

RESOLUTION NO. 5165

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD APPROVING THE FOLLOWING ACTIONS AND MAKING RELATED FINDINGS TO IMPLEMENT THE SUCCESSOR AGENCY TO THE FORMER SOLEDAD REDEVELOPMENT AGENCY'S APPROVED LONG RANGE PROPERTY MANAGEMENT PLAN: (1) EXECUTION OF A COMPENSATION AGREEMENT WITH AFFECTED TAXING ENTITIES PURSUANT TO HEALTH AND SAFETY CODE SECTION 34180(f); (2) CONVEYANCE OF REAL PROPERTY IN THE FORMER REDEVELOPMENT PLAN AREA TO THE CITY OF SOLEDAD FROM THE SUCCESSOR AGENCY TO THE FORMER SOLEDAD REDEVELOPMENT AGENCY

WHEREAS, pursuant to ABx1 26 enacted in June 2011 (as amended by AB 1484 enacted in June 2012, the "Dissolution Act"), the Redevelopment Agency of the City of Soledad (the "Dissolved RDA") was dissolved as of February 1, 2012, and the City of Soledad, acting in a separate limited capacity and known as the Successor Agency of the Redevelopment Agency of the City of Soledad, has elected to serve as the successor agency (the "Successor Agency") of the Dissolved RDA; and

WHEREAS, pursuant to Health and Safety Code Section 34173(g), as added by the Dissolution Act, the Successor Agency is a separate legal entity from the City of Soledad (the "City"); and

WHEREAS, the City Council (the "City Council") of the City serves in a separate capacity as the governing board of the Successor Agency; and

WHEREAS, the Successor Agency is charged with paying the enforceable obligations, disposing of the properties and other assets, and unwinding the affairs of the Dissolved RDA; and

WHEREAS, an oversight board for the Successor Agency (the "Oversight Board") has been formed and is functioning in accordance with Health and Safety Code Section 34179; and

WHEREAS, by Resolution No. SA-2013-07, dated November 6, 2013, the City Council adopted the Amended 2013 Long-Range Property Management Plan (Including Nestles/Los Coches Area (022-292-023 to 026; 022-292-029 to 032) for Future Development (Retail Property), which Redevelopment Plan was being implemented by the Dissolved RDA up until its dissolution; and

WHEREAS, the real property and specified other assets of the Dissolved RDA were transferred to the ownership and control of the Successor Agency as of February 1, 2012 pursuant to Health and Safety Code Section 34175(b), including the following four parcels of real property (collectively, the "Properties") within the Project Area and subject to the Redevelopment Plan:

1. An approximately 0.16-acre property generally located at Soledad Street; Assessor Parcel No. 022-026-017; and

2. An approximately 6.88-acre property generally located at Los Coches cul-de-sac; Assessor Parcel No. 022-291-010; and

3. An approximately 0.693-acre property generally located at Front Street; Assessor Parcel No. 022-211-017; and

4. An approximately 13.63-acre property generally located at Nestles/Los Coches; Assessor Parcel Nos. 022-292-023 to 026; 022-292-029 to 032; and

WHEREAS, the Properties were acquired by the Dissolved RDA for redevelopment with uses consistent with, and for projects identified in, the Redevelopment Plan; and

WHEREAS, on April 18, 2013, the Successor Agency received a "Finding of Completion" from the California Department of Finance (the "DOF") pursuant to Health and Safety Code Section 34179.7, confirming that the Successor Agency had made specified required payments under the Dissolution Act; and

WHEREAS, pursuant to Health and Safety Code Section 34191.5(b), the Successor Agency then prepared a Long-Range Property Management Plan dated July 03, 2013, as amended by an amendment dated November 06, 2013 (as so amended, the "LRPMP"), and the Successor Agency governing board approved the LRPMP by resolutions of July 09, 2013 (SA-OB-13-14) and November 20, 2013 (SA-OB-13-07); and

WHEREAS, the LRPMP was submitted by the Successor Agency to the Oversight Board and was approved by the Oversight Board by resolution of November 20, 2013; and

WHEREAS, the LRPMP was then submitted, as amended on November 20, 2013, to the DOF on March 13, 2014 and was approved by the DOF by letter of March 14, 2014; and

WHEREAS, the LRPMP provided for the Properties to be conveyed by the Successor Agency to the City for further redevelopment activities by the City consistent with the Redevelopment Plan and the LRPMP, such conveyance to the City shall occur upon satisfaction of the following condition (the "Conveyance Condition"):

1. The full execution of a compensation agreement (the "Compensation Agreement") between the City, and the affected taxing entities (as listed in the Compensation Agreement, the "Affected Taxing Entities") shall be required pursuant to Health and Safety Code Section 34180(f);

WHEREAS, pursuant to the foregoing condition, the City is charged with the duty to prepare the Compensation Agreement and present the Compensation Agreement to the City Council for approval in accordance with the LRPMP; and

WHEREAS, the proposed Oversight Board Actions were presented by the Successor Agency to the Oversight Board and were approved by the Oversight Board on April 06, 2014; and

WHEREAS, the City shall proceed to obtain execution of the Compensation Agreement by the Taxing Entities; and

WHEREAS, by its terms, the Redevelopment Plan has been automatically modified to retain its consistency with the City's General Plan as subsequently amended; and

WHEREAS, because the proposed disposition and use of the Properties called for in the LRPMP and this Resolution is consistent with the projects and programs under the Redevelopment Plan, which continues to conform with the City's General Plan as amended, the General Plan Conformance Finding may serve and has served as the finding required by Government Code Section 65402 in connection with this Resolution and the actions set forth in this Resolution.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the City Council hereby finds that the above Recitals are true and correct, and together with the Staff Report and other information provided by the City staff and the public, form the basis for the findings and actions set forth in this Resolution.

BE IT FURTHER RESOLVED, that the City Manager, or the City Manager's designee, is hereby authorized to file appropriate notice with respect to this Resolution and the actions set forth in this Resolution in accordance with the applicable provisions.

BE IT FURTHER RESOLVED, that the City Council hereby approves the Compensation Agreement a copy of which is attached hereto as Exhibit A and by this reference incorporated herein, and authorizes the Mayor to execute the Compensation Agreement on behalf of the City, substantially in the form on file with the City Clerk and the Successor Agency Clerk.

BE IT FURTHER RESOLVED, that the City Manager or Mayor, or the City Manager's designee, is authorized to implement the Compensation Agreement on behalf of the City, including taking any actions and executing any documents reasonably required to effectuate the purpose and intent of this Resolution and the Compensation Agreement.

BE IT FURTHER RESOLVED, that upon satisfaction of the Conveyance Condition, the City Manager or Mayor, or the City Manager's designee, acting on behalf of the City, is authorized to accept conveyance of the Properties from the Successor Agency by grant deeds and to take any action and execute any documents as may be necessary to implement the conveyance of the Properties from the Successor Agency to the City in accordance with the LRPMP, the Compensation Agreement and this Resolution.

BE IT FURTHER RESOLVED, that this Resolution constitutes the City Council's resolution of acceptance of the conveyance of the Properties to the City pursuant to Government Code Section 27281.

BE IT FURTHER RESOLVED, that this Resolution shall take immediate effect upon adoption.

ADOPTED April 6, 2016 by the City Council of the City of Soledad by the following vote:

AYES, and in favor thereof, Councilmembers: Christopher K. Bourke, Mayor Pro Tem Alejandro Chavez, Richard J. Perez, Patricia D. Stephens, and Mayor Fred J. Ledesma

NOES, Councilmembers: None

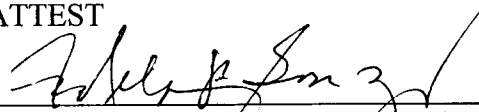
ABSTAIN, Councilmembers: None

ABSENT, Councilmembers: None



FRED J. LEDESMA, Mayor

ATTEST



ADELA P. GONZALEZ, City Clerk

AGREEMENT FOR TAXING ENTITY COMPENSATION

This Master Agreement for Taxing Entity Compensation (this “**Agreement**”), dated for reference purposes as of July 1, 2016, is entered into by and among the following public agencies (all of which are collectively referred to herein as the “**Parties**” and as the “**Taxing Entities**”):

- City of Soledad, a municipal corporation (“**City**”)
- Soledad Unified School District; (“**SUSD**”)
- Soledad Mission Rural Fire District; (“**SMRFD**”)
- Soledad Community Health Care District; (“**SCHCD**”)
- Soledad Cemetery District; (“**SCD**”)
- Soledad Mission Recreation District; (“**SMRD**”) and
- Hartnell Community College District; (“**HCCD**”)

RECITALS

A. Pursuant to Assembly Bill 26 from the 2011-12 First Extraordinary Session of the California Legislature (“**ABx1 26**”) and the California Supreme Court’s decision in *California Redevelopment Association v. Matosantos* (2011) 53 Cal.4th 231, effective February 1, 2012, the City of Soledad Redevelopment Agency (“**Redevelopment Agency**” or “**RDA**”) was dissolved, and pursuant to Health & Safety Code Section 34173 as amended by Assembly Bill 1484 (“**AB 1484**”), the City of Soledad Successor Agency became the successor-in-interest by operation of law to the Redevelopment Agency (the “**Successor Agency**”).

B. Pursuant to Health and Safety Code Section 34191.5, the Successor Agency prepared a Long-Range Property Management Plan (“**LRPMP**”) that addresses disposition of the real property formerly owned by the Redevelopment Agency.

C. On July 9, 2013 the LRPMP was approved by Resolution of the Oversight Board to the Successor Agency (the “**Oversight Board**”), a seven-member board established pursuant to Health and Safety Code Section 34179 that includes representatives appointed by the Taxing Entities, as specified.

D. On March 14, 2014, the State Department of Finance (“**DOF**”) approved the LRPMP.

E. This Agreement is negotiated and entered into by the Parties pursuant to the LRPMP as approved by the DOF. As such, this Agreement relates to the disposition and use of former RDA real property assets governed by the LRPMP and shall control the distribution to the Taxing Entities of proceeds received by the City for the disposition and use of the former RDA real property assets identified in this Agreement.

To the extent there may be a conflict between any provision of law and the terms and conditions of this Agreement, this Agreement shall control pursuant to Health and Safety Code section 34191.3.

NOW THEREFORE, the Parties agree as follows:

1. Purpose. This Agreement is executed with reference to the facts set forth in the foregoing Recitals, which are incorporated into this Agreement by this reference. The purpose of this Agreement is to address the allocation of certain prospective revenues among the taxing entities that share in the property tax base (“**Tax Base**”) for property located within the redevelopment project areas formerly administered by the Redevelopment Agency.

2. Special Districts and Funds. The governing boards of certain of the Taxing Entities administer certain special districts and funds that receive allocations of property taxes from the Tax Base. The governing board of the County is authorized to execute this Agreement on behalf of such special districts and funds governed and administered by the County and shall cause any Net Unrestricted Proceeds (as defined below) to be distributed to those special districts and funds, as applicable, including but not limited to the Monterey County ERAF fund(s), any Monterey County library fund(s), and Monterey County Water Resources Agency.

3. Parcels to be Conveyed to City for Future Development Consistent with LRPMP. The LRPMP provides that, pursuant to Health & Safety Code Section 34191.5(c)(2), certain parcels formerly owned by the Redevelopment Agency shall be transferred by the Successor Agency to the City for future development, which parcels are listed in Exhibit “A” attached hereto and incorporated by reference (collectively referred to herein as the “**Development Property**”).

4. Parcels May Be Conveyed to Public Agencies for Governmental Uses. The Parties agree that the LRPMP may provide, pursuant to Health & Safety Code Section 34191.5(c)(2), that certain parcels formerly owned by the Redevelopment Agency will be transferred by the Successor Agency to the City for continued governmental uses. No compensation will be paid to the City or to the Taxing Entities in connection with the transfers of these parcels for continued governmental uses, as approved by the DOF in the LRPMP.

5. Covenant to Distribute Specified Proceeds to Taxing Entities Upon Sale of Development Property. The City agrees that, consistent with the LRPMP approved by DOF, the City shall remit Net Unrestricted Proceeds to the Monterey County Auditor-Controller’s Office (“**Auditor-Controller**”) for distribution to the Taxing Entities. “**Net Unrestricted Proceeds**” shall mean the proceeds of sale received by the City for the sale of the Development Property, less: (i) costs incurred by City for expenses in connection with the management and disposition of the Development Property, including without limitation, costs incurred for property management, maintenance, insurance, marketing, appraisals, brokers’ fees, escrow, closing costs, survey, title insurance, attorneys’ and consultants’ fees, and other reasonable costs incurred, including reasonable compensation for City staff performing functions associated with the management, maintenance and disposition of the Development Property, and (ii) any proceeds of sale that are restricted by virtue of the source of funds (e.g. grant funds or the proceeds of bonds) that were used for the original acquisition of the Development Property.

6. Sale Procedures and Proceeds; Distribution to Taxing Entities. Upon the subsequent conveyance of the Development Property from the City to any private (non-public agency) third party, the City shall remit to the Auditor-Controller the Net Unrestricted Proceeds (if any) received by the City from the conveyance of the Development Property within 30 days after receipt by the City. The Auditor-Controller thereafter shall have the obligation to distribute to the

Taxing Entities in accordance with each Taxing Entity's pro rata share of the Tax Base, which Entity Percentage Allocation is listed in Exhibit "B," (pursuant to Health and Safety Code Section 34188 or other applicable law) the Net Unrestricted Proceeds remitted to the Auditor-Controller by the City pursuant to this Agreement.

The Parties acknowledge and agree that City is obligated to convey the Development Property consistent with the LRPMP and terms and conditions governing the disposition of the Development Property by and between the purchaser of the parcels that comprise the Development Property. The Parties further acknowledge and agree that, due to the encumbrances and restrictions attached to and running with the Development Property, the value of the Development Property (or any portion thereof) shall be the amount of money the City receives for the conveyance of the Development Property (or any portion thereof) at the time of that conveyance to a private nonpublic agency third party, and such value shall be used to determine the Net Unrestricted Proceeds to be remitted to the Auditor-Controller pursuant to this Agreement.

7. Reservation of Rights Re: Compensation Agreement. The Successor Agency interprets Health and Safety Code Sections 34191.3 and 34191.5 to mean that, once a long-range property management plan has been approved by DOF, it supersedes all other provisions of the statute relating to the disposition and use of the former redevelopment agency's real property, and agreements with taxing entities are not required in connection with the disposition of a successor agency's real property to the sponsoring city for governmental uses or for subsequent disposition for future development. Nevertheless, pursuant to DOF direction, the City enters into this Agreement with the Taxing Entities to address the disposition of Development Property pursuant to the LRPMP. If a court order, legislation, or DOF policy reverses the requirement issued by the DOF to enter into this Agreement, the Parties acknowledge that the City shall have no obligation to enter into this Agreement with the Taxing Entities, and in such event, the City shall be permitted to convey the Development Property even if this Agreement has not been executed by all Taxing Entities. Notwithstanding the foregoing, the City agrees that it shall comply with the LRPMP, as approved by DOF, and make a payment of Net Unrestricted Proceeds (if any) to the Taxing Entities pursuant to this Agreement.

8. Miscellaneous Provisions.

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 on the signature pages to this Agreement or to such other address as a Party may designate by written notice delivered to the other Parties in accordance with this Section. In addition to any other method of delivery agreed upon between respective Parties, all such notices shall be sent by:

(i) personal delivery, in which case notice is effective upon delivery; (ii) Electronic mail (e-mail) or facsimile, in which case notice shall be deemed delivered on the next business day after confirmation that the intended recipient received the notice via e-mail or facsimile; (iii) certified or registered mail, return receipt requested, in which case notice shall be deemed delivered on receipt if delivery is confirmed by a return receipt; or (iv) nationally recognized overnight

courier, with charges prepaid or charged to the sender's account, in which case notice is effective on delivery if delivery is confirmed by the delivery service.

8.2 Headings; Interpretation. The section headings and captions used herein are solely for convenience and shall not be used to interpret this Agreement. The Parties agree that this Agreement shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if all Parties had prepared it.

8.3 Action or Approval. Whenever action and/or approval by City is required under this Agreement, the City Manager or his or her designee may act on and/or approve such matter unless specifically provided otherwise, or unless the City Manager determines in his or her discretion that such action or approval requires referral to City Council for consideration.

8.4 Entire Agreement. This Agreement, including exhibits attached hereto and incorporated herein by this reference, contains the entire agreement among the Parties with respect to the subject matter hereof, and supersedes all prior written or oral agreements, understandings, representations or statements between the Parties with respect to the subject matter hereof.

8.5 Non-Waiver. No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the Party charged with or claimed to have waived any such provision.

8.6 Amendment. This Agreement may be amended or modified, in whole or in part, only in writing and only if signed by the Party or Parties to be bound by the amendment or modification.

8.7 Severability. If any term, provision, or condition of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect unless an essential purpose of this Agreement is defeated by such invalidity or unenforceability.

8.8 No Third Party Beneficiaries. Except as expressly set forth herein, nothing contained in this Agreement is intended to or shall be deemed to confer upon any person, other than the Parties and their respective successors and assigns, any rights or remedies hereunder.

8.9 Parties Not Co-Venturers; Independent Contractor; No Agency Relationship. Nothing in this Agreement is intended to or shall establish the Parties as partners, co-venturers, or principal and agent with one another. The relationship of the Parties shall not be construed as a joint venture, equity venture, partnership or any other relationship.

8.10 Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws. Any action to enforce or interpret this Agreement shall be filed and heard in the Superior Court of Monterey County, California.

EXHIBIT "A"

DEVELOPMENT PROPERTY

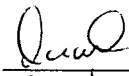
Assessor's Parcel Nos.:

- 022-026-017
- 022-291-010
- 022-211-017
- 022-292-023 to 026; 022-292-029 to 032

8.11 Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which taken together shall constitute one instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto having additional signature pages executed by the other Parties. Any executed counterpart of this Agreement may be delivered to the other Parties by e-mail attachment or facsimile and shall be deemed as binding as if an originally signed counterpart was delivered.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their authorized representatives as indicated below.

CITY OF SOLEDAD, a California Municipal Corporation

By: 
Name: Michael McHatten
Title: City Manager

Attest:


City Clerk

Approved as to form:

City Attorney

Address for Notices:

To City Hall: City of Soledad
 248 Main Street
 Soledad, CA 93960
 Attention: City Manager

SIGNATURES CONTINUE ON FOLLOWING PAGES.

The undersigned authorized signatory hereby executes this Agreement on behalf of each of the entities and funds:

Monterey County Office of Education, a _____


Tax Portion

_____ (Fund # _____)
_____ (Fund # _____)

Facilities Portion

_____ (Fund # _____)
_____ (Fund # _____)

By: 
Name: Ron Panziera
Title: Board President

Attest by: 
Dr. Nancy Kotowski, County Superintendent

Approved as to form:

Address for Notices:

Monterey County Office of Education

SIGNATURES CONTINUE ON FOLLOWING PAGES.

The undersigned authorized signatory hereby executes this Agreement on behalf of each of the entities and funds:



Soledad Unified School District, a _____

Tax Portion

_____ (Fund # _____)
_____ (Fund # _____)

Facilities Portion

_____ (Fund # _____)
_____ (Fund # _____)

By: *Fernando Cubias*
Name: Fernando Cubias
Title: Director of Fiscal Services

Attest by: *Jorge Z. Guzman*
Jorge Z. Guzman

Approved as to form: *Interim Superintendent*

Address for Notices:

Soledad Unified School District

SIGNATURES CONTINUE ON FOLLOWING PAGES.

The undersigned authorized signatory hereby executes this Agreement on behalf of each of the entities and funds:

Soledad Mission Rural Fire District, a California Special District

_____ SMRFD (Fund # _____)

By: [Signature]
Name: JOHN KESSEKOV
Title: President

Attest by: [Signature]
Timi Hendley Board Member

Approved as to form:

Address for Notices:

Soledad Mission Rural Fire District

SIGNATURES CONTINUE ON FOLLOWING PAGES.

The undersigned authorized signatory hereby executes this Agreement on behalf of each of the entities and funds:

Soledad Community Health Care District, a _____

_____ SCHCD (Fund # _____)

By: Jack Franscioni
Name: JACK FRANScioni
Title: PRESIDENT

Attest by: Steven Pritt
STEVEN PRITT DISTRICT CEO-

Approved as to form:

Address for Notices:

Soledad Community Health Care District

SIGNATURES CONTINUE ON FOLLOWING PAGES.

The undersigned authorized signatory hereby executes this Agreement on behalf of each of the entities and funds:

Soledad Cemetery District, a _____

_____ SCD (Fund # _____)

By: DOW KENT BROOKS
Name: Dow Kent Brooks
Title: PRESIDENT SOLEDAD CEMETERY BOARD

Attest by: Ben Caldera
 BOARD MEMBER

Approved as to form:

Address for Notices:
Soledad Cemetery District

SIGNATURES CONTINUE ON FOLLOWING PAGES.

The undersigned authorized signatory hereby executes this Agreement on behalf of each of the entities and funds:

Soledad Mission Recreation District, a SPECIAL DISTRICT of Monterey

County SMRD (Fund #6669)

By: Francis Bengtson
Name: FRANCIS BENGTSON
Title: EXECUTIVE DIRECTOR

Attest by: [Signature] Rec Staff.

Approved as to form:

Address for Notices:

Soledad Mission Recreation District

SIGNATURES CONTINUE ON FOLLOWING PAGES.

The undersigned authorized signatory hereby executes this Agreement on behalf of each of the entities and funds:

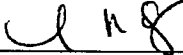
Hartnell Community College, a body politic and corporate

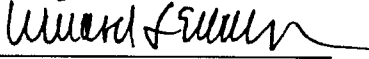
Tax Portion:

_____ (Fund # _____)
_____ (Fund # _____)

Facilities Portion

_____ (Fund # _____)
_____ (Fund # _____)

By: 
Name: Erica Padilla-Chavez
Title: Board President

Attest by: 
Willard Lewallen, Superintendent/President
Secretary, Governing Board

Approved as to form:

Address for Notices:

Hartnell Community College
Attention: Vice President of Administrative Services
411 Central Avenue
Salinas, CA 93901

SIGNATURES CONTINUE ON FOLLOWING PAGES.

AGREEMENT FOR TAXING ENTITY COMPENSATION

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This Agreement for Taxing Entity Compensation (this “**Agreement**”), dated for reference purposes as of December 6, 2016, is entered into by the City of Soledad, a municipal corporation (“**City**”) and the County of Monterey, on behalf of Monterey County Free Libraries (the MCFL), created by the County Free Library Law of 1911, California Education Code sections 19100 et seq., and on behalf of Monterey County, a political subdivision of the State of California (collectively referred to herein as the “**Parties**”):

RECITALS

A. Pursuant to Assembly Bill 26 from the 2011-12 First Extraordinary Session of the California Legislature (“**ABx1 26**”) and the California Supreme Court’s decision in *California Redevelopment Association v. Matosantos* (2011) 53 Cal.4th 231, effective February 1, 2012, the City of Soledad Redevelopment Agency (“**Redevelopment Agency**” or “**RDA**”) was dissolved, and pursuant to Health & Safety Code Section 34173, as amended by Assembly Bill 1484 (“**AB 1484**”), the City of Soledad Successor Agency became the successor-in-interest by operation of law to the Redevelopment Agency (the “**Successor Agency**”).

B. Pursuant to Health and Safety Code Section 34191.5, the Successor Agency prepared a Long-Range Property Management Plan (“**LRPMP**”) that addresses disposition of the real property formerly owned by the Redevelopment Agency, which was approved on July 9, 2013 by Resolution of the Oversight Board to the Successor Agency (the “**Oversight Board**”), and approved on March 14, 2014, by the State Department of Finance (“**DOF**”).

C. This Agreement is negotiated and entered into by the Parties pursuant to the LRPMP as approved by the DOF. This Agreement relates to the disposition and use of former RDA real property assets governed by the LRPMP and shall control the distribution to Monterey County, on behalf of the MCFL and separately on behalf of the County, as “taxing entities,” of the pro rata share of proceeds received by the City for the disposition and use of the former RDA real property assets identified in this Agreement. To the extent there may be a conflict between any provision of law and the terms and conditions of this Agreement, this Agreement shall control pursuant to Health and Safety Code section 34191.3.

NOW THEREFORE, the Parties agree as follows:

1. Purpose. This Agreement is executed with reference to the facts set forth in the foregoing Recitals, which are incorporated into this Agreement by this reference. The purpose of this Agreement is to address the allocation of the County’s pro rata share, on behalf of the MCFL and separately on behalf of Monterey County, of certain prospective revenues among the taxing entities that share in the property tax base (“**Tax Base**”) for property specifically identified in this Agreement, which is located within the redevelopment project areas formerly administered by the Redevelopment Agency.

2. County Funds, on behalf of the MCFL and on behalf of Monterey County. Pursuant to Education Code section 19160, the MCFL is under the general supervision and legislative

direction of the Monterey County Board of Supervisors and receives a share of property taxes collected from the MCFL service area. The Monterey County Board of Supervisors is authorized to execute this Agreement, on behalf of the MCFL, and to oversee funds governed and administered by the MCFL; the Monterey County Board of Supervisors shall cause the appropriate Net Unrestricted Proceeds (as defined below) to be distributed to the MCFL.

The Monterey County Board of Supervisors is further authorized to execute this Agreement, on behalf of the County as a whole, a political subdivision of the State of California. The Monterey County Board of Supervisors shall cause the appropriate Net Unrestricted Proceeds (as defined below) to be distributed to Monterey County.

3. Parcels to be Conveyed to City for Future Development Consistent with LRPMP. The LRPMP provides that, pursuant to Health & Safety Code Section 34191.5(c)(2), certain parcels formerly owned by the Redevelopment Agency (Site Number 6 of the LRPMP) shall be transferred by the Successor Agency to the City for future development, which parcels are listed in Exhibit "A" attached hereto and incorporated by reference (collectively referred to herein as the "Development Property").

4. Covenant to Distribute Specified Proceeds to Taxing Entities Upon Sale of Development Property. The City agrees that, consistent with the LRPMP approved by DOF, the City shall remit Net Unrestricted Proceeds to the Monterey County Auditor-Controller's Office ("Auditor-Controller") for distribution to all Taxing Entities, including the MCFL and including Monterey County separately. "Net Unrestricted Proceeds" shall mean the proceeds of sale received by the City for the sale of the Development Property, less: (i) reasonable costs incurred by City for expenses in connection with the management and disposition of the Development Property, including costs incurred for property management, maintenance, insurance, appraisals, brokers' fees, escrow, closing costs, survey, title insurance, attorneys' fees, and reasonable compensation for City staff performing functions associated with the management, maintenance and disposition of the Development Property, and (ii) any proceeds of sale that are restricted by virtue of the source of funds (e.g. grant funds or the proceeds of bonds) that were used for the original acquisition of the Development Property.

5. Sale Procedures and Proceeds; Distribution to Taxing Entities. Upon the subsequent conveyance of the Development Property from the City to any private (non-public agency) third party, the City shall remit to the Monterey County Auditor-Controller the Net Unrestricted Proceeds (if any) received by the City from the conveyance of the Development Property within 30 days after receipt by the City. The Monterey County Auditor-Controller thereafter shall have the obligation to distribute to the Taxing Entities, including the MCFL and Monterey County separately, in accordance with each Taxing Entity's pro rata share of the Tax Base based upon the property tax allocation laws in effect on the date of distribution (pursuant to Health and Safety Code Section 34188 or other applicable law) the Net Unrestricted Proceeds remitted to the Auditor-Controller by the City pursuant to this Agreement. A Taxing Entity Percentage Allocation is listed in Exhibit "B" purely for illustrative purposes.

The Parties acknowledge and agree that City is obligated to convey the Development Property consistent with the LRPMP and terms and conditions governing the disposition of the Development Property by and between the purchaser of the parcels that comprise the

Development Property. The Parties further acknowledge and agree that, due to the encumbrances and restrictions attached to and running with the Development Property, the value of the Development Property (or any portion thereof) shall be the amount of money the City receives for the conveyance of the Development Property (or any portion thereof) at the time of that conveyance to a private nonpublic agency third party, and such value shall be used to determine the Net Unrestricted Proceeds to be remitted to the Monterey County Auditor-Controller pursuant to this Agreement, in accordance with each Taxing Entities' pro rata share of the Tax Base based upon the property tax allocation laws in effect on the date of distribution (pursuant to Health and Safety Code Section 34188 or other applicable law).

6. Accounting Requirements. At the time of distribution pursuant to section 5, the City shall provide the County, on behalf of the MCFL and on behalf of the County separately, and the Monterey County Auditor-Controller a statement prepared in accordance with sound accounting practice that provides the City's calculation of the Disposition Proceeds (Disposition Proceeds Statement"). The City shall keep complete, accurate and appropriate books and records of its calculation of the Disposition Proceeds. The Monterey County Auditor-Controller shall have the right, on behalf of the MCFL and on behalf of Monterey County separately, and upon reasonable written notice to City, to audit and examine such books, records and documents and other relevant items in the possession of City, but only to the extent necessary for a proper determination of Disposition Proceeds.

7. Reservation of Rights Re: Compensation Agreement. The Successor Agency interprets Health and Safety Code Sections 34191.3 and 34191.5 to mean that, once a long-range property management plan has been approved by DOF, it supersedes all other provisions of the statute relating to the disposition and use of the former redevelopment agency's real property, and agreements with taxing entities are not required in connection with the disposition of a successor agency's real property to the sponsoring city for governmental uses or for subsequent disposition for future development. Nevertheless, pursuant to DOF direction, the City has entered into this Agreement with the County, on behalf of the MCFL and on behalf of Monterey County separately, to address the disposition of Development Property pursuant to the LRPMP. If a court order, legislation, or DOF policy reverses the requirement issued by the DOF to enter into this Agreement, the Parties acknowledge that the City shall have no obligation to enter into this Agreement with the County, on behalf of the MCFL and on behalf of Monterey County separately, and in such event, the City shall be permitted to convey the Development Property even if this Agreement has not been executed by the Parties. Notwithstanding the foregoing, the City agrees that it shall comply with the LRPMP, as approved by DOF, and make a payment of the pro rata share of Net Unrestricted Proceeds (if any) to the County, on behalf of the MCFL and on behalf of Monterey County separately, pursuant to this Agreement.

8. Miscellaneous Provisions.

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 in the signature blocks for each Party to this Agreement or to such other address as a Party may designate by written notice delivered to the other Party in accordance

with this Section. In addition to any other method of delivery agreed upon between respective Parties, all such notices shall be sent by:

(i) personal delivery, in which case notice is effective upon delivery; (ii) Electronic mail (e-mail) or facsimile, in which case notice shall be deemed delivered on the next business day after confirmation that the intended recipient received the notice via e-mail or facsimile; (iii) certified or registered mail, return receipt requested, in which case notice shall be deemed delivered on receipt if delivery is confirmed by a return receipt; or (iv) nationally recognized overnight courier, with charges prepaid or charged to the sender's account, in which case notice is effective on delivery if delivery is confirmed by the delivery service.

8.2 Headings; Interpretation. The section headings and captions used herein are solely for convenience and shall not be used to interpret this Agreement. The Parties agree that this Agreement shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if all Parties had prepared it.

8.3 Action or Approval. Whenever action and/or approval by City is required under this Agreement, the City Manager or his or her designee may act on and/or approve such matter unless specifically provided otherwise, or unless the City Manager determines in his or her discretion that such action or approval requires referral to City Council for consideration.

8.4 Entire Agreement. This Agreement, including exhibits attached hereto and incorporated herein by this reference, contains the entire agreement among the Parties with respect to the subject matter hereof, and supersedes all prior written or oral agreements, understandings, representations or statements between the Parties with respect to the subject matter hereof.

8.5 Non-Waiver. No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the Party charged with or claimed to have waived any such provision.

8.6 Amendment. This Agreement may be amended or modified, in whole or in part, only in writing and only if signed by the Party or Parties to be bound by the amendment or modification.

8.7 Severability. If any term, provision, or condition of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect unless an essential purpose of this Agreement is defeated by such invalidity or unenforceability.

8.8 No Third Party Beneficiaries. Except as expressly set forth herein, nothing contained in this Agreement is intended to or shall be deemed to confer upon any person, other than the Parties and their respective successors and assigns, any rights or remedies hereunder.

8.9 Parties Not Co-Venturers; Independent Contractor; No Agency Relationship. Nothing in this Agreement is intended to or shall establish the Parties as partners, co-venturers, or

principal and agent with one another. The relationship of the Parties shall not be construed as a joint venture, equity venture, partnership or any other relationship.

8.10 Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws. Any action to enforce or interpret this Agreement shall be filed and heard in the Superior Court of Monterey County, California.

8.11 Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which taken together shall constitute one instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto having additional signature pages executed by the other Parties. Any executed counterpart of this Agreement may be delivered to the other Party by e-mail attachment or facsimile and shall be deemed as binding as if an originally signed counterpart was delivered.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their authorized representatives as indicated below.

CITY OF SOLEDAD, a California Municipal Corporation

By: Donald T Wilcox
Name: Donald T Wilcox
Title: Interim City Manager

Attest:

DT Wilcox
City Clerk, Interim

Approved as to form:
[Signature]
City Attorney

Address for Notices:

To City Hall: City of Soledad
248 Main Street
Soledad, CA 93960
Attention: City Manager

BOARD OF SUPERVISORS

On behalf of the MONTEREY COUNTY FREE LIBRARIES and

On behalf of MONTEREY COUNTY

By:

Name:

Title:



Jane Parker

Chair, Board of Supervisors

Approved as to form:

CHARLES J. McKEE
COUNTY COUNSEL

By:

Deputy County Counsel



Jan 23, 2017

Address for Notices:

Jayanti Addleman, County Librarian
Monterey County Free Libraries
Administrative Offices
188 Seaside Circle
Marina, California 93933

EXHIBIT "A"

DEVELOPMENT PROPERTY

County Assessor's Parcel Nos.:

- 022-292-023 to 026; 022-292-029 to 032

EXHIBIT "B"

**TAXING ENTITY TAX PERCENTAGE ALLOCATION
(For illustrative purposes)**

COUNTY GENERAL	0.116204
COUNTY LIBRARY	0.016249
CITY OF SOLEDAD	0.137924
MCWRA	0.000907
MCWRA ZONE 8	0.001927
FIRE MISSION-SOLEDAD RURAL DIST	0.000153
SOLEDAD CEMETERY DIST	0.003767
SOLEDAD-MISSION RECREATION DIST	0.016915
SOLEDAD COMM HEALTH DIST	0.014543
MCWRA ZONE 2	0.003634
MCWRA ZONE 2A	0.001322
MCOE	0.025341
SOLEDAD UNIFIED SCH DIST	0.417136
HARTNELL COLLEGE	0.075803
ERAF	0.168175

EXHIBIT "B"

TAXING ENTITY TAX PERCENTAGE ALLOCATION

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