RESOLUTION NO. – ACRA2011-3 (revised)

A RESOLUTION OF THE ALBANY COMMUNITY REINVESTMENT AGENCY
AUTHORIZING THE BORROWING OF MONIES FROM THE CITY OF
ALBANY IN AN AMOUNT NOT TO EXCEED $850,000 AND THE
EXECUTION OF AN AGREEMENT TO REPAY SUCH LOAN

WHEREAS, the Albany Community Reinvestment Agency (the "Agency") is a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of Part 1 of Division 24 of the Health and Safety Code of the State of California (the "Redevelopment Law"), and has the power under Section 33601 of the Redevelopment Law to borrow money for any of its corporate purposes; and

WHEREAS, a redevelopment plan for the Albany Reinvestment Redevelopment Project Area (the "Redevelopment Project"), in the City of Albany, has been adopted in compliance with all requirements of the Redevelopment Law; and

WHEREAS, the Agency and the City of Albany have previously entered into that certain Public Improvement Grant and Cooperation Agreement dated January 17, 2011, whereby the Agency agreed to fund the costs associated with acquisition of certain property located within the Redevelopment Project Area (the "Property") and the installation of public improvements thereon and the City agreed to acquire the Property and design and install the public improvements and facilities installed on the Property; and

WHEREAS, in accordance with the terms of the Public Improvement Grant and Cooperation Agreement, the City has entered into a Purchase Agreement with Caltrans to acquire the Property for a purchase price of One Million Nine Hundred Thousand Dollars ($1,900,000) and the Agency has provided the City with One Million Fifty Thousand Dollars ($1,050,000) of the required purchase price; and

WHEREAS, the Agency has requested the City to make a loan (the "Loan") to the Agency hereunder for the purpose of providing the remaining funds necessary to acquire the Property under the terms of the purchase agreement with Caltrans and to fulfill the Agency's obligations under the Public Improvement Grant and Cooperation Agreement. The Property will be redeveloped consistent with the Albany Reinvestment Redevelopment Plan's goals and objectives, and the Agency hereby finds and determines that there will be significant public benefits accruing from such borrowing, consisting of demonstrable savings in effective interest rates and financing costs associated with the borrowing described herein; and

WHEREAS, the Agency and the City have determined that acquisition of the Property and construction of improvements thereon will be of benefit to the City, the Agency and the surrounding area by providing needed recreational facilities including a bicycle path connector to the Ohlone Greenway and the Bay Trail and will promote increased employment by creating construction jobs related to the installation of the public facilities as well as the providing the catalyst for private development in the Project Area; and
WHEREAS, the Agency and the City have agreed upon the terms for the loan of such funds as set forth in the Loan Agreement; and

WHEREAS, it is the understanding of the Agency Board that such a loan would be repaid out of tax increment funds pursuant to the terms of a Loan Agreement (the “Loan Agreement”) between the City and the Agency, a copy of which is available and on file in the City Clerk’s office and is incorporated herein by reference and made a part hereof; and

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Agency hereby accepts the loan from the City in an amount up to Eight Hundred Fifty Thousand Dollars ($850,000) pursuant to the terms and conditions set forth in the Loan Agreement, and agrees to repay the loan with interest out of tax increment funds from the Project Area as set forth in the Loan Agreement.

BE IT FURTHER RESOLVED AND ORDERED, that the Agency hereby authorizes the Chairperson, or in his/her absence, the Vice-Chairperson of the Agency to execute the Loan Agreement on behalf of the Agency.

The Agency Secretary shall certify the passage and adoption of this Resolution and enter it into the book or original resolutions.

PASSED AND ADOPTED by the Albany Community Reinvestment Agency Board of Directors, in Albany, California, this 30th day of June, 2011 by the following vote, to wit:

AYES: Board Members: Atkinson, Leibew, Hile
NOES: Board Members: Shomoei, Javandel (recued)
ABSTAIN: Board Members: 
ABSENT: Board Members: 

Chairperson

ATTEST:

Secretary