

FUNDING AGREEMENT NO. A-\_\_\_\_\_

Between  
THE REDEVELOPMENT AGENCY OF THE COUNTY OF MONTEREY  
AND  
THE COUNTY OF MONTEREY

Madison Lane Street and Storm Drain Improvement Project

THIS AGREEMENT, entered into this 15<sup>th</sup> day of February, 2011, by and between the County of Monterey, hereinafter called "County" and the Redevelopment Agency of the County of Monterey, hereinafter called "Agency", is made with reference to the following facts and circumstances:

RECITALS

WHEREAS, on November 22, 1988, by Ordinance No. 3358, the County adopted the Boronda Redevelopment Plan ("Plan") and conferred upon the Agency the authority and obligation to implement the Plan and alleviate blight within the Boronda Redevelopment Project Area ("Project Area"); and

WHEREAS, Madison Lane is a two-lane County road approximately 2,000 feet in length serving an industrial area in the community of Boronda and located within the Project Area; and

WHEREAS, the condition of the pavement and storm drainage system for Madison Lane has long been in a state of dilapidation and disrepair; and

WHEREAS, the County adopted a Storm Drain Master Plan for the Boronda community in 2006; and

WHEREAS, the County has never had sufficient available funds to implement properly-engineered storm drainage and pavement improvements on this street; and

WHEREAS, the Agency is authorized by the Community Redevelopment Law, Health and Safety Code §33000, et seq., to undertake certain actions, including the installation of public improvements, in order to alleviate blight and revitalize the Project Area; and

WHEREAS, there are no other means of financing the design and construction of the street and storm drain improvements on Madison Lane contemplated in the 2006 Storm Drain Master Plan; no County General or Road Funds are available for the project at this time, or contemplated to be available for the project in the foreseeable future; and

WHEREAS, the property and business owners of properties served by Madison Lane have informally expressed interest in participating in financing a portion of the costs related to the design and construction of such improvements; and

WHEREAS, the Boronda Redevelopment Project Implementation Plan recommended that the Redevelopment Agency participate in funding the design and construction of new street and storm drain improvements for the Boronda Community, including Madison Lane; and

WHEREAS, design and construction of new street and storm drain improvements on Madison Lane will provide significant benefit the Boronda Redevelopment Project Area by eliminating local flooding, facilitating industrial and heavy commercial development, and providing transportation safety; and

WHEREAS, the payment of Agency funds for the project will help eliminate blighting conditions in the community by providing community infrastructure and decreasing localized flooding; and

WHEREAS, the project conforms with the Five-Year Implementation Plan for the Boronda Project Area adopted by the Board of Directors on May 18, 2010.

NOW, THEREFORE, the County of Monterey and the Redevelopment Agency of the County of Monterey hereby agree as follows:

1. The Redevelopment Agency shall advance the costs for and obtain all required environmental clearances, utility relocations, and permits (including any required Encroachment Permit from the County Public Works Department), and shall implement the design, bidding, and construction of street and storm drain improvements on Madison Lane.

2. The Agency shall advance the necessary funding, currently estimated not to exceed Three Million Dollars (\$3,000,000), to implement the permitting, design, and construction of street and storm drain improvements on Madison Lane as outlined in the project budget attached hereto as Exhibit A and incorporated herein by reference, provided, however, that the Agency may reduce said sum and renegotiate this agreement subject to the availability of tax increment funds.

3. Upon satisfactory completion of the improvements, the County shall acquire the improvements from the Agency at the price of One Million Five Hundred Thousand Dollars (\$1,500,000) and vest the County Department of Public Works with the responsibility for operation and maintenance of the completed improvements. The Agency shall undertake the construction and installation of these improvements in a manner that allows the acceptance of the improvements into the County system.

4. The County shall use its best efforts to establish an assessment district as expeditiously as possible, under applicable law, in order to finance the acquisition of the improvements constructed by the Agency pursuant to this Agreement upon completion. The County Redevelopment and Housing Office will implement the necessary processes and recommendations to the Board of Supervisors form an appropriate Assessment District to finance

the acquisition price of the improvements. Should the Assessment District fail to be created, the County and Agency shall meet and confer to negotiate alternative terms for acquisition of the improvements, including price.

5. This agreement shall be effective beginning February 15, 2011, and shall continue thereafter until acquisition of and payment for the improvements contemplated herein has been accomplished.

6. This agreement may be amended only by an instrument in writing approved and executed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto executed this agreement as of the date set forth below.

REDEVELOPMENT AGENCY OF THE  
COUNTY OF MONTEREY

MONTEREY COUNTY

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form:  
AGENCY COUNSEL

Approved as to form:  
COUNTY COUNSEL

By: Kay Beiman  
DEPUTY

By: Kay Beiman  
DEPUTY

Date: 1/26/11

Date: 1/26/11

EXHIBIT A

PRELIMINARY PROJECT BUDGET  
Madison Lane Street and Storm Drain Improvement Project  
Community of Boronda

Staff Costs	\$ 42,850
Financing – Assessment District Financial Advisor	\$ 41,250
Design Phase	
Engineering Consultant	\$ 360,000
Environmental Consultant	30,000
Permits	-0-
Right-of-Way	6,400
Utility Relocation	-0-
Construction Phase	
Construction Management	\$ 240,000
Materials Testing	33,500
Staking	25,000
Design Services during Constr	21,000
Construction Contract	<u>2,200,000</u>
<b>TOTAL PROJECT BUDGET</b>	<b>\$3,000,000</b>