and Safety Code Sections 33401 and 33676. This Agreement is not intended in any way to affect the election made by the District pursuant to Health and Safety Code Section 33676(a)(1).

THEREFORE, the Agency and the District agree as follows

AGREEMENT

Section 1. General Definitions

In addition to the terms defined elsewhere in this Agreement, the terms set forth in this Section shall have the following meanings in this Agreement:

(a) "Tax Increment Revenue" means those taxes allocated to and received by the Agency pursuant to Health and Safety Code Section 33670(b), from increases in the valuation of real property within the Project Area above the valuation shown on the assessed valuation roll last equalized prior to the date of adoption of the ordinance adopting the Redevelopment Plan.

(b) "District's Proportionate Share" means the percentage of the applicable portion of Tax Increment Revenue that the District would have received if there were no provision in the Redevelopment Plan for the allocation of Tax Increment Revenue to the Agency.

(c) "Fiscal Year" means the period commencing on July 1 and ending on the following June 30.

(d) "District Fund" means the fund designated and maintained by the District into which all amounts to be paid by the Agency pursuant to Section 2 below shall be deposited for use as provided in Section 4 below.

Section 2. Payment of a Portion of Tax Increment Revenue

(a) Beginning in Fiscal Year 1991-92 and continuing through the term of this Agreement (except as otherwise provided in the last paragraph of Section 7 below), the Agency shall pay to the District a portion of the Tax Increment Revenue received by the

Agency in an amount equal to one hundred percent (100%) of the District's Proportionate Share of Tax Increment Revenue attributable to increases in assessed value of the taxable property in the Project Area, as the assessed value is established by the assessment roll last equalized prior to the effective date of the ordinance adopting the Redevelopment Plan (as provided in California Health and Safety Code Section 33670(a)), which are, or otherwise would be, calculated annually pursuant to subdivision (f) of Section 110.1 of the Revenue Taxation Code. The parties understand and intend that such amount shall equal one hundred percent (100%) of the property tax revenues which would have been allocated to the District had the District made the election pursuant to Health and Safety Code Section 33676(a)(2).

(b) The Agency shall make the payment required under subsection (a) of this Section 2 within sixty (60) days after the end of the Fiscal Year for which the payment is due. Each payment shall be made to the District for deposit in the District Fund.

Section 3. Priority of Agency's Obligations

The obligation of the Agency to make any payment pursuant to this Agreement shall be subordinate to the Agency's obligation to make payments of principal, interest or other amounts on or in connection with bonds, notes or other indebtedness heretofore or hereafter issued by the Agency to finance the implementation of

the Redevelopment Plan. An Agency obligation to make payments, pursuant to a reimbursement agreement or similar agreement, to reimburse or otherwise compensate a person or entity who is obligated to make payments of principal, interest or other amount on bonds, notes or other indebtedness issued by the Agency to finance the implementation of the Redevelopment Plan, shall be deemed to be an obligation in connection with such bonds, notes or other indebtedness for purposes of this Agreement. The District agrees to execute and acknowledge any other documentation that may be necessary to give effect to this Agreement, including, but not limited to, the subordination provisions of this Section 3.

Section 4. Use of Funds

The District shall use the payments made by the Agency and deposited in the District Fund under this Agreement (or an equal amount from other sources available to the District) to make capital improvements to, to lease, to construct, or to equip, appropriate facilities which benefit residents and businesses within or in reasonable proximity to the Project Area.

Section 5. Limitations on Payment

Notwithstanding any other provision of this Agreement, no payments shall be made to the District by the Agency:

(a) which would exceed the amount, annually, that the District would have otherwise received from property taxes from the Project Area had the Redevelopment Plan not been adopted; or

(b) the receipt of which would cause the District to violate its expenditure limitations under Article XIII-B of the California Constitution as certified by the District to the State of California pursuant to State law, regulations and State Department of Education administrative procedure; or

(c) which would be contrary to the provisions of Health and Safety Code Section 33401 or violate any other provision of the Community Redevelopment Law or the laws of the State of California.

Any excess amounts under subsection (a), (b) or (c) above shall be retained by the Agency for distribution, in the Agency's sole discretion, to other taxing entities or for the purposes of paying indebtedness incurred by the Agency in carrying out the Project.

Section 6. Indebtedness of Agency

The payments to be made pursuant to this Agreement shall constitute an indebtedness of the Agency incurred in carrying out the Project and a pledging of tax increments from the Project to repay such indebtedness under the provisions of Article XVI, Section 16 of the California Constitution and under the California Community Redevelopment Law.

Section 7. Waiver of Section 33676(a)(2) Election

The parties agree that this Agreement supersedes any election heretofore or hereafter made or purported to be made by the District pursuant to Health and Safety Code Section

33676(a)(2); that any such election or purported election shall be null and void and of no further force or effect; and that the District shall receive no payment of Tax Increment Revenue other than as expressly provided in this Agreement or as authorized by the District's separate election to receive the amount specified in Health and Safety Code Section 33676(a)(1), which separate election shall not be modified by the terms of this Agreement.

In the event the County of San Joaquin by error or otherwise makes a payment to the District of funds the District has waived under Section 33676(a)(2), the District shall receive and hold the funds in trust for the Agency. The District shall pay the funds to the Agency and notify the County of San Joaquin in writing that the funds have been paid to the Agency pursuant to this Section 7. Upon receipt of the funds, the Agency shall immediately notify the County of San Joaquin in writing of its receipt of the funds from the District pursuant to this Section 7.

If, notwithstanding the provisions of this Section 7, by subsequent law, act, rule, regulation, court order or other similar legislative or judicial procedure, the District is required to make the election and receive the payments provided by Health and Safety Code Section 33676(a)(2), the Agency's payment obligation under this Agreement shall be null and void.

Section 8. No Contest of Redevelopment Plan

(a) The District acknowledges and agrees that the payments to be provided and the other fiscal mitigation measures to be undertaken by the Agency pursuant to this Agreement will effectively eliminate any financial burden or detriment to the District that might otherwise be caused by the adoption and implementation of the Redevelopment Plan. In consideration of the undertakings of the Agency described in this Agreement, the District shall forego any right or remedy it may have in law or equity to contest the preparation, adoption or validity of the Redevelopment Plan (including without limitation any right or remedy pursuant to the California Environmental Quality Act), and the redevelopment program to be undertaken pursuant to the Redevelopment Plan. The District further declares its support for the efforts of the Agency in connection with preparation, adoption and implementation of the Redevelopment Plan.

(b) The Agency recognizes the District's agreement not to contest the Redevelopment Plan, as described in subsection (a) above, and to waive its election to receive payments pursuant to Health and Safety Code Section 33676(a)(2) as described in Section 7 above, as good and legal consideration.

Section 9. Term of Agreement

This Agreement shall be effective as of the date of this Agreement and shall terminate upon the earlier to occur of: (a) initiation of any legal or administrative proceeding challenging

the Redevelopment Plan; (b) certification by the San Joaquin Registrar of Voters of a "no" vote in a referendum election on the Redevelopment Plan; or (c) expiration of the Redevelopment Plan. Following termination, neither of the parties shall have any rights or obligations under this Agreement.

Section 10. Obligation to Defend Agreement

In the event litigation is initiated attacking the validity of this Agreement, each party shall in good faith defend and seek to uphold the Agreement. The District further agrees to indemnify, defend and hold the Agency harmless in the event that any person or entity not a party to this Agreement (a "third party") seeks to recover from the Agency funds that such third party claims were unlawfully paid to the District pursuant to this Agreement.

Section 11. State Law

This Agreement, and the rights and obligations of the parties hereto, shall be construed and enforced in accordance with the laws of the State of California.

Section 12. Attorneys' Fees

In any action which the Agency or the District brings to enforce its rights hereunder, the unsuccessful party shall pay all costs incurred by the prevailing party, including reasonable attorneys' fees.

Section 13. Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

Section 14. Entire Agreement

This Agreement constitutes the entire agreement of the parties with respect to the subjects covered herein.

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

Attest:

REDEVELOPMENT AGENCY OF
THE CITY OF STOCKTON

Frances Hong
Frances Hong
Agency Secretary

By: Joan Darrah
Joan Darrah
Agency Chairperson

Attest:

SAN JOAQUIN COUNTY DELTA
COMMUNITY COLLEGE DISTRICT

Diane Reilly
Diane Reilly
Secretary, Contract and
Insurance Office

By: L.H. Horton Jr.
L.H. HORTON, JR., Superintendent/
President



APPROVED AS TO FORM
Date AUG 06 1990
Richard J. ...
Deputy City Attorney