

AGREEMENT REGARDING REIMBURSEMENTS FROM FORMER COMMUNITY
REINVESTMENT AGENCY
(City Advance for Project Area Formation)

This Agreement Regarding Reimbursements From Former Community Reinvestment Agency ("Agreement") is entered into this ____ day of _____ 2012 by and between the City of Albany, a California municipal corporation ("City") and the Successor Agency to the former Albany Community Reinvestment Agency ("Successor Agency").

WHEREAS, the City made certain advances of City General Fund money to the Albany Community Reinvestment Agency ("Redevelopment Agency") including advances related to the costs associated with the adoption of the Albany Community Reinvestment Plan, as more particularly set forth in Exhibit A attached hereto ("City Advances"). The City made the City Advances with the full expectation of receiving full reimbursement for the City Advances from the Redevelopment Agency from available tax increment funds.

WHEREAS, on February 1, 2012, pursuant to AB1x 26 (the "Dissolution Act") the Redevelopment Agency, along with all redevelopment agencies in the State of California, was dissolved, and all assets and obligations of the Redevelopment Agency were transferred by operation of law to the Successor Agency.

WHEREAS, the Dissolution Act creates an oversight board for each redevelopment agency to oversee the wind down of the Redevelopment Agency ("Oversight Board").

WHEREAS, the Dissolution Act requires that the Successor Agency prepare and the Oversight Board approve a Recognized Obligation Payment Schedule setting forth all Enforceable Obligations (as defined in the Dissolution Act) of the Redevelopment Agency. The Dissolution Act generally provides that agreements between the Redevelopment Agency and the City are not Enforceable Obligations but authorizes the Successor Agency and the City, with Oversight Board approval, to enter or to reenter into such agreements.

WHEREAS, the Successor Agency and the City are entering into this Agreement contingent upon the Oversight board approving the Agreement.

WHEREAS, the City and the Successor Agency have determined that entering into the Agreement is in the best interests of the City and the Successor Agency.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. The Successor Agency hereby agrees to repay the City Advances to the City in accordance with the payment schedule attached as part of Exhibit A, which payment schedule is in accordance with the ROPS approved by the Oversight Board. Any repayments of the City Advances shall be free of interest and all such repayments shall be credited toward the amount then owed and shall continue until such time as the full amount of the City Advance is repaid to the City. The City and the Successor Agency agree that notwithstanding the repayment schedule

set forth in Exhibit A, in the event that the Oversight Board approves a different repayment schedule as part of its approval of a subsequent ROPS, this Agreement shall be deemed automatically amended to reflect the repayment schedule approved by the Oversight Board. .

2. In executing this Agreement and reentering into the Loan Agreement, the City is acting in its capacity as a municipal corporation, while the Successor Agency is acting in its capacity as the successor to the former Reinvestment Agency; and both the City and the Successor Agency are acting pursuant to the specific authority granted by the Oversight Board and by Health & Safety Code Sections 34178(a) and 34180(h) authorizing agreements between the City and the Successor Agency. In consequence, the parties to this Agreement and the Loan Agreement are not merged.

3. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

4. This Agreement shall take effect only after the Oversight Board has approved the Successor Agency entering into this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereof as of the date first written above.

**CITY OF ALBANY, CALIFORNIA,
a California municipal corporation**

APPROVED AS TO FORM:

.City Attorney

BETH POLLARD
City Manager

ATTEST:

,City Clerk

“CITY”

**SUCCESSOR AGENCY TO THE FORMER ALBANY COMMUNITY
REDEVELOPMENT AGENCY**

APPROVED AS TO FORM:

,Legal Counsel

BETH POLLARD
Executive Director

ATTEST:

,Secretary

EXHIBIT A
CITY ADVANCE AND REPAYMENT SCHEDULE